



**Société d'Exploration Minière Vior inc.**  
Condensed Interim Consolidated Financial Statements

Six months ended December 31, 2019

*The attached financial statements have been prepared by Management of Société d'Exploration Minière Vior Inc. and have not been reviewed by the auditors*

# Société d'Exploration Minière Vior inc.

## Consolidated Statements of Financial Position (in Canadian dollars)

	Notes	As at December 31 2019 \$	As at June 30 2019 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		1,143,760	1,638,404
Tax credits and mining rights receivable		100,463	99,402
Sales tax receivable		-	1,647
Accounts receivable		118,746	153,139
Prepaid expenses		22,772	18,615
<b>Total current assets</b>		<b>1,385,741</b>	<b>1,911,207</b>
<b>Non-current assets</b>			
Listed shares and other investments	4	665,600	210,600
Mining properties	5	1,503,068	1,494,292
Property, plant and equipment, at cost less accumulated depreciation of \$15,206 as at June 30, 2019	6	-	12,007
<b>Total non-current assets</b>		<b>2,168,668</b>	<b>1,716,899</b>
<b>Total assets</b>		<b>3,554,409</b>	<b>3,628,106</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities		123,161	219,218
<b>Total liabilities</b>		<b>123,161</b>	<b>219,218</b>
<b>Equity</b>			
Share capital		31,631,819	31,631,819
Warrants		193,394	141,533
Stock options		308,277	295,977
Contributed surplus		1,845,539	1,845,539
Deficit		(30,547,781)	(30,505,980)
<b>Total equity</b>		<b>3,431,248</b>	<b>3,408,888</b>
<b>Total liabilities and equity</b>		<b>3,554,409</b>	<b>3,628,106</b>

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

# Société d'Exploration Minière Vior inc.

## Consolidated Statements of Loss (in Canadian dollars)

	Notes	Three months ended December 31		Six months ended December 31	
		2019 \$	2018 \$	2019 \$	2018 \$
<b>Revenues</b>					
Interest		5,189	9,855	10,014	19,259
Fees charged to partners		90,489	40,936	154,707	70,499
		95,678	50,791	164,721	89,758
<b>Expenses</b>					
Salaries and fringe benefits		43,009	72,162	83,072	156,404
Professional fees		63,501	124,262	102,917	128,040
Regulatory fees		16,679	11,991	19,419	14,720
Rent and office expenses		21,243	13,458	41,418	30,721
Investor relation and visibility		3,670	-	22,438	-
Share-based compensation	8	-	-	12,300	-
Travelling		5,413	8,569	11,473	15,077
Search for mining properties		-	45,646	7,117	78,467
Depreciation of property plant and equipment		810	1,215	2,025	2,430
Impaired property, plant and equipment		9,982	-	9,982	-
Cost of mining properties abandoned, impaired or written off		-	1,912	-	1,912
		164,307	279,215	312,161	427,771
<b>Other gains (losses)</b>					
Change in fair value – listed shares and other investments	4	167,500	26	157,500	(4,011)
<b>Net earnings (loss)</b>		98,871	(228,398)	10,060	(342,024)
Weighted average number of common shares outstanding					
		44,259,267	44,259,267	44,259,267	44,259,267
Basic and diluted net loss per share		-	(0.01)	-	(0.01)

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

# Société d'Exploration Minière Vior inc.

Consolidated Statements of Changes in Equity  
(in Canadian dollars)

	Number of shares outstanding	Share capital	Warrants	Stock options	Contributed surplus	Deficit	Total
		\$	\$	\$	\$	\$	\$
<b>Balance at July 1, 2019</b>	44,259,267	31,631,819	141,533	295,977	1,845,539	(30,505,980)	3,408,888
Net loss	-	-	-	-	-	10,060	10,060
Warrants extended (note 7)	-	-	51,861	-	-	(51,861)	-
Stock options granted (note 8)	-	-	-	12,300	-	-	12,300
<b>Balance at December 31, 2019</b>	44,259,267	31,631,819	193,394	308,277	1,845,539	(30,547,781)	3,431,248

	Number of shares outstanding	Share capital	Warrants	Stock options	Contributed surplus	Deficit	Accumu- lated other comprehend -sive income	Total
		\$	\$	\$	\$	\$	\$	\$
<b>Balance at July 1, 2018</b>	44,259,267	31,631,819	166,429	318,045	1,756,992	(29,796,921)	19,620	4,095,984
Adjustment on initial application of IFRS 9	-	-	-	-	-	19,620	(19,620)	-
	-	31,631,819	166,429	318,045	1,756,992	(29,777,301)	-	4,095,984
Net loss and comprehensive loss	-	-	-	-	-	(342,024)	-	(324,024)
Warrants expired	-	-	(24,896)	-	24,896	-	-	-
Stock options expired	-	-	-	(45,201)	45,201	-	-	-
<b>Balance at December 31, 2018</b>	44,259,267	31,631,819	141,533	272,844	1,827,089	(30,119,325)	-	3,753,960

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

# Société d'Exploration Minière Vior inc.

## Consolidated Statements of Cash Flows

(in Canadian dollars)

	Six months ended December 31	
	2019 \$	2018 \$
<b>Cash flows from operating activities</b>		
Net earnings (loss)	10,060	(342,024)
Adjustments for:		
Change in fair value - listed shares and other investments	(157,500)	4,037
Share-based compensation	12,300	-
Depreciation of property, plant and equipment	2,025	2,430
Impaired property, plant and equipment	9,982	-
Cost of mining properties abandoned, impaired or written off	-	1,912
	(123,133)	(333,645)
Changes in items of working capital		
Sales tax receivable	1,647	(7 211)
Accounts receivable	34,393	423,870
Prepaid expenses	(4,157)	(13,312)
Accounts payable and accrued liabilities	(101,958)	(234,023)
	(193,208)	(164,321)
<b>Cash flows from investing activities</b>		
Acquisition of other investments	(247,500)	-
Disposal of listed shares	-	31,304
Acquisition of mining properties and capitalized exploration costs	(53,936)	(224,344)
Tax credits and mining rights received	-	161,684
	(301,436)	(31,356)
<b>Increase (decrease) in cash and cash equivalents</b>	(494,644)	(195,677)
<b>Cash and cash equivalents - beginning</b>	1,638,404	2,661,573
<b>Cash and cash equivalents - ending</b>	1,143,760	2,465,896
<b>Additional information:</b>		
<i>Related to investing activities:</i>		
Tax credit and mining rights receivable applied against mining properties	1,061	48,559
Additions to mining properties and exploration expenditures included in accounts payable and accrued liabilities	-	7,002
Listed shares received for option payment	50,000	-
Interest received	6,435	19,115

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

# Société d'Exploration Minière Vior inc.

## Notes to Consolidated Financial Statements

Six months ended December 31, 2019

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### 1. GENERAL INFORMATION

Société d'Exploration Minière Vior Inc. (the "Corporation") which is governed by the Quebec Business Corporations Act, is in the business of acquiring and exploring mining properties. The address of the Corporation's registered office is 1801, McGill College, suite 950, Montréal, Québec Canada. The Corporation's shares are listed on the TSX Venture Exchange (the "Exchange") under the VIO ticker.

It has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for mining properties is dependent upon the existence of economically recoverable reserves, the ability of the Corporation to obtain necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposal of properties.

In addition to ongoing working capital requirements, the Corporation must secure sufficient funding to meet its existing commitments for exploration and development programs and general and administration costs.

Management is periodically seeking additional forms of financing through the issuance of new equity instruments, the exercise of warrants, common shares and stock options to continue its operations, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. Without new funding, the Corporation may be unable to continue its operations, and amounts realized for assets may be less than amounts reflected in these condensed interim consolidated financial statements ("Financial Statements").

The Financial Statements were approved by the Board of Directors on February 27, 2020

### 2. BASIS OF PREPARATION AND NEW ADOPTED ACCOUNTING STANDARDS

#### 2.1 Basis of preparation

The Financial Statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, Interim Financial Reporting. The Financial Statements should be read in conjunction with the annual financial statements for the year ended June 30, 2019, which have been prepared in accordance with IFRS. The accounting policies, methods of computation and presentation applied in these Financial Statements are consistent with those of the previous financial year.

#### 2.2 New adopted accounting standards

##### Amendments of IFRS 9

In October 2017, the IASB issued narrow-scope amendments to IFRS 9. The amendments clarify the classification of certain prepayable financial assets and the accounting of financial liabilities following modification. The amendments are effective for annual periods beginning on or after January 1, 2019. The Corporation adopted these amendments for the fiscal years on or after July 1, 2019 and it did not have an impact on its Financial Statements.

# Société d'Exploration Minière Vior inc.

## Notes to Consolidated Financial Statements

Six months ended December 31, 2019

### 2. BASIS OF PREPARATION AND NEW ADOPTED ACCOUNTING STANDARDS (CONT'D)

IFRS 16, *Leases* ("IFRS 16")

This new standard issued by the IASB in January 2016, establishes principles for the recognition, measurement and presentation of the leases and the disclosures about them, from the points of view of the lessee and the lessor. For accounting of the lessee, there will be now only one model, which requires the recognition of all assets and liabilities arising from lease contracts. This standard is effective for annual periods beginning on or after January 1, 2019. The Corporation adopted these amendments for the fiscal years on or after July 1, 2019 and it did not have an impact on its Financial Statements.

### 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with IFRS requires the Corporation to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Financial Statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These judgments, estimates and assumptions are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### 4. LISTED SHARES AND OTHER INVESTMENTS

Variation of listed shares and other investments	Six months ended December 31, 2019	Twelve months ended June 30, 2019
	\$	\$
Balance - Beginning	210,600	35,341
Acquisitions (note 5.3)	297,500	210,600
Disposals	-	(35,341)
Change in fair value	157,500	-
Balance - End	665,600	210,600

In July 2019, 200,000 shares of Ethos Gold Corp ("Ethos") were issued to the Corporation in July 2019 and valued at \$50,000 (note 5.3).

In December 2019, the Corporation has made an additional investment of \$247,500 in the 1st tranche of Ridgeline Minerals Corporation's ("Ridgeline") (previously Carlin-Type Holdings Ltd.) second round of financing, providing it with a non-diluted equity interest of approximately 9.9% in Ridgeline. The Corporation has also been granted a participation right to maintain its 9.9% equity interest (pro-rata basis) in Ridgeline's 2nd tranche (expected in February, 2020) of this second round of private placement equity financing.

# Société d'Exploration Minière Vior inc.

## Notes to Consolidated Financial Statements

Six months ended December 31, 2019

### 5. MINING PROPERTIES

#### Detail of mining properties

	Undivided interest	Balance as at June 30, 2019	Net additions	Option	Tax credits	Balance as at December 31, 2019
	%	\$	\$	\$	\$	\$
<b>Quebec, Canada</b>						
Big Island Lake (note 5.1)	100					
Acquisition costs		6,135	-	-	-	6,135
Exploration costs		16,812	-	-	-	16,812
		22,947	-	-	-	22,947
Foothills (note 5.2)	100					
Acquisition costs		19,209	-	-	-	19,209
Exploration costs		204,902	-	-	-	204,902
		224,111	-	-	-	224,111
Ligneris (note 5.3)	100					
Acquisition costs		29,810	3,426	(33,236)	-	-
Exploration costs		273,052	-	(16,764)	-	256,288
		302,862	3,426	(50,000)	-	256,288
Mosseau	100					
Acquisition costs		214,135	699	-	-	214,834
Exploration costs		382,757	4,332	-	(878)	386,211
		596,892	5,031	-	(878)	601,045
Veza-Noyard	100					
Acquisition costs		2,221	-	-	-	2,221
Exploration costs		77,916	700	-	(183)	78,433
		80,137	700	-	(183)	80,654
Others	N/A					
Acquisition costs		2,546	-	-	-	2,546
Exploration costs		27	-	-	-	27
		2,573	-	-	-	2,573
<b>Sub-total - Canada</b>		<b>1,229,522</b>	<b>9,157</b>	<b>(50,000)</b>	<b>(1,061)</b>	<b>1,187,618</b>
<b>Nevada, USA</b>						
Tonya	100					
Acquisition costs		162,661	45,953	-	-	208,614
Exploration costs		102,109	4,727	-	-	106,836
<b>Sub-total – USA</b>		<b>264,770</b>	<b>50,680</b>	<b>-</b>	<b>-</b>	<b>315,450</b>
<b>Summary</b>						
Acquisition costs		436,717	50,078	(33,236)	-	453,559
Exploration costs		1,057,575	9,759	(16,764)	(1,061)	1,049,509
<b>Total</b>		<b>1,494,292</b>	<b>59,837</b>	<b>(50,000)</b>	<b>(1,061)</b>	<b>1,503,068</b>



# Société d'Exploration Minière Vior inc.

## Notes to Consolidated Financial Statements

Six months ended December 31, 2019

### 5. MINING PROPERTIES (CONT'D)

#### Detail of mining properties

	Undivided interest	Balance as at June 30, 2018	Net additions	Impairment	Tax credits	Balance as at June 30, 2019
	%	\$	\$	\$	\$	\$
<b>Quebec, Canada</b>						
Big Island Lake	100					
Acquisition costs		6,513	-	(378)	-	6,135
Exploration costs		18,007	-	(1,044)	(151)	16,812
		24,520	-	(1,422)	(151)	22,947
Foothills	100					
Acquisition costs		19,209	-	-	-	19,209
Exploration costs		204,902	-	-	-	204,902
		224,111	-	-	-	224,111
Ligneris	100					
Acquisition costs		24,774	5,036	-	-	29,810
Exploration costs		147,607	197,754	-	(72,309)	273,052
		172,381	202,790	-	(72,309)	302,862
Mosseau	100					
Acquisition costs		187,730	26,405	-	-	214,135
Exploration costs		404,582	4,201	-	(26,026)	382,757
		592,312	30,606	-	(26,026)	596,892
Vezza-Noyard	100					
Acquisition costs		1,799	422	-	-	2,221
Exploration costs		76,566	2,266	-	(916)	77,916
		78,365	2,688	-	(916)	80,137
Others	N/A					
Acquisition costs		3,031	-	(485)	-	2,546
Exploration costs		32	-	(5)	-	27
		3,063	-	(490)	-	2,573
<b>Sub-total - Canada</b>		<b>1,094,752</b>	<b>236,084</b>	<b>(1,912)</b>	<b>(99,402)</b>	<b>1,229,522</b>
<b>Nevada, USA</b>						
Tonya	100					
Acquisition costs		112,585	50,076	-	-	162,661
Exploration costs		28,063	74,046	-	-	102,109
<b>Sub-total – USA</b>		<b>140,648</b>	<b>124,122</b>	<b>-</b>	<b>-</b>	<b>264,770</b>
<b>Summary</b>						
Acquisition costs		355,641	81,939	(863)	-	436,717
Exploration costs		879,759	278,267	(1,049)	(99,402)	1,057,575
<b>Total</b>		<b>1,235,400</b>	<b>360,206</b>	<b>(1,912)</b>	<b>(99,402)</b>	<b>1,494,292</b>

# Société d'Exploration Minière Vior inc.

## Notes to Consolidated Financial Statements

Six months ended December 31, 2019

### 5. MINING PROPERTIES (CONT'D)

#### 5.1 Big Island Lake

Pursuant to the option agreement signed on May 1, 2018, Iluka Exploration (Canada) Ltd. ("Iluka") spent \$512,261 on exploration work as of December 31, 2019.

#### 5.2 Foothills

Pursuant to the option agreement signed March 9, 2016, Iluka spent \$2,572,401 on exploration work as of December 31, 2019. On October 31, 2019, the option agreement was amended to extend the additional option period to December 31, 2020 to funds \$2,200,000, in addition to the initial option expenditures of \$500,000.

#### 5.3 Ligneris

On June 26, 2019, the Corporation signed an earn-in agreement with Ethos allowing Ethos to earn up to a 70% interest in the Ligneris property. Ethos can earn a 51% interest in the Ligneris property by fulfilling the following conditions:

	Exploration work		Payments with Ethos' shares	
	Commitment	Completed	Commitment	Completed
	\$	\$	Number	\$ <sup>1)2)</sup>
At the signature	-	-	200,000	50,000
On or before June 26, 2020	750,000	750,000	225,000	-
On or before June 26, 2021	750,000	750,000	250,000	-
On or before June 26, 2022	750,000	261,404	325,000	-
On or before June 26, 2023	750,000	-	-	-
	3,000,000	1,761,404	1,000,000	50,000

1) Estimated at fair market value on the day the shares were issued

2) 200,000 shares were issued to the Corporation in July 2019 and valued at \$50,000

### 6. PROPERTY, PLANT AND EQUIPMENT

In December 2019, the Corporation moved its head office to Montreal, closed its Quebec City office and recognised a \$9,982 impairment on its property plant and equipment.

### 7. WARRANTS

As at December 31, 2019, the outstanding warrants are as follow:

Number	Exercise price	Expiry date
	\$	
2,750,000	0.15	December 20, 2020 <sup>1)</sup>
1,500,000	0.12	December 8, 2022
4,250,000		

# Société d'Exploration Minière Vior inc.

## Notes to Consolidated Financial Statements

Six months ended December 31, 2019

### 7. WARRANTS (CONT'D)

- 1) The 2,750,000 warrants due to expire on December 20, 2019 have been extended for one year such that the new expiry date is December 20, 2020. Total costs of the warrant extension amounts to \$51,861 for an estimated fair value of \$0.019 per warrant, recorded under warrants and the offsetting entry was recorded in the deficit. The fair value of the warrants extension was estimated using the Black-Scholes model calculated for the deference between the extended period and the remaining period when the decision was taken to extend the warrants. The assumptions used were as follow for the two periods respectively: no expected dividend yield, 82.76% and 38.07% expected volatility, 1.70% and 1.66% risk-free interest rate and 1.08 and 0.08 year warrant expected life.

### 8. STOCK OPTIONS

The following table presents the stock options activities:

	Six months ended December 31, 2019		Fiscal year ended June 30, 2019	
	Number	Weighted average exercise price \$	Number	Weighted average exercise price \$
Outstanding and exercisable - Beginning	3,540,000	0.13	6,300,000	0.13
Granted	150,000	0.11	-	-
Expired	-	-	(2,050,000)	0.12
Outstanding and exercisable - End	3,690,000	0.128	4,250,000	0.14

The following table summarizes information about stock options outstanding and exercisable

Stock options	Exercise price \$	Expiry date
240,000	0.50	October 31, 2020
150,000	0.135	January 4, 2023
525,000	0.10	May 15, 2024
150,000	0.11	July 7, 2024
100,000	0.10	June 20, 2027
1,675,000	0.10	October 10, 2027
850,000	0.10	October 30, 2027
3,690,000		

On July 8, 2019, the Corporation granted to an officer 150,000 stock options exercisable at \$0.11 per share, valid for 5 years. Those options were granted at an exercise price equal to the closing market value of the shares the previous day of the grant. The estimated fair value of these stock options is \$12,300 which is \$0.082 per stock option. The fair value of the options granted was estimated using the Black Scholes valuation model with no expected dividend yield, 110.0% expected volatility, 1.58% risk-free interest rate and 5 years options expected life. This expected life was estimated by benchmarking comparable situations for companies that are similar to the Corporation. The expected volatility was determined by calculating the historical volatility of the Corporation's share price back from the date of grant and for a period corresponding to the expected life of the options.

# **Société d'Exploration Minière Vior inc.**

Notes to Consolidated Financial Statements

Six months ended December 31, 2019

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## **9. RECLASSIFICATIONS**

For presentation purposes, the following elements of the statement of comprehensive loss for the three months ended September 30, 2018 were reclassified to provide more relevant information:

- Interest and bank charges were grouped with rent and office expenses.
- Maintenance fees are now labelled as regulatory fees and they were removed from professional fees in order to be presented separately