

Société d'Exploration Minière Vior Inc.

Consolidated Statements of Financial Position

(expressed in Canadian dollars)

	As at March 31, 2019 \$	As at June 30, 2018 \$
Assets		
Current assets		
Cash and cash equivalents	2,009,021	2,661,573
Short-term investments	-	35,341
Tax credits for mining exploration and commodity taxes receivable	115,924	194,945
Other amounts receivable (note 4)	59,644	443,445
Prepaid expenses	27,051	12,363
	<u>2,211,640</u>	<u>3,347,667</u>
Mining properties (note 5)	1,454,446	1,235,400
Property, plant and equipment , at cost less accumulated depreciation of \$13,984 (\$10,339 as at June 30, 2018)	12,898	16,543
	<u>3,678,984</u>	<u>4,599,610</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	111,864	458,626
Non current accounts payable and accrued liabilities (note 6)	-	45,000
	<u>111,864</u>	<u>503,626</u>
Equity		
Share capital (note 7)	31,631,819	31,631,819
Warrants (note 8)	141,533	166,429
Stock options (note 9)	254,394	318,045
Contributed surplus	1,845,539	1,756,992
Deficit	(30,306,165)	(29,796,921)
Accumulated other comprehensive income	-	19,620
	<u>3,567,120</u>	<u>4,095,984</u>
	<u>3,678,984</u>	<u>4,599,610</u>

Commitments (note 14)

Subsequent events (note 15)

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

Approved by the Board of Directors

(signed) Mark Fedosiewich _____, Director

(signed) Charles-Olivier Tarte _____, Director

Société d'Exploration Minière Vior Inc.

Consolidated Statements of loss

(expressed in Canadian dollars)

	Three-month periods ended		Nine-month periods ended	
	March 31,		March 31,	
	2019	2018	2019	2018
	\$	\$	\$	\$
Revenues				
Gain (loss) on short-term investments	-	-	(4,011)	467,874
Interest	9,123	8,093	28,382	17,627
Fees charged to a partner	10,553	20,766	81,052	88,014
Loss on an investment held for trading	-	(17,329)	-	(29,244)
	19,676	11,530	105,423	544,271
Expenses				
Salaries and fringe benefits	81,071	189,867	237,475	358,290
Professional and maintenance fees	61,057	15,231	203,817	98,280
Rent and office expenses	15,451	15,600	46,450	62,746
Advertising and promotion	5,397	10,419	5,397	16,185
Share-based compensation	-	34,450	-	236,117
Travelling	11,059	14,524	26,136	27,162
Search for mining properties (note 10)	31,351	9,978	109,818	10,606
Interest and bank charges	172	284	(106)	875
Depreciation of property, plant and equipment	1,215	1,188	3,645	2,915
Cost of mining properties abandoned, impaired or written off	(257)	-	1,655	8,652
	206,516	291,541	634,287	821,828
Loss before deferred tax	(186,840)	(280,011)	(528,864)	(277,557)
Deferred tax		(3,238)	-	(74,564)
Net loss for the period	(186,840)	(283,249)	(528,864)	(352,121)
Per share (note 11)				
Basic and diluted net loss	(0.004)	(0.006)	(0.012)	(0.009)

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

Société d'Exploration Minière Vior Inc.

Consolidated Statements of Comprehensive loss

(expressed in Canadian dollars)

	Three-month periods ended March 31,		Nine-month periods ended March 31,	
	2019 \$	2018 \$	2019 \$	2018 \$
Net loss for the period	(186,840)	(283,249)	(528,864)	(352,121)
Other comprehensive loss				
Items that may be reclassified subsequently to net loss				
Adjustment on initial application of IFRS 9 (Note 3)	-	-	(19,620)	-
Unrealized gain (loss) on available-for-sale short-term investments, net of related income tax of \$3,238 and \$8,435	-	(20,835)	-	54,279
Reclassification of realized gains on available-for-sale short-term investments to net income, net of related income tax of \$82,999	-	-	-	(534,091)
Other comprehensive loss for the period	-	(20,835)	(19,620)	(479,812)
Comprehensive loss for the period	(186,840)	(304,084)	(548,484)	(831,933)

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

Société d'Exploration Minière Vior Inc.

Consolidated Statements of Changes in Equity

(expressed in Canadian dollars)

	Share capital	Warrants	Stock options	Contributed surplus	Deficit	Accumulated other comprehensive income	Total
	\$	\$	\$	\$	\$	\$	\$
Balance as at July 1, 2018	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 (Note 3)	-	-	-	-	19,620	(19,620)	-
	31,631,819	166,429	318,045	1,756,992	(29,777,301)	-	4,095,984
Net loss	-	-	-	-	(528,864)	-	(528,864)
Comprehensive loss for the period	-	-	-	-	(528,864)	-	(528,864)
Warrants matured (note 8)	-	(24,896)	-	24,896	-	-	-
Stock options cancelled (note 9)	-	-	(63,651)	63,651	-	-	-
Balance as at March 31, 2019	31,631,819	141,533	254,394	1,845,539	(30,306,165)	-	3,567,120

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

Société d'Exploration Minière Vior Inc.

Consolidated Statements of Changes in Equity (continued)

(expressed in Canadian dollars)

	Share capital	Warrants	Stock options	Contributed surplus	Deficit	Accumulated other comprehensive income (loss)	Total
	\$	\$	\$	\$	\$	\$	\$
Balance as at July 1, 2017	30,855,944	227,410	81,928	1,529,582	(29,117,745)	604,685	4,181,804
Net loss	-	-	-	-	(352,121)	-	(352,121)
Unrealized gain on an available-for-sale short-term investment, net of related income tax of \$8,435	-	-	-	-	-	54,279	54,279
Reclassification of realized gains on an available-for-sale short-term investment to net income, net of related income tax of \$82,999	-	-	-	-	-	(534,091)	(534,091)
Comprehensive loss for the period	-	-	-	-	(352,121)	(479,812)	(831,933)
Warrants granted (note 8)	(166,429)	166,429	-	-	-	-	-
Warrants matured (note 8)	-	(227,410)	-	227,410	-	-	-
Stock options granted (note 9)	-	-	236,117	-	-	-	236,117
Issuance of shares for cash consideration (note 7)	998,000	-	-	-	-	-	998,000
Share issue expenses (note 7)	(55,553)	-	-	-	-	-	(55,553)
Balance as at March 31, 2018	31,631,962	166,429	318,045	1,756,992	(29,469,866)	124,873	4,528,435

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

Société d'Exploration Minière Vior Inc.

Consolidated Statements of Cash Flows

(expressed in Canadian dollars)

	Nine-month periods ended	
	March 31,	
	2019	2018
	\$	\$
Cash flows from operating activities		
Net loss for the period	(528,864)	(352,121)
Adjustments for:		
Loss (gain) on short-term investments	4,037	(467,874)
Loss on an investment held for trading	-	29,244
Share-based compensation	-	236,117
Depreciation of property, plant and equipment	3,645	2,915
Deferred tax	-	74,564
Cost of mining properties abandoned, impaired or written off	1,912	8,652
	<u>(519,270)</u>	<u>(468,503)</u>
Changes in items of working capital		
Tax credits for mining exploration and commodity taxes receivable	(25,882)	1,138
Other amounts receivable	383,801	60,202
Prepaid expenses	(14,688)	9,639
Accounts payable and accrued liabilities	(391,369)	(64,784)
	<u>(48,138)</u>	<u>6,195</u>
	<u>(567,408)</u>	<u>(462,308)</u>
Cash flows from financing activities		
Share capital and warrants issued for cash, net of share-issue expenses	-	942,447
	<u>-</u>	<u>942,447</u>
Cash flows from investing activities		
Disposition of short-term investments	31,304	580,260
Acquisition of mining properties and capitalized exploration costs	(278,132)	(665,057)
Change in credit on duties refundable for loss and refundable tax credit for resources	161,684	6,292
Additions to property, plant and equipment	-	(13,617)
	<u>(85,144)</u>	<u>(92,122)</u>
Increase (decrease) in cash and cash equivalents	<u>(652,552)</u>	<u>388,017</u>
Cash and cash equivalents - Beginning of period	<u>2,661,573</u>	<u>2,409,689</u>
Cash and cash equivalents - End of period	<u>2,009,021</u>	<u>2,797,706</u>
Interest received	24,463	20,536

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

Société d'Exploration Minière Vior Inc.

Consolidated Statements of Cash Flows (continued)

(expressed in Canadian dollars)

Additional information

Items not affecting cash and cash equivalents

	Nine-month periods ended	
	March 31,	
	2019	2018
	\$	\$
Related to investing activities:		
Credit on duties refundable for loss and refundable tax credit receivable for resources applied against mining properties	56,781	186,095
Acquisition of mining properties and exploration costs included in accounts payable and accrued liabilities	5,264	3,042

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

Société d'Exploration Minière Vior Inc.

Notes to Consolidated Financial Statements

For the three-month and nine-month periods ended March 31, 2019 and 2018

(expressed in Canadian dollars)

1 General information

Société d'Exploration Minière Vior Inc. (the "Company") which is governed by the *Quebec Business Corporations Act*, is in the business of acquiring and exploring mining properties. 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 Company 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 Company 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 Company may be unable to continue its operations, and amounts realized for assets may be less than amounts reflected in these consolidated financial statements ("financial statements").

The address of the Company's registered office is 839, Saint-Joseph Est, Suite 210, Québec City, Quebec, Canada.

2 Basis of preparation

These condensed interim consolidated financial statements for the third quarter ended March 31, 2019 have not been subject to review by the Corporation's independent auditor and have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as defined in the Chartered Professional Accountants of Canada Handbook and adopted by the International Accounting Standards Board ("IASB") applicable to the preparation of condensed consolidated interim financial statements, including IAS 34, *Interim Financial Reporting* and using the same accounting policies and methods of computation as our most recent annual financial statements except for the change in accounting policy disclosed in Note 3 following the adoption of new standards. The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended June 30, 2018, which have been prepared in accordance with IFRS as issued by the IASB.

Basis of measurement

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its obligations as they come to maturity expiry in the foreseeable future in the normal course of business.

These financial statements were approved by the Board of Directors on May 23, 2019.

Consolidation

The consolidated financial statements include the accounts of the Company and those of its subsidiary owned at 100%, Vior Gold USA, LLC. The Company controls an entity when the Company is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns, through its power over the entity. Vior Gold USA, LLC is fully consolidated from the date on which control is obtained by the Company and is deconsolidated from the date that control ceases. All intercompany accounts and transactions are eliminated.

Non-controlling interest represents an equity interest in a subsidiary owned by an outside party. The share of net assets of the subsidiary attributable to the non-controlling interest is presented as a component of equity. Its share of net income (loss) and comprehensive income (loss) is recognized directly in equity. Changes in the Company's ownership interest in the subsidiary that do not result in a loss of control are accounted for as equity transactions.

Société d'Exploration Minière Vior Inc.

Notes to Consolidated Financial Statements

For the three-month and nine-month periods ended March 31, 2019 and 2018

(expressed in Canadian dollars)

3 New accounting standards adopted

IFRS 2, *Share-based payment* ("IFRS 2")

The IASB issued amendments to IFRS 2, *Share-based payment*, in June 2016. Changes have been made to address certain matters relating to the recognition of (i) cash-settled awards and (ii) equity-settled awards with net settlement terms for employee withholding taxes. The Company has determined that the adoption of IFRS 2 on July 1, 2018 did not have a material impact on its consolidated financial statements.

IFRS 9, *Financial instruments* ("IFRS 9")

This new standard replaces IAS 39, *Financial Instruments: Recognition and Measurement* ("IAS 39"). IFRS 9 replaces the existing multiple classification and valuation models for financial assets and liabilities with a single model that has only three categories: at amortized cost, at fair value through other comprehensive income, and at fair value through profit or loss. The choice of classification depends on the entity's business model and the characteristics of the contractual cash flows associated with the financial asset or liability. It also introduces other changes to financial liabilities and reconciles hedge accounting to risk management. Under IFRS 9, equity instruments are classified as fair value financial instruments and changes in fair value are recognized in the consolidated statement of income, unless such financial instruments are not held for trading purposes, in which case the financial instrument may be irrevocably designated at fair value through other comprehensive income on initial recognition, without subsequent reclassification to net income.

The Company has adopted IFRS 9 on July 1, 2018 retrospectively without adjusting the comparative amounts.

As a result, the Company has classified its financial instruments in the three new categories as presented below. The most significant changes relate to the classification of temporary investments that were previously classified as "available for sale" and are now designated as financial assets at fair value through profit or loss and classification of cash and cash equivalents, and other receivables that were previously classified as "loans and receivables" and are now designated as financial assets at amortized cost in accordance with IFRS 9. The impact of the implementation of IFRS 9 on the Company's consolidated financial statements are recognition in net income of gains and losses on temporary investments that were previously recognized in other comprehensive income. The cumulative gains and losses on temporary investments were transferred from accumulated other comprehensive income to deficit upon adoption of IFRS 9. The implementation of IFRS 9 did not have a material impact, in measuring the fair value of the Company's financial instruments.

The net impact of the implementation of IFRS 9 on the Consolidated Statements of Financial Position as at July 1, 2018 is presented below:

	As at June 30, 2018	IFRS 9 Adjustment	As at July 1, 2018
	\$	\$	\$
Deficit	(29,796,921)	19,620	(29,777,301)
Accumulated other comprehensive income	19,620	(19,620)	-

Changes in accounting policies -Financial instruments

The Company has modified the following elements of its accounting policies with respect to financial instruments:

Measurement after initial recognition depends on the classification of the financial instrument. The Company has classified its financial instruments into the following categories depending on the purposes for which the instruments were acquired and their characteristics.

Société d'Exploration Minière Vior Inc.

Notes to Consolidated Financial Statements

For the three-month and nine-month periods ended March 31, 2019 and 2018

(expressed in Canadian dollars)

(i) Financial assets

Equity instruments

Investments in equity instruments are subsequently measured at fair value with changes recorded in net income (loss). Equity instruments that are not held for trading may be irrevocably designated at fair value through other comprehensive income on initial recognition, without subsequent reclassification to net income (loss). Cumulative gains and losses are transferred from accumulated other comprehensive income to the deficit upon derecognition of the investment.

ii) Financial liabilities

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method.

The Company has classified its financial instruments as follows:

<u>Categorie</u>	<u>Financial instrument</u>
Financial assets at amortized cost	Cash and cash equivalents Other amounts receivable
Financial assets at fair value through profit or loss	Short-term investments
Financial liabilities at amortized cost	Accounts payable and accrued liabilities Non current accounts payable and accrued liabilities

IFRS 15, *Revenue from contracts with customers* ("IFRS 15")

In May 2014, the IASB issued IFRS 15, *Revenue from contracts with customers*. The objective of this new standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability. This new standard contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The Company has determined that the adoption of IFRS 15 on July 1, 2018 did not have a material impact on its consolidated financial statements.

Société d'Exploration Minière Vior Inc.

Notes to Consolidated Financial Statements

For the three-month and nine-month periods ended March 31, 2019 and 2018

(expressed in Canadian dollars)

Accounting standard published but not yet adopted

The Company has not yet adopted the new standard on leases that has been issued but has an effective date after March 31, 2019.

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 Company is currently evaluating the impact of adopting this standard.

4 Other amounts receivable

	<u>As at March 31,</u>	<u>As at June 30,</u>
	<u>2,019</u>	<u>2,018</u>
	\$	\$
Exploration partner	44,251	436,212
Others	15,393	7,233
	<u>59,644</u>	<u>443,445</u>

5 Mining properties

Reconciliation of mining properties

	Exploration costs	Acquisition cost		Total
		Mining properties	Claims	
	\$	\$	\$	\$
Balance as at June 30, 2018	879,946	263,028	92,426	1,235,400
Costs incurred	226,156	26,021	25,562	277,739
Mining properties abandoned, impaired or written off	(1,049)	-	(863)	(1,912)
Credit on duties refundable for loss and refundable tax credit for resources	(56,781)	-	-	(56,781)
Balance as at March 31, 2019	<u>1,048,272</u>	<u>289,049</u>	<u>117,125</u>	<u>1,454,446</u>

Soci t  d'Exploration Mini re Vior Inc.

Notes to Consolidated Financial Statements

For the three-month and nine-month periods ended March 31, 2019 and 2018

(expressed in Canadian dollars)

Detail of mining properties			Balance as at	Costs	Mining properties abandoned, impaired or written off, credit on duties refundable for loss and refundable tax credit for resources	Balance as at
	N ^o of claims	Undivided interest %	June 30, 2018 \$	incurred \$		March 31, 2019 \$
Qu�bec, Canada						
Big Island Lake (note e)	65					
Acquisition costs		49	6,513	-	(377)	6,136
Exploration costs			18,007	-	(1,044)	16,963
			<u>24,520</u>	<u>-</u>	<u>(1,421)</u>	<u>23,099</u>
Foothills (note a)	577					
Acquisition costs		49	19,209	-	-	19,209
Exploration costs			204,902	-	-	204,902
			<u>224,111</u>	<u>-</u>	<u>-</u>	<u>224,111</u>
Ligneris	94					
Acquisition costs		100	24,774	1,579	-	26,353
Exploration costs			147,607	164,304	(55,351)	256,560
			<u>172,381</u>	<u>165,883</u>	<u>(55,351)</u>	<u>282,913</u>
Mosseau (note b)	53					
Acquisition costs		100	187,730	3,649	-	191,379
Exploration costs			404,582	1,973	(666)	405,889
			<u>592,312</u>	<u>5,622</u>	<u>(666)</u>	<u>597,268</u>
Veza-Noyard	10					
Acquisition costs		100	1,799	422	-	2,221
Exploration costs			76,566	2,266	(765)	78,067
			<u>78,365</u>	<u>2,688</u>	<u>(765)</u>	<u>80,288</u>
Others	-					
Acquisition costs		-	3,031	-	(485)	2,546
Exploration costs			32	-	(5)	27
			<u>3,063</u>	<u>-</u>	<u>(490)</u>	<u>2,573</u>
			<u>1,094,752</u>	<u>174,193</u>	<u>(58,693)</u>	<u>1,210,252</u>
Nevada, USA						
Tonya (notes c and d)	59					
Acquisition costs		100	112,585	45,934	-	158,519
Exploration costs			28,063	57,612	-	85,675
			<u>140,648</u>	<u>103,546</u>	<u>-</u>	<u>244,194</u>
			<u>1,235,400</u>	<u>277,739</u>	<u>(58,693)</u>	<u>1,454,446</u>

Société d'Exploration Minière Vior Inc.

Notes to Consolidated Financial Statements

For the three-month and nine-month periods ended March 31, 2019 and 2018

(expressed in Canadian dollars)

a) On March 9, 2016, the Company granted Iluka Exploration (Canada) Ltd ("Iluka") the option to acquire an initial 51% interest in the Foothills property for a consideration of exploration work totalling \$400,000 during the first year of the agreement and an additional 39% interest for a consideration of exploration work totalling \$2,100,000 no later than March 31, 2019. On August 25, 2016, the Company amended the agreement to add 140 new claims held by the Company. Iluka will pay \$25,000 plus the cost of the claims, increase from \$400,000 to \$500,000 the amount relating to the exploration work required to obtain the initial 51% interest and increase from \$2,100,000 to \$2,200,000 the amount relating to the exploration work required to obtain the additional 39% interest. As at March 31, 2019, Iluka spent \$2,056,771 on exploration work and acquired a 51% interest.

b) On March 20, 2017, the Company entered into an acquisition agreement with Ressources Tectonic Inc., 3421856 Canada Inc. and Alphonse Beaudoin on the Mosseau property, located east of Lebel-sur-Quévillon, Québec. As per the agreement, the Company has the option to acquire a 100% interest in 15 claims from the Mosseau property for a period of 15 months from the date of signature in consideration of \$90,000 in cash and the issuance of shares of the Company with a value of \$65,000 within 5 days following the date of approval of the Stock Exchange and an additional amount of \$60,000 and shares of the Company with a value of \$65,000 at the end of the option period. On June 20, 2018, the option was extended from 15 months to 27 months and the cash payment of \$60,000 and the issue of shares of the Company having a value of \$65,000 at the end of the period 15 months were replaced by a cash payment of \$22,500 on the date of the 15th month of signature and a cash payment of \$102,500 on the date of the 27th month of the date of the signature. As at March 31, 2019, the Company paid \$112,500 in cash and remitted \$65,000 worth of the Company's shares.

c) On July 28, 2017, Vior Gold USA, LLC entered into an agreement with Gold Range Company, LLC (The "Gold Range") to lease 12 claims located on the Tonya property in Pershing County, Nevada, USA. This agreement gives Vior Gold USA, LLC the exclusive right to explore, develop and mine the property. Beginning on the effective date of this agreement and ending with commercial production, Vior Gold USA, LLC will have to pay an advance royalty. This fee will be paid at the latest as follows in US dollars: \$10,000 on the effective date of the agreement as well as on the first and second anniversaries of the effective date of the agreement, \$15,000 on the third and fourth anniversaries of the effective date of the agreement and \$25,000 on the fifth anniversary of the effective date of the agreement. For subsequent years until the start of production, an additional \$10,000 will be added on each new anniversary of the effective date of the agreement. At the start of production, a 3% royalty will be paid on the net smelter return. Gold Range will not receive any production royalties until Vior Gold USA, LLC has recovered the anticipated production royalty otherwise payable to Vior Gold USA, LLC. As at March 31, 2019, US \$20,000 had been paid to Gold Range.

In addition, Vior Gold USA, LLC staked 59 claims in August 2017.

d) On March 14, 2018, Vior Gold USA, LLC entered into an agreement with Michiels Family Associates, Inc. and Whitred Holdings, LLC, for the acquisition of the surface rights to the Tonya property for US \$400,000 payable as follows: \$20,000 upon signature of the agreement, a monthly amount of \$1,000 for 24 months following the signing of the agreement, a monthly amount of \$1,700 for the next 24 months following the first payment period, a monthly amount of \$2,000 for the next 12 months following the second payment period and the balance \$291,200 within 10 business days after the end of the third payment period. Vior Gold USA, LLC may terminate this agreement at any time without additional payment or penalty. If Vior Gold USA, LLC moves from the exploration stage to the construction of a mine or mineral extraction, the remaining balance will become due and payable within 60 days of the commencement of construction of the mine or of mineral extraction. As at March 31, 2019, US \$32,000 had been paid to Michiels Family Associates, Inc. and Whitred Holdings, LLC.

e) On May 1, 2018, the Company granted Iluka the option to acquire an initial 51% interest in the Big Island Lake property for a consideration of exploration work totalling \$200,000 before March 31, 2019, and an additional 39% interest for a consideration of exploration work totalling \$1,500,000 no later than March 31, 2021. As at March 31, 2019, Iluka spent \$583,230 on exploration work and acquired a 51% interest.

Société d'Exploration Minière Vior Inc.

Notes to Consolidated Financial Statements

For the three-month and nine-month periods ended March 31, 2019 and 2018

(expressed in Canadian dollars)

6 Accounts payable and accrued liabilities

	As at March 31, 2019 \$	As at June 30, 2018 \$
Suppliers	30,335	370,815
Commodity taxes payable	-	19,653
Salaries and fringe benefits	36,529	23,158
Departure allowance to a senior officer (1)	45,000	90,000
	<u>111,864</u>	<u>503,626</u>

(1) As at June 30, 2018, include a long-term portion of \$ 45,000.

7 Share capital

Authorized

Unlimited number of common shares, voting and participating, without par value

Issued and fully paid

The share capital issued has varied as follows:

	Nine-month period ended March 31, 2019		Years ended June 30, 2018	
	Number	\$	Number	\$
Balance - Beginning of period	44,259,267	31,631,819	33,159,267	30,855,944
Issuance of shares for cash consideration (a) (b) (c)	-	-	11,100,000	831,571
Share-issue expenses	-	-	-	(55,696)
Balance - End of period	<u>44,259,267</u>	<u>31,631,819</u>	<u>44,259,267</u>	<u>31,631,819</u>

a) On July 5, 2017, the Company made a \$328,000 private placement through the issuance of 4,100,000 shares of the Company at a price of \$0.08 per share along with 2,050,000 share purchase warrants giving the holder the right to subscribe for one common share of the Company at a price of \$0.12 until July 5, 2018. The offering is presented net of the value of the related warrants which was established at \$24,896. Share-issue expenses of \$21,700 were incurred by the Company under the private placement.

b) On December 8, 2017, the Company made a \$120,000 private placement through the issuance of 1,500,000 shares of the Company at a price of \$0.08 per share along with 1,500,000 share purchase warrants giving the holder the right to subscribe for one common share of the Company at a price of \$0.12 until December 8, 2022. The offering is presented net of the value of the related warrants which was established at \$51,932. Share-issue expenses of \$5,343 were incurred by the Company under the private placement.

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(expressed in Canadian dollars)

c) On December 20, 2017, the Company made a \$550,000 private placement through the issuance of 5,500,000 shares of the Company at a price of \$0.10 per share along with 2,750,000 share purchase warrants giving the holder the right to subscribe for one common share of the Company at a price of \$0.15 until December 20, 2019. The offering is presented net of the value of the related warrants which was established at \$89,601. Share-issue expenses of \$28,653 were incurred by the Company under the private placement.

8 Warrants

The following statements presents warrant activity since July 1, 2017 and summarizes information about outstanding and exercisable warrants as at March 31, 2019.

	Nine-month period ended		Years ended June 30,	
	March 31,		2018	
	2019	Weighted average exercise price \$	2018	Weighted average exercise price \$
	Number		Number	
Outstanding and exercisable - Beginning of period	6,300,000	0.13	7,450,000	0.15
Granted	-	-	6,300,000	0.13
Matured	(2,050,000)	0.12	(7,450,000)	0.15
Outstanding and exercisable - End of period	4,250,000	0.14	6,300,000	0.13

The following statements summarizes the maturity dates of outstanding and exercisable warrants:

The 2,750,000 outstanding and exercisable warrants at \$0.15 will mature in December 2019.

The 1,500,000 outstanding and exercisable warrants at \$0.12 will mature in December 2022.

The fair value of warrants granted was estimated using the Black-Scholes valuation model with the following weighted assumptions:

	Years ended June 30, 2018
Risk-free interest rate	1.43%
Expected volatility	99.641%
Dividend yield	Nil
Expected life	2.39 years
Fair value of warrants granted	\$0.027

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9 Stock options

The Company maintains a stock option plan under which certain key employees, managers, directors, consultants, service providers and investor relations service providers may be granted stock options for shares of the Company. A maximum of 3,725,926 stock options may be granted (maximum of 5% of the number of common shares outstanding in favour of key employees, managers, directors and consultants, and maximum of 2% of the number of common shares outstanding in favour of investor relations service providers).

Options granted expire after a maximum of ten years following the date of grant. Options vest when granted.

The following table presents the stock options activity since July 1, 2017 and summarizes information about fixed stock options outstanding and exercisable as at March 31, 2019:

	Nine-month period ended		Years ended June 30,	
	March 31,		2018	
	2019		2018	
	Number	Weighted average exercise price \$	Number	Weighted average exercise price \$
Outstanding and exercisable - Beginning of period	3,680,000	0.14	405,000	0.40
Granted	-	-	3,275,000	0.10
Cancelled	(665,000)	0.15	-	-
Outstanding and exercisable - End of period	3,015,000	0.13	3,680,000	0.14

The following table summarizes information about stock options outstanding and exercisable as at March 31, 2019:

Exercise price	Options outstanding and exercisable Number	Weighted average remaining contractual life (years)	Weighted average exercise price \$
\$0.10	2,625,000	8.54	0.10
\$0.135	150,000	3.77	0.135
\$0.50	240,000	1.59	0.50

The fair value of stock options granted was estimated using the Black-Scholes valuation model with the following weighted assumptions:

	Years ended June 30, 2018
Risk-free interest rate	2.06%
Expected volatility	108.3%
Dividend yield	Nil
Expected life	9,5 years
Fair value of stock options granted	\$0.072

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10 Search for mining properties

	Three-month periods ended		Nine-month periods ended	
	March 31,		March 31,	
	2019	2018	2019	2018
	\$	\$	\$	\$
Salaries and fees	27,082	8,168	94,940	8,265
Transport	1,339	-	7,452	-
Analyse	2,349	-	2,349	-
Other	581	1,810	5,077	2,341
	31,351	9,978	109,818	10,606

11 Earnings per share

a) The following table presents a reconciliation between the basic weighted average number of shares outstanding and the diluted weighted average number of shares outstanding:

	Three-month periods ended		Nine-month periods ended	
	March 31,		March 31,	
	2019	2018	2019	2018
Basic weighted average number of shares outstanding	44,259,267	44,259,267	44,259,267	39,870,946
Stock options	-	455,083	-	-
Diluted weighted average number of shares outstanding	44,259,267	44,714,350	44,259,267	39,870,946

Items excluded from the calculation of diluted net loss per share because the exercise price was greater than the average quoted value of the common shares.

	Three-month periods ended		Nine-month periods ended	
	March 31,		March 31,	
	2019	2018	2019	2018
Stock options	3,015,000	605,000	3,015,000	3,680,000
Warrants	4,250,000	6,300,000	4,250,000	6,300,000

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12 Financial instruments and fair value measurement

a) Financial instruments

The classification of financial instruments as at March 31, 2019 and as at June 30, 2018 is summarized as follows:

		<u>As at March 31, 2019</u>			
				Carrying value	Fair value
		Financial assets at amortized cost	Financial liabilities at amortized cost	Total	Total
		\$	\$	\$	\$
Financial assets					
Cash and cash equivalents		2,009,021	-	2,009,021	2,009,021
Other amounts receivable		59,644	-	59,644	59,644
		<u>2,068,665</u>	<u>-</u>	<u>2,068,665</u>	<u>2,068,665</u>
Financial liabilities					
Accounts payable and accrued liabilities		-	86,628	86,628	86,628
		<u>-</u>	<u>86,628</u>	<u>86,628</u>	<u>86,628</u>
		<u>As at June 30, 2018</u>			
				Carrying value	Fair value
		Available-for-sale	Loans and receivables	Financial liabilities at amortized cost	Total
		\$	\$	\$	\$
Financial assets					
Cash and cash equivalents		-	2,661,573	-	2,661,573
Short-term investments		35,341	-	-	35,341
Other amounts receivable		-	443,445	-	443,445
		<u>35,341</u>	<u>3,105,018</u>	<u>-</u>	<u>3,140,359</u>
Financial liabilities					
Accounts payable and accrued liabilities		-	-	422,243	422,243
Non current accounts payable and accrued liabilities		-	-	45,000	45,000
		<u>-</u>	<u>-</u>	<u>467,243</u>	<u>467,243</u>

As at June 30, 2018, the Company's assets at fair value through profit or loss consist of warrants. Available-for-sale assets consist of shares in a public company. Cash and cash equivalents, other amounts receivable and current and non current accounts payable and accrued liabilities are financial instruments whose carrying value approximates their fair value due to their short-term maturity.

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As at March 31, 2019, the Company's financial assets at fair value through profit or loss consist of warrants, but their fair value as at March 31, 2019 is nil. Financial assets and liabilities are financial instruments whose carrying amount approximates their fair value due to their short-term maturity.

b) Fair value hierarchy

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following three levels:

Level 1 – valuation based on quoted prices observed in active markets for identical assets or liabilities.

Level 2 – valuation techniques based on inputs that are quoted prices of similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; inputs other than quoted prices used in a valuation model that are observable for that instrument; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – valuation techniques with significant unobservable market inputs.

A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The following table presents the financial instruments recorded at fair value in the statement of financial position as at March 31, 2019 and as at June 30, 2018, classified using the fair value hierarchy described above:

	As at March 31, 2019		As at June 30, 2018	
	Level 1	Level 3	Level 1	Level 3
Financial assets	\$	\$	\$	\$
Shares	-	-	35,341	-
Warrants	-	-	-	-

No transfer attributable to changes in the observability of market data was made among the fair value measurement hierarchy levels during the nine-month period ended March 31, 2019 and the year ended June 30, 2018.

c) Valuation techniques that are used to measure fair value

The fair value of shares is established using the bid price on the most beneficial active market for these instruments that is readily available to the Company. When a bid price is not available, the Company uses the closing price of the most recent transaction on such instrument. If the instrument is subject to a restriction on the sale period, the fair value is discounted and the instrument is classified in level 2.

The fair value of warrants is established through the use of the Black & Scholes pricing model, which uses share price inputs and volatility measurements. If the instrument is on a sale period restriction, the fair value is discounted.

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13 Segment reporting

The Company has one reportable operating segment being that of acquisition and exploration of mining properties. The Company holds these following mining properties in Canada and in the United States of America:

	As at March 31, 2019	As at June 30, 2018
Canada	\$	\$
Acquisition costs	247,844	243,056
Exploration costs	962,408	851,696
Total	<u>1,210,252</u>	<u>1,094,752</u>
United States of America		
Acquisition costs	158,519	112,585
Exploration costs	85,675	28,063
Total	<u>244,194</u>	<u>140,648</u>

The mining property located in United States of America is held by our subsidiary Vior Gold USA, LLC. All cost incurred in the subsidiary, except for the incorporation cost, are capitalized in the mining property.

14 Commitments

The Company has leases for its two administrative offices. The minimum future lease payments required to meet its obligations are respectively of \$32,983 and of \$13,485 per year for the next two years.

15 Subsequent events

a) On April 16, 2019, the Company subscribed for 1,755,000 common shares at a price of \$0.12 in the Company Carlin-Type Holdings Ltd. representing 8.5% of the issued and outstanding shares. This strategic investment will allow the Company to access the Swift, Selena and Carlin-East projects all located in Nevada, USA.

(b) On May 16, 2019, the Company granted 525,000 stock options at an exercise price of \$ 0.10. These stock options are valid until May 15, 2024.