



(An exploration stage company)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Three and six months ended June 30, 2019 and 2018

(Expressed in Canadian dollars unless otherwise stated)

UNAUDITED

TORQ RESOURCES INC.
(the "Company")

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Three and six months ended June 30, 2019 and 2018

NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of Company's management.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

August 27, 2019

TORQ RESOURCES INC.

Condensed Consolidated Interim Statements of Financial Position

Unaudited - (Expressed in Canadian dollars)

		As at June 30, 2019		As at December 31, 2018
Assets				
Current assets:				
Cash and cash equivalents	\$	11,442,241	\$	12,437,975
Amounts receivable		31,698		18,125
Prepaid expenses and deposits		189,518		213,776
Total assets	\$	11,663,457	\$	12,669,876
Liabilities and Equity				
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	\$	176,408	\$	229,335
Gecon financial liability (note 4)		-		68,210
Total liabilities		176,408		297,545
Equity				
Share capital		48,977,100		48,977,100
Share option and warrant reserve		8,405,524		8,302,518
Accumulated other comprehensive loss		(4,119)		(3,789)
Deficit		(45,891,456)		(44,903,498)
Total equity		11,487,049		12,372,331
Total liabilities and equity	\$	11,663,457	\$	12,669,876

Subsequent event (note 4)

Approved on behalf of the Board of Directors:

"Michael Kosowan"
Director

"Jeffrey Mason"
Director

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

TORQ RESOURCES INC.**Condensed Consolidated Interim Statements of Loss and Comprehensive Loss**

Unaudited - (Expressed in Canadian dollars, except share amounts)

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Operating expenses				
Exploration and evaluation costs (recovery) (note 5)	\$ –	\$ 455,369	\$ (4,914)	\$ 583,373
Fees, salaries and other employee benefits	244,304	356,416	482,392	798,466
Investor relations and marketing	26,019	101,853	81,898	157,182
Legal and professional fees	26,247	62,283	36,139	75,347
Office and administration	73,101	66,290	129,725	97,289
Regulatory, transfer agent and shareholder information	24,013	24,407	38,018	60,040
	393,684	1,066,618	763,258	1,771,697
Other expenses (income)				
Project investigation costs (note 6)	203,930	170,008	333,596	407,188
Interest income	(63,201)	(68,009)	(128,025)	(127,995)
Change in fair value of Gecon financial liability	190	2,583	(1,205)	7,504
Gain on settlement of Gecon financial liability (note 4)	(67,005)	–	(67,005)	–
Foreign exchange loss (gain)	42,701	(47,939)	87,339	(72,219)
	116,615	56,643	224,700	214,478
Loss for the period	510,299	1,123,261	987,958	1,986,175
Other comprehensive loss (gain), net of tax Items that may be reclassified subsequently to profit or loss:				
Unrealized currency loss (gain) on translation of foreign operations	12	(2,755)	330	(3,491)
Other comprehensive loss (gain) for the period	12	(2,755)	330	(3,491)
Total comprehensive loss for the period	\$ 510,311	\$ 1,120,506	\$ 988,288	\$ 1,982,684
Basic and diluted loss per share (note 13)	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.03
Weighted average number of common shares outstanding (basic and diluted) (note 13)	77,324,164	77,324,164	77,324,164	77,324,164

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

TORQ RESOURCES INC.

Condensed Consolidated Interim Statements of Changes in Equity

Unaudited - (Expressed in Canadian dollars, except share amounts)

	Number of shares	Share capital	Share option and warrant reserve	Accumulated other comprehensive loss	Deficit	Total
Balance at December 31, 2017	77,324,164	48,977,100	7,094,897	(4,313)	(40,029,941)	16,037,743
Net loss and comprehensive loss for the period	–	–	–	3,491	(1,986,175)	(1,982,684)
Share-based compensation (note 8)	–	–	849,328	–	–	849,328
Balance at June 30, 2018	77,324,164	\$ 48,977,100	\$ 7,944,225	\$ (822)	\$ (42,016,116)	\$ 14,904,387
Balance at December 31, 2018	77,324,164	48,977,100	8,302,518	(3,789)	(44,903,498)	12,372,331
Net loss and comprehensive loss for the period	–	–	–	(330)	(987,958)	(988,288)
Share-based compensation (note 8)	–	–	103,006	–	–	103,006
Balance at June 30, 2019	77,324,164	\$ 48,977,100	\$ 8,405,524	\$ (4,119)	\$ (45,891,456)	\$ 11,487,049

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

TORQ RESOURCES INC.**Condensed Consolidated Interim Statements of Cash Flows**

Unaudited - (Expressed in Canadian dollars)

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Cash (used in) provided by:				
Operating activities:				
Loss for the period	\$ (510,299)	\$ (1,123,261)	\$ (987,958)	\$ (1,986,175)
Items not involving cash:				
Share-based compensation (note 8)	52,767	340,922	103,006	849,328
Change in fair value of Gecon financial liability	190	2,583	(1,205)	7,504
Gain on settlement of Gecon financial liability (note 4)	(67,005)	–	(67,005)	–
Unrealized foreign exchange gain	42,417	(173,575)	86,319	(98,984)
Interest income	(63,201)	(68,009)	(128,025)	(127,995)
Changes in non-cash working capital:				
Amounts receivable	20,138	68,072	(13,573)	65,459
Prepaid expenses and deposits	12,985	(38,715)	24,258	(180,043)
Accounts payable and accrued liabilities	(9,468)	(259,687)	(52,582)	(213,061)
Cash used in operating activities	(521,476)	(1,251,670)	(1,036,765)	(1,683,967)
Investing activities:				
Mineral property acquisition costs	–	(89,372)	–	(130,651)
Acquisition of Rush Valley Exploration Inc.	–	(42,160)	–	(129,527)
Interest received	63,201	68,009	128,025	127,995
Cash provided by (used in) investing activities	63,201	(63,523)	128,025	(132,183)
Effect of foreign exchange rate changes on cash	(42,787)	173,827	(86,994)	100,919
Decrease in cash	(501,062)	(1,141,366)	(995,734)	(1,715,231)
Cash and cash equivalents, beginning of the period	11,943,303	14,870,842	12,437,975	15,444,707
Cash and cash equivalents, end of the period	\$ 11,442,241	\$ 13,729,476	\$ 11,442,241	\$ 13,729,476

Supplemental cash flow information (note 11)

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

TORQ RESOURCES INC.

Notes to Condensed Consolidated Interim Financial Statements

Unaudited - (Expressed in Canadian Dollars, unless otherwise stated)

Three and six months ended June 30, 2019 and 2018

1. Corporate information

Torq Resources Inc. (the "Company" or "Torq") is incorporated under the Business Corporations Act (British Columbia) and is listed on the TSX Venture Exchange (the "Exchange") as a Tier 2 mining issuer. The Company's shares trade under the symbol TORQ.V in Canada and on the OTCQX under the US symbol TRBMF.

The Company is principally engaged in the acquisition, exploration, and development of mineral property interests with focus in the Americas.

The head office and principal address of the Company is located at 1199 Hastings Street, Suite 600, Vancouver, British Columbia, Canada, V6E 3T5.

2. Basis of presentation

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting" using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). The accounting policies followed in these condensed consolidated interim financial statements are the same as those applied in the Company's most recent audited consolidated financial statements for the years ended December 31, 2018 and 2017, except as follows:

- Leases

In January 2016, the IASB published a new accounting standard, IFRS 16 - Leases ("IFRS 16") which supersedes IAS 17 - Leases. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset. Control is considered to exist if the customer has the right to obtain substantially all of the economic benefits from the use of an identified asset and the right to direct the use of that asset during the term of the lease. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on balance sheet accounting model that is similar to the current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets.

The Company has made the following elections under IFRS 16:

- to apply the available exemptions as permitted by IFRS 16 to recognize a lease expense on a straight-line basis for short term leases (lease term of 12 months or less) and low value assets; and
- to apply the practical expedient whereby leases whose term ends within 12 months of the date of initial application would be accounted for in the same way as short-term leases.

The adoption of IFRS 16 did not have a material impact on the Company's financial statements as the Company does not currently have any contracts in place that would fall within the scope of IFRS 16.

These condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2018.

These condensed consolidated interim financial statements were authorized for issue and approved by the Board of Directors of the Company on August 27, 2019.

(b) Basis of preparation and consolidation

These condensed consolidated interim financial statements have been prepared on a historical cost basis, with the exception of the Rush Valley Exploration Inc. ("RVX") loan which is measured at fair value and the Gecon financial liability which was measured at fair value up until settlement (note 4).

The Company's functional currency is the Canadian dollar, which is also the Company's presentation currency. These consolidated financial statements are presented in Canadian dollars, unless otherwise noted. Amounts denominated in Euros are denoted as EUR and in United States dollars ("USD") denoted as US\$.

TORQ RESOURCES INC.

Notes to Condensed Consolidated Interim Financial Statements

Unaudited - (Expressed in Canadian Dollars, unless otherwise stated)

Three and six months ended June 30, 2019 and 2018

3. Mineral property interests

b) Utah exploration projects (continued)

West Mercur Gold Project

On May 8, 2018, the Company entered a share exchange agreement with RVX and its three principal shareholders (the "Mercur Agreement") to acquire a 100% interest in RVX and the West Mercur gold project. Under the terms of the Mercur Agreement, to acquire RVX, the Company could pay US\$2.4 million in a combination of cash and common shares to RVX's shareholders, at any time within a two-year period. Prior to the date of execution, the Company had advanced a total of \$398,074 of interim funding that was used to cover a shortfall in RVX's working capital.

The Company determined that, as of May 8th, 2018, the Company had effective control over RVX and accounted for the transaction as an asset acquisition as of that date.

The allocation of the purchase price based on the relative fair value of assets acquired and liabilities assumed at that date was as follows:

Total purchase price:	
Cash advanced to RVX as of May 8 th , 2018	\$ 398,074
Transaction costs associated with the acquisition	94,246
Total purchase price to allocate	\$ 492,320
Cost of assets acquired and liabilities assumed:	
Cash and cash equivalents ¹	\$ 353,474
Mineral properties	490,830
Accounts payable and accrued liabilities	(351,984)
	\$ 492,320

¹ Includes \$350,001 of cash advanced upon signing of the Mercur Agreement and net cash used in the acquisition of RVX was \$138,845 (\$129,527 for the six months ended June 30, 2018).

On October 1, 2018, the Company provided notice to RVX that it would be terminating the Mercur Agreement effective November 30, 2018. As a result, the Company recorded an impairment against the value of the mineral properties as at September 30, 2018 and deconsolidated RVX as of November 30, 2018. At the time of deconsolidation, the full amount that had been advanced to RVX under the Mercur Agreement of \$806,119 was recognized as a loan in accordance with the terms of the Mercur Agreement and recorded at its fair value of \$nil as at November 30, 2018 as it was not expected to be recoverable. There has been no change during the six months ended June 30, 2019 and the RVX loan fair value remains at \$nil.

c) The following is a continuity of mineral property interest acquisition costs:

	Newfoundland	Utah	Total
Balance as at December 31, 2017	\$ 534,344	\$ -	\$ 534,344
Direct acquisition costs	50,000	558,830	608,830
Other acquisition costs	-	16,164	16,164
Impairment of mineral property interests	(584,344)	(574,739)	(1,159,083)
Currency translation adjustment	-	(255)	(255)
Balance as at December 31, 2018 and June 30, 2019	\$ -	\$ -	\$ -

TORQ RESOURCES INC.

Notes to Condensed Consolidated Interim Financial Statements

Unaudited - (Expressed in Canadian Dollars, unless otherwise stated)

Three and six months ended June 30, 2019 and 2018

4. Gecon

Effective November 16, 2016, pursuant to an investment agreement (the "Investment Agreement"), the Company acquired a beneficial interest in 100% of the capital of a Bulgarian shell company, Gecon OOD ("Gecon"), for the purposes of establishing mineral exploration operations in the country. Pursuant to the Investment Agreement between the Company and Gecon's former shareholder, the Company would be required to pay a minimum of USD 50,000 and a maximum of USD 200,000 at any time within a 3-year period of signing the Investment Agreement in exchange for its beneficial interest in Gecon.

In January 2019 the Company made the decision not to further pursue its operations in Bulgaria and to return Gecon to its former shareholder. On June 5, 2019 the Company entered a framework agreement with the former shareholder which resulted in the termination of the Investment Agreement and the Company's underlying financial liability. As a result, the Company recorded a gain of \$67,005 in the consolidated statement of loss and comprehensive loss for the three and six months ended June 30, 2019. Changes in fair value of the liability up until the date of settlement were recorded in the consolidated statement of loss and comprehensive loss.

Subsequent to June 30, 2019, the Company completed the sale of its shares in Gecon to the formal shareholder, by way of a separate share transfer agreement, in exchange for EUR 1,384 (\$1,974).

5. Exploration and evaluation costs

For the three months ended June 30, 2019 the Company did not incur any exploration and evaluation costs.

For the three months ended June 30, 2018 the Company's exploration and evaluation costs were broken down as follows:

	Newfoundland	Utah	Total
Aircraft and travel	\$ 611	\$ 47,521	\$ 48,132
Assays	34,351	2,688	37,039
Environmental and permitting	-	54,895	54,895
Equipment rental and maintenance	-	3,926	3,926
Project support cost	838	7,539	8,377
Wages and consultants	27,904	208,062	235,966
Share-based compensation	42,070	24,964	67,034
Total for the three months ended June 30, 2018	\$ 105,774	\$ 349,595	\$ 455,369

For the six months ended June 30, 2019 the Company recorded an exploration and evaluation cost recovery broken down as follows:

	Newfoundland	Utah	Total
Aircraft and travel	\$ 1,164	\$ -	\$ 1,164
Assays	5,009	-	5,009
Project support cost	4,312	-	4,312
Wages and consultants	4,581	328	4,909
Total exploration and evaluation cost for period	15,066	328	15,394
Government grant received	(20,308)	-	(20,308)
Net (recovery) cost for the six months ended June 30, 2019	\$ (5,242)	\$ 328	\$ (4,914)

During the six months ended June 30, 2019, the Company was awarded a grant from the Government of Newfoundland and Labrador in the amount of \$20,308 which was recorded as an offset against the exploration and evaluation costs incurred on the Newfoundland projects.

TORQ RESOURCES INC.

Notes to Condensed Consolidated Interim Financial Statements

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Three and six months ended June 30, 2019 and 2018

5. Exploration and evaluation costs (continued)

For the six months ended June 30, 2018 the Company's exploration and evaluation costs were broken down as follows:

	Newfoundland	Utah	Total
Aircraft and travel	\$ 4,812	\$ 47,760	\$ 52,572
Assays	117,348	2,688	120,036
Environmental and permitting	-	54,895	54,895
Equipment rental and maintenance	-	3,926	3,926
Project support cost	1,288	7,539	8,827
Wages and consultants	52,576	208,201	260,777
Share-based compensation	127,507	24,964	152,471
Total exploration and evaluation cost for period	303,531	349,973	653,504
Government grant received	(70,131)	-	(70,131)
Net cost for the six months ended June 30, 2018	\$ 233,400	\$ 349,973	\$ 583,373

During the six months ended June 30, 2018, the Company was awarded a grant from the Government of Newfoundland and Labrador in the amount of \$70,131 which was recorded as an offset against the exploration and evaluation costs incurred on the Newfoundland projects.

6. Project investigation costs

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Assays	\$ -	\$ 797	\$ 1,564	\$ 2,745
Equipment, vehicles rent and field supplies	847	4,310	6,710	4,456
Geological consulting, salaries and wages	143,553	78,565	237,121	172,691
Project support costs	5,995	9,248	12,566	14,600
Share-based compensation	-	65,400	16,158	179,333
Travel, meals, accommodation	53,535	11,688	59,477	33,363
	\$ 203,930	\$ 170,008	\$ 333,596	\$ 407,188

7. Share capital

(a) Authorized

Unlimited common shares without par value

(b) Common share issuances

There were no common share issuances during the six-month periods ended June 30, 2019 and 2018.

8. Share option and warrant reserve

Share-based options

The Company maintains a Rolling Share-based Option Plan providing for the issuance of share options up to 10% of the Company's issued and outstanding common shares. The Company may grant from time to time share options to its directors, officers, employees and other service providers. The share options vest 25% on the date of the grant and 12½% every three months thereafter for a total vesting period of 18 months.

TORQ RESOURCES INC.

Notes to Condensed Consolidated Interim Financial Statements

Unaudited - (Expressed in Canadian Dollars, unless otherwise stated)

Three and six months ended June 30, 2019 and 2018

8. Share option and warrant reserve (continued)

The continuity of the number of share options issued and outstanding is as follows:

	Number of share options	Weighted average exercise price
Outstanding, December 31, 2017	6,440,000	\$ 0.85
Granted	195,000	0.50
Expired	(87,500)	0.85
Forfeited	(71,250)	0.85
Outstanding, December 31, 2018	6,476,250	\$ 0.84
Granted	515,000	0.56
Expired	(271,250)	0.85
Outstanding, June 30, 2019	6,720,000	\$ 0.82

As at June 30, 2019, the number of share options outstanding and exercisable was:

Expiry date	Outstanding			Exercisable		
	Number of options	Exercise price	Remaining contractual life (years)	Number of options	Exercise price	Remaining contractual life (years)
Aug 30, 2022	6,010,000	\$0.85	3.17	6,010,000	\$0.85	3.17
Sep 21, 2023	195,000	0.50	4.23	121,875	0.50	4.23
Apr 1, 2024	250,000	0.50	4.76	62,500	0.50	4.76
Jun 20, 2024	265,000	0.62	4.98	66,250	0.62	4.98
	6,720,000	\$0.82	3.33	6,260,625	\$0.84	3.23

The Company uses the fair value method of accounting for all share-based payments to directors, officers, employees and others providing similar services. During the three and six months ended June 30, 2019 the Company recognized share-based compensation expense as follows:

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Recognized in net loss:				
Included in exploration and evaluation costs	\$ -	\$ 67,034	\$ -	\$ 152,471
Included in consulting fees, wages and benefits	52,767	208,488	86,848	517,524
Included in project investigation costs	-	65,400	16,158	179,333
	\$ 52,767	\$ 340,922	\$ 103,006	\$ 849,328

Share purchase warrants

During the three and six months ended June 30, 2019 and 2018, the Company did not issue share purchase warrants and has no outstanding or exercisable share purchase warrants.

TORQ RESOURCES INC.

Notes to Condensed Consolidated Interim Financial Statements

Unaudited - (Expressed in Canadian Dollars, unless otherwise stated)

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9. Related party transactions

All transactions with related parties have occurred in the normal course of operations. All amounts payable and receivable are unsecured, non-interest bearing and have no specific terms of settlement, unless otherwise noted.

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Universal Mineral Services Ltd. ¹				
Included in the statement of loss and comprehensive loss:				
Exploration and evaluation costs				
Newfoundland	\$ -	\$ 17,516	\$ 4,581	\$ 42,188
Utah	-	92,114	328	92,252
Fees, salaries and other employee benefits	89,721	87,107	167,088	141,830
Investor relations and marketing	21,610	8,182	51,472	8,403
Office, rent and administration	67,151	50,647	115,363	71,737
Project investigation costs	94,811	14,280	171,929	20,315
Regulatory, transfer agent and shareholder information	250	119	250	119
Included on the statement of financial position:				
Mineral property acquisition costs				
Utah Projects	-	915	-	5,542
Other prepaid and deferred amounts	2,183	28,528	2,183	28,528
Total transactions for the periods	\$ 275,726	\$ 299,408	\$ 513,194	\$ 410,914

1) Universal Mineral Services Ltd., ("UMS") is a private company with certain directors and officers in common. Pursuant to an agreement dated December 30, 2015, UMS provides geological, financial and transactional advisory services as well as administrative services to the Company on an ongoing, cost recovery basis.

As at June 30, 2019, the Company's accounts payable and accrued liabilities include an amount owing to UMS of \$125,829 (December 31, 2018 - \$178,941). In addition, the Company has \$150,000 on deposit with UMS, recognized within prepaid expenses and deposits, as at June 30, 2019 (December 31, 2018 - \$150,000).

Key management compensation

In addition to the transactions disclosed above, the Company provided the following compensation to key management members, being its three executives and three directors:

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Short-term benefits	\$ 96,148	\$ 60,000	\$ 200,788	\$ 123,795
Directors fees paid to non-executive directors	7,794	-	15,587	-
Share-based compensation	31,729	157,148	51,970	393,723
	\$ 135,671	\$ 217,148	\$ 268,345	\$ 517,518

10. Financial instruments

Financial instruments are evaluated under a fair value hierarchy that reflects the significance of inputs used in making fair value measurements as follows:

Level 1 – Quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (market prices) or indirectly (derived from market prices);

Level 3 – Inputs for the asset or liability that are not based upon observable market data.

TORQ RESOURCES INC.

Notes to Condensed Consolidated Interim Financial Statements

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Three and six months ended June 30, 2019 and 2018

10. Financial instruments (continued)

As at June 30, 2019 the Company's financial instruments consist of cash, amounts receivable, the RVX loan, and accounts payable and accrued liabilities. The fair values of these financial assets and liabilities, with the exception of the RVX loan which is measured at fair value, approximate their carrying values due to their short-term maturity.

As at June 30, 2019, the only financial instrument measured at fair value is the RVX loan which is classified under level 3 of the fair value hierarchy. The RVX loan was measured at its fair value of \$nil on initial recognition at November 30, 2018 and on subsequent measurement at June 30, 2019. As at December 31, 2018, and up until its settlement, the Gecon financial liability was also measured at fair value and classified under level 3.

The Company's financial instruments are exposed to credit risk, liquidity risk and market risks, which include foreign currency risk and interest rate risk. As at June 30, 2019 the primary risks were as follows:

(a) Market risk

This is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The significant market risk to which the Company is exposed is:

Foreign currency risk

The Company is exposed to currency risk by having balances and transactions in currencies that are different from its functional currency. As at June 30, 2019 and December 31, 2018, the Company's foreign currency exposure related to its financial assets and liabilities held in foreign currencies is as follows:

	June 30, 2019		December 31, 2018	
	US\$	EUR	US\$	EUR
Cash	2,030,128	-	2,162,215	-
Accounts payable and accrued liabilities	(13,260)	(3,726)	(330)	-
Gecon financial liability	-	-	(68,210)	-
	2,016,868	(3,726)	2,093,675	-

A 10% increase or decrease in the US dollar and Euro exchange rates would result in an increase/decrease of approximately \$201,314 in the Company's net loss for the six months ended June 30, 2019.

11. Supplemental cash flow information

Cash and cash equivalents at June 30, 2019 included \$28,750 (December 31, 2018 - \$28,750) held in a guaranteed investment certificate as security against corporate credit cards.

12. Segmented information

The Company operates as one operating segment, being the acquisition, exploration and development of mineral resource properties and does not have any non-current assets as at June 30, 2019.

13. Loss per share

Basic loss per share amounts are calculated by dividing the net loss for the period by the weighted average number of ordinary shares outstanding during the period.

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Loss attributable to ordinary shareholders	\$ 510,299	\$ 1,123,261	\$ 987,958	\$ 1,986,175
Weighted average number of common shares	77,324,164	77,324,164	77,324,164	77,324,164
Basic and diluted loss per share	\$0.01	\$0.01	\$0.01	\$0.03

All of the outstanding share-purchase options at June 30, 2019 and 2018 were antidilutive for the periods then ended as the Company was in a loss position.