



CURRIE ROSE RESOURCES INC.

(An Exploration Stage Enterprise)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

THREE MONTHS ENDED MARCH 31, 2019 AND 2018

(Stated in \$CAD)

(Unaudited - Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited interim condensed consolidated financial statements of the Company have been prepared by, and are the responsibility of, the Company's management. The Company's external auditor has not performed a review of these financial statements in accordance with standards established by CPA Canada for a review of interim financial statements by an entity's auditor.



CURRIE ROSE RESOURCES INC.
 (An Exploration Stage Enterprise)
INTERIM CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT MARCH 31, 2019 AND DECEMBER 31, 2018
(Stated in \$CAD)
(Unaudited - Prepared by Management)

	<u>March 31</u> <u>2019</u>	<u>December 31</u> <u>2018</u>
ASSETS		
Current:		
Cash	\$ 118,631	\$ 193,446
Accounts receivable (Note 4)	35,356	30,745
Prepaid expenses	878	18,106
	<u>154,865</u>	<u>242,297</u>
Long term:		
Resource properties (Note 5)	<u>1,145,551</u>	<u>1,117,450</u>
	<u>\$ 1,300,416</u>	<u>\$ 1,359,747</u>
LIABILITIES		
Current:		
Accounts payable and accrued liabilities (Note 6)	<u>\$ 174,700</u>	<u>\$ 119,563</u>
SHAREHOLDERS' EQUITY		
Common shares (Note 7)	16,181,373	16,181,373
Contributed surplus	1,354,528	1,354,528
Share based compensation (Note 8)	183,526	125,511
Warrants (Note 7(b)(ii))	37,002	37,002
Accumulated deficit	(16,655,339)	(16,482,856)
Accumulated comprehensive income	24,626	24,626
	<u>1,125,716</u>	<u>1,240,184</u>
	<u>\$ 1,300,416</u>	<u>\$ 1,359,747</u>
Going concern (Note 1(b))		
Commitments (Notes 9 & 10)		
Subsequent events (Note 14)		

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

Approved on behalf of the Board:

"Michael Griffiths" Director

"Stephen Coates" Director



CURRIE ROSE RESOURCES INC.
 (An Exploration Stage Enterprise)
**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF
 NET LOSS AND COMPREHENSIVE LOSS**
THREE MONTHS ENDED MARCH 31, 2019 AND 2018
(Stated in \$CAD)
(Unaudited - Prepared by Management)

	2019	2018
Expenses		
Management fees	\$ 48,000	\$ 48,000
Travel and promotion	40,294	5,323
Listing fees and shareholder information	9,911	8,519
Office and general	8,736	2,472
Professional fees	7,527	4,926
Loss on foreign exchange	-	211
Share based compensation	58,015	-
	172,483	69,451
 Net loss and comprehensive loss	\$ (172,483)	\$ (69,451)
 Basic loss per share (Note 7(c))	\$ (0.004)	\$ (0.003)

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

CURRIE ROSE RESOURCES INC.
(An Exploration Stage Enterprise)
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
PERIOD FROM JANUARY 1, 2018 TO MARCH 31, 2019
(Stated in \$CAD)
(Unaudited - Prepared by Management)

	Note	Common shares Number	Common shares Amount	Contributed surplus	Warrants	Share based compensation	Accumulated deficit	Accumulated other comprehensive income	Total
As at January 1, 2018		25,931,004	\$ 15,527,373	\$ 1,281,537	\$ 37,002	\$ 198,502	\$ (16,158,513)	\$ 24,626	\$ 910,527
Net loss and comprehensive loss for period		-	-	-	-	-	(69,451)	-	(69,451)
As at March 31, 2018		25,931,004	15,527,373	1,281,537	37,002	198,502	(16,227,964)	24,626	841,076
Net loss and comprehensive loss for period		-	-	-	-	-	(254,892)	-	(254,892)
Shares issuance re Rossland Project acquisition	7(a)	2,000,000	154,000	-	-	-	-	-	154,000
Proceeds on private placement	7(b)	10,000,000	500,000	-	-	-	-	-	500,000
Stock options expired	8(a)	-	-	72,991	-	(72,991)	-	-	-
Finders' fee on private placement paid in shares	7(d)	500,000	25,000	-	-	-	-	-	25,000
Share issue expenses	7(d)	-	(25,000)	-	-	-	-	-	(25,000)
As at December 31, 2018		38,431,004	16,181,373	1,354,528	37,002	125,511	(16,482,856)	24,626	1,240,184
Net loss and comprehensive loss for period		-	-	-	-	-	(172,483)	-	(172,483)
Share based compensation	8(c)	-	-	-	-	58,015	-	-	58,015
As at March 31, 2019		38,431,004	\$ 16,181,373	\$ 1,354,528	\$ 37,002	\$ 183,526	\$ (16,655,339)	\$ 24,626	\$ 1,125,716

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



CURRIE ROSE RESOURCES INC.
 (An Exploration Stage Enterprise)
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2019 AND 2018
(Stated in \$CAD)
(Unaudited - Prepared by Management)

	2019	2018
Operating activities		
Net loss for year	\$ (172,483)	\$ (69,451)
Add (deduct) items not affecting cash		
Share based compensation	58,015	-
	(114,468)	(69,451)
Change in non-cash working capital items		
Accounts receivable	(4,611)	(3,888)
Prepaid expenses	17,227	1,615
Accounts payable and accrued liabilities	55,137	(16,638)
	(46,715)	(88,362)
Investing activities		
Resource property additions	(28,100)	(121,009)
Change in cash	(74,815)	(209,371)
Cash, beginning of period	193,446	385,137
Cash, end of period	\$ 118,631	\$ 175,766

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

CURRIE ROSE RESOURCES INC.

(An Exploration Stage Enterprise)

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE MONTHS ENDED MARCH 31, 2019 AND 2018

(Stated in \$CAD)

(Unaudited - Prepared by Management)

1. NATURE OF OPERATIONS AND GOING CONCERN

(a) Nature of operations

Currie Rose Resources Inc. ("Currie Rose" or the "Company") was incorporated under the Canada Business Corporations Act on August 24, 1973. It is a public company that trades on the TSX Venture Exchange under the symbol "CUI.V". Currie Rose is a precious metal explorer focused on identifying high value assets in Canada and delivering responsible exploration outcomes that meet shareholder expectations and provide community opportunities with the current focus on the Rossland Gold Project in British Columbia (*see note 5(2)*). The head office and principal address of the Company is located at 401 Bay Street, Suite 2100, Toronto, Ontario, Canada, M5H 2Y4.

(b) Going concern

The accompanying unaudited interim condensed consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") (as issued by the International Accounting Standard Board ("IASB")) applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and, therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying unaudited interim condensed consolidated financial statements. Such adjustments could be material.

As at March 31, 2019, the Company had no source of operating cash flow and had an accumulated deficit of \$16,655,339 (December 31, 2018 - \$16,482,856). Working capital as at March 31, 2019 was a deficiency of \$19,835 compared to a surplus of \$122,734 as at December 31, 2018. Net comprehensive loss for the three months ended March 31, 2019 was \$172,483 (March 31, 2018 - \$69,452). Operations since inception have been funded from the (i) issuance of share capital, (ii) sale of marketable securities, and (iii) sale of resource property interests (*see note 14(b)*).

The Company anticipates it will have sufficient cash on hand to service its liabilities and fund exploration activity and public company operating costs for the next twelve months. In order to continue active operations, the Company will need to (i) arrange further financing that will largely depend upon prevailing capital market conditions, and (ii) the continued support of its shareholder base. There is uncertainty that the Company will be able to obtain additional financing for the long-term future, given the current market environment for junior exploration stage companies. These factors create material uncertainties that cast significant doubt as to the propriety of the use of the going concern assumption upon which these unaudited interim condensed consolidated financial statements have been prepared.

CURRIE ROSE RESOURCES INC.

(An Exploration Stage Enterprise)

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE MONTHS ENDED MARCH 31, 2019 AND 2018

(Stated in \$CAD)

(Unaudited - Prepared by Management)

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation and statement of compliance

These unaudited interim condensed consolidated financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting”. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC. The same accounting policies, methods of computation and note disclosures are followed in these unaudited interim condensed consolidated financial statements as compared to the Company’s annual consolidated financial statements for the years ended December 31, 2018 and December 31, 2017. In particular, the Company's significant accounting policies are presented as Note 2 in those audited consolidated financial statements have been consistently applied in the preparation of these unaudited interim condensed consolidated financial statements. They were authorized for issuance by the Board of Directors on May 28, 2019.

Unless otherwise stated, the unaudited interim condensed consolidated financial statements are presented in Canadian dollars, which is the Company's presentation currency as the Company is based in Canada and obtains the majority of its financing through Canadian dollar private placements. The Canadian dollar is also the Company's functional currency for Canadian exploration activities and its corporate head office in Canada.

(b) Basis of consolidation

These unaudited interim condensed consolidated financial statements include the accounts of Currie Rose Resources Inc. and its wholly owned subsidiary, Currie Rose Resources (I) Limited, as at and for the three months ended March 31, 2019 and March 31, 2018.

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over an investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect its returns. The financial statements of a subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries are changed when necessary to align them with the policies applied by the Company in these unaudited interim condensed consolidated financial statements. All intercompany balances, income and expenses, and unrealized gains and losses resulting from intercompany transactions are eliminated in full.

CURRIE ROSE RESOURCES INC.

(An Exploration Stage Enterprise)

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE MONTHS ENDED MARCH 31, 2019 AND 2018

(Stated in \$CAD)

(Unaudited - Prepared by Management)

2. SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

(c) Critical accounting estimates and judgements

The preparation of these unaudited interim condensed consolidated financial statements requires management to make estimates and judgements about the future that affect the amounts recorded in the unaudited interim condensed consolidated financial statements. These estimates and judgements are based on the Company's experience and management's expectations about future events that are believed to be reasonable under the circumstances, and they are continually being evaluated based on new facts and experience. Actual results may differ from these estimates and judgements.

The unaudited interim condensed consolidated financial statements reflects the accounting estimates and judgements outlined by the Company in its audited consolidated financial statements for the years ended December 31, 2018 and December 31, 2017.

These estimates, assumptions and judgements notably relate to the following items:

Assessment of impairment indicators and valuation of mineral properties: Management uses significant judgement in determining whether there is any indication that these mineral properties may be impaired. Significant judgements and estimates include the market for minerals under exploration, the ability to obtain additional financing and the ability to defer tenement spending requirements.

Share based compensation: The Company utilizes the Black-Scholes option pricing model to determine the fair values of share based compensation. This requires significant judgement in the evaluation of the input variables in the Black-Scholes calculation which includes: risk free interest rate, expected stock price volatility, expected life, expected dividend yield and forfeiture rate.



CURRIE ROSE RESOURCES INC.

(An Exploration Stage Enterprise)

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE MONTHS ENDED MARCH 31, 2019 AND 2018

(Stated in \$CAD)

(Unaudited - Prepared by Management)

3. RECENTLY ADOPTED IFRS STANDARD

IFRS 16 "Leases" was issued in January 2016, became effective for fiscal years beginning on or after January 1, 2019, superseded IAS 17 Leases, and sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract: i.e. the customer ("lessee") and the supplier ("lessor").

From a lessee perspective, IFRS 16 eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17 and, instead, introduces a single lessee accounting model. The most significant effect of the new standard was the lessee's recognition of the initial present value of unavoidable future lease payments as lease assets and lease liabilities on the balance sheet, including those for most leases that would be currently accounted for as operating leases. The Company has implemented this new standard, but management has determined there is no impact on the Company as all its occupancy leases are exempted by virtue of having terms of less than 12 months.

4. ACCOUNTS RECEIVABLE

	March 31 2019	December 31 2018
Share subscriptions receivable	\$ 25,000	\$ 25,000
Refundable HST ITC's	10,356	5,745
	<u>\$ 35,356</u>	<u>\$ 30,745</u>

The share subscription receivable as at March 31, 2019 and December 31, 2018 is part of the private placement that closed in August, 2018 (*see note 7(b)(i)*), and is due from a related party (*see note 9(b)*).

CURRIE ROSE RESOURCES INC.
(An Exploration Stage Enterprise)
FINANCIAL STATEMENTS
THREE MONTHS ENDED MARCH 31, 2019 AND 2018

5. **RESOURCE PROPERTIES**

	<u>Opening</u>	<u>Acquisition costs</u>	<u>Geological and technical</u>	<u>Professional fees</u>	<u>Travel and admin costs</u>	<u>Capitalization of long term receivable</u>	<u>Value attributed to net smelter royalty</u>	<u>Closing</u>
<u>Year ended December 31, 2017</u>								
Scadding, Canada	\$ 525,223	\$ -	\$ -	\$ -	\$ -	\$ 52,425	\$ (2)	\$ 577,646
Jubilee Reef, Tanzania	-	-	-	-	-	-	1	1
Mabale Hills, Tanzania	-	-	-	-	-	-	1	1
	<u>\$ 525,223</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,425</u>	<u>\$ -</u>	<u>\$ 577,648</u>
<u>Year ended December 31, 2018</u>								
Scadding, Canada	\$ 577,646	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 577,646
Rossland, Canada	-	302,452	146,640	23,640	67,071	-	-	539,803
Jubilee Reef, Tanzania	1	-	-	-	-	-	-	1
Mabale Hills, Tanzania	1	-	-	-	-	-	-	1
	<u>\$ 577,648</u>	<u>\$ 302,452</u>	<u>\$ 146,640</u>	<u>\$ 23,640</u>	<u>\$ 67,071</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,117,451</u>
<u>Three months ended March 31, 2019</u>								
Scadding, Canada	\$ 577,646	\$ -	\$ -	\$ 2,276	\$ -	\$ -	\$ -	\$ 579,922
Rossland, Canada	539,803	-	10,372	1,848	13,604	-	-	565,627
Jubilee Reef, Tanzania	1	-	-	-	-	-	-	1
Mabale Hills, Tanzania	1	-	-	-	-	-	-	1
	<u>\$ 1,117,451</u>	<u>\$ -</u>	<u>\$ 10,372</u>	<u>\$ 4,124</u>	<u>\$ 13,604</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,145,551</u>

CURRIE ROSE RESOURCES INC.

(An Exploration Stage Enterprise)

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE MONTHS ENDED MARCH 31, 2019 AND 2018

(Stated in \$CAD)

(Unaudited - Prepared by Management)

5. RESOURCE PROPERTIES, CONTINUED

The carrying values of the Company's resources properties at March 31, 2019 were \$1,145,551 (December 31, 2018 - \$1,117,451). Management's review of these carrying values indicated that, at March 31, 2019, the properties were not impaired. The company also retains a 2% NSR on any future production from each of its prior Jubilee Reef and Mabale Hills projects in Tanzania.

(1) Scadding Township, Ontario, Canada

- (a) Beneficial ownership consists of 49% of gold mining claims covering 1,895 acres in Northern Ontario, embodied in seven leases granted by the Ministry of Natural Resources totaling 56 claims. One of these leases is set to expire in 2023, three in 2025, one in 2026 and two in 2027. Each of these leases contain a 21 year renewal clause at the option of Ministry of Natural Resources. Management is of the opinion that such renewals will be offered, and they intend to act on these renewal clauses.
- (b) The Company is committed to a royalty payment in the amount of \$100,000, payable 10 days after the end of the third calendar month in which production occurs from the claims. The Company is also committed to a royalty payment of \$1 per ton of ore removed from designated claims registered against the property.
- (c) On November 12, 2015, Northern Sphere Mining Corp. ("Northern"), a Canadian public company that trades under NSM on the CSE, entered into a joint venture agreement ("JV-Scadding") with Trueclaim. JV-Scadding stipulates that Northern shall control all recovery operations on the Scadding Property for the benefit of Trueclaim and Northern. Currie Rose still retains a 49% interest in the property, is not be obligated to make any further financial contributions to the joint venture once entered into and its interest will be a carried interest. In the event that the property goes into commercial production, JV-Scadding can increase its interest in the property from 51% to 100% by making a payment of \$2,000,000 to the Company and entering into a royalty agreement for a 3% net smelter return ("NSR") to the Company.
- (d) In April, 2019, the Company entered into a mineral property purchase agreement with respect to the Scadding property as described in note 14(b).

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(An Exploration Stage Enterprise)

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE MONTHS ENDED MARCH 31, 2019 AND 2018

(Stated in \$CAD)

(Unaudited - Prepared by Management)

5. RESOURCE PROPERTIES, CONTINUED

(2) Rossland Project, British Columbia, Canada

- (a) On April 13, 2018, the Company announced it had secured two option agreements over the Rossland Project (the "Rossland Project"), which together cover approximately 2,000 hectares of the Rossland mining camp that produced more than 2.7 million ounces of gold, 3.5 million ounces of silver and 71 tonnes of copper between 1894 and 1941 and ranks as the third largest lode gold camp in British Columbia.
- (b) Under the terms of the agreements, which were approved by the TSX Venture Exchange on May 16, 2018, Currie Rose has the right to acquire 100% of the Rossland Project from two private companies ("option holders") via a 3-stage, 4-year option, as follows:
- (c) (i) **Stage 1: 1-12 months**
Upfront payment of \$50,000 and issuance of 1,000,000 Currie Rose shares to each of the option holders (*see note 7(a)*);
Minimum expenditure of \$500,000 on each option agreement;
Investment by Currie Rose beyond the first year will be contingent on positive results;
Providing written notice to the Optionor, no later than 1 month prior to the first anniversary, of its intention to proceed to Stage 2.
- (ii) **Stage 2: 13-24 months**
Upon proceeding to Stage 2, payment of \$75,000 and issuance of 1,500,000 Currie Rose shares to each of the option holders on the 1st anniversary.
Payment of further \$75,000 and issuance of 1,500,000 Currie Rose shares to each of the option holders on the 2nd anniversary.
Minimum expenditure of \$750,000 on each option agreement.
- (iii) **Stage 3: 25-48 months**
Funding and completing a feasibility study - one study to apply to both option holders;
Payment of \$100,000 and issuance 2,000,000 Currie Rose shares on the 3rd anniversary (to each of the option holders);
Payment of \$100,000 and issuance of 2,000,000 Currie Rose shares on the 4th anniversary (to each of the option holders).
- (d) On completion of the feasibility study or the payment obligations, the Company will own 100% of the project and will grant separately, to each option holder, a 2% NSR with Currie Rose having an option to purchase from each option holder one-half (1%) of the NSR for payment of \$1,000,000.



CURRIE ROSE RESOURCES INC.

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE MONTHS ENDED MARCH 31, 2019 AND 2018

(Stated in \$CAD)

(Unaudited - Prepared by Management)

5. RESOURCE PROPERTIES, CONTINUED

(2) Rossland Project, British Columbia, Canada, continued

(e) On May 17, 2018, the Company received approval from the TSX Venture Exchange of the Rossland Project acquisition and the issuance of the 1,000,000 common shares to each of the two option holders, or collectively 2,000,000 common shares (*see note 7(a)*). The Exchange has accepted all filing documentation including a National Instrument 43-101 Technical Report (the "Technical Report") on the Rossland Project relating to the Company's first option agreement for the acquisition of 100% of the GNB property and second option agreement for the acquisition of 100% of the COE property. The GNB property and the COE properties together comprise the Rossland Project.

(f) On June 13, 2018, the Company entered into a Purchase and Sale Agreement (the "Agreement") to acquire a 100% interest in the "Golden 8 Claim" which adjoins the south western boundary of the recently optioned Rossland Project. The Golden 8 Claim covers 296.5 hectares of the highly prospective Rossland "South Belt" and increases the coverage of Company's Rossland Project (part of the Rossland Mining Camp) to approximately 2,230 hectares.

Under the terms of the Agreement, Currie Rose exercised its right to acquire 100% of the Golden 8 Claim from a private vendor via cash payments made as follows: (i) \$16,000 on execution of the Agreement, and (ii) \$16,000 made in September, 2018.

The vendor retains a 2% NSR, while the Company has a right of repurchase of one half of the NSR (1%) by paying the vendor \$1 million.

(g) On February 27, 2019, the Company and the vendor agreed to extend the expenditure periods of both option agreements that make up the Rossland Project (*see note 5(2)*) by 3 months to July 12, 2019 to enable drilling and other exploration work to be completed.

(h) As of March 31, 2019, the Company had incurred acquisition costs of \$302,452 and exploration and development costs totalling \$263,175 on the two options comprising the Rossland project.

(i) The terms of the Rossland option agreements with respect to obligations arising at Stage 2 described above were amended in April, 2019 as described in note 14(a).

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31 2019	December 31 2018
Trade accounts payable	\$ 153,700	\$ 103,563
Accrued liabilities	21,000	16,000
	\$ 174,700	\$ 119,563

CURRIE ROSE RESOURCES INC.

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE MONTHS ENDED MARCH 31, 2019 AND 2018

(Stated in \$CAD)

(Unaudited - Prepared by Management)

7. SHARE CAPITAL

Continuity schedules for each component of the Company's share capital and other equity instruments are disclosed in the unaudited interim condensed consolidated statements of changes in shareholders' equity for the period from January 1, 2018 to March 31, 2019. Descriptions of the significant changes in each component are as follows:

(a) Common shares issued re Rossland Project acquisition

As a result of TSX-V approval of the Rossland acquisition on May 17, 2018 (*see note 5(2)(e)*), the Company issued 1,000,000 common shares to each of the two option vendors, or 2,000,000 common shares in total, as additional purchase consideration (*see note 5(2)(c)(i)*). These 2,000,000 common shares have been recorded at an assigned value of \$154,000, based on the average closing price of \$0.077 per share over the period 5 days either side of May 17, 2018.

(b) Private placement - August 14, 2018

(i) On August 14, 2018, the Company closed a private placement of 10,000,000 units at a price of \$0.05 each for gross proceeds of \$500,000, with each unit comprised of one common share and one half-share purchase warrant. Under the offering, the Company issued a total of 10,000,000 common shares and 5,000,000 warrants. The securities will be subject to hold periods in accordance with requisite securities laws. The exercise price of the warrants will be \$0.10 per warrant, with an expiry date of October 17, 2020. Proceeds from this offering were used for work on the Company's Rossland project and general working capital. This financing has received preliminary approval from the TSX Venture Exchange on July 11, 2018.

(ii) None of gross proceeds were allocated to warrants using the residual method of valuation, as the unit price was not in excess of the trading price of the common shares on the closing date.

(iii) A finder's fee was paid to an arms length finder through the issuance of a further 500,000 units for a total value of \$25,000.

(c) Loss per share

Basic loss per share is computed using the weighted average number of common shares outstanding. After giving retroactive effect to the share consolidation described above, the weighted average number of common shares outstanding for the three months ended March 31, 2019 was 38,431,002 (2018 - 25,931,004).



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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE MONTHS ENDED MARCH 31, 2019 AND 2018

(Stated in \$CAD)

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8. STOCK OPTIONS

The Company has a stock option plan which allows for the granting of stock options to directors, officers, employees and consultants as additional compensation for services rendered, with such options generally being exercisable over a five year period. The options are generally required to have an exercise price no less than the market price prevailing on the day the option is granted. TSX Venture Exchange has accepted for filing the Company's stock option plan which was approved by the Company's shareholders at the Annual General Meeting held on June 14, 2018. The plan has been converted to a rolling plan whereby a maximum of 10% of the issued shares will be reserved for issuance under the plan from a previous fixed maximum, after giving effect to the share consolidation described in note 7, of 2,856,010 (pre-consolidation - 7,140,026).

The options granted for periods of greater than eighteen months under the plan vest at a rate of 25% upon regulatory approval and 25% every six months thereafter unless otherwise specified. The options granted for periods less than eighteen months vest immediately. Upon change in control, as defined by the Income Tax Act, all outstanding options immediately become vested.

Stock option activity for the period from January 1, 2018 to March 31, 2019 was as follows:

	Three months ended March 31, 2019		Year ended December 31, 2018	
	Options	Weighted -average exercise price (\$)	Options	Weighted- average exercise price (\$)
Outstanding, beginning of year	1,120,000	0.125	1,820,000	0.125
Expired in 2018 Q3 (see note 8(a))	-	-	(700,000)	0.125
Granted effective February 6, 2019 (see note 8(b))	2,050,000	0.075	-	-
Outstanding, end of year	3,170,000	0.093	1,120,000	0.125

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE MONTHS ENDED MARCH 31, 2019 AND 2018

(Stated in \$CAD)

(Unaudited - Prepared by Management)

8. STOCK OPTIONS, continued

As at March 31, 2019, the issued and outstanding options to acquire common shares of the Company are as follows:

Grant date	Number of options		Exercise price (\$)	Remaining life	Expiry date
	Granted	Exercisable			
September 14, 2010	80,000	80,000	0.125	1.5	September 14, 2020
June 13, 2012	460,000	460,000	0.125	3.2	June 13, 2022
April 30, 2015	120,000	120,000	0.125	1.1	April 30, 2020
May 26, 2016	120,000	120,000	0.125	1.6	October 27, 2020
May 26, 2016	340,000	340,000	0.125	7.2	May 26, 2026
February 6, 2019	<u>2,050,000</u>	<u>512,500</u>	0.075	4.9	February 6, 2024
	<u>3,170,000</u>	<u>1,632,500</u>	0.093	4.5	

The details of the changes in the options during the reporting period are as follows:

- In 2018 Q3, 700,000 previously issued options expired unexercised such that further previously recognized share based payments of \$72,991 was transferred to contributed surplus.
- On February 6, 2019, 2016 the Company granted options for the purchase of up to 2,050,000 common shares at a price of \$0.075 per share exercisable until February 6, 2024. The fair value of these options was calculated with the Black-Scholes option pricing model. Using the assumptions of: (1) risk free interest rate of 1.84%, (2) expected volatility of 152%, (3) expected life of 5 years, and (4) dividend yield of 0.0%, the total fair value of the options granted as deemed to be \$111,315.
- Total share based payments of \$58,015 was recognized during the three month period ended March 31, 2019 (2018 - \$Nil) based on accrual of previously granted options expected to vest in the reporting period.

CURRIE ROSE RESOURCES INC.

(An Exploration Stage Enterprise)

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE MONTHS ENDED MARCH 31, 2019 AND 2018

(Stated in \$CAD)

(Unaudited - Prepared by Management)

9. KEY MANAGEMENT COMPENSATION, RELATED PARTY TRANSACTIONS AND BALANCES

(a) Key management personnel and directors compensation:

During the three month periods ended March 31, 2019 and 2018, the Company had the following related party transactions, including (i) compensation of key current and/or former management personnel and directors, and (ii) transactions with entities related to or controlled by officers and/or directors, as follows:

	<u>2019</u>	<u>2018</u>
Management fees	\$ 48,000	\$ 48,000
Share based payments	58,015	-

- (b) Accounts payable and accrued liabilities as at March 31, 2019 includes \$135,254 (December 31, 2018 - \$99,954) with respect to balances owing to related parties for the transactions disclosed above.

Accounts receivable includes a share subscription receivable from a company controlled by a director (*see note 4*).

- (c) Management fees paid during the three month period ended March 31, 2019 consist of \$30,000 paid to an entity controlled by the CEO (for his services as CEO) (*see note 9(b)(i)*) and \$18,000 paid to an entity related to a director (*see note 9(b)(ii)*):

- (i) Effective July 1, 2017, the CEO entered into a revised contract for management services at a rate of \$10,000 per month compared to the prior rate of \$2,200 per month. The contract is for a 2 year term expiring on June 30, 2019, automatically renewing for a further 3 years upon expiry (unless terminated previously).

The contract also includes a provision for an extraordinary bonus shall be paid to (i) in the amount of 500,000 shares in the capital of the Company in the event one of the Company's projects is verified by an independent engineer's report to NI 43-101 or equivalent standard, confirming the Company's gold reserves plus resources exceeds 1,000,000 ounces of gold or gold equivalent; and (ii) in the amount of 1,000,000 shares in the capital of the Company in the event two of the Company's projects are verified by an independent engineer's report to NI 43-101 or equivalent standard, confirming the Company's gold reserves plus resources exceeds 2,000,000 ounces of gold or gold equivalent.

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(Stated in \$CAD)

(Unaudited - Prepared by Management)

9. KEY MANAGEMENT COMPENSATION, RELATED PARTY TRANSACTIONS AND BALANCES, continued

- (ii) On July 1, 2017, the Company entered into a new contract for management and administrative services that replaced the pre-existing management services agreement described above. The contract is billed on a monthly basis at a rate of \$6,000 and includes the services of the CFO and corporate secretary, office rent and regular administrative functions. The contract, with a company related to a recently appointed director, has a three-month notice period and renews annually.

10. COMMITMENTS

In addition to the related party commitments described in note 9, the Company is committed to two new premises leases related to its Rossland BC resource property as follows:

- (a) a residential lease for use by out-of-town staff at a monthly rate of \$900 for a period of twelve months commencing September 1, 2018, with a lessee option to renew for a further twelve months at a monthly rate subject to a maximum increase of 10%;
- (b) an office lease at a monthly rate of \$1,000 for a period of twelve months commencing November 1, 2018, with a lessee option to renew for the rate and term subject to negotiation.

11. SEGMENTED INFORMATION

With the disposition of its various resource property interests outside of Canada over the last number of years, the Company conducts its business in a single operating segment that consists of its Canadian resource property interests in Rossland, BC and Scadding Township, Ontario.

12. FINANCIAL INSTRUMENTS AND RISK FACTORS

Fair value of financial instruments

The fair values of cash, accounts receivable and accounts payable and accrued liabilities approximate their fair values due to the short-term or demand nature of these balances.

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE MONTHS ENDED MARCH 31, 2019 AND 2018

(Stated in \$CAD)

(Unaudited - Prepared by Management)

12. FINANCIAL INSTRUMENTS AND RISK FACTORS, continued

(a) Fair value hierarchy

A fair value hierarchy establishes three levels to classify valuation techniques used to measure fair value. Level 1 includes quoted prices in active markets for identical assets or liabilities. Level 2 includes inputs that are observable other than quoted prices included in level one. Level 3 includes inputs that are not based on observable market data.

	<u>2019</u>	<u>2018</u>
	\$	\$
Level 1		
Cash	118,631	193,446
Level 3		
Accounts receivable	35,356	30,745

(b) Classification of financial instruments

The classification and measurement of the financial assets and liabilities, as well as their carrying amounts and fair values are as follows:

Assets/liabilities	Measurement	2019		2018	
		Carrying amount	Fair value	Carrying amount	Fair value
		\$	\$	\$	\$
Cash	Amortized cost	118,631	118,631	193,446	193,446
Accounts receivable	Amortized cost	35,356	35,356	30,745	30,745
Accounts payable and accrued liabilities	Amortized cost	174,700	174,700	119,563	119,563

(c) Credit risk

The Company's credit risk is attributable to accounts receivable, which is comprised of refundable HST ITC's and share subscriptions receivable. The Company has no material concentration of credit risk arising from operations. Cash consists of bank deposits, which have been invested with a Canadian chartered bank, from which management believes the risk of loss to be remote. Management believes that credit risk with respect to accounts receivable is minimal. There has been no change in this risk exposure or how it is managed since the prior reporting period.

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE MONTHS ENDED MARCH 31, 2019 AND 2018

(Stated in \$CAD)

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12. FINANCIAL INSTRUMENTS AND RISK FACTORS, continued

(d) Liquidity risk

The business of the Company necessitates the management of liquidity risk. Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due in the short-term due to a shortfall of working capital and in the long-term due to lack of sufficient capital. The Company's objective is to mitigate short-term liquidity risk by maintaining adequate working capital reserves and its long-term liquidity risk by stipulating in certain option agreements that payments may be made in common shares at the Company's election and through good relations with external capital markets. The Company achieves these objectives by obtaining financing through private placements and issuing shares as payment for resource property costs. There has been no change in this risk exposure or how it is managed since the prior reporting period. However, as at March 31, 2019, the Company believes the exposure to liquidity risk is significant (*see note 1(b)*) although it holds no arms-length financial liabilities, other than current accounts payable and accrued expenses, that are not adequately covered through working capital and it has no funding commitments that are not at its discretion.

13. CAPITAL DISCLOSURES

The Company's objectives when managing capital are to ensure that there are adequate resources to sustain operations and to continue as a going concern, to maintain adequate funding to support acquisition obligations and exploration of mineral claims, and to maintain investor confidence, all with a view to providing a return on shareholders' investment. Funds are primarily obtained through the issuance of common shares as equity capital. Such issuance of common shares is usually done as private placements.

The Company considers the items included in the consolidated statements of shareholders' equity to be capital and it manages the capital structure and adjusts it with an awareness of changes in economic conditions, the risk nature of the underlying assets and the future capital requirements to maintain those assets. The Company is not subject to any externally imposed capital requirements.

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE MONTHS ENDED MARCH 31, 2019 AND 2018

(Stated in \$CAD)

(Unaudited - Prepared by Management)

14. SUBSEQUENT EVENTS

- (a) On April 12, 2019, the following transactions occurred (or were agreed to) in satisfaction of the Company's obligations arising on the first anniversary of the Rossland Project, namely:
- (i) \$10,000 of the \$75,000 anniversary payment was paid for each of the two options (\$20,000 in total)
 - (ii) The parties agreed to pay the remaining \$65,000 for each of the two options either on closing of a financing or with 6 months (whichever comes first).
 - (iii) 1,500,000 shares were issued for each of the two options (3,000,000 shares in total)
- (b) On April 24, 2019, the Company reached agreement in principle to sell its 49% interest in the Scadding Project ("Scadding") (*see note 5(1)*) to MacDonald Mines Exploration Ltd. (TSX-V: BMK) ("MacDonald Mines").

Under the agreed terms, Currie Rose will sell its 49% interest in the Scadding Project in exchange for:

- ◆ 8,000,000 shares of MacDonald Mines
- ◆ \$50,000 payment on transfer of title
- ◆ 3% NSR
- ◆ \$2,000,000 cash payment upon reaching commercial production - with a resulting decrease of the NSR to 2.5%
- ◆ NSR buyback of 1% for \$1,000,000
- ◆ Work obligation of \$1.5m over a three-year period

The agreement will be subject to both a standstill clause and voting requirements.

- (c) On May 14, 2019, the Company announced it had received approval of its Notice of Work Permit application. This will enable the Company to commence drilling at the Rossland Project.