



CURRIE ROSE RESOURCES INC.

(An Exploration Stage Enterprise)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

THREE AND SIX MONTHS ENDED JUNE 30, 2021 AND 2020

(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, 2021 AND DECEMBER 31, 2020
(Stated in \$CAD)
(Unaudited - Prepared by Management)

	<u>June 30</u> <u>2021</u>	<u>December 31</u> <u>2020</u>
ASSETS		
Current:		
Cash	\$ 42,675	\$ 79,491
Accounts receivable (Note 5)	10,462	18,006
Prepaid expenses	12,573	4,116
Marketable securities (Note 6)	<u>200,750</u>	<u>328,500</u>
	266,460	430,113
Long term:		
Resource properties (Note 7)	<u>790,026</u>	<u>1,347,785</u>
	<u>\$ 1,056,486</u>	<u>\$ 1,777,898</u>
LIABILITIES		
Current:		
Accounts payable and accrued liabilities (Note 8)	\$ 536,794	\$ 439,220
Advance from Accelerate (Note 7(2)(b)(i))	<u>443,270</u>	<u>305,574</u>
	<u>980,064</u>	<u>744,794</u>
SHAREHOLDERS' EQUITY		
Common shares	16,358,373	16,358,373
Contributed surplus	1,441,480	1,441,480
Warrants	8,000	8,000
Share based compensation	186,876	186,876
Accumulated deficit	(17,942,933)	(16,986,251)
Accumulated comprehensive income	<u>24,626</u>	<u>24,626</u>
	<u>76,422</u>	<u>1,033,104</u>
	<u>\$ 1,056,486</u>	<u>\$ 1,777,898</u>
Going concern (Note 2(d))		
Subsequent events (Note 11)		

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 INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)**
THREE AND SIX MONTHS ENDED JUNE 30, 2021 AND 2020
(Stated in \$CAD)
(Unaudited - Prepared by Management)

	Three months ended June 30 2021	Six months ended June 30 2021	Three months ended June 30 2020	Six months ended June 30 2020
Expenses				
Management fees	\$ 48,000	\$ 96,000	\$ 48,000	\$ 96,584
Listing fees and shareholder information	8,386	15,485	6,765	13,762
Professional fees	4,536	11,302	7,660	13,008
Office and general	2,556	4,295	602	1,107
Travel and promotion	-	-	-	8,670
	<u>63,478</u>	<u>127,082</u>	<u>63,027</u>	<u>133,131</u>
Loss from operations before undernoted items	(63,478)	(127,082)	(63,027)	(133,131)
Write-down of Rossland Project (Note 7(1))	(701,850)	(701,850)	-	-
Decrease in fair value of marketable securities (Note 6)	(18,250)	(127,750)	159,923	11,882
Realized loss on sale of marketable securities (Note 6)	-	-	(882)	(86,779)
	<u>-</u>	<u>-</u>	<u>(882)</u>	<u>(86,779)</u>
Net income (loss) and comprehensive income (loss)	<u>\$ (783,578)</u>	<u>\$ (956,682)</u>	<u>\$ 96,014</u>	<u>\$ (208,028)</u>
Basic income (loss) per share	<u>\$ (0.019)</u>	<u>\$ (0.023)</u>	<u>\$ 0.002</u>	<u>\$ 0.005</u>
Diluted income (loss) per share	<u>\$ (0.019)</u>	<u>\$ (0.023)</u>	<u>\$ 0.002</u>	<u>\$ 0.005</u>

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, 2020 TO JUNE 30, 2021
(Stated in \$CAD)
(Unaudited - Prepared by Management)

Note	Common shares		Contributed surplus	Warrants	Share based compensation	Accumulated deficit	Accumulated other comprehensive income	Total
	Number	Amount						
As at January 1, 2020	41,831,004	\$ 16,358,373	\$ 1,391,530	\$ 8,000	\$ 236,826	\$ (16,553,823)	\$ 24,626	\$ 1,465,532
Net loss and comprehensive loss for period	-	-	-	-	-	(208,028)	-	(208,028)
As at June 30, 2020	41,831,004	16,358,373	1,391,530	8,000	236,826	(16,761,851)	24,626	1,257,504
Net income and comprehensive income for period	-	-	-	-	-	(224,400)	-	(224,400)
Stock options expired	-	-	49,950	-	(49,950)	-	-	-
As at December 31, 2020	41,831,004	16,358,373	1,441,480	8,000	186,876	(16,986,251)	24,626	1,033,104
Net loss and comprehensive loss for period	-	-	-	-	-	(956,682)	-	(956,682)
As at June 30, 2021	41,831,004	\$ 16,358,373	\$ 1,441,480	\$ 8,000	\$ 186,876	\$ (17,942,933)	\$ 24,626	\$ 76,422

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
SIX MONTHS ENDED JUNE 30, 2021 AND 2020
(Stated in \$CAD)
(Unaudited - Prepared by Management)

	<u>2021</u>	<u>2020</u>
Operating activities		
Net loss for period	\$ (956,682)	\$ (208,028)
Add (deduct) items not affecting cash		
Write-down of Rossland Project	701,850	-
Realized loss on sale of marketable securities	-	86,779
Decrease in fair value of marketable securities	127,750	(11,882)
	<u>(127,082)</u>	<u>(133,131)</u>
Change in non-cash working capital items		
Accounts receivable	7,544	9,243
Prepaid expenses	(8,457)	(6,453)
Accounts payable and accrued liabilities	97,574	8,126
	<u>(30,421)</u>	<u>(122,215)</u>
Investing activities		
Resource property expenditures	(144,091)	(21,990)
Proceeds on sale of marketable securities	-	266,086
	<u>(144,091)</u>	<u>244,096</u>
Financing activities		
Loan payable - related party	-	(48,291)
Advance from Accelerate, net of transaction costs	137,696	-
	<u>137,696</u>	<u>(48,291)</u>
Change in cash	(36,816)	73,590
Cash, beginning of period	79,491	5,620
Cash, end of period	<u>\$ 42,675</u>	<u>\$ 79,210</u>
Non-cash transactions:		
Accounts payable settled in marketable securities	<u>\$ -</u>	<u>\$ 41,157</u>

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 AND SIX MONTHS ENDED JUNE 30, 2021 AND 2020

(Stated in \$CAD)

(Unaudited - Prepared by Management)

1. 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 7(2)*). The head office and principal address of the Company is located at 401 Bay Street, Suite 2704, Toronto, Ontario, Canada, M5H 2Y4.

2. BASIS OF PRESENTATION AND GOING CONCERN

(a) 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, 2020 and 2019. In particular, the Company's significant accounting policies are presented as Note 3 in those audited consolidated financial statements have been consistently applied in the preparation of these unaudited interim condensed consolidated financial statements.

These unaudited interim condensed consolidated financial statements were authorized for issuance by the Board of Directors on August 30, 2021.

(b) Basis of presentation

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.

CURRIE ROSE RESOURCES INC.

(An Exploration Stage Enterprise)

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE AND SIX MONTHS ENDED JUNE 30, 2021 AND 2020

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2 BASIS OF PRESENTATION AND GOING CONCERN, CONTINUED

(c) Risk and uncertainty as a result of the global COVID-19 pandemic

Consistent with other businesses globally, the Company's operations have been adversely affected by the effects of the widespread global outbreak of COVID-19. At the same time, Currie's corporate office has closed and executives are working remotely until further notice. As the Company's exploration is focused in British Columbia, Currie is adhering to the new Health and Safety Guidelines set by the BC provincial government, which includes revised work protocols to limit the spread of COVID-19. As our personnel are accommodated locally and not in a camp situation, the return-to-work protocols and a safe working environment will need to accommodate appropriate controls to ensure the safety of our personnel and their families. While the Company continues to advance its exploration activity, the timelines for future studies and exploration could be impacted, depending on both the continued duration and severity of the COVID-19 pandemic.

Beyond the potential impact to various schedules, the economic impact of COVID-19 could affect the Company's ability to access capital markets and secure sufficient financing to move the project forward on previously planned timelines. As of the filing date of these unaudited interim condensed consolidated financial statements for the six months ended June 30, 2021, there were no identified indicators of impairment as a result of COVID-19 and, consequently, no adjustments have been made to these unaudited interim condensed consolidated financial statements.

(d) 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 June 30, 2021, the Company had no source of operating cash flow and had an accumulated deficit of \$17,942,933 (December 31, 2020 - \$16,986,251). Working capital as at June 30, 2021 was a deficiency of \$713,604 compared to \$314,681 as at December 31, 2020. Net comprehensive loss for the six months ended June 30, 2021 was \$956,682 (2020 - \$208,028). 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.

CURRIE ROSE RESOURCES INC.

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE AND SIX MONTHS ENDED JUNE 30, 2021 AND 2020

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2. BASIS OF PRESENTATION AND GOING CONCERN, CONTINUED

The Company anticipates it will have sufficient working capital 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. The unknown economic impact, continued duration and severity of the COVID-19 pandemic that has developed since March, 2020 will most likely affect the Company's ability to access capital markets and secure sufficient financing for future exploration. 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.

3. RECENTLY ADOPTED ACCOUNTING STANDARD

- (a) **IFRS 16 "Leases"**: This standard has been amended to provide lessees with an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification. This amendment is effective for annual periods beginning on or after June 1, 2020. At this time, the Company has not received rent concessions related to COVID-19 and therefore, this amendment did not have a significant impact on the unaudited interim condensed consolidated financial statements.

4. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

As at the date of authorization of these unaudited interim condensed consolidated financial statements, the IASB has issued the following new or revised standards as detailed below.

- (a) **IAS 16 "Property, Plant and Equipment"**: This standard has been amended to prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use, clarify that an entity is "testing whether the asset is functioning properly" when it assesses the technical and physical performance of the asset and require certain related disclosures. The amendments are effective for annual periods beginning on or after January 1, 2022. The Company has not yet assessed the impact of the amendments on the unaudited interim condensed consolidated financial statements.
- (b) **IAS 1 "Presentation of Financial Statements", and IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors"**: This standard has been amended to clarify the classification of liabilities as current or non-current. The amendments are effective for annual periods beginning on or after January 1, 2022. The Company has not yet assessed the impact of the amendments on the unaudited interim condensed consolidated financial statements.

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE AND SIX MONTHS ENDED JUNE 30, 2021 AND 2020

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4. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS, CONTINUED

- (c) **IAS 37 "Provisions"**: This standard has been amended to clarify that, before a separate provision for an onerous contract is established, an entity recognizes an impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to that contract and to clarify the meaning of costs to fulfil a contract. The amendments are effective for annual periods beginning on or after January 1, 2022. The Company has not yet assessed the impact of the amendments on the unaudited interim condensed consolidated financial statements.
- (d) **IAS 12 "Income taxes"**: This standard has been amended to require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. The amendments are effective for annual reporting periods beginning on or after January 1, 2023. The Company has not yet assessed the impact of the amendment on the unaudited interim condensed consolidated financial statements.

5. ACCOUNTS RECEIVABLE

	June 30 2021	December 31 2020
Refundable HST ITC's	<u>\$ 10,462</u>	<u>\$ 18,006</u>

6. MARKETABLE SECURITIES

	June 30 2021		December 31 2020	
	Shares	\$	Shares	\$
MacDonald Mines Exploration Ltd.	<u>3,650,000</u>	<u>\$ 200,750</u>	<u>3,650,000</u>	<u>\$ 328,500</u>

During the six months ended June 30, 2021, the Company sold no shares (2020 - 3,750,000) for gross proceeds of \$Nil (2020 - \$266,086), realizing a loss on disposal of \$Nil (2020 - \$86,779). A decrease in fair value of \$127,750 has been recognized during the six months ended June 30, 2021 (2020 - increase of \$11,882) through FVTPL, such that the remaining 3,650,000 shares are being carried at their market value of \$200,750.

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE AND SIX MONTHS ENDED JUNE 30, 2021 AND 2020

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7. 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>Write-down</u>	<u>Closing</u>
Year ended December 31, 2020							
Rossland, Canada	\$ 893,841	\$ 125,000	\$ 235,645	\$ 19,110	\$ 42,187	\$ -	\$ 1,315,783
Golden 8, BC, Canada	32,000	-	-	-	-	-	32,000
Jubilee Reef, Tanzania	1	-	-	-	-	-	1
Mabale Hills, Tanzania	1	-	-	-	-	-	1
	<u>\$ 925,843</u>	<u>\$ 125,000</u>	<u>\$ 235,645</u>	<u>\$ 19,110</u>	<u>\$ 42,187</u>	<u>\$ -</u>	<u>\$ 1,347,785</u>
Six months ended June 30, 2021							
Rossland, Canada	\$ 1,315,783	\$ 109,405	\$ 14,109	\$ 4,740	\$ 15,837	\$ (701,850)	\$ 758,024
Golden 8, BC, Canada	32,000	-	-	-	-	-	32,000
Jubilee Reef, Tanzania	1	-	-	-	-	-	1
Mabale Hills, Tanzania	1	-	-	-	-	-	1
	<u>\$ 1,347,785</u>	<u>\$ 109,405</u>	<u>\$ 14,109</u>	<u>\$ 4,740</u>	<u>\$ 15,837</u>	<u>\$ (701,850)</u>	<u>\$ 790,026</u>

(1) Carrying values

The carrying values of the Company's resources properties, namely the Rossland Project in British Columbia, at June 30, 2021 were \$790,026 (December 31, 2020 - \$1,347,785). On April 14, 2021, the Company gave the required 10 days' Notice of Termination to 0811662 BC Ltd., one of the two option holders of the Rossland Project (see note 7(3)(l)). As a result, the Company has recorded a write-down of \$701,850, or 50% of the carrying value of the Rossland Project, as of that date. Management's review of the remaining carrying value indicated that, at as June 30, 2021, the property was not impaired. Included in these balances are nominal carrying values with respect to a 2% NSR on any future production from each of its prior Jubilee Reef and Mabale Hills projects in Tanzania.

On July 2, 2021, the Company gave the required 10 days' Notice of Termination to 0704723 BC Ltd., the second of the two 3rd party option holders of the Rossland Project, under Section 11.01 of the option agreement dated April 12, 2018. As a result of this termination., 100% of the aggregate mining costs re the Rossland Project will be written off as of that date, other than the original acquisition costs of \$32,000 related to its 100% owned Golden 8 Project (that formed part of the Rossland Gold Project) (see note 11(a)).

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(An Exploration Stage Enterprise)

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE AND SIX MONTHS ENDED JUNE 30, 2021 AND 2020

(Stated in \$CAD)

(Unaudited - Prepared by Management)

7. RESOURCE PROPERTIES, CONTINUED

(2) Rossland Project - Accelerate transaction

(a) Due diligence exploration program and potential earn-in agreement on Rossland Gold Project

On August 31, 2020, the Company announced that it had entered into a binding term sheet with Accelerate Resources Ltd ("Accelerate") (ASX: AX8) with respect to its Rossland Project ("Rossland" or the "Project").

(b) **Accelerate transaction highlights**

- (i) Accelerate will make available CAD \$500,000 to Currie Rose to fund a due diligence exploration program on the Project (the "Due Diligence Program"), with Currie Rose managing the program at the direction of Accelerate. As at June 30, 2021, Accelerate had made gross advances under this agreement totalling \$500,000, net of transaction costs of \$56,730, for a carrying value of \$443,270.
- (ii) On completion of the Due Diligence Program, Accelerate can elect to acquire 51% of the Project by issuing 12,500,000 ordinary shares in Accelerate to Currie Rose and making a CAD \$200,000 cash payment.
- (iii) Accelerate can earn the remaining 49% of the Project by spending CAD \$1,000,000 within 14 months of Accelerate acquiring the initial 51% of the Project. The Company retains meaningful exposure to the potential upside of Rossland through its equity exposure in Accelerate, and a milestone payment of 15,000,000 performance rights on commercial production (which will be issued to Currie Rose subject to Accelerate acquiring 100% of the Project).

(c) **Accelerate transaction details**

Currie Rose has concluded a binding term sheet with Accelerate pursuant to which the parties agreed to complete the due diligence program and, subject to certain conditions, to enter into a definitive earn-in agreement allowing Accelerate to acquire up to 100% of Rossland from Currie Rose. Accelerate is entirely arm's length to Currie Rose.

The key terms of the agreement are as follows:

- (i) Subject to certain conditions being satisfied or waived, Accelerate will loan Currie Rose CA \$500,000 to be spent over 8 months (the "Due Diligence Period") to fund a targeted due diligence exploration program acceptable to Accelerate.

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE AND SIX MONTHS ENDED JUNE 30, 2021 AND 2020

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(Unaudited - Prepared by Management)

7. RESOURCE PROPERTIES, CONTINUED

- (ii) At completion of the Due Diligence Period (*see note 7(2)(f)*), Accelerate has the right to proceed with an earn-in agreement. Should Accelerate decide not to proceed with an earn-in agreement, Currie Rose must repay the loan through the issuance of common shares at an agreed-upon price of \$0.06 per share. This share issuance would not result in a change of control of Currie Rose.
- (iii) If the parties enter into an earn-in agreement, Accelerate would acquire a 51% interest in the Project (the "Stage 1 Earn In") by:
 - ◆ Issuing 12.5 million Accelerate ordinary shares to Currie Rose; and
 - ◆ Paying CAD \$200,000 in cash to Currie Rose.
- (iv) If Accelerate completes the Stage 1 Earn-In, it could earn the remaining 49% by:
 - ◆ Incurring exploration expenditures of an additional \$1,000,000 within 14 months of completing the Stage 1 Earn In;
 - ◆ Issuing 25 million Accelerate ordinary shares to Currie Rose;
 - ◆ Paying CAD \$250,000 in cash to Currie Rose; and
 - ◆ Issuing to Currie Rose 15,000,000 performance rights which shall convert into fully paid ordinary shares in the capital of Accelerate upon achieving a 500,000 oz (JORC) @ minimum grade of 7 g/t gold (JORC) or on achieving 'Commercial Production'

(d) Subsequent project management

Upon acquiring a 51% interest in the Project, Accelerate would become Project Manager and Mr. Michael Griffiths (President and CEO of Currie Rose) would join the board of Accelerate as Technical Director.

(e) Required approvals

The earn-in agreement described above remains subject to approval of the TSX Venture Exchange, as well as approval of the ASX and shareholders of Accelerate, among other conditions. In addition, the issuance of common shares of Currie Rose to repay the loan from Accelerate remains subject to approval of the TSX Venture Exchange.

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE AND SIX MONTHS ENDED JUNE 30, 2021 AND 2020

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7. RESOURCE PROPERTIES, CONTINUED

(f) Termination of agreement with Accelerate

On April 27, 2021, the end of the eight month due diligence period (*see note 7(2)(c)(ii)*), Accelerate gave written notice that they have declined their option to acquire 51% of the Rossland Project and will, subject to regulatory approval, convert their cumulative advances of \$500,000 into 8,333,333 common shares of the Company at the previously agreed upon price of \$0.06 per share. Such approval was granted by the TSX Venture Exchange on July 23, 2021 (*see note 11*).

(3) Rossland Project - acquisition history

(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;

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).

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE AND SIX MONTHS ENDED JUNE 30, 2021 AND 2020

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(Unaudited - Prepared by Management)

7. RESOURCE PROPERTIES, CONTINUED

(3) Rossland Project - acquisition history, continued

- (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.
- (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. 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) Under the terms of the Option Amending Agreement dated February 27, 2019, the Company and the option holders agreed to extend the expenditure periods of both option agreements that make up the Rossland Project (*see note 7(3)*) by 3 months to July 12, 2019 to enable drilling and other exploration work to be completed.

CURRIE ROSE RESOURCES INC.

(An Exploration Stage Enterprise)

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE AND SIX MONTHS ENDED JUNE 30, 2021 AND 2020

(Stated in \$CAD)

(Unaudited - Prepared by Management)

7. RESOURCE PROPERTIES, CONTINUED

(3) Rossland Project - acquisition history, continued

(h) Under the terms of the Second Amending Agreement To The Option Agreement dated April 11, 2019, the following transactions occurred in satisfaction of the Company's obligations arising on the first anniversary of the Rossland Project, namely:

- ◆ \$10,000 of the \$75,000 anniversary payment was paid for each of the two options (\$20,000 in total)
- ◆ 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) (*see note 7(3)(j)*)
- ◆ 1,500,000 shares were issued for each of the two options, or 3,000,000 shares in total (*see note*)

(i) On August 21, 2019, the parties agreed to the Third Amending Agreement To The Option Agreement to amend the original terms of the option agreements for the Rossland project to reflect current market conditions. Under the revised terms, the Company and the option holders agreed to reduce the exploration expenditure requirements for Stage 2 and further agreed to remove the issue of all remaining Currie Rose shares (8 million shares) in exchange for increased cash payments as set out below:

Stage 2 - April 2019 - April 2020

- ◆ Minimum expenditure of \$500,000 (previously \$750,000) for each company; payment of \$125,000 on the 2nd anniversary (per company);

Stage 3 - April 2020 - April 2022

- ◆ Funding and completing a feasibility study - one study to apply to both companies, payment of \$150,000 on the 3rd anniversary (per company);
- ◆ Payment of \$175,000 on the 4th anniversary (per company).

All other conditions of the agreements remain unchanged.

(j) Under the terms of the Second Amending Agreement To The Option Agreement re the Rossland Project (*see note 7(3)(h)*), the Company was required to make further payments of \$65,000 on each of the two options by the earlier of (i) closing of a financing, or (ii) within 6 months, or October 12, 2019.

CURRIE ROSE RESOURCES INC.

(An Exploration Stage Enterprise)

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE AND SIX MONTHS ENDED JUNE 30, 2021 AND 2020

(Stated in \$CAD)

(Unaudited - Prepared by Management)

7. RESOURCE PROPERTIES, CONTINUED

(3) Rossland Project - acquisition history, continued

The required payments were not made by the due date, upon which the Company received a Notice of Default on October 16, 2019. The Notice of Default indicated that in the event that the default was not cured or disputed within 30 days, the option holders may then provide Notice of Termination of the Option Agreement to Currie Rose pursuant to Clause 11.03 of the Option Agreement.

On November 15, 2019, the option holders accepted two payments of \$30,000 (\$60,000 in total) as partial payment of each remaining \$65,000 obligation (\$130,000 in total), and agreed to forbear any further steps toward termination of the Option Agreement re the Rossland Project pending receipt of the balance of the funds due of \$70,000 in total. The remaining balance was paid in full in January, 2020.

- (k) Effective March 30, 2020, the parties agreed to the Fourth Amending Agreement To The Option Agreement to amend the original terms of the option agreements for the Rossland project to take into account current market conditions as well as practical limitations on work requirements due to the global COVID-19 pandemic.

Under the revised terms, the option holders have agreed to forgo all expenditure requirements for the current Stage 2 period and have further agreed to reduce the total minimum expenditure to \$1,000,000 and to be completed by January 14, 2023.

The Company is to maintain the claims in good standing by paying all permit and statutory expenditures and has further agreed that should the Company not meet the new minimum expenditure, it can rectify any breach by paying the option holders a total of \$100,000 cash.

The overall option payments previously agreed to remain in place. However, the option holders have agreed to accept quarterly instalments thereby extending the term to April, 2023 (from the initial date of April, 2022), as follows: Stage 2 - quarterly payments of \$62,500 (\$250,000 annually) beginning July 14, 2020; Stage 3 - quarterly payments of \$75,000 (\$300,000 annually) beginning July 14, 2021; Stage 4 - quarterly payments of \$87,500 (\$350,000 annually) beginning July 14, 2022.

(l) **Termination of one of two Rossland option agreements**

On April 14, 2021, the Company gave the required 10 days' Notice of Termination to 0811662 BC Ltd., one of the two option holders of the Rossland Project, under Section 11.01 of the option agreement dated April 12, 2018. As a result of this termination, 50% of the aggregate mining costs re the Rossland Project will be written off as of that date. The Company still maintains its other agreement with the remaining Rossland option holder.

CURRIE ROSE RESOURCES INC.

(An Exploration Stage Enterprise)

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE AND SIX MONTHS ENDED JUNE 30, 2021 AND 2020

(Stated in \$CAD)

(Unaudited - Prepared by Management)

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	June 30 2021	December 31 2020
Trade accounts payable	\$ 523,794	\$ 417,220
Accrued liabilities	13,000	22,000
	<u>\$ 536,794</u>	<u>\$ 439,220</u>

Trade accounts payable as at June 30, 2021 includes \$455,747 (December 31, 2020 - \$341,574) of unpaid management fees owing to the related parties disclosed in note 9.

9. KEY MANAGEMENT COMPENSATION, RELATED PARTY TRANSACTIONS AND BALANCES

(a) Key management personnel and directors compensation:

During the six months ended June 30, 2021 and 2020, the Company had the following related party transactions with key management personnel and directors, and entities related to them, as follows:

	2021	2020
Management fees	\$ 96,000	\$ 96,584

(b) Accounts payable and accrued liabilities as at June 30, 2021 includes \$455,747 (December 31, 2020 - \$341,574) with respect to balances owing to related parties for the transactions disclosed above (see note 8).

(c) Management fees expensed during the six month period ended June 30, 2021 consist of \$60,000 (2020 - \$60,000) billed by an entity controlled by the CEO and \$36,000 (2020 - \$36,584) billed by an entity related to a director (including the services of the CFO and corporate secretary, office rent and regular administrative functions).

10. 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 interest in Rossland, BC.

CURRIE ROSE RESOURCES INC.

(An Exploration Stage Enterprise)

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THREE AND SIX MONTHS ENDED JUNE 30, 2021 AND 2020

(Stated in \$CAD)

(Unaudited - Prepared by Management)

11. SUBSEQUENT EVENTS

(a) Termination of 2nd option agreement on Rossland Project

On July 2, 2021, the Company gave the required 10 days' Notice of Termination to 0704723 BC Ltd., the second of the two 3rd party option holders of the Rossland Project, under Section 11.01 of the option agreement dated April 12, 2018. As a result of this termination, 100% of the aggregate mining costs re the Rossland Project will be written off as of that date, other than the original acquisition costs of \$32,000 related to its 100% owned Golden 8 Project (that formed part of the Rossland Gold Project).

The Company is actively seeking a new project of merit and management have reviewed several projects in detail and expect to secure a new asset early in Q4 2021.

(b) Termination of agreement with Accelerate

On July 23, 2021, the Company received approval from the TSX Venture Exchange to issue 8,333,333 common shares at the previously agreed upon price of \$0.06 per share to Accelerate with respect to full settlement of their cumulative advances of \$500,000 (*see note 7(2)(f)*).