



G2 Goldfields INC.
(Formerly Sandy Lake Gold Inc.)

CONDENSED INTERIM FINANCIAL STATEMENTS
THREE AND NINE MONTHS ENDED
FEBRUARY 28, 2019
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Notice to Reader

The accompanying unaudited condensed interim financial statements of The Company Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Company's auditors.

G2 Goldfields INC.

Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

		As at February 28, 2019 (Unaudited)	As at May 31, 2018 (Audited)
ASSETS			
Current Assets	\$		\$
Cash		617,594	312,977
Marketable securities (note 3)		10,000	18,136
Amounts receivable		31,582	49,611
Prepaid expenses and deposits		5,075	12,326
Total current assets		674,252	39,050
Non-current assets			
Mining interests (note 4)		9,145,183	8,533,346
Total non-current assets			8,533,346
Total assets	\$	9,819,435	\$ 8,926,396
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities (note 9)	\$	523,587	\$ 495,375
Total liabilities		523,587	495,375
Shareholders' equity			
Owed to Shareholder		145,000	
Share capital (note 5)		34,723,311	33,854,008
Warrants (note 6)		1,031,762	891,544
Contributed surplus		6,149,802	6,103,975
Deficit		(32,754,026)	(32,418,506)
Total shareholders' equity		9,295,848	8,431,021
Total liabilities and shareholders' equity	\$	9,819,435	\$ 8,926,396

Nature of Operations and Going Concern (note 1)
Subsequent Events (note 10)

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

THE COMPANY INC.**Condensed Interim Statements of
Comprehensive Loss****(Expressed in Canadian Dollars)****(Unaudited)**

	Three Months Ended, February 28,		Nine Months Ended, February 28,	
	2019	2018	2019	2018
Operating expenses				
Share-based compensation (note 9.b)	\$ 9,479	\$ 23,038	\$ 45,827	\$ 122,320
Wages and employee benefits	28,772	32,021	74,120	73,650
Professional fees	36,369	8,180	50,531	43,147
Consulting fees	7,000	10,394	69,200	41,050
Transfer agent and filing fees	7,755	5,544	15,615	40,237
Office rent and utilities	6,889	13,277	41,664	27,976
Investor and community relations	4,681	16,254	7,728	18,278
Insurance	3,105	2,996	9,375	9,193
Donation				5,000
Office and administrative	1,305	1,086	11,213	4,148
Interest income/Bank Charge		(73)		(249)
Operating loss before the following items	105,357	(112,717)	325,271	(384,840)
Unrealized loss on marketable securities (note 3)	(288)	(6,970)	8,136	(23,303)
(loss) gain on foreign exchange		(522)	(128)	(2,909)
Interest and bank charges	567	(272)	2,241	(1,164)
Impairment of property and equipment				
Comprehensive loss for the period	\$ (105,636)	\$ (120,481)	\$ (335,520)	\$ (412,216)
Basic and diluted net loss per common share(note 8)	\$ (0.0010)	\$ (0.0015)	\$ (0.0032)	\$ (0.0058)
Weighted average number of common shares outstanding basic and diluted (note 8)	104,165,109	78,703,050	102,108,347	70,976,840

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

G2 GOLDFIELDS INC.

Condensed Interim Statements of Cash Flows (Expressed in Canadian Dollars) (Unaudited)

	Three Months Ended February 28		Nine Months Ended February 28	
	2019	2018	2019	2018
Operating activities				
Net loss for the period	\$ (105,636)	\$ (120,481)	\$ (335,520)	\$ (412,216)
Adjustments for:				
Share-based pay/Payroll Liability	12,434	23,038	50,331	122,320
Unrealized (gain)loss on marketable securities (note 3)	(288)	6,970	8,136	23,303
Changes in non-cash working capital items:				
Amounts receivable	(1,863)	(14,556)	18,028	(11,636)
Prepaid expenses and deposits	13,571	163,502	(2,749)	(24,835)
Accounts payable and accrued liabilities	(28,122)	136,788	23,708	(6,183)
Net cash used in operating activities	(109,904)	195,261	(238,067)	(309,247)
Investing activities				
Mining interests	(241,970)	(528,974)	(611,837)	(1,033,510)
Purchases of short-term investments				
Net cash used in investing activities	(241,970)	(528,974)	(611,837)	(1,033,510)
Financial activities				
Private placements (note 5(b)(i)(ii)(iii))	722,370	550,000	876,793	17,000,000
Share issue costs	(801)	(3,500)	(7,491)	(17,703)
Proceeds from warrants exercised	7,640		140,217	
Contribute Surplus/Share based compensation				
Others	145,000		145,000	
Net cash provided by financing activities	874,209	546,500	1,154,520	16,982,297
Net change in cash	522,335	212,787	304,616	339,540
Cash, beginning of period	95,259	491,587	312,978	364,834
Cash, end of period	\$ 617,594	\$ 704,374	\$ 617,594	\$ 704,374

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

G2 GOLDFIELDS INC.**Condensed Interim Statements of Changes in Shareholders' Equity****(Expressed in Canadian Dollars)****(Unaudited)**

	Share Capital							Total Equity
	Number of Common Shares	Amount	Special Warrants	Warrants	Contributed Surplus	Deficit		
Balance, May 31, 2017	61,427,982	\$ 32,829,583	\$	\$	\$ 5,941,332	\$ (31,818,291)	\$ 6,952,624	
Units issued for private placement (note 5(b)(i))	20,500,000	509,000		566,000			1,075,000	
Share issues costs		(17,703)					(17,703)	
Special Warrants issued for private placements (note 5)			625,000				625,000	
Special Warrants converted into units (note 5)	12,500,000	324,000	(625,000)	301,000			0	
Share-based compensation					122,320		122,320	
Net loss for the period						(412,216)	(412,216)	
Balance, February 28, 2018	94,427,982	\$ 33,644,880	\$	\$ 867,000	\$ 6,063,652	\$ (32,230,507)	\$ 8,345,025	
Balance, May 31, 2018	99,427,982	\$ 33,854,008	\$	\$ 891,544	\$ 6,103,975	\$ (32,418,506)	\$ 8,431,021	
Units issued for private placement (note 5(b)(i))	5,420,010	858,313					858,313	
Share issues costs		(7,491)					(7,491)	
Warrants issued for private placements (note 5)				143,697			143,697	
Warrants converted into shares	150,000	18,480		(3,480)			15,000	
Share-based compensation					45,827		45,827	
Net loss for the period						(328,029)	(335,520)	
Balance, February 28, 2019	104,997,992	\$ 34,723,310	\$	\$ 1,031,761	\$ 6,149,802	\$ (32,746,535)	\$ 9,150,847	

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THE COMPANY INC.

Notes to Condensed Interim Financial Statements

February 28, 2018

(Expressed in Canadian Dollars)

(Unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

G2 Goldfields Inc. (the "Company") was incorporated as 7177411 Canada Corporation on May 21, 2009 under the laws of Canada. The Company is primarily engaged in the business of acquiring and exploring mineral properties. On July 21, 2016, the Company filed articles of amendment to change its name from "Lago Dourado Minerals Ltd." to "The Company Inc.". The common shares of The Company giving effect to the name change commenced trading on the TSX Venture Exchange ("TSX-V") under the new symbol "SDL" on July 22, 2016. On November 4, 2016, the stock symbol of The Company was changed "SLAU".

The head office, principal address and records office of the Company are located at 141 Adelaide Street West, Suite 1101, Toronto, Ontario, Canada, M5H 3L5.

In order to carry out future exploration activities the Company will need to raise additional financing. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms favorable to the Company.

These unaudited condensed interim financial statements have been prepared on a going concern basis, which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future, which is at least, but not limited to, one year from November 30, 2018. However, the Company is exploration focused and is subject to the risks and challenges of companies in the same sector. These risks include, but are not limited to, the challenges of securing adequate capital in view of exploration, development and operational risks inherent in the mining industry as well as global economic, precious and base metal price volatility; all of which are uncertain under current market conditions. As a result of these risks, there is no assurance that the Company's funding initiatives will continue to be successful and these unaudited condensed interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and financial position classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material. The Company has an accumulated deficit of \$32,418,506 from inception.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 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 the IASB.

The policies applied in these unaudited condensed interim financial statements are based on IFRS issued and outstanding as of January 24, 2019, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended May 31, 2019, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending May 31, 2019 could result in restatement of these unaudited condensed interim financial statements.

New Accounting Standard Adopted

On July 24, 2014, the IASB issued the completed IFRS 9 - Financial Instruments ("IFRS 9") to come into effect on January 1, 2018 with early adoption permitted.

IFRS 9 includes finalized guidance on the classification and measurement of financial assets. Under IFRS 9, financial assets are classified and measured either at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") based on the business model in which they are held and the

THE COMPANY INC.

Notes to Condensed Interim Financial Statements

February 28, 2018

(Expressed in Canadian Dollars)

(Unaudited)

characteristics of their contractual cash flows. IFRS 9 largely retains the existing requirements in IAS 39 - Financial Instruments: Recognition and Measurement ("IAS 39"), for the classification and measurement of financial liabilities.

The Company adopted IFRS 9 in its unaudited condensed interim financial statements on June 1, 2018. Due to the nature of its financial instruments, the adoption of IFRS 9 had no impact on the opening accumulated deficit balance on June 1, 2018. The impact on the classification and measurement of its financial instruments is set out below.

All financial assets not classified at amortized cost or FVOCI are measured at FVTPL. On initial recognition, the Company can irrevocably designate a financial asset at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- It is held within a business model whose objective is to hold the financial asset to collect the contractual cash flows associated with the financial asset instead of selling the financial asset for a profit or loss;
- Its contractual terms give rise to cash flows that are solely payments of principal and interest.

All financial instruments are initially recognized at fair value on the statement of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in the statement of loss and comprehensive loss for the period. Financial assets classified at amortized cost and financial liabilities are measured at amortized cost using the effective interest method.

The following table summarizes the classification and measurement changes under IFRS 9 for each financial instrument:

Classification	IAS 39	IFRS 9
Cash	FVTPL	FVTPL
Short-term investments	FVTPL	FVTPL
Marketable securities	FVTPL	FVTPL
Accounts payable and accrued liabilities	Other liabilities	Amortized cost

The original carrying value of the Company's financial instruments under IAS 39 has not changed under IFRS 9.

New Accounting Standard Not Yet Effective

IFRS 16 Leases ("IFRS 16") was issued by IASB in January 2016. IFRS 16 is effective for periods beginning on or after January 1, 2019, with early adoption permitted. IFRS 16 eliminates the current dual model for lessees, which distinguishes between on-statement of financial position finance leases and off statement of financial position operating leases. Instead, there is a single, on statement of financial position accounting model that is similar to current finance lease accounting. The extent of the impact of adoption of IFRS 16 has not yet been determined.

THE COMPANY INC.

Notes to Condensed Interim Financial Statements

February 28, 2018

(Expressed in Canadian Dollars)

(Unaudited)

3. MARKETABLE SECURITIES

Marketable securities have been designated as FVTPL and are recorded at fair value using the last bid price, with changes recognized in the unaudited condensed interim statement of comprehensive loss. Marketable securities are composed of:

	Cost	Fair market value May 31, 2018	Fair market adjustment	Fair market value February 28, 2019
Crusader Resources Ltd. - 500,000 common shares	\$ 211,604	\$ 18,136	\$ (8,136)	\$ 10,000

4. MINING INTERESTS

	Three Months Ended February 28, 2019	Nine Months Ended February 28, 2019	Year Ended May 31, 2018
G2 Goldfields Property			
Balance, beginning of period	\$ 8,903,213	\$ 8,533,346	\$ 6,710,072
Assay	0	2,150	98
Consultation	16,245	49,393	
Consulting	4,063	5,387	6,744
Donations	5,000	5,000	25,650
Drilling	25,000	75,334	74,867
Geology	71,495	73,863	358,844
Legal	-6,550	208,634	1,432,862
Other	2,034	18,012	40,733
Site work	95,750	103,584	0
Transportation	13,448	30,031	141,342
Travel	15,485	32,263	40,775
Wages and salaries	0	9,527	11,433
Additions for the period	241,970	611,837	2,133,346
Balance, end of period	\$ 9,145,183	\$ 9,145,183	\$ 8,533,346

G2 Goldfields Property

On July 6, 2018, the Company received a partial award in the Arbitration Proceedings with Goldeye Explorations Limited) ("Goldeye"). The Arbitral Tribunal has ruled in favor of the Company on all substantive issues.

The two main issues were the amount of first year expenditures and whether Goldeye exercised an option to

THE COMPANY INC.

Notes to Condensed Interim Financial Statements

February 28, 2018

(Expressed in Canadian Dollars)

(Unaudited)

participate as a 50% joint venture with the Company in the ownership of a large group of claims staked around the original Weebigee project in 2015. Goldeye, which initiated the proceedings, had alleged that the Company had failed to incur minimum first year expenditures of \$500,000 on the Weebigee property as required by the May 2015 option agreement. Refer to note 12(ii).

Significantly, the Tribunal also ruled that Goldeye failed to fulfill the conditions for participating as a joint venture in the surrounding mineral claim land package of approximately 80,000 acres (2,210 claim units), and that Goldeye has no ownership or any other rights over or interests in these claims.

On January 21, 2019, the Arbitral Panel ruled in favor of the company (the Respondent) on all substantive issues. Additionally the counterclaim of the Company against Treasury Metals Inc. is pending before the Arbitral Panel and has not yet been determined. The company has been awarded \$926,960.03 in costs in the Arbitration Proceedings with Treasury Metals Inc.

5. SHARE CAPITAL

a) Authorized share capital

The authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

	Number of common shares	Amount
Balance, May 31, 2017	61,427,982	\$ 32,829,583
Common shares issued for private placements (ii)(iii)(iv)	20,500,000	1,075,000
Special Warrants converted into units (ii)(iii)	12,500,000	625,000
Warrants (ii)(iii)(iv)		(867,000)
Share issue costs		(17,703)
Balance, February 28, 2018	94,427,982	\$ 33,644,880
Balance, May 31, 2018	99,427,982	\$ 33,854,008
Common shares issued for private placements (ii)(iii)(iv)	5,420,010	858,313
Warrants converted into units (ii)(iii)	150,000	18,480
Cost of issue		(7,491)
Balance, February 28, 2019	104,997,992	\$ 34,723,310

(i) On July 19, 2017, the Company closed a non-brokered private placement pursuant to which it issued 7,500,000 units ("Units") and 7,500,000 special warrants ("Special Warrants") at a price of \$0.05 per Unit and \$0.05 per Special Warrant to raise aggregate gross proceeds of \$750,000.

Each Unit consisted of one common share of the Company and one share purchase warrant (a "Warrant"), with each Warrant entitling the holder thereof to acquire one additional share at an exercise price of \$0.10 for a period of 24

THE COMPANY INC.

Notes to Condensed Interim Financial Statements

February 28, 2018

(Expressed in Canadian Dollars)

(Unaudited)

months. The fair value of these Warrants was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.055; expected dividend yield of 0%; risk-free interest rate of 1.27%; volatility of 207% and an expected life of 2 years. The fair value assigned to these warrants was \$177,000.

Mr. Patrick Sheridan purchased 7,500,000 Special Warrants in the private placement. Each Special Warrant consisted of one common share of the Company and one Warrant, with each Warrant entitling the holder thereof to acquire one additional share at an exercise price of \$0.10 for a period of 24 months. On January 9, 2018, the Special Warrants were converted into Units without any additional payment since the Company received shareholder approval.

The following transactions occurred with related parties:

- Michele McCarthy, former director of the Company, subscribed for 500,000 Units;
- Daniel Noone, former Chief Executive Officer and director of the Company, subscribed for 1,000,000 Units; and
- Jon Douglas, former director of the Company, subscribed for 100,000 Units.

(ii) On November 17, 2017, the Company closed a non-brokered private placement pursuant to which it issued 3,000,000 Units and 5,000,000 Special Warrants to raise aggregate gross proceeds of \$400,000.

Each Unit consists of one common share of the Company and one Warrant, with each Warrant entitling the holder thereof to acquire one additional share at an exercise price of \$0.10 for a period of 24 months. The fair value of these Warrants was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.06; expected dividend yield of 0%; risk-free interest rate of 1.45%; volatility of 209% and an expected life of 2 years. The fair value assigned to these warrants was \$74,000.

Mr. Patrick Sheridan purchased 5,000,000 Special Warrants in the private placement.

The following transactions occurred with related parties:

- Michele McCarthy, former director of the Company, subscribed for 100,000 Units; and
- Daniel Noone, former Chief Executive Officer and director of the Company, subscribed for 400,000 Units.

(iii) On September 27, 2018, the Company closed a non-brokered private placement pursuant to which it issued 4,700,000 units at a price of \$0.06 per unit for gross proceeds of \$282,000.

Each unit consisted of one common share of the Company and one share purchase warrant, with each warrant entitling the holder thereof to acquire one additional share at an exercise price of \$0.10 for a period of 36 months. The fair value of these warrants was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.07 expected dividend yield of 0%; risk-free interest rate of 2.22%; volatility of 192% and an expected life of 3 years. The fair value assigned to these warrants was \$143,697.

The following transactions occurred with related parties:

- Patrick Sheridan, Executive Chairman and Chief Executive Officer of the Company, subscribed for 3,110,000 units;
- Michele McCarthy, former director of the Company, subscribed for 85,000 units;
- Daniel Noone, director of the Company, subscribed for 335,000 units; and
- Bruce Rosenberg, director of the Company, subscribed for 170,000 units.

All of the securities issued and issuable in the non-brokered private placement are subject to a statutory hold period expiring on January 28, 2019.

THE COMPANY INC.

Notes to Condensed Interim Financial Statements

February 28, 2018

(Expressed in Canadian Dollars)

(Unaudited)

On February 13, 2019 – the Company announced that it intends to complete a non-brokered private placement financing of (i) up to 20,000,000 units (the “Units”) at a price of \$0.10 per Unit; and (ii) up to 10,000,000 flow-through common shares (“FT Shares”) at a price of \$0.16 per FT Share, for aggregate gross proceeds of up to \$3,600,000.00 (the “Offering”).

On February 25, 2019 -- the Company Inc. closed the first tranche of its previously announced non-brokered private placement financing, pursuant to which it has issued an aggregate of 11,850,000 units (the “Units”) at a price of \$0.10 per Unit for aggregate gross proceeds of \$1,185,000 (the “First Tranche Closing”).

Patrick Sheridan (the “Offeror”) has acquired ownership and control of 1,500,000 common shares and 750,000 share purchase warrants of the Company Inc. Which it is representing approximately 1.2% of the issued and outstanding common shares of the Company or 1.8% of the issued and outstanding common shares of the Company on a partially diluted basis, assuming the exercise of the Subject Warrants only.

Upon completion of the transaction described above, Mr. Sheridan the Offeror, together with his joint actor, own and control an aggregate of 32,378,148 common shares of the Company (the “Owned Shares”) (of which 30,678,148 are owned by the Offeror directly) and convertible securities entitling the Offeror to acquire an additional 24,160,000 common shares of the Company, representing approximately 25.9% of the issued and outstanding common shares of the Company as of March 4, 2019 (or approximately 37.9% calculated on a partially diluted basis, assuming the exercise of such convertible securities only).

The following transactions occurred with related parties:

- Daniel Noone, director of the Company, subscribed for 5,000,000 units; total 14,539,600 common shares representing approximately 7% of the issued and outstanding common shares of the Company as of March 4, 2019 (or approximately 11% calculated on a partially diluted basis, assuming the exercise of such convertible securities only).
- Peter Mullens, director of the Company, subscribed for 1,500,000 units; total 3,094,900 common shares representing approximately 1.7% of the issued and outstanding common shares of the Company as of March 4, 2019 (or approximately 2.5% calculated on a partially diluted basis, assuming the exercise of such convertible securities only).

THE COMPANY INC.

Notes to Condensed Interim Financial Statements

February 28, 2018

(Expressed in Canadian Dollars)

(Unaudited)

6. WARRANTS

The following table reflects the continuity of warrants for the following periods:

	Number of Warrants	Weighted Averaged Exercised Price (\$)
Balance, May 31, 2017	-	
Issued (note 5(b)(ii)(iii)(iv))	33,000,000	0.1
Expired	-	0.1
Balance, February 28, 2018	33,000,000	
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Balance, May 31, 2018	38,000,000	0.1
Issued (note 5)	4,700,000	0.1
Exercise (note 5)	150,000	0.1
Expired		
Balance, February 28, 2019	42,550,000	

The following table reflects the warrants issued and outstanding as of February 28, 2019:

Number of warrants outstanding	Fair value (\$)	Exercise price (\$)	Expiry date
14,850,000	332,596	0.10	July 19, 2019
8,000,000	184,500	0.10	November 17, 2019
10,000,000	256,160	0.10	February 28, 2020
5,000,000	114,809	0.10	May 15, 2020
4,700,000	143,697	0.10	September 27, 2021
42,550,000	1,031,762		

THE COMPANY INC.

Notes to Condensed Interim Financial Statements

February 28, 2018

(Expressed in Canadian Dollars)

(Unaudited)

7. STOCK OPTIONS

The following table reflects the continuity of options for the following periods:

	Number of Options	Weighted Averaged Exercise Price(\$)
Balance, May 31, 2017	3,913,000	0.23
Expired	113,000	3.00
Balance, February 28, 2018	3,800,000	0.16
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Balance, May 31, 2018	4,600,000	0.14
Issued	-	
Exercised	-	
Expired	-	
Balance, February 28, 2019	4,600,000	0.14

Details of the stock options outstanding as at February 28, 2019 are as follows:

Remaining contractual life (Years)	Exercisable Options	Number of Options	Weighted Average Exercise Prices (\$)	Expiry Date
2.64	3,500,000	3,500,000	0.15	October 19, 2021
4.02	1,100,000	1,100,000	0.09	March 6, 2023

8. NET LOSS PER COMMON SHARE

The calculation of basic and diluted loss per share for the three and nine months ended February 28, 2019 was based on the loss attributable to common shareholders of \$105,636 and \$335,520, respectively (three and nine months ended February 28, 2017 - loss of \$120,481 and \$421,216, respectively) and the weighted average number of common shares outstanding of 104,164,109 and 102,108,347, respectively (three and nine months ended February 28, 2018 – 78,703,050 and 70,976,840, respectively). Diluted loss did not include the effect of stock options and warrants for the three and nine months ended February 28, 2019 and February 28, 2018, as they are anti-dilutive.

THE COMPANY INC.

Notes to Condensed Interim Financial Statements

February 28, 2018

(Expressed in Canadian Dollars)

(Unaudited)

9. RELATED PARTY TRANSACTIONS

(a) The Company entered into the following transactions with related parties:

	Three Months Ended February 28, 2019 (\$)	Three Months Ended February 28, 2018 (\$)	Nine Months Ended February 28, 2019 (\$)	Nine Months Ended February 28, 2018 (\$)
Marrelli Support Services Inc. ("Marrelli Support") (i)	1,500	4,537	1,500	13,648
Lenzner Slaght Royce Smith Griffin LLP (ii)	463,000	nil	463,000	nil
	464,500	4,537	464,500	13,648

(i) On July 8, 2015, the Company entered into an accounting support services agreement with Marrelli Support wherein Marrelli Support provided, beginning July 8, 2015, certain accounting support services to the Company. On July 8, 2015, in connection with such agreement with Marrelli Support, the Company retained Ms. Marie-Josée Audet, a senior employee of Marrelli Support, as its Chief Financial Officer ("CFO"). On November 19, 2018, Marie-Josée stepped down as the CFO of the Company. As at February 28, 2019, Marrelli Support was owed \$1,500 (May 31, 2018 - \$1,716). These amounts are included in accounts payable and accrued liabilities.

(ii) On February 28, 2019, the sum of \$463,000 was owed to Lenzner Slaght Royce Smit Griffin LLP. These amounts are included in accrued liabilities.

(b) The Company has identified its directors and certain senior officers as its key management personnel. The compensation cost for key management personnel is as follows:

	Three Months Ended February 28, 2019		Nine Months Ended February 28, 2019	
Salaries and fees	\$ 28,772	\$ 12,500	\$ 74,120	\$ 37,500
Share-based compensation	\$ 9,479	\$ 14,550	\$ 45,827	\$ 77,255

(c) Major shareholder

To the knowledge of the directors and senior officers of the Company, as at February 28, 2019, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all common shares of the Company other than as set out below:

	Number of common shares	Percentage of outstanding common shares
Patrick Sheridan	32,378,148	37.9%

THE COMPANY INC.

Notes to Condensed Interim Financial Statements

February 28, 2018

(Expressed in Canadian Dollars)

(Unaudited)

10. SUBSEQUENT EVENTS

On January 2, 2019, the Company entered into a definitive agreement providing for the acquisition (the "Acquisition") of all the issued and outstanding shares of Bartica Investments Ltd. ("Bartica") in consideration of the issuance of an aggregate 80,000,000 common shares of the Company.

At the time of closing of the Acquisition, Bartica will own a 100% beneficial interest in a suite of mineral exploration properties totaling approximately 25,888 acres in Guyana, South America, other than the properties known as the Oko properties in respect of which Bartica will hold an option to acquire a 100% interest, subject to a 2.5% net smelter return royalty, in consideration of:

- (i) a cash payment of US\$50,000 (which has previously been paid);
- (ii) additional aggregate cash payments of US\$700,000 to be paid (US\$100,000 paid on December 22, 2018) in tranches over a four-year period; and
- (iii) the identification of a gold resource in excess of 250,000 ounces on the property and payment of advance net smelter return royalty of US\$1,000,000.

On Feb 11, 2019, The Company announced an amending agreement dated effective February 11, 2019 (the "Amendment Agreement") in respect of its previously announced acquisition of all of the issued and outstanding shares of Bartica Investments Ltd. The Amending Agreement pursuant to which the consideration in respect of the Acquisition issuable to the Vendors (the "Share Consideration") was reduced from an aggregate of 100,000,000 common shares of the Company ("Common Shares") to an aggregate of 80,000,000 Common Shares.

On Feb. 26, 2019 -- The Company announced the staking of an additional 315 Mining Claim Cells contiguous with the existing district scale land package for an aggregate total of approximately 51,000 ha. / 126,000 acres. The additional claims extend over an area of 6,122 hectares and cover a magnetic Formation with coincident VTEM chargeability anomalies; located on the southern boundary of the Company's contiguous 60 km. east-west claim package.

The Company appointed Mr. Gord McKinnon to its Technical Advisory Board to assist The Company' management team in the evaluation and advancement of the company gold exploration project in North West Ontario

On March 4, 2019 -- The Company Inc closed the second tranche of its previously announced non-brokered private placement financing, pursuant to which it has issued an aggregate of 9,041,000 units (the "Units") at a price of \$0.10 per Unit for aggregate gross proceeds of \$904,100 (the "Second Tranche Closing"). Each Unit is comprised of one common share in the capital of the Corporation (a "Share") and one-half of one (1/2) share purchase warrant. Each whole share purchase warrant is exercisable to purchase one additional Share at a price of \$ 0.20 for a period of 24 months from the Second Tranche Closing, provided that if at any time after July 5, 2019, the closing price of the Shares on the principal market on which such Shares trade is at least \$0.30 for more than 20 consecutive trading days, the expiry date will be accelerated to the date which is 30 days following the dissemination by the Corporation of a press release announcing such acceleration.

On March 28th, 2019 – The Company Inc. closed the third and final tranche of its previously announced non-brokered private placement financing, pursuant to which it has issued an aggregate of 6,609,000 units (the "Units") at a price of \$0.10 per Unit for aggregate gross proceeds of \$660,900 (the "Final Tranche Closing").

On April 4, 2019 – The Company announced that it had filed articles of amendment to (i) change its name from "Sandy Lake Gold Inc." to "The Company Inc." (the "Name Change"); and (ii) consolidate the Company's issued and outstanding common shares on the basis of one (1) new common share for every two (2) existing common shares (the "Consolidation"), all effective as of April 4, 2019. Shareholder approval of the Name Change and Consolidation was obtained at the Company's annual and special meeting of shareholders held on February 12, 2019.

On April 8, 2019 - The Company announced the appointment of Mr. Stephen Stow as an Independent Director of the

THE COMPANY INC.

Notes to Condensed Interim Financial Statements

February 28, 2018

(Expressed in Canadian Dollars)

(Unaudited)

Company. Mr. Stow has been an adviser, investor, and executive engaged in various resource driven opportunities and 'startups' for the last 30 plus years. Mr. Stow currently serves as an Independent Director of Amarillo Gold Corporation.

On April 15, 2019, the Board of Directors granted of 2,700,000 stock options to various officers, directors and consultants of the Corporation. The option is at an exercise price of \$0.40 per share and expiring on April 12, 2022, and total 36 months. The fair value of these options at the date of grant of \$0.285 was estimated using Black-Scholes valuation model with the following inputs and assumptions: a 3-year expected term: 190.52% expected volatility based on historical trends: risk free interest rate of 1.64% and an expected dividend yield of 0%. The grant date fair value assigned to these options was \$770,813. These options, which will vest by 25% on the date of grant and on each of the 6, 12 and 18-month anniversaries of the date of grant, will expire on April 12, 2022. For the year ended May 31, 2019 the impact on salaries and benefits would be \$192,703.25.