G2 GOLDFIELDS INC.

(Formerly Sandy Lake Gold Inc.)

CONDENSED INTERIM FINANCIAL STATEMENTS

THREE MONTHS ENDED AUGUST 31, 2019

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

Notice to Reader

The accompanying unaudited condensed interim financial statements of G2 Goldfields 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.

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G2 Goldfields Inc.

(Formerly Sandy Lake Gold Inc.)
Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)

	As at August 31, 2019 (Unaudited)	As at May 31, 2019 (Audited)
ASSETS		
Current assets		
Cash	**$ 1,341,226**	$ 1,091,626
Marketable securities (note 3)	**10,000**	10,000
Amounts receivable	**152,571**	122,484
Prepaid expenses and deposits	**36,531**	11,710
Total current assets	**1,540,328**	1,235,820
Non-current assets		
Loan to Ontario Inc. (note 9)	**496,612**	276,749
Mining interests (note 4)	**10,876,085**	10,410411
Total non-current assets	**11,372,697**	10687,160
Total assets	**$ 12,913,025**	$ 11,922,980
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (note 9)	**$ 579,062**	$ 803,256
Due to related parties (note 9)	**204,367**	163,687
Total liabilities	**783,429**	966,943
Shareholders' equity		
Share capital (note 5)	**37,968,307**	36,344,181
Warrants (note 6)	**1,205,532**	1,588,715
Contributed surplus	**6,715,058**	6,459,786
Deficit	**(33,759,301)**	(33,436,645)
Total shareholders' equity	**12,129,596**	10,956,037
Total liabilities and shareholders' equity	**$ 12,913,025**	$ 11,922,980

Nature of Operations and Going Concern (note 1)
Subsequent Event (note 11)

G2 Goldfields Inc

(Formerly Sandy Lake Gold Inc.)
Condensed Interim Statements of Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Three Months Ended August 31, 2019	2018
Operating expenses		
Wages and employee benefits	**$ 18,180**	$ 33,031
Share-based compensation	**255,272**	20,854
Consulting fees	**1,870**	19,819
Office rent and utilities	**17,227**	15,333
Professional fees	**10,000**	7,863
Transfer agent and filing fees	**15,632**	5,812
Investor and community relations	**1,841**	3,546
Insurance	**3,163**	3,165
Office and administrative	**(1,663)**	2,415
Donation	**-**	-
Interest income	**-**	-
Operating loss before the following items	**(321,522)**	(111,838)
Unrealized loss on marketable securities (note 3)	**0**	(8,735)
Interest and bank charges	**1,134**	(1,244)
Gain (loss) on foreign exchange	**0**	38
Comprehensive loss for the period	**$ (322,656)**	$ (121,779)
Basic and diluted net loss per common share (note 8)	**$ (0.00)**	$ (0.00)
Weighted average number of common shares outstanding - basic and diluted (note 8)	**69,069,140**	49,718,869

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

G2 Goldfields Inc.
(Formerly Sandy Lake Gold Inc.)
Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

	Three Months Ended August 31, 2019	2018
Operating activities		
Net loss for the period	**$ (322,656)**	$ (121,779)
Adjustments for:		
Share-based compensation	**255,272**	20,854
Unrealized loss on marketable securities	**0**	8,735
Changes in non-cash working capital items:		
Amounts receivable	**(30,087)**	39,335
Prepaid expenses and deposits	**(24,821)**	(12,891)
Accounts payable and accrued liabilities	**(224,194)**	92,040
Due to related parties	**40,680**	0
Net cash provided by (used in) operating activities	**305,806**	26,294
Investing activities		
Mining interests	**465,674**	(153,137)
Purchase of short-term investments	**0**	(10,000)
Net cash used in investing activities	**465,674**	(163,137)
Financing activities		
Issuance of loan receivable	**(219,863)**	0
Share issue costs	**(58)**	0
Proceeds from warrants exercised	**1,241,000**	5,000
Net cash provided by financing activities	**1,021,079**	749,000
Net change in cash	**249,598**	(131,843)
Cash, beginning of period	**1,091,626**	312,977
Cash, end of period	**$ 1,341,226**	$ 181,134

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

G2 Goldfields Inc.

(Formerly Sandy Lake Gold Inc.)

Condensed Interim Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollars)

(Unaudited)

	Share Capital						
	Number of Common Shares	Amount	Special Warrants	Warrants	Contributed Surplus	Deficit	Total Equity
Balance, May 31, 2018	**49,713,991**	**$ 33,854,008**	**$ -**	**$ 891,544**	**$ 6,103,975**	**$(32,418,506)**	**$ 8,431,021**
Warrants exercised placement (note 5(b)(i))	25,000	6,120	-	(1,120)	-	-	5,000
Share-based compensation	-	-	-	-	20,854	-	20,854
Net loss for the period	-	-	-	-	-	(121,779)	(121,779)
Balance, August 31, 2018	**49,738,991**	**$ 33,860,128**	**$**	**$ 890,424**	**$ 6,124,829**	**$(32,540,285)**	**$ 8,335,096**
Balance, May 31, 2019	**66,983,991**	**$ 36,344,181**	**$ -**	**$ 1,588,715**	**$ 6,459,786**	**$(33,436,645)**	**$ 10,956,037**
Warrants exercised	6,205,000	1,519,367	-	(278,376)	-	-	1,241,000
Warrants conversion costs				(58)			(58)
Share-based compensation	-	-	-	-	255,272	-	255,272
Net loss for the period	-	-	-	-	-	(322,656)	(322,656)
Balance, August 31, 2019	**73,188,991**	**$ 37,863,490**	**$ -**	**$ 1,310,348**	**$ 6,715,058**	**$(33,759,301)**	**$ 12,129,595**

1. NATURE OF OPERATIONS AND GOING CONCERN

G2 Goldfields Inc. (formerly Sandy Lake Gold 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 April 4, 2019, the company filed an article of amendment to (i) change its name form Sandy Lake Gold Inc. to G2 Goldfields Inc. and (ii) consolidate the company's issued and outstanding common shares for one new share for every two existing common shares. The common shares of the Company reflecting the Name Change and Consolidation commenced trading on the TSX Venture Exchange effective of April 8, 2019 under the new symbol “GTWO”.
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 August 31, 2019. 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 $33,759,301 from inception and working capital of $756,899.

The Company's financial statements were authorized for issue by the Board of Directors on October 28, 2019.

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 October 28, 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.

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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, 2019. 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

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 one-statement of financial position finance leases and off statement of financial position operating leases. Instead, there is a single, on the statement of financial position accounting model that is similar to current finance lease accounting. The extent of the impact of the adoption of IFRS 16 has not yet been determined.
The Company adopted this standard on February 1, 2019, and it did not have a material impact on the financial statements.

(Expressed in Canadian Dollars)

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, 2019	Fair market adjustment	Fair market value August 31, 2019
Crusader Resources Limited - 500,000 common shares	$ 211,604	$ 10,000	**$ (0)**	**$ 10,000**

4. MINING INTERESTS

	Three Months Ended August 31, 2019	Year Ended May 31, 2019
Sandy Lake Property		
Balance, beginning of period	**$ 10,410,411**	$ 8,533,346
Accommodation/Meals	**53,882**	113,425
Assay	**37,814**	8,197
Consulting	**29,065**	225,524
Donations	**4,640**	-
Drilling	**222,909**	768,823
Geology	**61,757**	299,105
Legal	**(4,027)**	210,531
Mapping	**6,186**	**-**
Other	**8,040**	43,426
Site work	**3,009**	78,822
Transportation	**14,614**	91,910
Travel	**27,547**	27,775
Wages and salaries	**240**	9,527
Additions for the period	**465,674**	1,877,065
Balance, end of period	**$ 10,876,085**	$ 10,410,411

Sandy Lake 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 favour 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 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. The Arbitral Tribunal panel ruled that in fact the Company had incurred expenditures of $973,770 in the first year.

Significantly, the Tribunal also ruled that Goldeye failed to fulfill the conditions for participating as a joint venture in the

4. MINING INTERESTS (continued)

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 on all substantive issues. The company has been awarded $926,960 in costs in the Arbitration Proceedings with TMI ("Cost Award").

On May 23, 2019, TMI made a payment of $8,016, which represents 50% of the costs of acquisition of 315 newly staked mining claims that were completed in February 2019 by the Company. However, G2 insisted that Goldeye owes the Company the amount of at least $926,960 pursuant to Cost Award dated January 16, 2019, and any amount paid by Goldeye will be applied first to pay its outstanding debt owing pursuant to the Cost Award and thus, cannot constitute any contribution towards the costs of acquisition of 315 mining claims.

On August 6, 2019, a notice of default was sent by Goldeye insisting that the Company has failed to meet its expenditure obligation under the terms of the original option agreement as the Company did not complete expenditures as defined in the agreement, of $1,000,000 and $1,500,000 on or prior to the 2nd and 3rd anniversary of the effective date which was subsequently extended by the arbitration panel's ruling to June 28, 2018 for the 2nd anniversary deadline and March 16, 2019 for the 3rd anniversary deadline. In addition, Goldeye asserted that the general and administrative expenditures were not accurately calculated.

On September 3, 2019, the Company sent the response letter in connection to the notice of default letter dated August 6, 2019, sent by Goldeye rejecting said claims as described above.

On September 13, 2019, Goldeye made payment for the full amount of the Cost Award ($926,960), but Goldeye insisted that its notice of default dated August 6, 2019, is still valid.

On September 19, 2019, the Company responded to the September 13, 2019 letter from Goldeye noting that the Company would like to schedule a meeting to resolve the following disputes:

- the timing for the second and third anniversaries of the effective date particulars of the expenditures incurred by the Company, including the percentage of general and administrative expenditures to be included;
- the amount the Company is required to pay to Goldeye to cure its default; and
- the requirement to communicate all discussions with First Nations as it relates the Option Agreement.

Additional claim units:
On January 22, 2018, the Company announced that it acquired by staking, an additional 806 claim units adjacent to the Sandy Lake Property.

On May 24, 2018, the Company acquired by map staking, an additional 30 single cell claim units contiguous to the Sandy Lake Property. TMI was notified of the said acquisition under Sec 8.2 of Option Agreement in April 2015 and elected to participate in the 30 cell claim units.

On February 26, 2019, the Company staked an additional 315 mining claim cells contiguous with the existing district-scale land package for an aggregate total of approximately 51,000 hectares. The additional claims extend over an area of 6,122 hectares located on the southern boundary of the Company's contiguous 60 km — east-west claim pack

(Expressed in Canadian Dollars)

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, 2018	**49,713,991**	**$ 33,854,008**
Warrants exercised	25,000	6,120
Balance, August 31, 2018	**49,738,991**	**$ 33,860,128**
Balance, May 31, 2019	**66,983,991**	**$ 36,344,181**
Warrants exercised	6,205,000	1,519,367
Warrants exercise cost		(58)
Balance, August 31, 2019	**73,188,991**	**$ 37,863,490**

The above and below balances reflect the adjusted (2) to (1) post-share consolidation, as described in note 1 of the financial statements.

On January 9, 2018, the Special Warrants were converted into Units without any additional payment since the Company received shareholder approval. Each Special Warrant 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 $0.20 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 $0.14 (as of January 9, 2018); expected dividend yield of 0%; risk-free interest rate of 1.79%; volatility of 225% and an expected life of 1.52 years. The fair value assigned to these warrants was $167,326.

On February 28, 2018, the Company closed a non-brokered private placement under which it issued 5,000,000 units at $0.11 per unit to raise aggregate gross proceeds of $550,000.
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 $0.20 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: the share price of $0.17; expected dividend yield of 0%; risk-free interest rate of 1.78%; volatility of 216% and an expected life of 2 years. The fair value assigned to these warrants was $256,160.

On May 15, 2018, the Company closed a non-brokered private placement pursuant to which it issued 2,500,000 units at a price of $0.10 per unit to raise aggregate gross proceeds of $250,000.
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 $0.20 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: the share price of $0.13; expected dividend yield of 0%; risk-free interest rate of 2.04%; volatility of 215% and an expected life of 2 years. The fair value assigned to these warrants was $114,809.

On September 27, 2018, the Company closed a non-brokered private placement pursuant to which it issued 2,350,000 units at a price of $0.12 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 $0.20 for a period of 36 months. The

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (continued)

fair value of these warrants was estimated on the date of grant using the Black-Scholes option-pricing model with the following assumptions: the share price of $0.14, expected dividend yield of 0%; risk-free interest rate of 2.22%; volatility of 194% and an expected life of 3 years. The fair value assigned to these warrants was $133,019.

Between February 25, 2019, and March 28, 2019, the Company closed a series of non-brokered private placements, completed in three tranches. The company issued 13,750,000 units at $0.20 per unit for gross proceeds of $2,750,000. Each unit consisted of one common share of the Company and one-half of a share purchase warrant, with each whole warrant entitling the holder thereof to acquire one additional share at an exercise price of $0.40 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: the share price of $0.22 expected dividend yield of 0%; risk-free interest rate of 1.49% - 1.78%; volatility of 132% - 133% and an expected life of 2 years. The fair value assigned to these warrants was $592,662.

6. WARRANTS

The following table reflects the continuity of warrants for the following periods and reflects the adjusted (2) to (1) post-share consolidation as described in note 1 of the financial statements:

	Number of warrants	Weighted Average exercise price ($)
Balance, May 31, 2018	**19,000,000**	**0.20**
Exercised	(25,000)	0.20
Balance, August 31, 2018	**18,975,000**	**0.20**
Balance, May 31, 2019	**27,207,730**	**0.20**
Exercised	(6,205,000)	0.20
Expired	(175,000)	0.20
Balance, August 31, 2018	**20,827,730**	0.20

The following table reflects the warrants issued and outstanding as of August 31, 2019:

Number of Warrants Outstanding	Black Scholes / Fair value ($)	Exercise Price ($)	Expiry date
3,950,000	182,194	0.20	2019-11-17
5,000,000	256,160	0.20	2020-02-28
2,500,000	114,809	0.20	2020-05-15
2,350,000	133,019	0.20	2021-09-27
2,962,500	256,250	0.40	2021-02-25
2,260,250	195,255	0.40	2021-03-04
152,730	23,918	0.32	2021-03-04
1,652,250	141,157	0.40	2021-03-28
20,827,730	**1,302,762**		

(Expressed in Canadian Dollars)

7. STOCK OPTIONS

The following table reflects the continuity of options for the following periods and reflects the adjusted (2) to (1) post-share consolidation as described in note 1 of the financial statements:

	Number of options	Weighted average exercise price ($)
Balance, May 31, 2017 and August 31, 2018	**2,300,000**	**0.28**
Balance, May 31, 2018 and August 31, 2019	**6,000,000**	**0.35**

Details of the stock options outstanding as at August 31, 2019, are as follows:

Remaining contractual life (Years)	Exercisable Options	Number of Options	Weighted Average Exercise Prices ($)	Expiry Date
2.14	1,650,000	1,650,000	0.30	October 19, 2021
3.52	550,000	550,000	0.18	March 6, 2023
2.62	2,700,000	2,700,000	0.40	April 12, 2022
2.97	1,100,000	1,100,000	0.40	Aug 19, 2022
Total	**6,000,000**	**6,000,000**	**0.35**	

8. NET LOSS PER COMMON SHARE

The calculation of basic and diluted loss per share for the three months ended August 31, 2019 was based on the loss attributable to common shareholders of $322,656 (three months ended August 31, 2018 - loss of $121,779) and the weighted average number of common shares outstanding of 69,069,140 (three months ended August 31, 2018 – 47,718,869). The diluted loss did not include the effect of stock options, warrants, and special warrants for the three months ended August 31, 2019, and August 31, 2018, as they are anti-dilutive.

(Expressed in Canadian Dollars)

9. RELATED PARTY TRANSACTIONS

(a) 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 August 31, 2019	Three Months Ended August 31, 2018
Salaries and fees	$ 24,000	$ 10,000
Share-based compensation	$ 111,550	$ -

On August 31, 2019, accounts payable and accrued liabilities and amounts due to related parties include $204,367 (August 31, 2018 - $nil) owing to officers, directors, and companies controlled by officers and directors.

(b) Of August 31, 2019, there is a loan to Ontario Inc. (a wholly owned subsidiary of Bartica Investments Inc.) of $496,612, for the purposes of advancing exploration on the Guyana properties.

(c) Major shareholder

To the knowledge of the directors and senior officers of the Company, as at August 31, 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	19,939,074	27.24%

10. SEGMENTED INFORMATION

The Company's operations comprise a single reporting operating segment engaged in mineral exploration in Canada. As the operations comprise a single reporting segment, amounts disclosed in the unaudited condensed interim financial statements of comprehensive loss for the periods also represent segmented amounts.

All of the Company's operations, assets, and liabilities are in Canada.

11. SUBSEQUENT EVENT

On January 2, 2019, the Company entered into a definitive agreement providing for the acquisition of all the issued and outstanding shares of Bartica in consideration of the issuance of an aggregate 100,000,000 common shares (pre-consolidation) of the Company ("acquisition").
Bartica, through its wholly-owned subsidiary, Ontario, holds a 100% registered and beneficial interest in properties located in Guyana known as the "Peters Mine" and "Aremu" properties, a suite of mineral exploration properties totaling approximately 25,888 acres in Guyana, South America. As part of the acquisition, the company will also acquire additional mining permits that are located adjacent to Peters Mine and the option (100% interest) to acquire mining permits adjacent to Aremu as noted above. The terms of the option agreement are as follows:

11. SUBSEQUENT EVENT (continued)

- A cash payment of US$50,000;
- Additional aggregate cash payments of US$700,000 in tranches over four years (US$100,000 on the first anniversary, US$200,000 on the second anniversary, US$200,000 on the third anniversary and US$200,000 on the fourth anniversary; and

Upon exercise of the option agreement, the option agreement is subject to a Net Smelter Royalty ("NSR") through the identification of gold resources in excess of 250,000 ounces on the property, the options will be subject to a cash payment of US$1,000,000 to the owner. The optionee is also subject to a 2 ½% NSR on all marketable minerals derived from the properties which can be bought out through a US$5,000,000 cash payment to the owner.

On February 11, 2019, the Company executed an amending agreement to amend the purchase price, as noted in the January 2, 2019 acquisition agreement. The purchase price for acquiring all the issued and outstanding shares of Bartica was reduced 80,000,000 (pre-consolidation) common shares of the Company.

On July 3, 2019, the Company executed another amending agreement to amend the purchase price, as noted in the February 11, 2019, amending agreement. The purchase price for acquiring all the issued and outstanding shares of Bartica was reduced 40,000,000 common shares to adjust for the share consolidation, as described in note 1 of these financial statements. The agreement was also amended to reduce the purchase price further, as noted in the January 2, 2019 acquisition agreement to 20,000,000 common shares. The 10,500,000 common shares are issuable to Patrick Sheridan, and the remaining 9,500,000 common shares will be issuable to the owners of the additional mining permits.

October 24, 2019, the Company announced that it has closed its previously announced acquisition (the "Acquisition") of all of the issued and outstanding shares of Bartica Investments Ltd. ("Bartica") from Patrick Sheridan, Violet Smith and Shawn Hopkinson (collectively, the "Vendors").

The consideration for the Acquisition consisted of an aggregate of 20,000,000 common shares of the Corporation ("Common Shares"), of which 10,500,000 Common Shares were issued to Patrick Sheridan, 6,000,000 were issued to Violet Smith and 3,500,000 were issued to Shawn Hopkinson. An aggregate of 10,500,000 of the Common Shares issued are subject to a hold period expiring on February 25, 2020 in accordance with the regulations of the TSX Venture Exchange ("TSXV").