

**NEWRANGE GOLD CORP.**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**(Expressed in Canadian Dollars)**  
**(Unaudited – Prepared by Management)**

**October 31, 2019**

**NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

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

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

**NEWRANGE GOLD CORP.**

## CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

	October 31, 2019	April 30, 2019
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 129,681	\$ 184,246
Other receivables	9,275	11,271
Marketable securities (Note 8)	1,583	15,500
Prepaid expenses (Note 11)	60,743	114,234
	201,282	325,251
<b>Right-of-use asset (Note 3)</b>	25,223	-
<b>Land and equipment (Note 4)</b>	132,804	153,297
<b>Mineral properties (Note 5)</b>	2,866,709	2,564,864
	2,990,018	2,983,352
<b>TOTAL ASSETS</b>	<b>\$ 3,226,018</b>	<b>\$ 3,043,412</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 49,387	\$ 78,234
Related party payables (Note 11)	490,552	362,917
Income tax payable	37,834	37,834
Lease liability (Note 3)	11,580	-
	589,353	478,985
Lease liability (Note 3)	14,551	-
	603,904	478,985
<b>TOTAL LIABILITIES</b>	<b>603,904</b>	<b>478,985</b>
<b>EQUITY</b>		
Share capital (Note 9)	25,791,510	24,599,842
Reserves (Note 9)	9,387,406	9,863,555
Subscriptions received in advance (Note 16)	30,000	-
Deficit	(32,586,802)	(31,898,970)
	2,622,114	2,564,427
<b>TOTAL EQUITY</b>	<b>2,622,114</b>	<b>2,564,427</b>
	3,226,018	3,043,412
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 3,226,018</b>	<b>\$ 3,043,412</b>

Nature and continuance of operations (Note 1)

Subsequent events (Note 16)

Approved on behalf of the Board of Directors on December 23, 2019:

Signed: "Robert G. Carrington"

Director

Signed: "Ron Schmitz"

Director

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

**NEWRANGE GOLD CORP.****CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

	Three months ended October 31,		Six months ended October 31,	
	2019	2018	2019	2018
<b>EXPENSES</b>				
Administration and office costs (Notes 11 and 14)	\$ 112,680	\$ 80,716	\$ 232,996	\$ 161,819
Amortization of right-of-use asset (Note 3)	6,651	-	6,651	-
Exploration expenditures, net (Note 6)	290,968	143,790	495,924	432,945
Marketing services and shareholder information	134,223	91,776	184,329	117,350
Professional fees	55,891	15,231	66,923	48,076
Property investigation	7,481	-	10,701	-
Share-based compensation	-	293,000	-	293,000
Transfer agent and filing fees	2,958	12,388	6,596	23,463
	(610,852)	(636,901)	(1,004,120)	(1,076,653)
Foreign exchange loss	(2,335)	(2,183)	(4,566)	(4,875)
Gain on option payment received (Note 5)	334,771	259,974	334,771	259,974
Unrealized loss on marketable securities (Note 8)	(8,917)	-	(13,917)	-
<b>Net loss and comprehensive loss for the period</b>	<b>\$ (287,333)</b>	<b>\$ (379,110)</b>	<b>\$ (687,832)</b>	<b>\$ (821,554)</b>
<b>Basic and diluted loss per common share</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>
<b>Weighted average number of common shares outstanding, basic and diluted</b>	<b>96,650,307</b>	<b>79,101,808</b>	<b>94,788,970</b>	<b>78,426,362</b>

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

**NEWRANGE GOLD CORP.**  
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS  
(Expressed in Canadian Dollars)  
(Unaudited – Prepared by Management)  
SIX MONTHS ENDED OCTOBER 31,

	2019	2018
<b>CASH FLOWS FROM (TO)</b>		
<b>OPERATIONS</b>		
Net loss for the period	\$ (687,832)	\$ (821,554)
Adjustments for:		
Depreciation included in exploration expenditures	20,493	20,914
Depreciation of right-of-use asset	6,580	-
Gain on option payment received	-	(259,974)
Foreign exchange	62	(1,539)
Share-based compensation	-	293,000
Unrealized loss on marketable securities	13,917	-
Changes in non-cash working capital items:		
Other receivables	1,996	(11,597)
Prepaid expenses	53,491	(83,285)
Accounts payable, accrued liabilities and related party	98,788	9,110
	(492,505)	(854,925)
<b>INVESTING</b>		
Acquisition of mineral properties	(326,845)	(329,221)
Mineral property option payment received	25,000	384,373
Lease obligation expense	(5,734)	-
	(307,579)	55,152
<b>FINANCING</b>		
Shares issued for cash	503,020	900,600
Share issue costs	(14,225)	(5,160)
Subscription received in advance	30,000	-
Loans received	-	211,791
Loans paid	-	(211,791)
Shares issued for stock options exercised	94,992	41,727
Shares issued for warrants exercised	131,732	-
	745,519	937,167
<b>Change in cash during the period</b>	(54,565)	137,394
<b>Cash at beginning of period</b>	184,246	604,814
<b>Cash at end of period</b>	\$ 129,681	\$ 742,208
<b>Supplementary cash flow information</b>		
Cash paid for interest and income taxes	\$ -	\$ 3,876
<b>Non-cash financing and investing activities:</b>		
Fair value of stock options exercised	\$ 375,923	\$ 34,108
Fair value of finder's warrants	\$ 100,226	\$ -
Share issued pursuant to loan agreement	\$ -	\$ 26,260

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

**NEWRANGE GOLD CORP.**

## CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

SIX MONTHS ENDED OCTOBER 31, 2019 AND 2018

	Number of Shares	Share Capital	Reserves	Subscriptions Received in Advance	Deficit	Total
<b>Balance at April 30, 2018</b>	77,561,898	\$ 23,101,817	\$ 9,715,941	\$ -	\$ (29,874,260)	\$ 2,943,498
Shares issued for cash	11,257,500	900,600	-	-	-	900,600
Share issue costs	-	(5,160)	-	-	-	(5,160)
Share-based compensation	-	-	293,000	-	-	293,000
Shares issued pursuant to loan agreements	169,422	26,260	(26,260)	-	-	-
Shares issued – options exercised	758,667	75,835	(34,108)	-	-	41,727
Loss for the period	-	-	-	-	(821,554)	(821,554)
<b>Balance at October 31, 2018</b>	89,747,487	24,099,352	9,948,573	-	(30,695,814)	3,352,111
Share-based compensation	-	-	157,752	-	-	157,752
Warrants issued pursuant to loan agreement	-	-	125,300	-	-	125,300
Shares issued pursuant to loan agreements	-	-	26,260	-	-	26,260
Shares issued – options exercised	1,177,000	488,490	(394,330)	-	-	94,160
Shares issued – warrants exercised	100,000	12,000	-	-	-	12,000
Loss for the period	-	-	-	-	(1,203,156)	(1,203,156)
<b>Balance at April 30, 2019</b>	91,024,487	24,599,842	9,863,555	-	(31,898,970)	2,564,427
Shares issued for cash	3,593,000	503,020	-	-	-	503,020
Share issue costs	-	(14,225)	-	-	-	(14,225)
Subscriptions received in advance	-	-	-	30,000	-	30,000
Shares issued – options exercised	1,187,403	470,915	(375,923)	-	-	94,992
Shares issued – warrants exercised	1,197,560	231,958	(100,226)	-	-	131,732
Loss for the period	-	-	-	-	(687,832)	(687,832)
<b>Balance at October 31, 2019</b>	97,002,450	\$ 25,791,510	\$ 9,387,406	\$ 30,000	\$ (32,586,802)	\$ 2,622,114

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

**NEWRANGE GOLD CORP.**

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

FOR THE SIX MONTHS ENDED OCTOBER 31, 2019 AND 2018

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**1. NATURE AND CONTINUANCE OF OPERATIONS**

Newrange Gold Corp (“the Company or Newrange”) was incorporated under the *Business Corporations Act (B.C.)* on May 16, 2006. The Company acquired all of the outstanding shares of Corporacion Minera de Colombia S.A. (“Minera Colombia”) on September 16, 2006 by way of a share exchange agreement. The condensed consolidated interim financial statements of Newrange as at and for the three months period ended July 31, 2019 comprise the Company and its subsidiaries. Newrange is the ultimate parent of the consolidated group. The Company’s corporate and head office address is #510 – 580 Hornby Street, Vancouver, British Columbia, Canada, V6C 3B6.

On February 7, 2018, the Company began trading on the OTCQB Venture Market in the United States under the symbol NRGOF.

The Company is an exploration stage company focused on acquiring and exploring mineral properties in Colombia and the United States.

These condensed consolidated interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation for the foreseeable future. The operations of the Company were primarily funded by the issue of share capital and loans. The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties and lenders, complete sufficient public equity financing, or generate profitable operations in the future. These condensed consolidated interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the company be unable to continue in business.

The Company is in the business of exploring for minerals that by its nature involves a high degree of risk. There can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of the mineral properties and the Company’s continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, the ability of the Company to obtain financing or, alternatively, upon the Company’s ability to dispose of its interest on an advantageous basis. Additionally, the Company estimates that it will need additional capital to operate for the upcoming year. These material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern.

During the period ended October 31, 2019, the Company incurred a net loss of \$687,832 (2018 - \$821,554), and as at October 31, 2019, has a working capital deficiency of \$388,071 (April 30, 2019 – \$153,734).

**2. SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The condensed consolidated interim financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value. The condensed consolidated interim financial statements are presented in Canadian dollars which is the functional currency of the Company and its subsidiaries.

In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

**NEWRANGE GOLD CORP.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

FOR THE SIX MONTHS ENDED OCTOBER 31, 2019 AND 2018

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)****Basis of Presentation (continued)**

The policies applied in the condensed consolidated interim financial statements are presented below and are based on IFRS issued and effective as of December 30, 2019, the date the Board of Directors approved the condensed interim consolidated financial statements. Any subsequent changes to IFRS that are given effect in the Company's audited annual consolidated financial statements for the year ending April 30, 2020, could result in restatements of these condensed consolidated interim financial statements. These condensed consolidated interim financial statements should be read in conjunction with the Company's audited annual consolidated financial statements for the year ended April 30, 2019.

**Basis of Consolidation**

These condensed consolidated interim financial statements include the accounts of the Company and the following subsidiaries:

<b>Name</b>	<b>Place of Incorporation</b>	<b>Principal Activity</b>	<b>Ownership</b>
Newrange Gold Corp	British Columbia, Canada	Exploration company	100%
0766888 BC Ltd.	British Columbia, Canada	Holding company	100%
Colombian Investments (BVI) Corp.	British Virgin Islands	Holding company	100%
Colombia Holdings (BVI) Ltd.	British Virgin Islands	Holding company	100%
Colombian Resources (BVI) Inc.	British Virgin Islands	Holding company	100%
Corporacion Minera de Colombia S.A.	Colombia	Exploration company	100%
NR Gold LLC	United States	Exploration company	100%

Inter-company balances and transactions, including any unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the consolidated financial statements.

**Foreign Currencies**

The Company's functional and presentation currency is the Canadian dollar. The individual financial statements of each group entity are measured in the currency of the primary economic environment in which the entity operates (its functional currency).

In preparing the financial statements of the individual entities, transactions in currencies other than an entity's functional currency (foreign currencies) are recorded at the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the exchange rates prevailing at the statement of financial position date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Exchange differences are recognized in the statements of loss and comprehensive loss, unless the difference relates to an item that is recognized in other comprehensive income or loss, whereby the exchange difference would be recognized in other comprehensive income or loss and reclassified from equity to the statements of loss and comprehensive loss on disposal or partial disposal of the net investment. For the purpose of presenting condensed consolidated interim financial statements, the Company has determined that the functional currency of its subsidiary is the Canadian dollar.

**NEWRANGE GOLD CORP.**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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FOR THE SIX MONTHS ENDED OCTOBER 31, 2019 AND 2018

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**2. SIGNIFICANT ACCOUNTING POLICIES** (continued)

**Financial Instruments**

The Company is required to classify its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate fair values:

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

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

**Financial assets**

The Company classifies its financial assets in the following categories: at fair value through profit or loss (“FVTPL”), at fair value through other comprehensive income (“FVTOCI”) or at amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

*Financial assets at FVTPL*

Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the statement of loss and comprehensive loss in the period in which they arise.

*Financial assets at FVTOCI*

Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

*Financial assets at amortized cost*

Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current assets or non-current assets based on their maturity date.

Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on derecognition of financial assets classified as FVTPL or amortized cost are recognized in the statement of loss and comprehensive loss. Gains or losses on financial assets classified as FVTOCI remain within accumulated other comprehensive income.

**NEWRANGE GOLD CORP.**

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FOR THE SIX MONTHS ENDED OCTOBER 31, 2019 AND 2018

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**2. SIGNIFICANT ACCOUNTING POLICIES** (continued)

***Impairment of financial assets***

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the loss allowance is measured for the financial asset at an amount equal to twelve month expected credit losses. For trade receivables the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized. Given the nature and balances of the Company's receivables the Company has no material loss allowance at adoption or as at October 31, 2019.

***Financial liabilities***

The Company classifies its financial liabilities into one of two categories as follows:

***Fair value through profit or loss***

This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

***Financial liabilities at amortized cost***

This category consists of liabilities carried at amortized cost using the effective interest method. These financial liabilities are initially recognized at fair value less directly attributable transaction costs.

**Cash**

Cash in the statement of financial position consists of cash at banks and on hand, and short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

**Land and Equipment**

Equipment is carried at cost, less accumulated depreciation and accumulated impairment losses. The cost of an item of equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Depreciation is provided at rates calculated to write off the cost of equipment, less their estimated residual value, using the straight-line method over three to five years. Land is carried at cost less accumulated impairment losses.

An item of equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss in the consolidated statement of loss and comprehensive loss.

**NEWRANGE GOLD CORP.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

FOR THE SIX MONTHS ENDED OCTOBER 31, 2019 AND 2018

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)****Mineral Properties and Exploration and Evaluation Expenditures**

Acquisition costs for mineral properties, net of recoveries, are capitalized on a property-by-property basis. Acquisition costs include cash consideration and the value of common shares, based on recent issue prices, issued for mineral properties pursuant to the terms of the agreement. Exploration expenditures, net of recoveries, are charged to operations as incurred. After a property is determined by management to be commercially viable, exploration and evaluation expenditures on the property are capitalized.

A mineral property acquired under an option agreement where payments are made at the sole discretion of the Company, is capitalized at the time of payment. Option payments received are treated as a reduction of the carrying value of the related acquisition cost for the mineral property until the payments are in excess of acquisition costs, at which time they are then credited to operations. Option payments are at the discretion of the optionee and, accordingly, are accounted for when receipt is reasonably assured. Capitalized acquisition costs are assessed for impairment if facts and circumstances suggest that the carrying amount exceeds the recoverable amount. When there is little prospect of further work on a property being carried out by the Company or its partners, when a property is abandoned, or when the capitalized costs are no longer considered recoverable, the related property costs are written down to management's estimate of their net recoverable amount.

**Impairment of Non-Financial Assets**

At each statement of financial position reporting date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the assets belong.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of loss and comprehensive loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years.

**NEWRANGE GOLD CORP.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

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FOR THE SIX MONTHS ENDED OCTOBER 31, 2019 AND 2018

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)****Restoration, Rehabilitation and Environmental Obligations**

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight line method. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses. The Company has no material restoration, rehabilitation and environmental costs as the disturbance to date is minimal.

**Provisions**

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

**Share Capital**

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in a private placement to be the more easily measurable component and the common shares are valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded to reserves.

**NEWRANGE GOLD CORP.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

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FOR THE SIX MONTHS ENDED OCTOBER 31, 2019 AND 2018

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)****Share-based Payment Transactions**

The stock option plan allows Company employees and consultants to acquire shares of the Company. Under IFRS the definition of employees has been broadened to include consultants who do work that would normally be done by employees. Under this definition, all of the Company's consultants are considered to be employees for the purposes of determining the value of share-based payments.

Share-based payments to employees are measured at the fair value of the instruments issued and are amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to reserves. When options are exercised the consideration received is recorded as share capital. In addition, the related share-based payments originally recorded in reserves are transferred to share capital. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value is measured at grant date and each tranche is recognized over the period the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options that are expected to vest.

**Income Taxes**

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the asset and liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable profit; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to the offset of current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

**NEWRANGE GOLD CORP.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

FOR THE SIX MONTHS ENDED OCTOBER 31, 2019 AND 2018

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)****Earnings (Loss) per Share**

The Company presents basic and diluted earnings (loss) per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The dilutive effect on earnings per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the year. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

**Segment Reporting**

The Company's head office is in Canada and it has operations in Colombia. The Company operates in a single reportable operating segment – the acquisition, exploration and development of mineral properties.

**Judgments and Estimates**

The preparation of these consolidated financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period.

The Company has to make judgments which include but are not limited to the following:

- a) Whether facts or circumstances suggest that the carrying value of assets such as its receivables, investments in securities or mineral properties exceed the recoverable amount and, if so, the asset is tested for impairment; and
- b) The functional currency for each of the Company's subsidiaries is the currency of the primary economic environment in which the entity operates. Determination of functional currency involves certain judgments to determine the primary economic environment and the Company reconsiders the functional currency when changes in circumstances may affect the primary economic environment.

These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- a) the recoverability of amounts receivable and prepayments;
- b) the carrying value of the investment in mineral properties and the recoverability of the carrying value;
- c) the estimated useful lives of equipment and the related depreciation;
- d) the inputs used in accounting for share-based payments expense; and
- e) the provision for deferred income tax expense and deferred income tax assets and liabilities.

**NEWRANGE GOLD CORP.**

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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(Unaudited – Prepared by Management)

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**3. CHANGES IN ACCOUNTING STANDARDS**

The following new accounting standards and interpretations have been adopted during the period:

*IFRS 16, Leases*

In January 2016, the IASB issued IFRS 16 Leases which replaces the previous leases standard, IAS 17 Leases. IFRS 16 eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17 and, instead, introduces a single lessee accounting model. Lessors continue to classify leases as operating leases or finance leases, and account for those two types of leases differently. IFRS 16 is effective for periods beginning on or after January 1, 2019.

On adoption of IFRS 16, the Company recognized lease liabilities in relation to leases which had previously been classified as operating leases under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments excluding renewal options as they are not expected to be exercised, discounted using the Company's incremental borrowing rate as of May 1, 2019. The weighted average incremental borrowing rate applied to the lease liabilities on May 1, 2019 was 6.25%.

The following is a reconciliation of total off-balance operating lease commitments at April 30, 2019 to the lease liabilities recognized at May 1, 2019:

Total operating lease commitments disclosed at April 30, 2019	\$	39,026
Less: short-term leases		-
Current operating lease liabilities before discounting		39,026
Discounted using incremental borrowing rate		(6,406)
Total current lease liabilities recognized under IFRS 16 at May 1, 2019	\$	32,620

The associated right-of-use asset for the property lease was measured on a retrospective basis as if the new rules had always been applied adjusted by the amount of any prepaid or accrued lease payments and deferred lease inducement relating to that lease recognized in the statement of financial position as at April 30, 2019. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets to the date of initial application.

The recognized right-of-use asset relates to the lease on the Canadian facilities. The change in accounting policy affected the following items in the statement of financial position on May 1, 2019:

- Right-of-use assets – increased by \$32,620
- Lease liabilities - increased by \$32,620

In applying IFRS 16 for the first time, the Company used the following practical expedients permitted by the standard:

- reliance on previous assessments on whether leases are onerous
- elected to account for the payments for short-term leases and leases of low-value assets as an expense in the statement of loss on a straight-line basis over the lease term
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

For the six months ending October 31, 2019 depreciation of the right of use asset was \$6.651. The right of use asset is depreciated on a straight-line basis over the term of the lease.

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**3. CHANGES IN ACCOUNTING STANDARDS (continued)**

Right of use asset, May 1, 2019	\$	32,620
Depreciation of right of use asset		(6,651)
Foreign exchange		(746)
Right of use asset, October 31, 2019	\$	25,223

For the six months ending October 31, 2019, finance charges on the lease liability were \$106 (included in interest and bank charges in the consolidated statement of operations and comprehensive loss). The lease term matures on October 31, 2021.

Current lease liabilities, May 1, 2019	\$	32,620
Payments		(7,957)
Finance costs		2,224
Foreign exchange		(756)
Current lease liabilities, October 31, 2019	\$	26,131

		October 30, 2019
Less than one year	\$	11,580
Greater than one year		14,551
Total lease liabilities, October 31, 2019	\$	26,131

**4. LAND AND EQUIPMENT**

	Field Equipment	Land	Vehicle	Total
<b>Cost</b>				
As at April 30, 2018	\$ 392,987	\$ 55,854	\$ -	\$ 448,841
Additions	-	-	22,210	22,210
As at April 30, 2019	392,987	55,854	22,210	471,051
Addition	-	-	-	-
As at October 31, 2019	\$ 392,987	\$ 55,854	\$ 22,210	\$ 471,051
<b>Accumulated depreciation</b>				
As at April 30, 2018	\$ 272,845	\$ -	\$ -	\$ 272,845
Additions	42,043	-	2,866	44,909
As at April 30, 2019	314,888	-	2,866	317,754
Additions	18,041	-	2,452	20,493
As at October 31, 2019	\$ 332,929	\$ -	\$ 5,318	\$ 338,247
<b>Net book value</b>				
As at April 30, 2019	\$ 78,099	\$ 55,854	\$ 19,344	\$ 153,297
As at October 31, 2019	\$ 60,058	\$ 55,854	\$ 16,892	\$ 132,804

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**5. MINERAL PROPERTIES**

	April 30, 2019	Additions	Recovery	October 31, 2019
Pamlico, USA	\$ 958,724	\$ 326,845	\$ -	\$ 1,285,569
Rocky Mountain, USA	284,400	-	-	284,400
Yarumalito, Colombia	1,321,740	-	(25,000)	1,296,740
	\$ 2,564,864	\$ 326,845	\$ (25,000)	\$ 2,866,709

  

	April 30, 2018	Additions	Write-offs	April 30, 2019
Pamlico, USA	\$ 629,503	\$ 329,221	\$ -	\$ 958,724
Rocky Mountain, USA	284,400	-	-	284,400
Yarumalito, Colombia	1,321,740	-	-	1,321,740
El Dovio, Colombia	124,399	-	(124,399)	-
	\$ 2,360,042	\$ 329,221	\$ (124,399)	\$ 2,564,864

**Pamlico, Nevada, USA**

On July 15, 2016, the Company entered into an option agreement, subsequently amended, to purchase a 100% undivided interest in the Pamlico gold project in Nevada. To earn the interest, the Company must make payments totaling US\$7,500,000.

- i) US\$50,000 (paid \$65,003);
- ii) US\$9,000 (paid \$12,049);
- iii) US\$16,000 (paid \$21,311);
- iv) US\$125,000 (paid \$163,077);
- v) US\$250,000 (paid \$324,667);
- vi) US\$100,000 (paid \$131,512);
- vii) US\$150,000 on or before August 31, 2018 (paid \$197,709);
- viii) US\$250,000 on or before July 15, 2019 (paid \$326,845);
- ix) US\$250,000 on or before July 15th of each year from 2020 to 2044; and
- x) US\$300,000 on or before July 15, 2044.

The Company may earn the 100% interest in the property early if payments totaling US\$4,000,000 are made by July 15, 2020.

Upon production, the Company must pay an annual payment of US\$250,000, or a 4% Net Smelter Royalty (“NSR”), whichever is greater. The Company may reduce the NSR to 1% by paying the optionor US\$1,000,000 per percentage point. The Company will maintain the claims in good standing and pay any associated maintenance fees.

**Rocky Mountain, Colorado, USA**

During the year ended April 30, 2017, the Company acquired a 100% interest in the Rocky Mountain project in Colorado by issuing 200,000 shares valued at \$44,000. The Company also issued 1,700,000 share purchase warrants exercisable at \$0.17 per share valued at \$240,400.

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**5. MINERAL PROPERTIES (continued)**

**Yarumalito, Colombia**

The Company has a 100% interest in land known as the Yarumalito property in Colombia.

During the period ended October 31, 2019, the Company entered into a non-binding agreement giving a corporation exclusive rights to pursue a definitive agreement for the purchase of the Yarumalito project and received \$25,000 as a deposit.

**El Dovio, Colombia**

During the year ended April 30, 2014, the Company acquired land known as the El Dovio property in Colombia for total costs of \$124,595. During the year ended April 30, 2018, \$196 of costs capitalized to El Dovio were written off.

During the year ended April 30, 2019, the Company entered into a Joint Venture Option Agreement for its El Dovio project in Colombia with Andean Mining Corporation Pty. Ltd. (AMC), a private Australian exploration and development company.

Under the terms of the agreement, AMC may earn a 65% interest in El Dovio by spending US\$3,000,000 on the project within three years. Upon signing the Option Agreement, AMC has paid the Company US\$400,000 (received CAD \$512,647) resulting in gain on option payment received of \$388,248, and is required to make additional annual payments of US\$250,000 during the earn in period (US\$250,000 received resulting in gain on option payment received of \$334,771). AMC is committed to list on a recognized exchange within three years of signing by way of a Reverse Take Over (“RTO”), IPO or other means. The Company will receive 15% of AMC’s issued and outstanding shares during the option period (received 1,058,823 shares during the period ended October 31, 2019) and after its initial listing. If AMC lists through a RTO or receives shares in an existing listed company or sells the asset for cash, the Company will receive 15% of the value attributed to AMC. Upon AMC’s listing, the Company may elect to sell its 35% interest in El Dovio to AMC for cash, shares or any combination thereof.

AMC will be manager of the El Dovio project during the Option period.

**Anori, Colombia**

The Company has a 100% interest in land known as the Anori property in Colombia.

During the year ended April 30, 2017, the Company optioned out the Anori property. To earn a 100% interest in the Anori property, the optionee must make the following payments to the Company:

- i) US\$20,000 (received \$26,235 CAD).
- ii) The remaining payment schedule calls for the Company to receive a second payment of US\$50,000 on or before the first anniversary of the Agreement and a final payment of US\$750,000 within 30 months of signing the Agreement. The Company has further granted the Buyer an early purchase option such that the Buyer can purchase the Anori property by paying the Company US\$320,000 including the initial Option Payment within six (6) months of the date of signing the Agreement.
- iii) The Company will retain a 1.5% Net Smelter Return Royalty on any production on the property.

During the year ended April 30, 2018, the optionee has defaulted on the payment of US\$50,000 and the Company is currently in arbitration.

**NEWRANGE GOLD CORP.**

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**6. EXPLORATION EXPENSES**

Exploration expenditures incurred during the period ended October 31, 2019 were as follows:

<b>2019</b>	Pamlico	Yarumalito	Anori	El Dovio	Total
Administration, consultants and salaries	\$ 195,562	\$ 55,401	\$ 1,401	\$ 51,907	\$ 304,271
Assaying	65,358	-	-	-	65,358
Field costs	113,177	12,700	41	25	125,943
Taxes	-	249	-	-	249
Vehicle costs	-	103	-	-	103
	\$ 374,097	\$ 68,453	\$ 1,442	\$ 51,932	\$ 495,924

Exploration expenditures incurred during the year ended April 30, 2019 were as follows:

<b>2019</b>	Pamlico	Yarumalito	Anori	El Dovio	Total
Administration, consultants and salaries	\$ 344,945	\$ 91,521	\$ 3,062	\$ 50,089	\$ 489,617
Assaying	118,155	-	-	-	118,155
Drilling	115,985	-	-	-	115,985
Field costs	150,010	44,879	452	5,644	200,985
Taxes	-	389	-	40	429
Travel	11,971	-	-	-	11,971
Vehicle costs	-	88	-	51	139
	\$ 741,066	\$ 136,877	\$ 3,514	\$ 55,824	\$ 937,281

**NEWRANGE GOLD CORP.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

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**7. LOANS PAYABLE**

During the year ended April 30, 2019, the Company entered into loan agreements with officers, directors, advisors of the Company and certain non-arm's length lenders, whereby the lenders agreed to loan the Company an aggregate of \$257,871 for a period of 12 months at an interest rate of 10% per annum. The Company had the option to repay all or any part of the principal of the loan, together with accrued and unpaid interest, prior to the maturity date without notice or penalty.

As additional consideration of the loan, the Company issued 169,422 common shares (the "Bonus Shares") valued at \$26,260 and 1,497,164 warrants (valued at \$125,300) at an exercise price of \$0.11 per common share for a period of 12 months (the "Bonus Warrants") to the lenders. The Bonus Shares and Bonus Warrants will be subject to a four month hold period from the date of issuance.

During the year ended April 30, 2019, the Company repaid the loans and interest in full.

**8. MARKETABLE SECURITIES**

During the year ended April 30, 2019, the Company acquired 100,000 shares (valued at \$47,500) of MAX Resources Corp. in exchange for services provided and recorded an unrealized loss of \$32,000 from changes in the fair value.

During the period ended October 31, 2019, the Company recorded an unrealized loss of \$13,917 from changes in the fair value.

**9. EQUITY****(a) Share capital**

Authorized share capital consists of an unlimited number of common shares without par value.

**(b) Share Issuances**

During the period ended October 31, 2019, the Company:

- i) closed a non-brokered private placement of 3,593,000 units at \$0.14 per unit for gross proceeds of \$503,020. Each unit consists of one common share and one-half share purchase warrant entitling the holder to purchase one additional common share for a period of two years at a price of \$0.20 per share. The Company paid \$11,711 in finders' fees.
- ii) issued 1,187,403 common shares upon exercise of options for gross proceeds of \$94,992 resulting in a reallocation of share-based reserves of \$375,923 from reserves to share capital.
- iii) issued 1,197,560 common shares upon exercise of warrants for gross proceeds of \$131,732 resulting in a reallocation of share-based reserves of \$100,226 from reserves to share capital.

During the year ended April 30, 2019, the Company:

- i) issued 1,935,667 common shares upon exercise of options for gross proceeds of \$135,887 resulting in a reallocation of share-based reserves of \$428,438 from reserves to share capital.
- ii) issued 169,422 common shares pursuant to loan agreements with officers, directors, advisors of the Company and certain non-arm's length lenders (Note 7).

**NEWRANGE GOLD CORP.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

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**9. EQUITY (continued)**

## (b) Share Issuances (continued)

iii) closed a non-brokered private placement of 11,257,500 units at \$0.08 per unit for gross proceeds of \$900,600. Each unit consists of one common share and one share purchase warrant entitling the holder to purchase one additional common share for a period of two years at a price of \$0.12 per share. Under certain terms, the warrants may be accelerated if the closing price of the Company's common shares on the TSX Venture Exchange exceeds \$0.20 for any 20 consecutive days. The Company paid \$5,160 in finders' fees.

iv) issued 100,000 common shares upon exercise of warrants for gross proceeds of \$12,000.

## (c) Stock options

The Company adopted a stock option plan (the "Plan") pursuant to the policies of the TSX Venture Exchange. The maximum number of shares that may be reserved for issuance under the Plan is limited to 10% of the issued common shares of the Company at any time. The vesting terms are determined at the time of grant. The continuity of stock options for the six months ended October 31, 2019 and year ended April 30, 2019 is as follows:

	October 31, 2019		April 30, 2019	
	Number of stock options	Weighted average exercise price	Number of stock options	Weighted average exercise price
Outstanding, beginning of period	5,995,000	\$ 0.14	5,935,070	\$ 0.29
Granted	-	-	4,282,597	0.10
Exercised	(1,187,403)	0.08	(1,935,667)	0.07
Expired/cancelled	(670,000)	0.49	(2,287,000)	0.12
Outstanding, end of period	4,137,597	\$ 0.11	5,995,000	\$ 0.14

The following table summarizes information about stock options outstanding and exercisable at October 31, 2019:

Exercise prices	Number outstanding	Expiry date	Number exercisable
\$0.300	150,000	1-March-20	150,000
\$0.080	2,950,597*	26-September-20	2,950,597
\$0.200	637,000	15-January-21	637,000
\$0.080	200,000	29-March-22	200,000
\$0.170	200,000	8-April-24	200,000
	4,137,597		4,137,597

\*562,500 options exercised subsequently.

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**9. EQUITY** (continued)

## (d) Share-Based Compensation

During the period ended October 31, 2019, there were no stock options issued.

During the year ended April 30, 2019, the Company:

- i) granted 3,445,597 stock options to directors, officers, advisors, consultants, and employees of the Company. The options are exercisable at \$0.08 per option for 24 months. The options were valued using the Black-Scholes option pricing model resulting in share-based compensation of \$167,700. The options were fully vested on the grant date.
- ii) granted 637,000 stock options to directors, advisors, and consultants of the Company. The options are exercisable at \$0.20 per option for 24 months. The options were valued using the Black-Scholes option pricing model resulting in share-based compensation of \$68,100. The options were fully vested on the grant date.
- iii) granted 200,000 stock options to an advisor of the Company. The options are exercisable at \$0.17 per option for 5 years. The options were valued using the Black-Scholes option pricing model resulting in share-based compensation of \$32,600, of which \$11,752 was recognized during the year ended April 30, 2019. The options are vested in equal tranches on the grant date, the three month anniversary, the six month anniversary, and the nine month anniversary of the grant date.
- iv) repriced a total of 2,219,403 outstanding employee and consultant stock options to \$0.08 per option resulting in share-based compensation of \$203,200. All other terms of the stock options remain unchanged.

The options granted during the period ended October 31, 2019 and the year ended April 30, 2019 were valued using the Black-Scholes option pricing model with the following weighted average grant date assumptions:

	Period ended October 31, 2019	Year ended April 30, 2019
Weighted average grant date fair value	-	\$0.10
Weighted average risk-free interest rate	-	2.12%
Expected dividend yield	-	0%
Weighted average stock price volatility	-	118%
Weighted average forfeiture rate	-	0%
Weighted average expected life of options in years	-	2.14

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**9. EQUITY (continued)**

## (e) Warrants

The continuity of share purchase warrants for the period ended October 31, 2019 is as follows:

Expiry Date	Exercise Price	Balance, April 30, 2019	Issued	Exercised	Expired/cancelled	Balance, October 31, 2019
May 4, 2019	\$ 0.45	2,990,366	-	-	(2,990,366)	-
May 12, 2019	\$ 0.45	2,160,000	-	-	(2,160,000)	-
October 11, 2019	\$ 0.11	1,497,164	-	(1,197,560)	(299,604)	-
March 22, 2020	\$ 0.45	1,060,014	-	-	-	1,060,014
March 22, 2020	\$ 0.45	71,750	-	-	-	71,750
April 3, 2020	\$ 0.45	259,000	-	-	-	259,000
October 26, 2020	\$ 0.12	11,157,500	-	-	-	11,157,500
June 21, 2021	\$ 0.20	-	1,796,500	-	-	1,796,500
November 15, 2021	\$ 0.17	1,700,000	-	-	-	1,700,000
		20,895,794	1,796,500	(1,197,560)	(5,449,970)	16,044,764
<i>Weighted average exercise price</i>		<i>\$ 0.23</i>	<i>\$ 0.20</i>	<i>\$ 0.11</i>	<i>\$ 0.43</i>	<i>\$ 0.16</i>

The warrants issued during the period ended October 31, 2019 and the year ended April 30, 2019 that were valued using the Black Scholes option pricing model had the following assumptions:

	Period ended October 31, 2019	Year ended April 30, 2019
Weighted average grant date fair value	-	\$0.16
Weighted average risk-free interest rate	-	2.23%
Expected dividend yield	-	0%
Weighted average stock price volatility	-	116%
Weighted average forfeiture rate	-	0%
Weighted average expected life of warrants in years	-	1.00

**10. SEGMENTED INFORMATION**

The Company operates in a single reportable operating segment, being the exploration and development of mineral properties. Summarized financial information for the geographic segments the Company operates in are as follows:

	USA	Colombia	Total
October 31, 2019			
Capital assets	\$ 1,625,044	\$ 1,374,469	\$ 2,999,513
April 30, 2019			
Capital assets	\$ 1,307,752	\$ 1,410,409	\$ 2,718,161

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**11. RELATED PARTY TRANSACTIONS**

The aggregate value of transactions and outstanding balances relating to key management personnel, being officers and directors, were as follows:

For the period ended October 31, 2019	Salary or Fees	Share-Based Payment	Total
Management Compensation	\$ 194,029	\$ -	\$ 194,029
Cross Davis & Company LLP **	31,500	-	31,500
	\$ 225,529	\$ -	\$ 225,529

  

For the period ended October 31, 2018	Salary or Fees	Share-Based Payment	Total
Management Compensation	\$ 178,508	\$ 84,023	\$ 262,531
Director Compensation	-	89,228	89,228
Cross Davis & Company LLP **	31,500	17,765	49,265
	\$ 210,008	\$ 191,016	\$ 401,024

Related party liabilities	October 31, 2019	April 30, 2019
Due to Management*	\$ 490,552	\$ 362,917

\* due to management consists of fees owing to three key management personnel for consulting fees.

\*\* Cross Davis & Company LLP provided management services including a chief financial officer, a corporate secretary, accounting staff, administration staff and office space to the Company. At October 31, 2019, the Company has prepaid \$10,500 (April 30, 2019 - \$10,500) to Cross Davis for future services.

During the year ended April 30, 2019, the Company issued 1,082,683 bonus warrants (valued at \$90,611) and 169,422 bonus shares (valued at \$26,260) to directors and officers pursuant to the loan agreements. The Company paid \$4,026 of interest.

**12. FINANCIAL AND CAPITAL RISK MANAGEMENT****Financial Risk Management**

The Company's financial instruments are exposed to certain financial risks, which include currency risk, credit risk, liquidity risk and interest rate risk.

**Foreign currency risk**

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada, the United States and Colombia. The Company funds cash calls to its subsidiary companies outside of Canada in US dollars ("USD") and a portion of its expenditures are also incurred in Colombian pesos ("COP"). The greatest risk is the exchange rate of the Canadian dollar relative to the Colombian peso and a significant change in this rate could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations.

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**12. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)****Foreign currency risk (continued)**

	October 31, 2019 ("COP")	April 30, 2019 ("COP")
Cash	19,337,223	14,707,340
Receivables	964,514	687,893
Accounts payable and accrued liabilities	(9,016,924)	(6,317,421)
Net exposure	11,284,813	9,077,812
Canadian dollar equivalent	\$ 4,604	\$ 3,849

  

	October 31, 2019 ("USD")	April 30, 2019 ("USD")
Cash	10,137	22,155
Accounts payable and accrued liabilities	(6,339)	(5,097)
Net exposure	3,798	17,058
Canadian dollar equivalent	\$ 4,984	\$ 22,956

Based on the above net exposures as at October 31, 2019 and assuming that all other variables remain constant, a 10% change in the value of the Canadian dollar against the above foreign currencies would result in an increase / decrease of approximately \$959 (April 30, 2019 - \$2,681) to net loss for the period.

**Credit Risk**

The Company's cash is mainly held through large insured Canadian, the United States and Colombian financial institutions and accordingly, credit risk is minimized.

**Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital resources.

**Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. There is currently minimal interest rate risk.

**Management of Capital**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties. The Company relies mainly on equity issuances to raise new capital and on entering into joint venture agreements on certain properties which enables it to conserve capital and to reduce risk. In the management of capital, the Company includes the components of equity as well as cash. The Company prepares annual estimates of exploration and administrative expenditures and monitors actual expenditures compared to the estimates to ensure that there is sufficient capital on hand to meet ongoing obligations. The Company's investment policy is to invest its cash in savings accounts or highly liquid short-term deposits with terms of one year or less and which can be liquidated after thirty days without interest or penalty. The Company will have to raise additional financing to cover its exploration and administrative costs for the next twelve months. The Company's approach to the management of capital did not change during the period ended October 31, 2019.

**NEWRANGE GOLD CORP.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

FOR THE SIX MONTHS ENDED OCTOBER 31, 2019 AND 2018

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**13. FINANCIAL INSTRUMENTS**

The carrying value of its financial assets and liabilities approximates their fair value as at October 31, 2019 due to their short term maturity except for investments in marketable securities which are carried at fair value. The Company classifies its financial liabilities, comprised of accounts payable and accrued liabilities as financial liabilities at amortized cost.

**14. ADMINISTRATION AND OFFICE COSTS**

	<b>Period ended October 31, 2019</b>	<b>Period ended October 31, 2018</b>
Consulting	\$ 135,780	\$ 84,254
Financial expense	5,321	6,438
Office	34,344	22,566
Rent	5,968	13,691
Travel	51,583	34,870
	<b>\$ 232,996</b>	<b>\$ 161,819</b>

**15. SALE OF CORPORACION MINERA DE COLOMBIA S.A.**

During the period ended October 31, 2019, the Company negotiated a non-binding agreement with a private Australian company, Andean Mining Corporation Pty Ltd., for the sale of the Company's wholly-owned subsidiary, Corporacion Minera de Colombia S.A. The sale will include the purchase of El Dovio and Anori, both of which are 100% owned by the Colombian subsidiary, for US\$1,000,000. The Company received US\$250,000 from Andean towards the El Dovio option agreement (Note 5) which will be applied against the US\$1,000,000 upon completion of the sale of this subsidiary.

**16. SUBSEQUENT EVENTS**

Subsequent to the period ended October 31, 2019, the Company:

- i) issued 562,500 common shares upon exercise of options for gross proceeds of \$45,000, of which \$30,000 received during the period ended October 31, 2019, resulting in a reallocation of share-based reserves of \$27,377 from reserves to share capital.
- ii) closed the sale of a 100% interest in the Yarumalito project for \$200,000 (\$25,000 paid during the period ended October 31, 2019 and \$175,000 paid subsequently) and \$1,200,000 in common shares (1,118,359 of Gold Mining Inc. shares were received subsequently).
- iii) closed the first tranche of a non-brokered private placement of 10,500,000 common shares for gross proceeds of \$1,050,000. The Company will pay \$38,500 (\$26,250 paid subsequently) and issue 105,000 shares in finders' fees.
- iv) granted 2,366,403 stock options to directors, officers, employees and consultants of the Company. The options are exercisable at \$0.14 per option for 36 months.
- v) entered into an option agreement to purchase a 100% interest in the Western Fold Property in the Red Lake Mining Division of Northwestern Ontario. To earn the interest, the Company must make payments totaling \$200,000 and issue 1,000,000 common shares over a two year period.