



Condensed Interim Financial Statements
(Unaudited – Prepared by Management)

As at April 30, 2017

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

In accordance with 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 an auditor has not reviewed the financial statements.

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

The Company's independent auditor has not performed a review of these financial statements.

Centurion Minerals Ltd

Statements of Financial Position

As at April 30, 2017

(Expressed in Canadian dollars)

	Note	April 30, 2017	July 31, 2016
Current assets			
Cash		\$ 11,471	\$ 173,160
Excise taxes and receivable		22,762	27,285
Prepaid expenses and deposits		41,836	72,021
		<u>76,069</u>	<u>272,466</u>
Non-current assets			
Property and equipment	4	304,862	-
Exploration and evaluation assets	4	-	2
		<u>304,862</u>	<u>2</u>
Total assets		<u>\$ 380,931</u>	<u>\$ 272,468</u>
Current liabilities			
Accounts payable and accrued liabilities		\$ 562,942	\$ 348,943
Due to related parties	9	221,352	242,757
Short-term loan	6	433,682	288,204
Total liabilities		<u>1,217,976</u>	<u>879,904</u>
Shareholders' deficit			
Share capital	7	13,768,704	13,473,243
Shares to be issued		60,300	-
Share option reserve		2,451,146	2,276,498
Share warrant reserve		4,718,050	3,694,488
Deficit		<u>(21,835,245)</u>	<u>(20,051,665)</u>
		<u>(837,045)</u>	<u>(607,436)</u>
Total liabilities and Shareholders' deficit		<u>\$ 380,931</u>	<u>\$ 272,468</u>

Approved by the Board:

"David Tafel"

Director

"Kenneth A Cawkell"

Director

Centurion Minerals Ltd

Statements of Comprehensive Loss

For the nine-month period ended April 30, 2017 and 2016

(Expressed in Canadian dollars)

	Note	Three-month period ended		Nine-month period ended	
		April 30, 2017	April 30, 2016	April 30, 2017	April 30, 2016
Operating expenses					
Accounting		\$ 15,500	\$ 10,500	\$ 77,682	\$ 26,003
Administration		27,000	27,000	91,000	87,300
Consulting		74,193	12,118	290,753	41,738
Depreciation		5,685	-	5,882	-
Financing Costs		20,307	450	145,150	1,074
Filing fees & communications		22,346	37,048	56,319	74,728
Impairment loss on exploration and evaluation assets	4	2	-	2	-
Foreign exchange loss		-	-	1,726	4,050
Insurance		-	3,424	1,104	9,918
General exploration expenditures	5	321,386	295,916	851,437	374,885
Legal		-	17,576	15,407	38,498
Office & miscellaneous		2,589	1,851	13,642	14,135
Rent		7,293	11,628	18,177	31,147
Share based compensation		-	-	174,648	-
Telephone		1,504	3,046	4,384	8,152
Travel		15,979	26,382	31,567	32,853
Wages		14,850	29,700	29,700	83,250
		(528,634)	(476,639)	(1,808,580)	(827,731)
Other Income		-	-	25,000	-
Net loss and comprehensive loss		\$ (528,634)	\$ (476,639)	\$ (1,783,580)	\$ (827,731)
Basic and diluted earnings per common share		\$ (0.01)	(0.02)	(0.04)	(0.05)
Weighted average number of shares outstanding		58,535,535	25,317,583	50,813,682	17,803,877

The accompanying notes form an integral part of these financial statements

Centurion Minerals Ltd

Statements of Change in Equity

For the nine-month period ended April 30, 2017 and 2016

(Expressed in Canadian dollars)

Note	Number of Common Shares	Share Capital	Shares to be issued	Share option reserve	Share warrant reserve	Deficit	Total Shareholders' Deficit
Balance at August 1, 2015	12,814,052	\$ 12,019,825	\$ 5,000	\$ 2,276,498	\$ 3,202,857	\$ (18,656,122)	\$ (1,151,942)
Comprehensive loss	-	-	-	-	-	(827,731)	(827,731)
Issue of shares for cash on private placement	7,940,000	532,000	-	-	-	-	532,000
Value attributable to warrants issued in private placement	-	(674,218)	-	-	674,218	-	-
Issue of shares for debt	3,483,531	348,353	-	-	-	-	348,353
Issue of shares for properties	2,000,000	100,000	-	-	-	-	100,000
Share issue costs	-	(12,133)	-	-	-	-	(12,133)
Proceeds from subscriptions payable	-	-	20,003	-	-	-	15,003
Balance at April 30, 2016	26,237,583	\$ 12,313,827	\$ 15,003	\$ 2,276,498	\$ 3,877,075	\$ (19,483,853)	\$ (996,450)
Balance at August 1, 2016	39,302,403	\$ 13,473,243	\$ -	\$ 2,276,498	\$ 3,694,488	\$ (20,051,665)	\$ (607,436)
Comprehensive loss	-	-	-	-	-	(1,783,580)	(1,783,580)
Issue of shares for cash on private placement 7	18,607,984	1,250,559	-	-	-	-	1,250,559
Value attributable to warrants issued in private placement	-	(1,023,562)	-	-	1,023,562	-	-
Share issue costs	-	(36,279)	-	-	-	-	(36,279)
Proceeds from subscriptions payable	-	-	60,300	-	-	-	60,300
Share-based compensation	-	-	-	174,648	-	-	174,648
Issue of shares for loan financing 6	1,496,328	104,743	-	-	-	-	104,743
Balance at April 30, 2017	59,406,715	\$ 13,768,704	\$ 60,300	\$ 2,451,146	\$ 4,718,050	\$ (21,835,245)	\$ (837,045)

All references to common shares and per share amounts have been retroactively restated to reflect the share consolidation as outlined in Note 7.

The accompanying notes form an integral part of these financial statements

Centurion Minerals Ltd

Statements of Cash Flows
(Expressed in Canadian Dollars)
As at April 30, 2017

Nine-month period ended April 30,	Note	2017	2016
Cash flows from operating activities			
Net loss		\$ (1,783,580)	\$ (827,731)
Adjustments to non-cash items			
Depreciation and amortization	4	5,882	-
Finance expense		-	1,074
Impairment loss on exploration and evaluation assets	4	2	-
Share-based compensation	8	174,648	-
Issue of shares for loan financing	7	104,743	-
Shares for debt	7	-	348,353
Shares for properties		-	100,000
Changes in non-cash working capital			
Decrease (increase) in excise tax and receivable		4,524	(12,830)
Decrease (increase) in prepaid expenses and deposits		30,185	(80,573)
Increase in trade and other payables		359,478	(67,961)
Increase (decrease) in payable to related parties		(21,407)	8,098
Net cash flows used in operating activities		(1,125,525)	(531,570)
Cash flows used in investing activities			
Purchase of equipment		(310,744)	-
Net cash flows used in investing activities		(310,744)	-
Cash flows from financing activities			
Proceeds from issuance of shares	7	1,250,559	519,867
Share issue costs		(36,279)	-
Proceeds from subscriptions payable		60,300	15,003
Net finance expense		-	(1,074)
Net cash from financing activities		1,274,580	533,796
Increase (Decrease) in cash		(161,689)	2,226
Cash, beginning of period		173,160	4,226
Cash, end of period		\$ 11,471	\$ 6,452
Interest paid		\$ 20,307	\$ -

The accompanying notes form an integral part of these financial statements

Centurion Minerals Ltd

Notes to financial statements
(Expressed in Canadian Dollars)
As at April 30, 2017

1. NATURE OF OPERATIONS

Centurion Minerals Ltd (the "Company" or "Centurion") is in the business of mineral exploration. The Company was incorporated on March 11, 2005 under the laws of the Province of British Columbia as 0718918 B.C. Ltd. The Company changed its name to Centurion Minerals Ltd on November 28, 2005. The address of the Company's corporate office and principal place of business is Suite 520, 470 Granville Street, Vancouver, British Columbia, Canada. The Company is listed on the TSX Venture Exchange, having the symbol CTN, as a Tier 2 mining issuer and is in the process of exploring its mineral properties.

The Company is primarily engaged in the acquisition and exploration of mineral properties. To date, the Company has not earned significant revenues and is considered to be in the exploration and evaluation stage.

2. BASIS OF PREPARATION

Statement of Compliance

These unaudited condensed interim financial statements have been prepared on the basis of accounting policies consistent with those applied in the Company's July 31, 2016 annual financial statements, except where changes to accounting policies or new accounting policies are discussed below.

The preparation of condensed interim financial statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the applications of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. These condensed interim consolidated financial statements do not include all of the information required for full annual financial statements.

These unaudited condensed interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

These unaudited condensed interim financial statements for the nine-month period ended April 30, 2017 and 2016 were authorized for issue by the Board of Directors on June 28, 2017.

Basis of Measurement

These unaudited condensed interim financial statements have been prepared on a historical cost basis and are presented in Canadian dollars ("CDN"), which is also the Company's functional currency. At the transaction date, each asset, liability, revenue and expense denominated in a foreign currency is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the year-end date, unsettled monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at the year-end date and the related translation differences are recognized in the statement of comprehensive loss.

The accounting policies have been applied consistently to all years presented in these condensed interim financial statements, unless otherwise indicated.

Significant Judgments and Estimates

The preparation of these condensed interim financial statements, in compliance with IFRS, requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are exploration and evaluation expenditure (Note 5).

In preparing these condensed interim financial statements the Company early adopted Amendments to IAS 1, Presentation of Financial Statements as such the accompanying notes were ordered such that the most relevant information was presented earlier in the notes and disclosures management deemed to be immaterial were excluded. The determination of relevance and materiality of disclosures involved significant judgment.

The estimates that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities is share-based payment transactions (Note 8).

Centurion Minerals Ltd

Notes to financial statements
(Expressed in Canadian Dollars)
As at April 30, 2017

2. BASIS OF PREPARATION (CONTINUED)

Going Concern of Operations

These condensed interim financial statements have been prepared in accordance with IFRSs applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. The Company has not generated revenue from operations. The Company incurred a net loss of \$1,783,580 during the nine-month period ended April 30, 2017 and, as of that date the Company's accumulated deficit was \$21,835,245, all of which indicate a material uncertainty which may cast significant doubt upon the Company's ability to continue as a going concern. As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. The Company is required to periodically issue equity to raise funds to continue operations and although it has been successful in the past, there is no assurance it will be able to do so in the future. These condensed interim financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Realization values may be substantially different from carrying values as shown.

New Accounting Policies

Property, Plant and Equipment

Recognition and Measurement

On initial recognition, property, plant and equipment are valued at cost, being the purchase price and directly attributable cost of acquisition or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company, including appropriate borrowing costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognized within provisions.

Property, plant and equipment is subsequently measured at cost less accumulated depreciation, less any accumulated impairment losses, with the exception of land which is not depreciated.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent Costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Major Maintenance and Repairs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

Gains and Losses

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount, and are recognized net within other income in profit or loss.

Depreciation

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation is recognized in profit or loss and is provided on a straight-line basis over the estimated useful life of the assets as follows:

Centurion Minerals Ltd

Notes to financial statements
(Expressed in Canadian Dollars)
As at April 30, 2017

2. BASIS OF PREPARATION (CONTINUED)

New Accounting Policies (Continued)

Property, Plant and Equipment (Continued)

Plant & Equipment	Straight line over x up to 20 Years
Plant Development Costs	Straight line over x up to 20 Years
Vehicles	Straight line over x 5 Years
Office Equipment	Straight line over x 5 Years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3. CAPITAL MANAGEMENT, FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company manages its capital structure and makes adjustment to it based on the funds available to the Company in order to support future business opportunities. The Company defines its capital as shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to manage its capital to be able to sustain the future development of the Company's business.

The Company currently has no source of revenues, and therefore is dependent upon external financings to fund activities. In order to carry future projects and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the nine-month period ended April 30, 2017. The Company is not subject to externally imposed capital requirements.

General Objectives, Policies and Processes:

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

Market Risk

Market risk is the risk that the fair value of future cash flows will fluctuate due to changes in market prices. Market prices are comprised of three types of risk: foreign currency risk, interest rate risk, and commodity price risk.

Foreign Currency Risk

Foreign currency risk is the risk that future cash flows will fluctuate as a result of changes in foreign currency rates. The Company does not hold significant amounts of cash or other financial instruments in a foreign currency. The Company forwards, on an as-needed basis, pre-approved budgeted amounts for the Ana Sofia Agricultural Gypsum Project Operator, Demetra Fertilizantes S.A. (DFSA). Such funds are transferred in United States Dollars (USD) and are immediately converted to Argentine Peso (ARS) upon receipt by DFSA. Funds are deployed by DFSA on a weekly basis, as such; the Company is not exposed to significant foreign currency risk.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company's current policy is to invest excess cash in certificates of deposit or interest-bearing accounts

Centurion Minerals Ltd

Notes to financial statements
(Expressed in Canadian Dollars)
As at April 30, 2017

3. CAPITAL MANAGEMENT, FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

of major Canadian chartered banks. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its financial institutions.

Commodity Price Risk

The Company is exposed to price risk with respect to commodity prices. As of April 30, 2017, the Company is not a revenue producing entity. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments, which are potentially subject to credit risk for the Company, consist primarily of cash. Cash is maintained with financial institutions of reputable credit and is redeemable upon demand.

As at April 30, 2017 the Company has an \$11,000 outstanding receivable due from Falcon Gold Corp (TSX-V: FG). Falcon Gold Corp. is a corporation sharing common management, directors and office space with the Company. Management assesses the credit risk associated with the Falcon Gold Corp. receivable on an annual basis, and expects that Falcon Gold Corp. will meet its payable requirements to the Company.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it has sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases.

Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 90 days. To achieve this objective, the Company prepares annual capital expenditure budgets, which are regularly monitored and updated as considered necessary. Further, the Company utilizes authorizations for expenditures on exploration projects to further manage expenditure.

The Company monitors its risk of shortage of funds by monitoring the maturity dates of existing trade and other accounts payable.

4. PROPERTY, PLANT AND EQUIPMENT

The Company's capitalized expenses, by reporting segment, are summarized as follows:

	Argentina	Indonesia	Canada	Total
Balance at August 1, 2015	\$ -	\$ 2	\$ 1,007	\$ 1,009
Depreciation	-	-	(581)	(581)
Balance at April 30, 2016	\$ -	\$ 2	\$ 426	\$ 428
Balance at August 1, 2016	\$ -	\$ 2	\$ -	\$ 2
Impairment write-down	-	(2)	-	(2)
Property and equipment	305,056	-	1,969	307,025
Depreciation	(1,818)	-	(345)	(2,163)
Balance at April 30, 2017	\$ 303,238	\$ -	\$ 1,624	\$ 304,862

As at February 1, 2017, and subsequent to significant testing and adjustments, management determined the Ana Sofia pilot plant (discussed below) to be available for use and capable of operating in the manner intended by management.

Centurion Minerals Ltd

Notes to financial statements
(Expressed in Canadian Dollars)
As at April 30, 2017

5. EXPLORATION AND EVALUATION EXPENDITURE

Expenditures During the Period

The Company's exploration and evaluation expenses for the nine-month period ended April 30, 2017 are summarized as follows:

	<u>Total</u>
Assays and analysis	\$ 16,970
Drilling	130,434
Equipment and project site rentals	31,095
Fuel	31,031
Geological consulting fees and labour	50,165
Insurance	12,534
Supplies and equipment	23,502
Field Administration	172,703
Prepaid exploration expenses	<u>383,003</u>
Total	<u>\$ 851,437</u>

Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Operating Segments

The Company operates in one industry segment, mineral exploration, within two geographic areas: Canada, and Argentina. In prior years the Company pursued exploration activity in Indonesia and Myanmar, however, as at July 31, 2016, the Company had ceased all activity in the respective countries, and it is unlikely the Company will undertake any near term expenditures on exploration and evaluation of mineral properties in Indonesia or Myanmar.

Management monitors the operating results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the financial statements. However, the Company's financing (including finance costs and finance income) and income taxes are managed on a company basis and are not allocated to operating segments.

Ana Sofia Joint Venture Agreement (Ana Sofia Project, Santiago del Estero Province, Argentina)

On January 28, 2016, the Company executed a definitive joint venture agreement (the "Agreement") with Demetra Minerals Inc. ("Demetra") to develop the Ana Sofia agricultural gypsum project in the Province of Santiago del Estero, Argentina. Demetra is a privately held, Vancouver-based agri-mining, company and the beneficial owner of a 100% interest in the Ana Sofia property. It has been focused on identifying, developing and marketing calcium sulfate dihydrate, a mineral fertilizer and soil conditioner (also known as agricultural gypsum) for the markets of Argentina, Paraguay, Bolivia, Brazil and Chile. As defined in the Agreement:

- 1) Centurion issued 2,000,000 common shares to Demetra as consideration for the acquisition of its 50% interest in the Ana Sofia Project (the "Project");
- 2) Demetra was appointed as the operator of the Project;
- 3) The Management Committee of the Joint Venture consists of 5 members - 3 Centurion nominees and 2 Demetra nominees, where a Demetra nominee also serves as an Officer of Centurion;

Centurion Minerals Ltd

Notes to financial statements
(Expressed in Canadian Dollars)
As at April 30, 2017

5. EXPLORATION AND EVALUATION EXPENDITURE (CONTINUED)

- 4) Provided that the Joint Venture achieves production, or after Centurion has expended US\$4 million in development costs, both parties shall have the right to call for an amalgamation, which would be subject to a shareholder's vote. Centurion shall have the right to acquire 100% of Demetra by issuing 23,319,744 common shares. In addition, the Company shall set aside 10.45 million preferred shares for the Demetra founders, convertible into common shares on achievement of certain production milestones. Should Centurion spend US\$6 million in development costs prior to amalgamation, all further costs shall be borne equally by the JV partners.

Ana Sofia comprises two mining concessions totaling 50 hectares (ha) in size and approximately 500 ha of exploration rights located 50 kilometers west of the provincial capital city of Santiago del Estero in northwestern, Argentina. On October 31, the Company announced that it has completed an initial resource estimate for the Project. The resource estimate is based on exploration and test-pitting work completed by Centurion and Joint Venture partner, Demetra, that focused on two near-surface gypsum layers located within one of the Project's mining concessions and surrounding exploration permit area. The 2 gypsum layers represent an inferred resource of 1.47 million tonnes averaging 94.1% gypsum, using an 85% cut-off grade that is the minimum required gypsum content for agricultural, commercial-quality gypsum products in Argentina. Demetra has been issued two mining permits and has received environmental and export approvals from the provincial and federal authorities.

Each of Centurion and Demetra have the right to call for an amalgamation, representing a call and a put option that are derivative financial instruments designated at fair value through profit and loss. Primarily due to the high level of uncertainty regarding the circumstances that trigger an exercise of these derivatives, management has determined the value of both of these derivatives cannot be reliably measured either at initial recognition or at April 30, 2017 and thus have been assigned a value of \$nil at initial recognition and through the balance of the period.

6. SHORT-TERM LOAN

On October 25, 2016, the Company announced that it closed a one-year promissory note loan financing for \$180,000 from arms' length parties. Proceeds from this financing were allocated to assist the Company in commencing the Project's agri-gypsum pilot plant operation and for general corporate purposes. In consideration for the loan, the Company issued 514,285 bonus common shares, at a deemed price of \$0.07 per share and will pay an interest of 1.5% per month. The loan can be paid off at any time with no penalty to the Company. Finders' fees of \$12,000 were paid on this transaction. The shares were subject to a four-month hold period that expired on February 26, 2017. \$105,500 was paid down during the period, and as at April 30, 2017, the outstanding balance of the loans are \$74,500.

On January 30, 2017, the Company announced that it closed a one-year promissory note loan financing for \$343,715 from arms' length parties. Proceeds from this financing shall be used to assist the Company in commencing the Project's agri-gypsum pilot plant operation and for general corporate purposes. In consideration for the loan, the Company issued 982,043 bonus common shares, at a deemed price of \$0.07 per share and will pay an interest of 1.5% per month. The loan can be paid off at any time with no penalty to the Company. The shares were subject to a four-month hold period that expired on May 31, 2017.

7. SHARE CAPITAL

The Company's common shares and share purchase warrants are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Common Shares

The Company is authorized to issue an unlimited number of common shares, issuable in series.

The holders of common shares are entitled to receive dividends, which are declared from time to time, and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

Centurion Minerals Ltd
Notes to financial statements
(Expressed in Canadian Dollars)
As at April 30, 2017

7. SHARE CAPITAL (CONTINUED)

Common Shares (Continued)

On October 23, 2015, the Company announced that it proposed to consolidate its shares outstanding on a 5 for 1 basis. Particulars of the share consolidation were approved by shareholders at the Company's AGM on October 27, 2015 and became effective as at November 19, 2015. The Company had 64,070,264 common shares issued and outstanding and resulted in post consolidation shares outstanding of 12,814,052. The exercise price and number of common shares issuable pursuant to all outstanding stock options and warrants have been adjusted in accordance with the consolidation ratio.

All references to common shares and per share amounts have been retroactively restated to reflect the share consolidation.

The following is a summary of changes in common share capital:

	Number of Shares	Issue Price	Amount
Balance at August 1, 2015	12,814,052	\$	12,019,825
Issue of shares for cash on private placement	7,940,000	\$0.05/0.10	532,000
Fair value attributable to warrants issued	-		(674,218)
Share issue costs	-		(12,133)
Issue of shares for debt	3,483,531	\$0.10	348,353
Issue of shares for debt	2,000,000	\$0.05	100,000
Balance at April 30, 2016	26,237,583	\$	12,313,827
Balance at August 1, 2016	39,302,403	\$	13,473,243
Issue of shares for cash on private placement	18,607,984	\$0.07	1,250,559
Share issue costs	-		(36,279)
Fair value attributable to warrants issued	-		(1,023,562)
Issue of shares associated with promissory note	1,496,328	\$0.07	104,743
Balance at April 30, 2017	59,406,715	\$	13,768,704

For the nine-month period ended April 30, 2017

- (a) On August 31, 2016, the Company closed the first tranche of a non-brokered private placement of 1,955,112 units at a price of \$0.07 per unit for gross proceeds of \$136,857. Each unit consists of one common share and one warrant. The common shares were subject to a four-month hold period expiring December, 2016. Each warrant is exercisable for one common share at \$0.12 for the first year and at \$0.15 for the second year following the closing. The Company paid finders' fees of \$6,860 and issued 21,000 non-transferrable finders' warrants. The finders' warrants have the same terms as the warrants issued within the unit. The \$123,508 fair value of the warrants, including the finders' warrants, was recorded in warrant reserve, which was determined using the Black-Scholes option pricing model, in which the following assumptions were applied:

Risk-free rate	0.57%
Dividend yield	Nil%
Volatility factor of the expected market price of the Company's common shares	205%
Weighted average expected life of the warrants	2.0 years

Centurion Minerals Ltd

Notes to financial statements
(Expressed in Canadian Dollars)
As at April 30, 2017

7. SHARE CAPITAL (CONTINUED)

Common Shares (Continued)

- (b) On October 18, 2016, the Company closed the second tranche of a non-brokered private placement of 1,538,300 units at a price of \$0.07 per unit for gross proceeds of \$107,681. Each unit consists of one common share and one warrant. The common shares were subject to a four month hold period expiring February, 2017. Each warrant is exercisable for one common share at \$0.12 for the first year and at \$0.15 for the second year following the closing. The \$88,093 fair value of the warrants was recorded in warrant reserve, which was determined using the Black-Scholes option pricing model, in which the following assumptions were applied:

Risk-free rate	0.5%
Dividend yield	Nil%
Volatility factor of the expected market price of the Company's common shares	200%
Weighted average expected life of the warrants	2.0 years

- (c) On October 25, 2016, the Company received TSX Venture Exchange approval to issue 514,285 shares at a deemed value of \$36,000 at \$0.07 per share in consideration of \$180,000 promissory note loan. The Company paid finders' fee of \$12,000. The fair value of the shares issued was determined by reference to the quoted trading price of the Company's shares on the date the shares were issued.

- (d) On October 25, 2016, the Company closed a non-brokered private placement of 4,233,429 units at a price of \$0.07 per unit for gross proceeds of \$296,340. (Proceeds of \$124,840, representing payment for 1,783,429 units, were received subsequent to January 31, 2017.) Each Unit consists of one common share and one warrant. The common shares are subject to a four-month hold period expiring February, 2017. The Company paid finders' fee of \$5,000. Each warrant is exercisable for one common share at \$0.12 for the first year and at \$0.15 for the second year following the closing. The finders' warrants have the same terms as the warrants issued within the unit. The \$261,975 fair value of the warrants was recorded in warrant reserve, which was determined using the Black-Scholes option pricing model, in which the following assumptions were applied:

Risk-free rate	0.55%
Dividend yield	Nil%
Volatility factor of the expected market price of the Company's common shares	201%
Weighted average expected life of the warrants	2.0 years

- (e) On January 17, 2017, the Company closed a non-brokered private placement of 4,589,000 units at a price of \$0.07 per unit for gross proceeds of \$321,230. Each Unit consists of one common share and one warrant. The common shares are subject to a four month hold period expiring May, 2017. Each warrant is exercisable for one common share at \$0.12 for the first year and at \$0.15 for the second year following the closing. The \$309,732 fair value of the warrants was recorded in warrant reserve, which was determined using the Black-Scholes option pricing model, in which the following assumptions were applied:

Risk-free rate	0.73%
Dividend yield	Nil%
Volatility factor of the expected market price of the Company's common shares	268%
Weighted average expected life of the warrants	2.0 years

- (f) On January 30, 2017, the Company received TSX Venture Exchange approval to issue 982,043 shares at a deemed value of \$68,743 at \$0.07 per share in consideration of \$343,715 promissory note loan. The fair value of the shares issued was determined by reference to the quoted trading price of the Company's shares on the date the shares were filed with the TSX-V for approval.

Centurion Minerals Ltd

Notes to financial statements
(Expressed in Canadian Dollars)
As at April 30, 2017

7. SHARE CAPITAL (CONTINUED)

Common Shares (Continued)

On February 22, 2017, the Company closed a non-brokered private placement of 3,692,143 units at a price of \$0.07 per unit for gross proceeds of \$258,450. Each Unit consists of one common share and one warrant. The common shares are subject to a four month hold period expiring June, 2017. Each warrant is exercisable for one common share at \$0.12 for the first year and at \$0.15 for the second year following the closing. The Company paid finders' fees of \$8,348 and issued 113,250 non-transferrable finders' warrants. The finders' warrants have the same terms as the warrants issued within the unit. The \$293,684 fair value of the warrants was recorded in warrant reserve, which was determined using the Black-Scholes option pricing model, in which the following assumptions were applied:

Risk-free rate	0.75%
Dividend yield	Nil%
Volatility factor of the expected market price of the Company's common shares	263%
Weighted average expected life of the warrants	

Share Purchase Warrants

The following is a summary of changes in warrants:

	Number of Warrants	Weighted Average Exercise Price
Balance at August 1, 2015	1,109,600	\$ 0.50
Issued	5,249,000	0.10
Issued	2,700,000	0.15
Balance at April 30, 2016	9,058,600	0.16
Balance at August 1, 2016	22,336,220	0.13
Issued	2,600,000	0.10
Issued	16,142,234	0.12
Expired	(1,109,600)	0.10
Outstanding and exercisable as at April 30, 2017	39,968,854	\$ 0.12

As at April 30, 2017, the Company had outstanding warrants as follows:

Number of Warrants	Exercise Price per Warrant	Expiry Date	Weighted Average Remaining Life
4,333,000	0.15	December 16, 2017	0.63
916,000	0.15	January 5, 2018	0.68
2,700,000	0.20	February 25, 2018	0.82
11,069,800	0.10 ¹	July 22, 2018	1.23
4,807,820	0.10 ¹	July 29, 2018	1.25
1,976,112	0.12 ¹	August 31, 2018	1.34
1,538,300	0.12 ¹	October 18, 2018	1.47
4,233,429	0.12 ¹	October 25, 2018	1.49
4,589,000	0.12 ¹	January 17, 2019	1.72
3,805,393	0.12 ¹	February 22, 2019	1.82
39,968,854			1.24

¹ After year one of the life of the warrant, the exercise price escalates to \$0.15

Centurion Minerals Ltd

Notes to financial statements
(Expressed in Canadian Dollars)
As at April 30, 2017

8. SHARE-BASED PAYMENTS

Option Plan Details

As at April 30, 2017 and 2016, the Company maintained an equity settled share-based payment scheme for employee remuneration.

All share-based employee remuneration will be settled in equity and the Company has no legal or constructive obligation to repurchase or settle the options.

The Company issues share purchase options to directors, officers and employees of the Company and persons who provide ongoing services to the Company under an incentive stock option plan. The aggregate number of shares of the Company that may be granted pursuant to the Plan is limited to 10% of the issued and outstanding shares of the Company. The Plan is administered by the Board of Directors, which determines individual eligibility under the Plan, the number of shares optioned to each grantee and the vesting period. The exercise price of share purchase options will be no less than the closing price of the shares on the TSX Venture Exchange on the date on which the option is granted. Options will expire no later than five years from the grant date, except that they will expire within thirty days when the holder is no longer qualified to hold the option (other than for cause, when the option will expire immediately). Options granted to Directors whom are not officers or employees of the Company expire within ninety days from the date of resignation or retirement.

The following is a summary of changes in options:

	Number of Options	Weighted Average Exercise Price
Balance at August 1, 2015	571,800	\$ 0.71
Expired	(80,000)	0.50
Balance at April 30, 2016	491,800	\$ 0.71
Balance at August 1, 2016	486,800	\$ 0.71
Issued	2,500,000	0.10
Cancelled	(60,000)	0.50
Expired	(66,800)	2.00
Balance at April 30, 2017	2,860,000	\$ 0.15

The following options are outstanding at April 30, 2017:

Number of Options Outstanding and Exercisable	Exercise Price per Option	Expiry Date	Weighted Average Remaining Life
360,000	\$ 0.50	January 31, 2019	1.76
2,500,000	\$ 0.10	August 25, 2021	4.32
2,860,000			3.04

Options Issued

On August 25, 2016, the Company granted 2,500,000 options to purchase common shares to certain officers, directors and consultants. The options vested immediately and are exercisable at \$0.10 per share to directors, officers and consultants of the Company for a period of five years from the date of grant.

Centurion Minerals Ltd

Notes to financial statements
(Expressed in Canadian Dollars)
As at April 30, 2017

8. SHARE-BASED PAYMENTS (CONTINUED)

As a policy, the fair value at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The following assumptions were used:

	April 30, 2017	April 30, 2016	April 30, 2015
Volatility	239%	Nil	Nil
Risk-free interest rate	57%	Nil	Nil
Expected life (years)	Nil	Nil	Nil
Expected dividend yield	Nil	Nil	Nil

9. RELATED PARTY TRANSACTIONS

The following is a summary of the Company's related party transactions for the nine-month period ended April 30, 2017:

(a) (i) Management Services Agreements

Total fees of \$91,000 (2016: \$92,800) were paid or accrued to directors of the Company for administration services outside their capacity as a director.

(ii) Legal Fees

The Company paid or accrued legal fees of \$16,762 (2016: \$28,172) to a law firm of which a director of the Company is a partner.

(iii) Accounting fees

The Company paid or accrued accounting fees of \$79,500 (2016: \$7,500) to a company owned by an officer of the Company.

(b) Due to/from Directors and Officers

A total of \$221,352 (July 31, 2016: \$153,562) is due to directors and officers. In addition, a total of \$96,202 (July 31, 2016: \$89,195) in legal fees is due to a law firm of which a director is a partner, and \$11,000 (July 31, 2016: \$18,069) is due from a Company of which several key management personnel are also key management personnel of Centurion pursuant to shared office overhead and administrative costs.

Balances payable are non-interest bearing, unsecured and have no specific terms of repayment.

Compensation of key management personnel of the Company

	Three-month period ended		Nine-month period ended	
	April 30, 2017	April 30, 2016	April 30, 2017	April 30, 2016
Administration	\$ 27,000	\$ 27,000	\$ 91,000	\$ 87,300
Social security and health costs	-	150	-	1,026
	<u>\$ 27,000</u>	<u>\$ 27,150</u>	<u>\$ 91,000</u>	<u>\$ 88,326</u>

There are no other related party transactions other than what was been disclosed.

Centurion Minerals Ltd

Notes to financial statements
(Expressed in Canadian Dollars)
As at April 30, 2017

10. COMMITMENTS AND OTHER CONTINGENCIES

Operating lease commitments – Company as lessee

The Company entered into a lease expiring May 31, 2021 for an office space currently occupied by its head office. There are no restrictions placed on the lessee through entering into the lease. Future minimum payments under non-cancellable operating lease as at the end of the indicated periods are as follows:

	<u>April 30, 2017</u>		<u>April 30, 2016</u>
Within one year	\$ 16,433	\$	7,523
More than four years	251,964		-
	<u>\$ 268,397</u>	<u>\$</u>	<u>7,523</u>

Total operating lease expense included in general and administrative expense for the nine-month period ended April 30, 2017 was \$18,176 (2016: \$31,147).

Exploration and Evaluation Commitments and Contingencies

The Company has mineral property commitments as outlined in Note 5. A liability has not been recorded for future option or royalty payments. All property option agreements are cancellable at the option of the Company without recourse.

11. SUBSEQUENT EVENTS

On May 11, 2017, the Company announced the closing of a first tranche non-brokered private placement for \$86,550. The Company issued 1,236,429 units at \$0.07 per unit, which is comprised of one common share, and one common share purchase warrant. Each warrant will be exercisable for one common share for a period of two years at \$0.12 for the first year and \$0.15 for the second year following the closing. The shares are subject to a four-month hold period expiring in September 2017.

On June 23, 2017, the Company announced that it has arranged a non-brokered private placement for up to \$200,000 priced at \$.05/Unit. Each Unit consists of one common share and one 2-year common share purchase warrant. Each warrant will be exercisable for one common share at \$0.10 for the first year and at \$0.15 for the second year following the closing. Closing will be subject to TSX Venture Exchange approval and any shares issued will be subject to a four-month hold period. Proceeds from this financing shall be used by the Company as operating expenses for the Ana Sofia, Argentina agri-gypsum plant and for general corporate purposes. A total of \$86,600 of Centurion's previously announced private placement for \$175,000 at \$0.07/unit was completed and the balance of this financing has been cancelled.