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Condensed Consolidated Interim Financial Statements
Nine Months Ended September 30, 2021 and 2020
(Expressed in Canadian Dollars)
(Unaudited)

<u>Index</u>	<u>Page</u>
Notice of No Auditor Review	2
Condensed Consolidated Interim Financial Statements	
Condensed Consolidated Interim Statements of Comprehensive Loss	3
Condensed Consolidated Interim Statements of Financial Position	4
Condensed Consolidated Interim Statements of Changes in Equity (Deficit)	5
Condensed Consolidated Interim Statements of Cash Flows	6
Notes to the Condensed Consolidated Interim Financial Statements	7-15

NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited condensed consolidated interim financial statements of the Company for the nine months ended September 30, 2021, and comparatives for the nine months ended September 30, 2020, were prepared by management and have not been reviewed or audited by the Company's auditors.

Valterra Resource Corporation

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Comprehensive Loss

Nine Months Ended September 30, 2021 and 2020

(Expressed in Canadian Dollars, Unaudited)

	Note	Three Months Ended September 30,		Nine Months Ended September 30,	
		2021	2020	2021	2020
Operating Expenses					
Administration	8	\$ 15,000	\$ -	\$ 45,000	\$ -
Consulting	8	237,805	29,810	259,038	35,810
Exploration and evaluation	6 & 8	9,859	27,763	15,576	46,314
Investor relations	8	11,982	53,500	48,548	107,600
Office and general	8	4,834	4,174	17,540	15,886
Professional fees	8	9,982	22,930	92,574	88,274
Regulatory fees and taxes		20,194	15,947	34,050	25,658
Share-based payments		131	-	2,892	-
Shareholders' communications		3,731	1,150	6,555	3,250
Transfer agent		1,172	2,384	7,708	4,950
		314,690	157,658	529,481	327,742
Foreign Exchange (Gain) Loss					
		5,530	(1,498)	748	4,476
Mineral property impairment	6	292,158	160,077	292,158	160,077
Unrealized (Gain) Loss on Marketable Securities	5	550	-	(1,050)	-
		298,238	158,579	291,856	164,553
Net Loss and Comprehensive Loss for the Period		\$ 612,928	\$ 316,237	\$ 821,337	\$ 492,295
Loss per share - basic and diluted		\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.03
Weighted average number of common shares outstanding		67,388,187	36,205,155	63,573,899	18,901,067

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

Valterra Resource Corporation

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian Dollars, Unaudited)

As at	Note	September 30 2021	December 31 2020
Assets			
Current			
Cash		\$ 307,060	\$ 368,106
Receivables		2,663	7,306
Marketable securities	5	4,200	-
Prepays		7,460	9,809
		321,383	385,221
Non-current			
Mineral properties	6	-	-
Reclamation bonds	5	12,000	29,667
Loan	7	2,103,500	2,028,500
		2,115,500	2,058,167
		\$ 2,436,883	\$ 2,443,388
Liabilities			
Current			
Accounts payable and accrued liabilities	6 & 7	\$ 919,026	\$ 651,893
Due to related parties	8	615,008	465,886
		1,534,034	1,117,779
Equity			
Share capital	9	17,628,788	17,247,842
Share-based payments reserve		623,373	609,461
Warrant reserve		201,290	257,308
Deficit		(17,550,602)	(16,789,002)
		902,849	1,325,609
		\$ 2,436,883	\$ 2,443,388

Approved on behalf of the Board

"Lawrence Page"

"Brian McGrath"

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

Valterra Resource Corporation

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Changes in Equity (Deficit)

Nine Months Ended September 30, 2021 and 2020

(Expressed in Canadian Dollars, Unaudited)

	Share Capital		Share-based		Warrant	Deficit	Total
	Number	Amount	Payments	Reserve	Reserve		Equity
	of Shares		Reserve				(Deficit)
Balance as at December 31, 2019	9,375,155	\$ 14,170,805	\$ 245,695	\$ 257,308	\$ (15,590,708)	\$	(916,900)
Issued							
Private Placement	28,170,000	1,408,500	-	-	-	-	1,408,500
Mineral property	70,000	5,600	-	-	-	-	5,600
Share issue costs	-	(110,040)	54,990	-	-	-	(55,050)
Subscriptions received	-	22,500	-	-	-	-	22,500
Net loss	-	-	-	-	-	(492,295)	(492,295)
Balance as at September 30, 2020	37,615,155	\$ 15,497,365	\$ 300,685	\$ 257,308	\$ (16,083,003)	\$	(27,645)
Balance as at December 31, 2020	61,635,144	\$ 17,247,842	\$ 609,461	\$ 257,308	\$ (16,789,002)	\$	1,325,609
Issued							
Private Placement	8,270,000	413,500	-	-	-	-	413,500
Share issue costs	-	(32,554)	14,739	-	-	-	(17,815)
Share-based payments	-	-	2,892	-	-	-	2,892
Fair value of warrants expired	-	-	(3,719)	(56,018)	59,737	-	-
Net loss	-	-	-	-	-	(821,337)	(821,337)
Balance as at September 30, 2021	69,905,144	\$ 17,628,788	\$ 623,373	\$ 201,290	\$ (17,550,602)	\$	902,849

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

Valterra Resource Corporation

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Cash Flows

Nine Months Ended September 30, 2021 and 2020

(Expressed in Canadian Dollars, Unaudited)

	2021	2020
Operating Activities		
Net loss	\$ (821,337)	\$ (492,295)
Items Not Involving Cash:		
Mineral property impairment	292,158	160,077
Share-based payments	2,892	-
Fair value of marketable securities received	(3,150)	-
Unrealized gain on fair value of marketable securities	(1,050)	-
Unrealized foreign exchange	(667)	4
	(531,154)	(332,214)
Changes in Non-Cash Working Capital		
Receivables	4,643	(2,817)
Prepays	2,349	48,856
Accounts payable and accrued liabilities	267,826	56,560
Due to related parties	149,122	(12,766)
	423,940	89,833
Cash Used in Operating Activities	(107,214)	(242,381)
Investing Activities		
Acquisition of mineral property	(292,158)	(154,477)
Reclamation bond	17,641	-
Loan	(75,000)	(825,000)
Cash Used in Investing Activities	(349,517)	(979,477)
Financing Activities		
Shares issued for cash, net	395,685	1,353,450
Subscriptions received	-	22,500
Related party loan received	-	30,000
Related party loan repaid	-	(102,500)
Cash Provided by Financing Activities	395,685	1,303,450
(Decrease) Increase in Cash During the Period	(61,046)	81,592
Cash, Beginning of the Period	368,106	9,654
Cash, End of the Period	\$ 307,060	\$ 91,246

Supplemental cash flow information (Note 10)

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

Valterra Resource Corporation

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Nine Months Ended September 30, 2021 and 2020

(Expressed in Canadian Dollars, Unaudited)

1. Nature of Operations and Going Concern

Valterra Resource Corporation (the "Company") was incorporated in Alberta on September 26, 1996, continued to the Yukon on May 8, 1997 and subsequently to British Columbia on February 22, 2008. The Company's principal business activities include the acquisition, exploration, and development of natural resource properties for enhancement of value and disposition pursuant to sales agreements or development by way of third-party option and/or joint venture agreements. The Company's registered office is 1710 - 1177 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2L3.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that any of the Company's current or future exploration programs will result in profitable mining operations. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete their exploration and development, and establish future profitable operations, or realize proceeds from their sale. The carrying value of the Company's mineral properties does not reflect present or future value.

These condensed consolidated interim financial statements were prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at September 30, 2021, the Company had a working capital deficit of \$1,212,651 (December 31, 2020 - \$732,558). The Company incurred a net loss of \$821,337 for the nine months ended September 30, 2021 (2020 - \$492,295) and had an accumulated deficit of \$17,550,602 as at September 30, 2021 (December 31, 2020 - \$16,789,002).

As at September 30, 2021, the Company does not have sufficient capital to meet the requirements for its administrative overhead or maintaining its mineral interests. The Company has relied mainly upon the issuance of share capital and short-term debt to finance its activities. Future capital requirements will depend on many factors including the Company's ability to execute its business plan. In order to finance future activities, the Company will be required to issue further share capital through private placements and the exercise of options and warrants or obtain additional debt. There can be no assurance that such financing will be available to the Company and, therefore, a material uncertainty exists which casts significant doubt over the Company's ability to continue as a going concern.

In 2020, the COVID-19 global health pandemic resulted in significant volatility and turmoil in world markets. While the negative economic impact of measures to contain the virus have been mitigated to an extent by fiscal and monetary stimulus, by measures taken to reopen world economies, and by the development of vaccines, the situation remains uncertain and its impact on the Company depends to a large extent on future developments and new information that may emerge regarding COVID-19 and the pandemic, factors which are beyond the Company's control. Given the extent of the crisis, it is difficult to estimate the duration of the situation or its ultimate impact on the Company.

These condensed consolidated interim financial statements do not include the adjustments to assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

Valterra Resource Corporation

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Nine Months Ended September 30, 2021 and 2020

(Expressed in Canadian Dollars, Unaudited)

2. Basis of Preparation

These condensed consolidated interim financial statements were prepared in accordance with International Accounting Standards 34: *Interim Financial Reporting* using historical cost, except for cash flow information and financial instruments measured at fair value. These condensed consolidated interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's audited annual consolidated financial statements for the year ended December 31, 2020. The Company's functional and presentation currency is the Canadian dollar. The financial statements of the Company consolidate entities controlled by the Company as follows:

Entity	Country of Incorporation	Principal Activity
Valterra Resource (US) Corporation	USA	Mineral exploration - 100% owned by the Company
Minera Reyterra S.A de C.V.	Mexico	Mineral exploration - 100% owned by the Company

These condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on November 29, 2021.

3. Summary of Significant Accounting Policies

The same accounting policies are used in the preparation of these condensed consolidated interim financial statements as for the most recent audited annual consolidated financial statements and reflect all the adjustments necessary for fair presentation in accordance with International Financial Reporting Standards of the results for the interim periods presented.

4. Financial Instruments

The Company's financial instruments include cash, marketable securities, reclamation bond, loan, accounts payable and accrued liabilities and due to related parties. Marketable securities are recognized in accordance with Level 1 of the fair value hierarchy. The loan and reclamation bond are non-interest-bearing, have no maturity date and carrying values approximate fair value. The carrying values of accounts payable and accrued liabilities and due to related parties approximate their fair values due to the short period to maturity.

5. Marketable Securities

Pursuant to a finder's fee agreement with respect to the termination of the Weepah property, the Company received 5,000 common shares of Eminent Gold Corp. ("Eminent") with a fair value of \$3,150 and US\$5,000 in cash. The Company also assigned a reclamation bond held and received \$17,641.

As at September 30, 2021, the fair market value of the 5,000 common shares was \$4,200 (December 31, 2020 - \$nil).

Valterra Resource Corporation

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Nine Months Ended September 30, 2021 and 2020

(Expressed in Canadian Dollars, Unaudited)

6. Mineral Properties

Mineral property acquisition costs as at September 30, 2021 were:

	Swift Katie	Los Reyes	Total
	\$	\$	\$
Balance as at December 31, 2019	-	-	-
Additions, net of recoveries	153,107	160,077	313,184
Impairments	(153,107)	(160,077)	(313,184)
Balance as at December 31, 2020	-	-	-
Additions, net of recoveries	-	292,158	292,158
Impairments	-	(292,158)	(292,158)
Balance as at September 30, 2021	-	-	-

Management considered the ability of the Company to raise sufficient financing to be an indicator of impairment and therefore recorded an impairment provision against all of its properties, in accordance with Level 3 of the fair value hierarchy.

Swift Katie

Pursuant to an agreement dated July 21, 2006, as amended, a private company controlled by a director of the Company, acquired an option to purchase the property located near Salmo, British Columbia. The option was subsequently assigned to the Company for \$2,500.

The property is subject to a 3% net smelter royalty ("NSR") of which the Company has the option to purchase one-half (1.5%) for \$1,000,000 per 1% and the option to purchase a further one-sixth (0.5%) for an additional \$1,500,000 at any time prior to the commencement of commercial production.

Beginning December 31, 2010 and annually thereafter, the Company is required to make an annual advance minimum royalty ("AMR") payment of \$50,000. These payments will be adjusted annually according to the Consumer Price Index base of December 31, 2006 and are deductible from future NSR payments (paid in full to date).

In addition to the NSR and the AMR, if the Company completes a positive feasibility study, the Company will issue 2,500 common shares to the optionors and if the Company achieves commercial production, the Company will issue 5,000 common shares to the optionors.

Los Reyes

Pursuant to an agreement dated June 11, 2018, as amended, the Company has the right to acquire a 100% interest in two claims in Chihuahua, Mexico. To acquire the interest the Company is required to make the following remaining payments:

Valterra Resource Corporation

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Nine Months Ended September 30, 2021 and 2020

(Expressed in Canadian Dollars, Unaudited)

6. Mineral Properties, continued

Los Reyes, continued

- US\$200,000 plus applicable local taxes of 16% on August 11, 2021 (paid);
- US\$300,000 plus applicable local taxes of 16% on August 11, 2022; and
- US\$3,250,000 plus applicable local taxes of 16% on August 11, 2023.

The property is subject to a 2% royalty payable to a third party. The balance of a finder's fee is also payable upon payment of the above as to 120,000 common share purchase warrants contingently exercisable to purchase one common share at an exercise price of \$0.50 per share (issued on August 16, 2018 - Note 9(c)).

Weepah

On June 23, 2020, the Company terminated the option agreement. A contractual obligation remains outstanding of US\$98,750 and is included in accounts payable and accrued liabilities.

Exploration and Evaluation Expenditures

Exploration and evaluation expenditures for the nine months ended September 30, 2021 and 2020 were:

	Swift Katie		Los Reyes		Weepah		Total	
	\$	\$	\$	\$	\$	\$	\$	\$
	2021	2020	2021	2020	2021	2020	2021	2020
Assays and analysis	-	-	-	-	-	-	-	-
Equipment rental and field supplies	-	-	6,234	13,601	-	-	6,234	13,601
Geological services	-	-	-	460	-	-	-	460
Project supervision	713	-	4,474	11,582	-	2,853	5,187	14,435
Other	-	-	978	885	-	384	978	1,269
	<u>713</u>	<u>-</u>	<u>11,686</u>	<u>26,528</u>	<u>-</u>	<u>3,237</u>	<u>12,399</u>	<u>29,765</u>
General, net of recoveries							3,177	16,549
							<u>15,576</u>	<u>46,314</u>

7. Loan

On June 2, 2020, the Company entered into a Letter of Intent to acquire Poconé Mining Mineração Ltda ("PMM") a private company incorporated under the laws of Brazil. The acquisition was formalized into a definitive purchase agreement on September 3, 2020, under which the Company will issue 8,000,000 common shares and 8,000,000 common share purchase warrants to the quota holders of PMM, whereby each warrant is exercisable to purchase one common share at an exercise price of \$0.10 for a period of four years.

Valterra Resource Corporation

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Nine Months Ended September 30, 2021 and 2020

(Expressed in Canadian Dollars, Unaudited)

7. Loan, continued

On August 25, 2021, the purchase agreement received regulatory approval. On October 15, 2021, the Company issued the common shares and common share purchase warrants and formally acquired PMM.

As at September 30, 2021, the Company had advanced non-interest-bearing loans totalling \$2,103,500 (December 31, 2020 - \$2,028,500) to PMM.

During May 2021, the Company approved the sale of PMM to Pilar Gold Inc. ("Pilar Gold"). The terms of the sale agreement are as follows:

- Pilar Gold will issue 4,000,000 common shares at a deemed price of \$0.60 per share, representing a purchase price of \$2,400,000, subject to adjustment contingent upon the issue price of Pilar Gold's proposed Initial Public Offering; and
- Issuance by the Company of 4,500,000 common shares at a deemed price of \$0.05 per share in respect of consulting agreements compensation between the Company and the PMM quota holders.

On August 25, 2021, the sale agreement received regulatory approval. On October 15, 2021, the Company issued the common shares and settled debt of US\$180,000 (included in accounts payable and accrued liabilities). On October 21, 2021, the Company received 4,000,000 common shares of Pilar Gold.

8. Related Party Balances and Transactions

Except as disclosed elsewhere, the Company entered into the following related party transactions:

(a) Pursuant to a reinstated service agreement effective September 1, 2020, between the Company and a private company controlled by a director and officer of the Company, the Company was charged as:

- \$45,000 (2020 - \$nil) for office space and general administration services;
- \$24,750 (2020 - \$nil) for professional services;
- \$21,690 (2020 - \$nil) for consulting services;
- \$32,085 (2020 - \$nil) for investor relations services;
- \$4,889 (2020 - \$nil) for geological services; and
- \$2,249 (2020 - \$2,664) for the mark-up on out-of-pocket expenses.

Amounts payable as at September 30, 2021 were \$457,865 (December 31, 2020 - \$326,606).

(b) Legal fees in the amount of \$nil (2020 - \$40,660) were charged by a Company controlled by a director and officer of the Company. Fees are included in professional fees, mineral property acquisition or exploration expenditures or share issue costs where applicable. Amounts payable as at September 30, 2021 were \$99,921 (December 31, 2020 - \$99,921).

Valterra Resource Corporation

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Nine Months Ended September 30, 2021 and 2020

(Expressed in Canadian Dollars, Unaudited)

8. Related Party Balances and Transactions, continued

- (c) Fees in the amount of \$9,000 (2020 - \$9,000) were charged by an officer of the Company for consulting services. Amounts payable as at September 30, 2021 were \$20,750 (December 31, 2020 - \$11,300).
- (d) Fees in the amount of US\$6,750 (2020 - US\$14,400) were charged by a director of the Company for geological consulting services. Amounts payable as at September 30, 2021 were \$36,472 (US\$28,750) (December 31, 2020 - \$28,059 (US\$22,000)).
- (e) Loans bearing interest at 5% per annum totalling \$nil (2020 - \$30,000) were advanced by a company controlled by a director and officer of the Company. A total of \$nil (2020 - \$106,041) was repaid with respect to funds advanced of \$nil (2020 - \$102,500) and interest accrued of \$nil (2020 - \$3,541) at an interest rate of 5% per annum.

These transactions were in the normal course of operations and were measured at the fair value of the services rendered. With the exception of interest-bearing loans, amounts due to related parties are unsecured, non-interest-bearing, and have no formal terms of repayment. The key management personnel of the Company are the directors and officers of the Company. The Company has no long-term employee or post-employment benefits.

A summary of compensation awarded to key management, including amounts in (c) and (d) above, was as follows:

	2021	2020
Short-term benefits	\$ 17,447	\$ 28,495
Total	\$ 17,447	\$ 28,495

9. Share Capital

(a) Authorized

Unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

(b) Equity Financings

Nine months ended September 30, 2021

On August 3, 2021, the Company closed a non-brokered private placement and issued 8,270,000 units at a price of \$0.05 per unit for gross proceeds of \$413,500. Each unit consisted of one common share and one-half share purchase warrant whereby each full warrant is exercisable to purchase one common share at an exercise price of \$0.10 for a period of three years.

The Company also issued 341,300 finders' warrants, whereby each warrant is exercisable to purchase one common share at an exercise price of \$0.10 for a period of four years (Note 9(e)).

Valterra Resource Corporation

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Nine Months Ended September 30, 2021 and 2020

(Expressed in Canadian Dollars, Unaudited)

9. Share Capital, continued

(b) Equity Financings, continued

Nine months ended September 30, 2020

On June 15, 2020, the Company closed the first tranche of a non-brokered private placement and issued 7,260,000 units at a price of \$0.05 per unit for gross proceeds of \$363,000. On July 9, 2020, the Company closed the final tranche of this private placement and issued 20,910,000 units at a price of \$0.05 per unit for gross proceeds of \$1,045,500. Each unit consisted of one common share and one share purchase warrant whereby each warrant is exercisable to purchase one common share at an exercise price of \$0.10 for a period of four years.

The Company also issued a total of 576,100 finders' warrants, whereby each warrant is exercisable to purchase one common share at an exercise price of \$0.10 for a period of four years (Note 9(e)).

(c) Share Purchase Warrants

Share purchase warrants outstanding as at September 30, 2021 were:

Exercise Price	Expiry Date	Balance			Balance September 30, 2021
		December 31, 2020	Issued	Expired	
\$0.125	* October 5, 2021	1,658,400	-	-	1,658,400
\$0.125	* October 5, 2021	354,500	-	-	354,500
\$1.00	October 5, 2021	12,000	-	-	12,000
\$0.125	* December 29, 2021	281,510	-	-	281,510
\$1.00	December 29, 2021	10,560	-	-	10,560
\$0.125	* March 28, 2021	775,366	-	775,366	-
\$0.50	March 28, 2021	2,919	-	2,919	-
\$0.125	* April 23, 2021	345,000	-	345,000	-
\$0.50	April 23, 2021	14,000	-	14,000	-
\$0.125	* August 1, 2023	390,000	-	-	390,000
\$0.50	August 1, 2023	5,600	-	-	5,600
\$0.125	* September 18, 2023	1,070,340	-	-	1,070,340
\$0.10	June 15, 2024	7,260,000	-	-	7,260,000
\$0.10	June 15, 2024	177,800	-	-	177,800
\$0.10	July 9, 2024	20,910,000	-	-	20,910,000
\$0.10	July 9, 2024	398,300	-	-	398,300
\$0.125	November 30, 2023	3,610,167	-	-	3,610,167
\$0.125	November 30, 2023	6,650	-	-	6,650
\$0.125	December 14, 2023	7,333,334	-	-	7,333,334
\$0.10	August 3, 2024	-	4,135,000	-	4,135,000
\$0.10	August 3, 2024	-	341,300	-	341,300
		44,616,446	4,476,300	1,137,285	47,955,461
Weighted average exercise price		\$0.18	\$0.10	\$0.13	\$0.11
Weighted average contractual life remaining (years)		3.12			2.48

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(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Nine Months Ended September 30, 2021 and 2020

(Expressed in Canadian Dollars, Unaudited)

9. Share Capital, continued

(c) Share Purchase Warrants, continued

* During February and June 2021, the Company repriced certain warrants issued in connection with separate private placements to \$0.125. Subsequent to the reprice, these warrants will be subject to an accelerated exercise period provision whereby if the closing price of the common shares is \$0.165 or higher for 10 consecutive trading days (the "Premium Trading Days"), warrant holders will have 30 calendar days, commencing 7 calendar days after the last Premium Trading Day, to exercise the warrants.

Share purchase warrants issued and contingently exercisable as at September 30, 2021 were:

Exercise Price	Expiry Date	Balance December 31, 2020	Balance September 30, 2021
\$0.50	August 11, 2022	30,000	30,000
\$0.50	August 11, 2023	30,000	30,000
\$0.50	Note 1	30,000	30,000
\$0.50	Note 2	30,000	30,000
		120,000	120,000
Weighted average exercise price		\$0.50	\$0.50
Weighted average contractual life remaining (years)		3.13	2.36

(1) Expire two years from Los Reyes property payment of US\$300,000 due on August 11, 2022

(2) Expire two years from Los Reyes property payment of US\$3,250,000 due on August 11, 2023

(d) Stock Options

Stock options outstanding and exercisable as at September 30, 2021 were:

Exercise Price	Expiry Date	Balance December 31, 2020	Balance September 30, 2021
\$0.50	March 27, 2022	390,000	390,000
\$0.08	October 19, 2025	100,000	100,000
\$0.10	December 21, 2025	4,550,000	4,550,000
		5,040,000	5,040,000
Weighted average exercise price - outstanding		\$0.13	\$0.13
Weighted average exercise price - exercisable		\$0.13	\$0.13
Weighted average contractual life remaining (years) - outstanding		4.68	3.93
Weighted average contractual life remaining (years) - exercisable		4.68	3.93

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(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Nine Months Ended September 30, 2021 and 2020

(Expressed in Canadian Dollars, Unaudited)

9. Share Capital, continued

(e) Fair Value Determination

The weighted average fair value of finders warrants issued was \$0.04 (2020 - \$0.10). Fair value was estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

	2021	2020
Risk-free interest rate	0.50%	0.35%
Expected share price volatility	254.35%	142.31%
Expected life in years	3.00	4.00
Expected dividend yield	0.00%	0.00%

The total calculated fair value of share-based payments recognized was:

	2021	2020
Consolidated Statements of Changes in Equity (Deficit)		
Finders' warrants	14,739	54,990
Total	\$ 14,739	\$ 54,990

10. Supplemental Cash Flow Information

	2021	2020
Cash Items		
Interest paid	\$ -	\$ 3,541
Non-Cash Items		
Investing Activities		
Mineral property acquisition in accounts payable	\$ 129,365	\$ 135,861
Shares issued for mineral property	\$ -	\$ 5,600

11. Segmented Information

The Company has one operating segment, the acquisition and exploration of mineral properties. As at September 30, 2021, the Company's non-current assets were located in Canada (\$12,000) and Brazil (\$2,103,500) (December 31, 2020 - Canada (\$12,000), the United States of America (\$17,667) and Brazil (\$2,028,500)).

12. Events after the Reporting Period

Other than disclosed elsewhere, the following events occurred subsequent to September 30, 2021:

- On October 5, 2021, 2,012,900 share purchase warrants with an exercise price of \$0.125, and 12,000 share purchase warrants with an exercise price of \$1.00, expired unexercised.