



**WEALTH MINERALS LTD.
(An Exploration Stage Company)**

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited – Prepared by Management)**

(Expressed in Canadian Dollars)

August 31, 2019

Corporate Head Office
2300 – 1177 West Hastings Street
Vancouver, BC
V6E 2K3

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

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.

WEALTH MINERALS LTD.

(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

| | August 31, 2019 | November 30, 2018 |
|--|----------------------|----------------------|
| ASSETS | | |
| Current | | |
| Cash | \$ 596,390 | \$ 636,166 |
| Accounts receivable | 33,641 | 26,835 |
| Prepaid expenses | 740,402 | 471,321 |
| | <u>1,370,433</u> | <u>1,134,322</u> |
| Long term prepaid expenses | - | 137,500 |
| Equipment (Note 5) | 19,758 | 22,736 |
| Exploration and evaluation assets (Notes 4 and 11) | 37,638,022 | 40,048,925 |
| | <u>\$ 39,028,213</u> | <u>\$ 41,343,483</u> |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| Current | | |
| Accounts payable and accrued liabilities | \$ 754,860 | \$ 153,404 |
| Loans payable (Note 6) | 2,584,382 | - |
| Due to related parties (Note 9) | 168,970 | 90,411 |
| | <u>3,508,212</u> | <u>243,815</u> |
| Shareholders' equity | | |
| Capital stock (Note 7) | 134,808,148 | 127,421,323 |
| Subscriptions received in advance (Note 14) | 320,000 | - |
| Share-based payment reserve (Note 8) | 19,806,789 | 16,393,317 |
| Non-controlling interest | (4,872) | - |
| Deficit | (119,410,064) | (102,714,972) |
| | <u>35,520,001</u> | <u>41,099,668</u> |
| | <u>\$ 39,028,213</u> | <u>\$ 41,343,483</u> |

On behalf of the Board:

(signed) "Hendrik Van Alphen"
Hendrik Van Alphen, Director

(signed) "Gordon Neal"
Gordon Neal, Director

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

WEALTH MINERALS LTD.

(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

| | Three months ended | | Nine months ended | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | August 31, | | August 31, | |
| | 2019 | 2018 | 2019 | 2018 |
| Expenses | | | | |
| Amortization (Note 5) | \$ 993 | \$ 1,345 | \$ 2,978 | \$ 3,548 |
| Consulting (Note 9) | 295,092 | 400,261 | 1,199,704 | 1,210,201 |
| Exploration and evaluation expenditures (Note 11) | 253,772 | 590,179 | 846,869 | 1,510,833 |
| Foreign exchange loss (gain) | (30,673) | 11,788 | (26,407) | 7,775 |
| Interest (Note 6) | 52,371 | - | 99,746 | - |
| Listing and transfer agent fees | 24,165 | 23,634 | 63,969 | 71,554 |
| Office, administration and miscellaneous (Note 9) | 83,911 | 140,944 | 432,001 | 355,483 |
| Professional fees | 291,722 | (33,632) | 842,381 | 581,965 |
| Recovery of flow-through premium | - | - | - | (4,341) |
| Rent (Note 9) | 15,364 | 11,678 | 41,068 | 29,510 |
| Salaries and benefits | 6,186 | 3,344 | 12,482 | 19,695 |
| Share-based compensation (Notes 8 and 9) | 2,435,463 | 1,855,375 | 2,986,773 | 5,492,620 |
| Shareholders' communications | 76,888 | 103,484 | 254,121 | 268,492 |
| Travel and promotion | 76,080 | 99,039 | 319,806 | 237,692 |
| Write-off of exploration and evaluation assets (Note 4) | 137,379 | - | 9,624,473 | - |
| Net Loss and Comprehensive Loss for the Period | \$ (3,718,713) | \$ (3,207,439) | \$(16,699,964) | \$ (9,785,027) |
| Net loss and comprehensive loss attributable to: | | | | |
| Shareholders of Wealth Minerals Ltd. | \$ (3,713,841) | \$ (3,207,439) | \$(16,695,092) | \$ (9,785,027) |
| Non-controlling interest | (4,872) | - | (4,872) | - |
| | \$ (3,718,713) | \$ (3,207,439) | \$(16,699,964) | \$ (9,785,027) |
| Basic and Diluted Loss per Share | \$ (0.03) | \$ (0.03) | \$ (0.13) | \$ (0.09) |
| Basic and Diluted Weighted Average Number of Common Shares Outstanding | 136,448,642 | 118,580,656 | 130,667,370 | 110,855,963 |

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

WEALTH MINERALS LTD.

(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

FOR THE NINE MONTHS ENDED AUGUST 31,

| | 2019 | 2018 |
|---|--------------------|---------------------|
| Operating Activities | | |
| Net loss for the period | \$ (16,699,964) | \$ (9,785,027) |
| Items not affecting cash | | |
| Accrued interest on loans payable | 99,746 | - |
| Amortization | 2,978 | 3,548 |
| Share-based compensation | 2,986,773 | 5,492,620 |
| Write-off of exploration and evaluation assets | 9,624,473 | - |
| Changes in non-cash working capital | | |
| Accounts receivable | (6,806) | (27,370) |
| Prepaid expenses and advances | (131,581) | (688,816) |
| Accounts payable and accrued liabilities | 601,456 | (366,076) |
| Due to related parties | 78,559 | 31,939 |
| Cash Used in Operating Activities | <u>(3,444,366)</u> | <u>(5,339,182)</u> |
| Investing Activities | | |
| Purchase of equipment | - | (2,162) |
| Exploration and evaluation expenditures | (4,578,820) | (8,979,019) |
| Cash Used in Investing Activities | <u>(4,578,820)</u> | <u>(8,981,181)</u> |
| Financing Activities | | |
| Issuance of capital stock | 4,862,581 | 14,239,466 |
| Share issuance costs | (62,431) | (198,874) |
| Subscriptions received in advance | 320,000 | - |
| Options exercised | - | 1,021,225 |
| Proceeds from loan | 2,863,260 | - |
| Cash Provided by Financing Activities | <u>7,983,410</u> | <u>15,061,817</u> |
| Changes in Cash | (39,776) | 741,454 |
| Cash, Beginning of Period | <u>636,166</u> | <u>2,474,738</u> |
| Cash, End of Period | <u>\$ 596,390</u> | <u>\$ 3,216,192</u> |
| Supplemental Cash Flow Information | | |
| Shares issued as share issuance costs | \$ 64,274 | \$ - |
| Shares issued for exploration and evaluation assets | \$ 2,634,750 | \$ 13,336,598 |
| Warrants issued pursuant to loan agreements | \$ 378,624 | \$ - |
| Subscription receivable | \$ - | \$ - |
| Fair value of shares issued on options exercised | \$ - | \$ 633,028 |
| Broker's warrants issued as finder's fees | \$ 48,075 | \$ 180,017 |

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

WEALTH MINERALS LTD.

(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

| | Number of Common Shares | Capital Stock | Share-based Payment Reserve | Subscriptions Received in Advance | Deficit | Non- controlling Interest | Total |
|---|-------------------------------|------------------|-----------------------------------|---|------------------|---------------------------------|---------------|
| Balance: November 30, 2017 | 97,384,562 | \$ 98,019,897 | \$ 11,353,708 | \$ - | \$ (73,826,766) | \$ - | \$ 35,546,839 |
| Private placements | 11,383,004 | 14,923,145 | - | - | - | - | 14,923,145 |
| Shares issued for options exercised | 1,792,500 | 1,021,225 | - | - | - | - | 1,021,225 |
| Shares issued for exploration and evaluation assets | 9,113,562 | 13,336,598 | - | - | - | - | 13,336,598 |
| Share issuance costs – cash | - | (198,874) | - | - | - | - | (198,874) |
| Share issuance costs – shares | - | (683,679) | - | - | - | - | (683,679) |
| Share issuance costs – warrants | - | (180,017) | 180,017 | - | - | - | - |
| Fair value of shares issued on options exercised | - | 633,028 | (633,028) | - | - | - | - |
| Share-based compensation (Note 8) | - | - | 5,492,620 | - | - | - | 5,492,620 |
| Net loss for the period | - | - | - | - | (9,785,027) | - | (9,785,027) |
| Balance: August 31, 2018 | 119,673,628 | 126,871,323 | 16,393,317 | - | (83,611,793) | - | 59,652,847 |
| Shares issued for exploration and evaluation assets | 1,000,000 | 550,000 | - | - | - | - | 550,000 |
| Net loss for the period | - | - | - | - | (19,103,179) | - | (19,103,179) |
| Balance: November 30, 2018 | 120,673,628 | 127,421,323 | 16,393,317 | - | (102,714,972) | - | 41,099,668 |
| Private placements | 12,769,729 | 4,926,855 | - | - | - | - | 4,926,855 |
| Shares issued for exploration and evaluation assets | 6,400,000 | 2,634,750 | - | - | - | - | 2,634,750 |
| Share issuance costs – cash | - | (62,431) | - | - | - | - | (62,431) |
| Share issuance costs – shares | - | (64,274) | - | - | - | - | (64,274) |
| Share issuance costs – finder's warrants | - | (48,075) | 48,075 | - | - | - | - |
| Subscriptions received in advance | - | - | - | 320,000 | - | - | 320,000 |
| Warrants issued pursuant to loan agreements | - | - | 378,624 | - | - | - | 378,624 |
| Share-based compensation (Note 8) | - | - | 2,986,773 | - | - | - | 2,986,773 |
| Net loss for the period | - | - | - | - | (16,695,092) | (4,872) | (16,699,964) |
| Balance: August 31, 2019 | 139,843,357 | \$ 134,808,148 | \$ 19,806,789 | \$ 320,000 | \$ (119,410,064) | \$ (4,872) | \$ 35,520,001 |

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

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

1. NATURE OF OPERATIONS AND GOING CONCERN

The principal business activity of Wealth Minerals Ltd. (“Wealth” or the “Company”) is the exploration for minerals and the development of exploration and evaluation assets, primarily in Chile, British Columbia, Peru and Mexico. The Company is an exploration stage company. The Company’s head office is located at 2300 – 1177 West Hastings Street, Vancouver, British Columbia, V6E 2K3. These condensed interim consolidated financial statements were prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

Several adverse conditions cast significant doubt on the validity of this assumption. The Company incurred a significant operating loss of \$16,699,964 during the period ended August 31, 2019 (2018 - \$9,785,027). The Company is currently unable to self-finance operations, has a working capital deficiency of \$2,137,779 (November 30, 2018 - working capital of \$890,507), limited resources, no source of operating cash flow, and no assurances that sufficient funding will be available to conduct further exploration and development of its exploration and evaluation assets.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company’s ability to continue as a going concern is dependent upon the ability of the Company to obtain the necessary financing to complete the development of its exploration and evaluation assets and future profitable production or proceeds from disposition of those exploration and evaluation assets.

The Company does not generate sufficient cash flow from operations to adequately fund its activities and has therefore relied principally upon the issuance of securities for financing. Future capital requirements will depend on many factors, including the Company's ability to execute its business plan. The Company intends to continue relying upon the issuance of securities to finance its future activities, but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company.

Although these condensed interim consolidated financial statements do not include any adjustments that may result from the inability to secure future financing, such a situation would have a material adverse effect on the Company’s business, results of operations and financial condition. These condensed interim consolidated financial statements do not include any adjustments to the carrying amount and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

These condensed interim consolidated financial statements, including comparatives, have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Boards (“IASB”) and in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting.

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of presentation (Continued)

The significant accounting policies applied in these condensed interim consolidated financial statements are summarized below and are based on IFRS issued and outstanding as of August 31, 2019. Any subsequent changes to IFRS after this date could result in changes to the consolidated annual financial statements for the year ended November 30, 2019.

The preparation of condensed interim consolidated financial statements in accordance with IFRS requires the use of certain critical accounting estimates and judgments when applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the condensed interim consolidated financial statements are disclosed below.

These condensed interim consolidated financial statements were approved for issuance by the Company's Board of Directors on October 30, 2019.

Principles of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its wholly owned integrated subsidiaries (see Note 10). Control is based on whether an investor has power over the investee, exposure or rights to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of returns. All significant intercompany balances and transactions have been eliminated.

Critical accounting estimates and judgments

Significant assumptions about the future and other sources of estimation uncertainty that management has made during and at the end of the reporting period, that could result in a material adjustment of 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:

- i) The Company uses the Black-Scholes option pricing model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, life of options and forfeiture rates. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity settled benefits.
- ii) 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.
- iii) The carrying value and the recoverability of exploration and evaluation assets, which are included in the consolidated statement of financial position.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgments (Continued)

- i) Economic recoverability and probability of future benefits of exploration and evaluation costs – The application of the Company’s accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company and the maintenance of good standing of the mineral titles, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after the expenditures are capitalized, information becomes available suggesting that the recovery of the expenditures is unlikely, the amount capitalized is written off in profit or loss in the year the new information becomes available.
- ii) Going concern - The assessment of the Company’s ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.
- iii) Recoverability of deferred tax assets - The measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant tax authorities, which occurs subsequent to the issuance of the financial statements.

Exploration and evaluation expenditures

All of the Company’s projects are currently in the exploration and evaluation phase.

- i) Pre-exploration costs

Pre-exploration and property investigation costs are expensed as incurred.

- ii) Acquisition costs

Acquisition costs for exploration and evaluation assets, net of recoveries, are capitalized on a property-by-property basis. Acquisition costs include cash consideration and the fair value of common shares, based on the closing quoted bid price on the date of issuance, issued for exploration and evaluation assets pursuant to the terms of the agreement.

- iii) Exploration and evaluation expenditures

Exploration and evaluation expenditures incurred during the exploration and evaluation phase are expensed as incurred and included in profit or loss.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, costs begin to be capitalized as the property is considered to be a mine under development and are classified as “mine development costs”.

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of non-current assets

Non-current assets are evaluated at each reporting date by management for indicators that carrying value is impaired and may not be recoverable. When indicators of impairment are present, the recoverable amount of an asset is evaluated at the level of a cash-generating unit (“CGU”), the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets, where the recoverable amount of a CGU is the greater of the CGU’s fair value less costs to sell and its value in use. An impairment loss is recognized in profit or loss to the extent the carrying amount exceeds the recoverable amount.

In calculating recoverable amount, if applicable, the Company uses discounted cash flow techniques to determine fair value when it is not possible to determine fair value either by quotes from an active market or a binding sales agreement.

Discounted cash flow techniques often require management to make estimates and assumptions, which if incorrect, could result in a material difference in the consolidated financial statements.

Reversal of impairment

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment had been recognized.

Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of mine development assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to mining assets if technical feasibility and commercial viability has been established (otherwise expensed) along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as mining assets.

The Company’s estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the rehabilitation provision. The Company’s estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates. Changes in the net present value, excluding changes in the Company’s estimates of reclamation costs, are charged to profit or loss for the period.

The Company is not aware of any liabilities to be recorded as of August 31, 2019.

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Equipment**

Equipment is recorded at cost and amortized over their estimated useful lives. The cost of an item includes the purchase price and directly attributable costs to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Where an item of equipment comprises major components with different useful lives, the components are accounted for as separate items of equipment. Amortization is recorded when equipment is put in use over the estimated useful life using the following methods and rates:

| | |
|--------------------------------|-----------------------------|
| Computer equipment | 30% declining-balance basis |
| Office furniture and equipment | 20% declining-balance basis |

Foreign exchange

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currency for all entities within the Company is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in International Accounting Standard (“IAS”) 21 *The Effects of Changes in Foreign Exchange Rates*.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the consolidated statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are reflected in profit or loss for the period.

Earnings (loss) per share

The Company presents basic earnings (loss) per share for its common shares, calculated by dividing the earnings (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The Company uses the treasury stock method to compute the dilutive effect on earnings per share; diluted earnings per share is calculated presuming the exercise of outstanding options, warrants, and similar instruments. It assumes that that proceeds of such exercise would be used to repurchase common shares at the average market price during the period. 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.

Income taxes

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 period, using tax rates enacted or substantively enacted at year-end, adjusted for amendments to tax payable with regard to previous years.

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Income taxes (Continued)**

Deferred tax is recorded using the statement of financial position 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 nor taxable loss; 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 amounts of assets and liabilities, using tax rates enacted or substantively enacted at the consolidated 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.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off 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.

Flow-through shares

Under Canadian income tax legislation, a company is permitted to issue flow-through shares whereby the Company agrees to incur qualifying expenditures and renounce the related income tax deductions to the investors. The Company allocates the proceeds from the issuance of these shares between the offering of shares and the sale of tax benefits. The allocation is made based on the difference between the quoted price of the shares and the amount the investor pays for the shares. A deferred flow-through premium liability is recognized for the difference. The liability is reversed when the expenditures are made and is recorded in other income. The spending also gives rise to a deferred tax timing difference between the carrying value and tax value of the qualifying expenditure.

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options granted to employees is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to capital stock.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the equity instruments issued. Otherwise, share-based payments are measured at the fair value of goods or services received.

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital stock

Proceeds from the issue of units is allocated between common shares and share purchase warrants on a residual value basis, wherein the fair value of the common shares is based on the market value on the date of the announcement of the placement and the balance, if any, is allocated to the attached warrants. Share issue costs are netted against share proceeds.

Financial instruments

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 income statement. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the income statement in the period in which they arise. The Company has classified the reclamation bond as FVTPL.

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. The Company does not have any financial assets classified as FVTPL.

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 income statement. Gains or losses on financial assets classified as FVTOCI remain within accumulated other comprehensive income.

Cash and receivables have been classified and measured at amortized cost.

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets

The Company assesses at each reporting date whether a financial asset is impaired.

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.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Other financial liabilities - Financial liabilities classified as other-financial-liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other-financial liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company's accounts payable and accrued liabilities, loans payable, and convertible debentures are classified as other financial liabilities.

FVTPL - Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized through profit or loss. The Company has not classified any financial liabilities as FVTPL.

The Company has classified its accounts payable and accrued liabilities, loans payable, and due to related parties as other financial liabilities.

Financial instruments that are measured at fair value use inputs, which are classified within a hierarchy that prioritizes their significance. The three levels of the fair value hierarchy are:

- 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.

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations

The Company applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Company. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred.

Any contingent consideration to be transferred is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the fair value of consideration transferred over the fair value of identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss.

Newly adopted accounting policies

IFRS 9 Financial Instruments (2014)

IFRS 9 will replace IAS 39 *Financial Instruments: Recognition and Measurement* and IFRIC 9 *Reassessment of Embedded Derivatives*.

The main features introduced by this new standard compared with predecessor IFRS are as follows:

- *Classification and measurement of financial assets:*
Debt instruments are classified and measured on the basis of the entity's business model for managing the asset and its contractual cash flow characteristics as either: 'Amortized cost', 'Fair value through other comprehensive income', or 'Fair value through profit or loss' (default). Equity instruments are classified and measured as 'Fair value through profit or loss' unless upon initial recognition elected to be classified as 'Fair value through other comprehensive income'.
- *Classification and measurement of financial liabilities:*
When an entity elects to measure a financial liability at fair value, gains or losses due to changes in the entity's own credit risk is recognized in other comprehensive income (as opposed to previously profit or loss). This change may be adopted early in isolation of the remainder of IFRS 9.
- *Impairment of financial assets:*
An expected credit loss impairment model replaced the incurred loss model and is applied to financial assets at 'Amortized cost' or 'Fair value through other comprehensive income', lease receivables, contract assets or loan commitments and financial guarantee contracts. An entity recognizes 12-month expected credit losses if the credit risk of a financial instrument has not increased significantly since initial recognition, and lifetime expected credit losses otherwise.

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Future accounting pronouncements

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards. The Company currently believes the impact should be minimal, but it is still evaluating the impact that these standards might have on its consolidated financial statements.

IFRS 16 Leases

This new standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both the lessee and the lessor. The new standard introduces a single lessee accounting model that requires the recognition of all assets and liabilities arising from a lease.

The main features of the new standard are as follows:

- An entity identifies as a lease a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
- A lessee recognizes an asset representing the right to use the leased asset, and a liability for its obligation to make lease payments. Exceptions are permitted for short-term leases and leases of low-value assets.
- A lease asset is initially measured at cost, and is then depreciated similarly to property, plant and equipment. A lease liability is initially measured at the present value of the unpaid lease payments.
- A lessee presents interest expense on a lease liability separately from depreciation of a lease asset in the statement of profit or loss and other comprehensive income.
- A lessor continues to classify its leases as operating leases or finance leases, and to account for them accordingly.
- A lessor provides enhanced disclosures about its risk exposure, particularly exposure to residual-value risk.

The new standard supersedes the requirements in IAS 17 *Leases*, IFRIC 4 *Determining Whether an Arrangement Contains a Lease*, SIC-15 *Operating Leases – Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

The new standard is effective for annual periods beginning on January 1, 2019, with earlier application permitted for entities that also apply IFRS 15 *Revenue from Contracts with Customers*.

3. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The carrying values of accounts receivable, due to related parties, and accounts payable and accrued liabilities approximate their fair values due to the short-term expected maturity of these financial instruments. Cash is valued using Level 1 of the fair value hierarchy.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

a) Credit risk

Concentration of credit risk exists with respect to the Company's cash of \$596,390 at August 31, 2019 (November 30, 2018 - \$636,166). The credit risk associated with cash is minimized by ensuring that these financial assets are placed with major Canadian financial institutions with strong investment-grade ratings by a primary ratings agency.

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

3. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they fall due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due. The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities. The Company normally maintains sufficient cash to meet the Company's business requirements. However, at August 31, 2019 the cash balance of \$596,390 would be insufficient to meet the needs for the following twelve months. Therefore, the Company will be required to raise additional capital in order to fund its operations in 2019. The Company's financial liabilities are due as follows:

As at August 31, 2019:

| | 0 to 3 months | 3 to 6 months | 6 to 12 months | Total |
|---|--------------------------|--------------------------|---------------------------|---------------------|
| Accounts payable and accrued liabilities | \$ 754,860 | \$ - | \$ - | \$ 754,860 |
| Loans payable | 2,584,382 | | | 2,584,382 |
| Due to related parties | 168,970 | - | - | 168,970 |
| | <u>\$ 3,508,212</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 3,508,212</u> |

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

i) Interest rate risk

The Company's cash consists of cash held in bank accounts that earn interest at variable interest rates. Future cash flows from interest income on cash will be affected by interest rate fluctuations. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity. The interest income earned on cash is minimal; therefore, the Company is not subject to material interest rate risk.

ii) Foreign currency risk

The Company is exposed to foreign currency risk as certain monetary financial instruments are denominated in Mexican, Chilean, Peruvian and United States currencies. The Company has not entered into any foreign currency contracts to mitigate this risk, as it believes this risk is minimized by the amount of cash held in the respective foreign jurisdiction. The Company's sensitivity analysis suggests that reasonably expected changes in the rates of exchange in Mexico, Chile, Peru and the United States would change foreign exchange gain or loss by an insignificant amount.

iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to other price risk.

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

4. EXPLORATION AND EVALUATION ASSETS**Chile*****Salar de Atacama, Chile***

On August 2, 2016, the Company executed an option agreement giving it the right to acquire a 100% royalty-free interest in exploration concessions located in the Atacama Salar, Region II, northern Chile. The Company is required to make the following payments:

| | Cash Payment | Share Issuance |
|-------------------------------|--|--|
| Upon Signing Option Agreement | US\$3,000,000 (paid CAD\$4,016,000) | 2,000,000 shares (issued at a value of \$2,680,000) |
| July 1, 2017 | US\$3,000,000 (paid CAD\$3,880,500) | 4,000,000 shares (issued at a value of \$6,560,000) |
| February 6, 2018 | US\$1,500,000 (paid CAD\$1,845,000) | 4,000,000 shares (issued at a value of \$5,280,000) |
| May 18, 2018 | US\$1,500,000 (paid CAD\$1,937,615) | - |
| February 19, 2019 | US\$500,000 (paid CAD\$663,290) | 5,000,000 shares (issued at a value of \$1,950,000) |
| March 25, 2019 | US\$2,000,000 (paid CAD\$2,682,139) | - |
| January 31, 2020 | US\$2,500,000 | - |

Harry project, Atacama Salar, Chile

During the year ended November 30, 2018 entered into an agreement to acquire the Harry project, located in the Atacama Salar. To execute the option, the Company is required to make the following payments:

| | Share Issuance |
|-------------------------------|---|
| Upon Signing Option Agreement | 150,000 shares (issued at a value of \$71,250) |
| March 10, 2019 | 500,000 shares (issued at a value of \$237,500) |

Pacana Property, Chile

During the year ended November 30, 2018, Wealth Chile and an arm's length vendor entered into a formal option agreement under which Wealth was granted the option to acquire a 100% royalty-free interest in the Pacana 1 to Pacana 24 claims, by issuing 2,000,000 common shares.

| | Share Issuance |
|-------------------------|---|
| Issued on March 6, 2018 | 150,000 shares (issued at a value of \$240,000) |
| June 21, 2018 | 300,000 shares (issued at a value of \$582,000) |
| December 21, 2018 | 600,000 shares (issued at a value of \$1,164,000) |
| December 21, 2019 | 950,000 shares (issued at a value of \$1,843,000) |

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

4. EXPLORATION AND EVALUATION ASSETS (Continued)**Chile (Continued)*****Flamenco and Vapor Project, Chile***

During the period ended August 31, 2019, the Company entered into an agreement to acquire the Flamenco property located in the Huasco Salar and Vapor property located in the Ollague Salar. To execute the option, the Company is required to make the following payments:

| Share Issuance | |
|-------------------------------|---|
| Upon Signing Option Agreement | 300,000 shares (issued at a value of \$142,500) |
| August 8, 2019 | 250,000 shares (issued at a value of \$118,750) |
| February 8, 2020 | 250,000 shares (issued subsequently) |

Cristal Copper Property, Chile

On March 27, 2019, Wealth Copper entered into an assignment and assumption agreement with New Energy Metals Corp. (“ENRG”) to acquire a unilateral option to purchase mining concessions agreement and a 100% interest in and to the mineral exploitation concessions comprising the Cristal copper project. Acquisition terms are as follows:

| Cash Payment | |
|---|--|
| February 4, 2019 | US\$50,000 (CAD\$33,088 paid, the remaining US\$25,000 was paid by ENRG) |
| Upon the earlier of the commencement of drilling at the Cristal Copper property and December 31, 2019 | US\$50,000 |
| March 31, 2020 | US\$150,000 |
| August 4, 2020 | US\$500,000 |
| August 4, 2021 | US\$700,000 |
| August 4, 2022 | US\$3,000,000 |

Upon the exercise of the option, Wealth Copper and ENRG will be deemed to have formed a joint venture and the initial participating interest will be Wealth Copper’s wholly-owned Chilean subsidiary as to 70%, and the ENRG’s wholly-owned Chilean subsidiary as to 30%.

In consideration for the agreement, Wealth Copper also delivered to ENRG 50,000 fully-paid and non-assessable common shares (issued at a value of \$18,500) in the capital of the Company.

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

4. EXPLORATION AND EVALUATION ASSETS (Continued)

Chile (Continued)

Escalones Copper-Gold Porphyry Project, Chile

In June 2019, the Company entered into a definitive share purchase agreement to acquire 100% of TriMetals Mining Inc.'s ("TMI") interest in and to the mineral exploitation concessions and the mineral exploration concessions (the "Escalones Exploration Concessions") and related assets and liabilities that comprise the Escalones copper-gold porphyry project (the "Escalones Project").

Pursuant to the terms of the share purchase agreement, the Company will acquire a 100% interest in and to the Escalones Project in consideration of the payment of an aggregate of US\$4,700,000 and the delivery of an aggregate of 25,000,000 common shares of Wealth Copper, to be paid and delivered as follows:

- a) US\$200,000 by August 30, 2019 (paid CAD\$264,610)
- b) 25,000,000 shares of Wealth Copper (issued subsequently)
- c) US\$200,000 by June 30, 2020
- d) US\$300,000 by June 30, 2021
- e) US\$500,000 by June 30, 2022
- f) US\$500,000 by June 30, 2023
- g) US\$3,000,000 by June 30, 2024

The Company is subject to grant a 2% net smelter returns royalty on the Escalones exploration concessions.

Laguna Verde project, Chile

During the year ended November 30, 2017, the Company entered into an option agreement for the Laguna Verde project, Chile to acquire a 100% legal and beneficial interest in and to the exploration concessions. To date, the Company paid US\$1,700,000 (CAD\$2,225,900) and issued 2,000,000 common shares (issued at a value of \$3,240,000).

Finders' fees in an amount equal to up to 5% of the aggregate value of the earn-in consideration for the Option to be paid and delivered by the Company are payable in connection with the Option Grant, which fees are payable in common shares of the Company. During the year ended November 30, 2018, the Company issued 113,562 shares (valued at \$197,598) as finders' fees in connection with the acquisition (2017 – 155,012 shares valued at \$261,841).

During the year ended November 30, 2018, the Company terminated the option agreement and wrote-off \$5,943,384 of exploration and evaluation assets to reduce the carrying value to \$Nil measured using Level 3 inputs of the fair value hierarchy.

Salar de Quisquiro, Chile

During the year ended November 30, 2016, the Company executed an option agreement giving it the right to acquire a 100% royalty-free interest in exploration concessions located in the Quisquiro Salar, Region II of Antofagasta, Chile. To date the Company paid US\$1,600,000 (CAD\$2,073,299) towards the option.

During the period ended August 31, 2019, the Company terminated the option agreement and wrote-off \$2,323,882 of exploration and evaluation assets to reduce the carrying value to \$Nil measured using Level 3 inputs of the fair value hierarchy.

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

4. EXPLORATION AND EVALUATION ASSETS (Continued)

Chile (Continued)

Puritama Property, Chile

During the year ended November 30, 2016, the Company executed an assignment agreement with Minera MyMinerals Limitada (“MYM”) to acquire the option agreement between MYM and Virtud Minerals SpA (“VMS”), a private Chilean company, giving the Company the right to acquire a 100% royalty-free interest in exploration concessions located in the Salar de Aguas Calientes, located in Region II, northern Chile. The assignment agreement has been submitted for registration with the Mining Registry of Calama. MYM assigned all of its rights under the option agreement between MYM and VMS in consideration of reimbursement to MYM of the US\$150,000 initial payment (paid) and issuance to MYM of 100,000 Wealth shares (issued at a value of \$88,000).

The acquisition terms to acquire a 100% interest in the Puritama Property from VMS are cumulative cash payments of US\$2,650,000 as follows:

- i) US\$150,000 (paid CAD\$193,265)
- ii) US\$500,000 by May 18, 2017 (paid CAD\$714,980)
- iii) US\$1,000,000 by April 18, 2018 (paid CAD\$1,291,000)
- iv) US\$1,000,000 by April 18, 2019

There are no work commitments under the option agreement. VMS has agreed to provide ongoing mining property consultancy services, in order to secure the completion of the constitution process of the concessions comprised in the property and keep them valid and in good standing throughout the option period, for a monthly fee of US\$2,000.

During the period ended August 31, 2019, the Company terminated the option agreement and wrote-off \$2,472,696 of exploration and evaluation assets to reduce the carrying value to \$Nil measured using Level 3 inputs of the fair value hierarchy.

Salar Property, Chile

On June 28, 2016, the Company entered into an option agreement, granting the Company an exclusive option by the vendor (a private arm’s length Chilean company) to acquire a 100% royalty-free interest in exploration concessions located in the Salar de Aguas Calientes, which are contiguous with the Puritama concessions, in consideration of the issuance of 1,000,000 common shares of the Company, as follows:

During the year ended November 30, 2016, the Company issued 150,000 shares valued at \$132,000.

During the year ended November 30, 2017, the Company issued 850,000 shares valued at \$960,500.

The option agreement has been submitted for registration with the Mining Registry of Calama.

During the year ended November 30, 2018, the Company sold the Salar Property for a nominal value and wrote-off \$1,097,609 of exploration and evaluation assets to reduce the carrying value to \$Nil measured using Level 3 inputs of the fair value hierarchy.

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

4. EXPLORATION AND EVALUATION ASSETS (Continued)**Chile (Continued)*****Five Salars Project, Chile***

During the year ended November 30, 2017, the Company entered into a letter of intent (“LOI”), superseded by a formal agreement, to acquire properties in Chile known as the Ascotan, Piedra Parada, Lejia, Siglia and Huasco properties subject to entry into a definitive option agreement. To date the Company had paid a total of US\$3,000,000 (CAD\$3,851,500) and issued 3,000,000 shares (issued at a value of \$5,270,000) towards the option.

During the period ended August 31, 2019, the Company wrote-off \$720,922 (November 30, 2018 - \$10,502,170) of exploration and evaluation assets to reduce the carrying value to \$Nil measured using Level 3 inputs of the fair value hierarchy as the option agreement was terminated during the period ended August 31, 2019.

Salar Green and Union Projects, Chile

During the year ended November 30, 2017, the Company entered into an LOI, superseded by a formal agreement, to acquire a 100% royalty free interest in two properties known as the Salar Green Project and the Union Project. To date the Company had paid a total of US\$700,000 (CAD\$910,200) and issued 2,000,000 shares (issued at a value of \$2,410,000) towards the option.

During the period ended August 31, 2019, the Company terminated the option agreement and wrote-off \$3,811,002 of exploration and evaluation assets to reduce the carrying value to \$Nil measured using Level 3 inputs of the fair value hierarchy.

Peru***Yanamina Gold Project, Peru***

On October 7, 2015, the Company completed the transaction to acquire Minera Wealth Peru S.A.C. (formerly Coronet Metals Peru S.A.C.) (“Wealth Peru”). As at October 7, 2015, the Company issued 1,750,000 common shares valued at \$150,000. As a result, the Company now has 100% ownership of Yanamina, and the negotiation of a long-term community agreement with the Cruz de Mayo community and surrounding communities can begin in earnest, aiming to secure the necessary social license to operate. In addition, the Company obtained the rights over the assets and assumed responsibility for Wealth Peru’s outstanding liabilities, as well as Wealth Peru obligations with respect to certain future share issuances and payments to Migme Limited (formerly “Latin Gold Limited”) (“LGL”) and its subsidiary, Westmag Resources Limited (“WRL”), the former owner of Wealth Peru (including a 1% gross revenue royalty payable to WRL on all gold produced from Yanamina in excess of 200,000 ounces) relating to Wealth Peru’s purchase of Wealth Peru from LGL and WRL in 2011. Production from Yanamina is also subject to a 2% net smelter return in favour of Barrick Gold Corporation, which can be purchased outright at any time prior to the commencement of construction for US\$200,000 cash.

On March 1, 2016, the Company issued 250,000 shares pursuant to the acquisition of Wealth Peru at a price of \$0.20 per share for a total value of \$50,000.

During the period ended August 31, 2019, the Company wrote-off \$295,971 of exploration and evaluation assets to reduce the carrying value to US\$100,000 (CAD\$130,549) measured using Level 3 inputs of the fair value hierarchy.

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

4. EXPLORATION AND EVALUATION ASSETS (Continued)**Canada*****Meductic, New Brunswick***

On November 23, 2018, the Company entered into an option agreement giving it the right to acquire a 100% undivided interest in mineral mining claims located near Meductic, New Brunswick. To execute the option, the Company is required to make the following payments:

| | Cash Payment | Share Issuance |
|--------------------------------|---------------------|--|
| Upon Signing Option Agreement: | \$20,000 (paid) | - |
| March 15, 2019 | \$20,000 (paid) | 150,000 shares (issued at a value of \$71,250) |
| November 23, 2019 | \$80,000 | 300,000 shares |
| November 23, 2020 | \$120,000 | 450,000 shares |
| November 23, 2021 | \$160,000 | 600,000 shares |
| November 23, 2022 | \$320,000 | 1,000,000 shares |

The Company agreed to pay a royalty of 2% on all mineral commodities sold from the claims. This royalty shall be reduced to 1% upon payment of \$1,000,000 at any time.

The Company agreed to pay an advance royalty of \$30,000 commencing in the fifth anniversary upon signing the agreement. The advance royalty is payable annually until commercial production occurs and the advance royalty is credited towards payments owing following production.

Courville, Quebec

On August 26, 2019, the Company entered into an asset purchase and royalty agreement to sell a 10% interest in the Courville property in consideration of 0.5% net smelter returns royalty.

5. EQUIPMENT

| | Computer Equipment | Office Furniture and Equipment | Total |
|---------------------------------|-------------------------------|---|--------------|
| Cost | | | |
| Balance at November 30, 2017 | \$ 52,477 | \$ 40,822 | \$ 93,299 |
| Additions | 2,162 | - | 2,162 |
| Balance at November 30, 2018 | 54,639 | 40,822 | 95,461 |
| Additions | - | - | - |
| Balance at August 31, 2019 | \$ 54,639 | \$ 40,822 | \$ 95,461 |
| Accumulated amortization | | | |
| Balance at November 30, 2017 | \$ 48,955 | \$ 19,039 | \$ 67,994 |
| Amortization | 1,380 | 3,351 | 4,731 |
| Balance at November 30, 2018 | 50,335 | 22,390 | 72,725 |
| Amortization | 968 | 2,010 | 2,978 |
| Balance at August 31, 2019 | \$ 51,303 | \$ 24,400 | \$ 75,703 |
| Carrying amounts | | | |
| At November 30, 2018 | \$ 4,304 | \$ 18,432 | \$ 22,736 |
| At August 31, 2019 | \$ 3,336 | \$ 16,422 | \$ 19,758 |

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

6. LOANS PAYABLE

During the period ended August 31, 2019, the Company entered into loan agreements with third-party lenders and an insider for the amount of \$2,863,260. The Company issued 3,368,000 non-transferable bonus common share purchase warrants (each, a “Bonus Warrant”) to the lenders. The loans accrue 8% interest per annum compounded annually and have a maturity date of 12 months. Each Bonus Warrant entitles the holder to purchase one common share in the capital of the Company at an exercise price of \$0.40 per share for a period of one year, ending on February 28, 2020. 665,150 Bonus Warrants were approved by the TSX-V and issued subsequently (Note 14). All securities issued pursuant to the loans will be subject to a hold period of four months and one day in Canada from the date of issuance. Henk Van Alphen, the Company’s CEO and a director, participated in the loan for \$397,200 and received 993,000 Bonus Warrants.

| | Loans Payable |
|---|----------------------|
| Loans payable at November 30, 2017 and 2018 | \$ - |
| Loans received | 2,863,260 |
| Interest accrued | 99,746 |
| Bonus warrants | (378,624) |
| Loans payable at August 31, 2019 | \$ 2,584,382 |

At August 31, 2019, \$414,524 (November 30, 2018 - \$Nil) of the loans payable is due to Henk Van Alphen, the Company’s CEO and a director of the Company.

7. CAPITAL STOCK

Authorized Unlimited number of common voting shares without par value
Unlimited number of preferred shares, issuable in series

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

- i) closed a non-brokered private placement for 3,942,500 units at a price of \$0.40 per unit for gross proceeds of \$1,577,000. Each unit consists of one common share and one-half of one common share purchase warrant entitling the holder to purchase one additional common share for a period of two years at a price of \$0.75 per share. The Company issued 118,475 units with a total value of \$47,390 as finders’ fees. All units issued as finder’s fees have the same terms and conditions as the units issued under the private placement, provided that the warrants forming part of the units issued as finder’s fees are non-transferable.
- ii) issued 5,000,000 shares pursuant to the acquisition of the Salar de Atacama (Note 4) at a price of \$0.39 per share for a total value of \$1,950,000.
- iii) issued 150,000 shares pursuant to the acquisition of the Meductic property (Note 4) at a price of \$0.475 per share for a total value of \$71,250.
- iv) issued 650,000 shares pursuant to the acquisition of the Harry project (Note 4) at a price of \$0.475 per share for a total value of \$308,750.
- v) issued 550,000 shares pursuant to the acquisition of the Flamenco property (Note 4) at a price of \$0.475 per share for a total value of \$261,250.

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

7. CAPITAL STOCK (Continued)

- vi) closed an initial tranche of the non-brokered private placement for 3,960,911 units at a price of \$0.40 per share for gross proceed of \$1,584,364. Each unit consists of one common share and one-half of one common share purchase warrant entitling the holder to purchase one additional common share for a period of two years at a price of \$0.75 per share. The Company issued 42,210 units with a total value of \$16,884 as finders' fees. All units issued as finder's fees have the same terms and conditions as the units issued under the private placement, provided that the warrants forming part of the units issued as finder's fees (valued at \$5,187) are non-transferable.

The Company also granted 71,365 broker warrants (valued at \$21,506), each exercisable to purchase one common share at a price of \$0.40 per share for a period of one year from closing and paid \$20,333 in cash as finders' fees.

- vii) closed a non-brokered private placement for 1,084,918 units at a price of \$0.40 per share for gross proceed of \$433,967. Each unit consists of one common share and one-half of one common share purchase warrant entitling the holder to purchase one additional common share for a period of two years at a price of \$0.75 per share.

The Company also granted 52,000 broker warrants (valued at \$12,232), each exercisable to purchase one common share at a price of \$0.40 per share for a period of two year from closing as finders' fees and paid \$5,208 in cash as finders' fees.

- viii) closed a non-brokered private placement for 3,620,715 units at a price of \$0.35 per share for gross proceed of \$1,267,250. Each unit consists of one common share and one common share purchase warrant entitling the holder to purchase one additional common share for a period of two years at a price of \$0.40 per share. The Company paid \$21,000 in cash as finders' fees.

- ix) issued 50,000 shares pursuant to the acquisition of Cristal Copper property (Note 4) at a price of \$0.37 per share for a total value of \$18,500.

During the year ended November 30, 2018, the Company:

- i) closed the first tranche of the non-brokered private placement for 4,577,879 common shares at a price of \$1.60 per share for gross proceeds of \$7,324,606. In addition, the Company issued 171,063 common shares with a total value of \$301,071 and paid \$124,335 in cash as finders' fees.

The Company also granted 75,960 broker warrants (valued at \$66,541), each exercisable to purchase one common share at a price of \$1.60 per share for a period of one year from closing.

- ii) issued 1,000,000 shares pursuant to the acquisition of the Laguna Verde project (Note 4) at a price of \$1.74 per share for a total value of \$1,740,000. In addition, the Company issued 113,562 shares with a total value of \$197,598 as finder's fees which were capitalized to the property.
- iii) issued 4,000,000 shares pursuant to the acquisition of the Salar de Atacama project (Note 4) at a price of \$1.32 per share for a total value of \$5,280,000.
- iv) issued 1,792,500 shares pursuant to the exercise of options for gross proceeds of \$1,021,225. The Company transferred \$633,028 to capital stock from share-based payment reserve.
- v) issued 150,000 shares pursuant to the acquisition of the Pacana project (Note 4) at a price of \$1.60 per share for a total value of \$240,000.

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

7. CAPITAL STOCK (Continued)

- vi) issued 1,850,000 shares pursuant to the acquisition of the Pacana project (Note 4) at a price of \$1.94 per share for a total value of \$3,589,000.
- vii) issued 1,000,000 shares pursuant to the acquisition of the Five Salars project (Note 4) at a price of \$1.50 per share for a total value of \$1,500,000.
- viii) closed a non-brokered private placement for 5,678,236 units at a price of \$1.10 per share for gross proceeds of \$6,246,060. Each unit consists of one common share and one-half of one common share purchase warrant entitling the holder to purchase one additional common share for a period of two years at a price of \$1.50 per share. The Company issued 297,871 common shares with a total value of \$327,658 as finders' fees.

The Company also granted 148,936 broker warrants (valued at \$95,856), each exercisable to purchase one common share at a price of \$1.50 per share for a period of two years from closing.

- ix) closed the final tranche of the non-brokered private placement for 108,000 units and 500,000 common shares at a price of \$1.10 per share for gross proceeds of \$668,800. Each unit consists of one common share and one-half of one common share purchase warrant entitling the holder to purchase one additional common share for a period of two years at a price of \$1.50 per share. The Company issued 49,955 common shares with a total value of \$54,950 as finders' fees.

The Company also granted 24,977 broker warrants (valued at \$17,620), each exercisable to purchase one common share at a price of \$1.50 per share for a period of two years from closing.

- x) issued 1,000,000 shares pursuant to the acquisition of the Five Salars project (Note 4) at a price of \$0.79 per share for a total value of \$790,000.
- xi) issued 1,000,000 shares pursuant to the acquisition of the Salar Green and Union Projects (Note 4) at a price of \$0.55 per share for a total value of \$550,000.

Warrants

A summary of changes in warrants during the period is as follows:

| | Number of Warrants | Weighted average exercise price |
|--------------------------------|-------------------------------|--|
| Outstanding, November 30, 2017 | - | \$ - |
| Issued | 3,142,992 | 1.50 |
| Outstanding, November 30, 2018 | 3,142,992 | 1.50 |
| Issued | 11,686,588 | 0.46 |
| Expired | (75,960) | 1.60 |
| Outstanding, August 31, 2019 | 14,753,620 | \$ 0.68 |

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

7. CAPITAL STOCK (Continued)

The following warrants were outstanding at August 31, 2019:

| Number of Warrants | Exercise Price | Expiry Date |
|---------------------------|-----------------------|--------------------|
| 3,368,000 | \$0.40 | February 28, 2020 |
| 71,365 | \$0.40 | April 11, 2020 |
| 2,839,118 | \$1.50 | May 18, 2020 |
| 148,937 | \$1.50 | May 18, 2020 |
| 54,000 | \$1.50 | June 13, 2020 |
| 24,977 | \$1.50 | June 13, 2020 |
| 1,971,250 | \$0.75 | January 30, 2021 |
| 59,238 | \$0.75 | January 30, 2021 |
| 1,980,456 | \$0.40 | April 11, 2021 |
| 21,105 | \$0.40 | April 11, 2021 |
| 542,459 | \$0.40 | June 7, 2021 |
| 52,000 | \$0.40 | June 7, 2021 |
| 3,620,715 | \$0.40 | August 22, 2021 |
| 14,753,620 | | |

The warrants issued during the periods ended August 31, 2019 and 2018 that were valued using the Black Scholes option pricing model had the following assumptions:

| | Period ended August 31, 2019 | Period ended August 31, 2018 |
|---------------------------------|---|---|
| Risk-free interest rate average | 1.77% | 1.88% |
| Expected life of options | 1.06 years | 1.70 years |
| Expected annualized volatility | 125.00% | 125.00% |
| Expected dividend rate | 0.00% | 0.00% |

8. STOCK OPTION PLAN AND SHARE-BASED COMPENSATION

In January 2004, the Company adopted an incentive stock option plan (the “2004 Plan”). The 2004 Plan had an original life of ten years. On January 31, 2014, the 2004 Plan was extended for an additional ten-year period. The essential elements of the 2004 Plan provide that the aggregate number of common shares of the Company’s capital stock issuable pursuant to options granted under the 2004 Plan may not exceed 10% of the number of issued shares of the Company at the time of granting of the options. Options granted under the 2004 Plan will have a maximum term of ten years. The exercise price of options granted under the 2004 Plan will not be less than the discounted market price of the common shares (defined as the last closing market price of the Company’s common shares immediately preceding the issuance of a news release announcing the granting of the options, less the maximum discount permitted under TSX-V policies), or such other price as may be agreed to by the Company and accepted by the TSX-V. Unless otherwise determined by the directors at the date of grant, options granted under the 2004 Plan vest immediately, except for options granted to consultants conducting investor relation activities, which will become vested with the right to exercise one-fourth of the option upon the conclusion of each three-month period subsequent to the date of grant of the option.

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

8. STOCK OPTION PLAN AND SHARE-BASED COMPENSATION (Continued)

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

- i) granted 500,000 stock options to a consultant of the Company exercisable at \$0.40 on or before January 11, 2022. The grant resulted in share-based compensation charges of \$115,764, which has been expensed.
- ii) granted 500,000 stock options to a consultant of the Company exercisable at \$0.40 on or before February 28, 2021. The grant resulted in share-based compensation charges of \$82,366, which has been expensed.
- iii) granted 1,500,000 stock options to consultants of the Company exercisable at \$0.40 on or before May 7, 2021. The grant resulted in share-based compensation charges of \$353,180, which has been expensed.
- iv) granted 9,375,000 stock options to directors, officers, employees and consultants of the Company exercisable at \$0.40 on or before July 12, 2021. The grant resulted in share-based compensation charges of \$2,435,463, which has been expensed.

During the year ended November 30, 2018, the Company:

- i) granted 2,400,000 stock options to directors, officers, employees and consultants of the Company exercisable at \$1.70 on or before December 20, 2019. The grant resulted in share-based compensation charges of \$2,547,812, which has been expensed.
- ii) granted 350,000 stock options to a director of the Company exercisable at \$1.35 on or before February 13, 2020. The grant resulted in share-based compensation charges of \$283,310, which has been expensed.
- iii) granted 800,000 stock options to directors, officers, employees and consultants of the Company exercisable at \$1.60 on or before March 6, 2020. The grant resulted in share-based compensation charges of \$806,123, which has been expensed.
- iv) granted 3,500,000 stock options to directors, officers, employees and consultants of the Company exercisable at \$0.84 on or before August 7, 2020. The grant resulted in share-based compensation charges of \$1,855,375, which has been expensed.

The fair value of options granted was estimated at the date of grant using the Black-Scholes option pricing model based on the following weighted average assumptions:

| | Period ended August 31, 2019 | Period ended August 31, 2018 |
|---------------------------------|---|---|
| Risk-free interest rate average | 1.57% | 1.88% |
| Expected life of options | 2.04 years | 2 years |
| Expected annualized volatility | 125.00% | 125.00% |
| Expected dividend rate | 0.00% | 0.00% |

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

8. STOCK OPTION PLAN AND SHARE-BASED COMPENSATION (Continued)

Expected stock price volatility was derived from an average volatility based on historical movements in the closing prices of the Company's stock for a length of time equal to the expected life of the options. Stock option transactions are summarized as follows:

| | Number of Options | Weighted Average Exercise Price |
|--------------------------------|----------------------|------------------------------------|
| Outstanding, November 30, 2017 | 7,242,500 | \$1.07 |
| Issued | 7,050,000 | \$1.24 |
| Exercised | (1,792,500) | \$0.57 |
| Expired | (2,450,000) | \$0.93 |
| Outstanding, November 30, 2018 | 10,050,000 | \$1.32 |
| Issued | 11,875,000 | \$0.40 |
| Expired/Cancelled | (9,800,000) | \$1.33 |
| Outstanding, August 31, 2019 | 12,125,000 | \$0.41 |

The following incentive stock options were outstanding at August 31, 2019:

| Number of Options | Exercisable | Exercise Price | Expiry Date |
|----------------------|-------------|-------------------|-------------------|
| 250,000 | 250,000 | \$0.84 | August 7, 2020 |
| 500,000 | 500,000 | \$0.40 | February 28, 2021 |
| 1,500,000 | 1,500,000 | \$0.40 | May 7, 2021 |
| 9,375,000 | 9,375,000 | \$0.40 | July 12, 2021 |
| 500,000 | 500,000 | \$0.40 | January 11, 2022 |
| 12,125,000 | 12,125,000 | | |

9. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

These condensed interim consolidated financial statements include transactions with related parties in addition to those disclosed elsewhere as follows. Key management compensation includes all compensation, listed below, to officers and directors of the Company.

- i) The Company paid or accrued consulting fees of:
 - a) \$103,500 (2018 - \$103,500) to a director and Chief Executive Officer of the Company.
 - b) \$135,000 (2018 - \$112,500) to a company controlled by the President of the Company.
 - c) \$44,850 (2018 - \$42,750) to a partnership in which the Chief Financial Officer of the Company is a partner.
 - d) \$36,000 (2018 - \$36,000) to the corporate secretary of the Company.
- ii) The Company has a month-to-month arrangement with Marval Office Management Ltd. ("Marval"), a company with a common officer and a common director. During the period ended August 31, 2019, the Company paid or accrued \$48,641 (2018 - \$35,057) to Marval in rent and administrative services, recorded as office and administration, pursuant to the arrangements.

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

9. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION (Continued)

- iii) Amounts due to related parties include directors, officers, companies they control, and companies with common directors and/or officers. The amounts are unsecured, without interest, due on demand and expected to be repaid within one year. At August 31, 2019, amounts due to related parties of \$168,970 (November 30, 2018 - \$90,411) are comprised of \$3,488 (November 30, 2018 - \$2,060) to Cardero, \$17,168 (November 30, 2018 - \$Nil) to a partnership in which the Chief Financial Officer of the Company is a partner, \$4,200 (November 30, 2018 - \$Nil) to the corporate secretary, and \$144,114 (November 30, 2018 - \$88,351) to the Chief Executive Officer of the Company for expense reimbursements during the period ended August 31, 2019.
- iv) During the period ended, the Company paid director fees and consulting fees to directors of \$57,130 (2018 - \$30,396).
- v) The Company issued 6,750,000 (November 30, 2018 – 3,645,000) stock options to officers and directors resulting in share-based compensation of \$1,753,534 (November 30, 2018 - \$3,141,994).

10. SUBSIDIARIES

Significant subsidiaries are as follows:

| | Country of Incorporation | Principal Activity | Effective interest |
|---|---------------------------------|---------------------------|---------------------------|
| Wealth Minerals Mexico, S.A de C.V. | Mexico | Mineral exploration | 100% |
| Wealth Copper Ltd. | Canada | Mineral exploration | 100% |
| Wealth Copper Chile SpA | Chile | Mineral exploration | 100% |
| Wealth Minerals Peru, S.A.C. | Peru | Mineral exploration | 100% |
| Minera Wealth Peru S.A.C. (formerly Coronet Metals Peru S.A.C.) | Peru | Mineral exploration | 100% |
| Wealth Minerals Chile SpA | Chile | Mineral exploration | 100% |

During the period ended August 31, 2019, the Company acquired 100% of the outstanding share capital of Wealth Copper Ltd. and subsequently issued 2% of the outstanding shares capital for the Escalones exploration concessions.

11. EXPLORATION AND EVALUATION EXPENDITURES

The acquisition costs capitalized to exploration and evaluation assets during the period ended August 31, 2019 and year ended November 30, 2018 were as follows:

| | Canada | Peru | Chile | Total |
|-----------------------------------|---------------|-------------|---------------|---------------|
| Balance, November 30, 2017 | \$ - | \$ 406,791 | \$ 33,188,494 | \$ 33,595,285 |
| Acquisition costs – cash | - | 9,924 | 10,126,348 | 10,136,272 |
| Acquisition costs – shares | - | - | 13,886,598 | 13,886,598 |
| Write-off acquisition costs | - | - | (17,569,230) | (17,569,230) |
| Balance, November 30, 2018 | - | 416,715 | 39,632,210 | 40,048,925 |
| Acquisition costs – cash | 40,000 | 9,805 | 4,529,015 | 4,578,820 |
| Acquisition costs – shares | 71,250 | - | 2,563,500 | 2,634,750 |
| Write-off acquisition costs | - | - | (9,328,502) | (9,328,502) |
| Balance, August 31, 2019 | \$ 111,250 | \$ 426,520 | \$ 37,396,223 | \$ 37,933,993 |

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

11. EXPLORATION AND EVALUATION EXPENDITURES (Continued)

During the period ended August 31, 2019, the Company wrote-off:

- i) \$720,922 of costs capitalized to the Five Salars property in Chile as the Company terminated the option agreement.
- ii) \$2,472,696 of costs capitalized to the Puritama property in Chile as the Company terminated the option agreement.
- iii) \$2,323,882 of costs capitalized to the Salar de Quisquiro property in Chile as the Company terminated the option agreement.
- iv) \$3,811,002 of costs capitalized to the Salar Green and Union projects in Chile as the Company terminated the option agreement.
- v) \$295,971 of costs capitalized to the Yanamina Gold project in Peru as the Company executed a term sheet for the sale of the project in consideration of US\$100,000.

During the year ended November 30, 2018, the Company wrote-off:

- i) \$5,943,384 of costs capitalized to the Laguna Verde property in Chile as the Company terminated the option agreement.
- ii) \$10,502,170 of costs capitalized to the Five Salars property in Chile as the Company terminated the option agreement.
- iii) \$1,097,609 of costs capitalized to the Salar de Aguas Calientes property in Chile as the Company terminated the option agreement.
- iv) \$26,067 of costs capitalized to the Aguacal I and Aguacal II property in Chile as the Company terminated the option agreement.

The exploration and evaluation expenditures during the period ended August 31, 2019 were as follows:

| | Canada | Chile | Total |
|--|------------------|-------------------|-------------------|
| Nine months period ended August 31, 2019 | | | |
| Field work, labour and other | \$ - | \$ 541,174 | \$ 541,174 |
| Geological, consulting and study | 10,971 | 204,689 | 215,660 |
| Geological, testing, lab | - | 82,486 | 82,486 |
| Travel fees | - | 7,549 | 7,549 |
| Total expenditures for the nine months period ended August 31, 2019 | \$ 10,971 | \$ 835,898 | \$ 846,869 |

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

11. EXPLORATION AND EVALUATION EXPENDITURES (Continued)

The exploration and evaluation expenditures during the year ended November 30, 2018 were as follows:

| | Canada | Chile | Total |
|--|-----------------|---------------------|---------------------|
| Year ended November 30, 2018 | | | |
| Field work, labour and other | \$ 1,352 | \$ 435,229 | \$ 436,581 |
| Geological, consulting and study | 1,291 | 866,822 | 868,113 |
| Geophysical, testing, lab | 1,153 | 463,456 | 464,609 |
| Drilling | - | 174,425 | 174,425 |
| Travel fees | - | 44,553 | 44,553 |
| Total expenditures for the year ended November 30, 2018 | \$ 3,796 | \$ 1,984,485 | \$ 1,988,281 |

12. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments 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 sustain future development of the business.

The Company currently has no source of revenues; as such, the Company is dependent upon external financings or the sale of assets (or an interest therein) 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 period ended August 31, 2019. The Company is not subject to externally imposed capital requirements.

13. GEOGRAPHIC SEGMENTED INFORMATION

The Company operates in one industry segment, the mineral resources industry. The Company's equipment and exploration and evaluation assets at August 31, 2019 of \$37,657,780 (November 30, 2018 - \$40,071,661) are located in Canada, Peru and Chile as follows:

| | Canada | Peru | Chile | Total |
|-----------------------------------|-------------------|-------------------|----------------------|----------------------|
| August 31, 2019 | | | | |
| Equipment | \$ 14,725 | \$ 5,033 | \$ - | \$ 19,758 |
| Exploration and evaluation assets | 111,250 | 130,549 | 37,396,223 | 37,638,022 |
| | \$ 125,975 | \$ 135,582 | \$ 37,396,223 | \$ 37,657,780 |
| November 30, 2018 | | | | |
| Equipment | \$ 17,703 | \$ 5,033 | \$ - | \$ 22,736 |
| Exploration and evaluation assets | - | 416,715 | 39,632,210 | 40,048,925 |
| | \$ 17,703 | \$ 421,748 | \$ 39,632,210 | \$ 40,071,661 |

WEALTH MINERALS LTD.

(An Exploration Stage Company)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Nine Months Ended August 31, 2019 and 2018

14. SUBSEQUENT EVENTS

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

- i) executed a term sheet for the sale of the Yanamina Gold project in consideration of US\$100,000 and a 1% net smelter royalty on all metal production from the project (Note 4).
- ii) closed a non-brokered private placement for 8,140,000 common shares in the capital of Wealth Copper at a price of \$0.10 per share for gross proceed of \$814,000, of which \$320,000 has been received during the period ended August 31, 2019.
- iii) issued 25,000,000 shares of Wealth Copper pursuant to the acquisition of the Escalones copper-gold porphyry project (Note 4) at a price of \$0.01 per share for a total value of \$2,500,000.
- iv) issued 665,150 non-transferable bonus common share purchase warrants (each, a “Bonus Warrant”) upon TSX-V approval (Note 6). Each Bonus Warrant entitles the holder to purchase one common share in the capital of the Company at an exercise price of \$0.40 per share for a period of two years, ending on October 10, 2021. David Lies, a director, received 332,575 Bonus Warrants.
- v) issued 250,000, shares pursuant to the acquisition of the Flamenco and Vapor Project at a price of \$0.345 per share for a total value of \$86,250 (Note 4).
- vi) entered into an agreement to acquire the Kootenay Nichel-Cobalt-Copper project (the “Kootenay Project”), located in south eastern British Columbia. To execute the option, the Company is required to make the following payments:

| | Cash Payment | Share Issuance |
|------------------|---------------------|-----------------------|
| October 17, 2020 | \$200,000 | 500,000 shares |
| October 17, 2021 | \$300,000 | 1,000,000 shares |
| October 17, 2022 | \$500,000 | 1,500,000 shares |

The claims are subject to a 2% net smelter return royalty. The Company will have the right to purchase 50% of the royalty applicable to the Kootenay Project for a payment of \$1,500,000 in cash at any time following the date that the Company exercises its right to acquire the claims. In addition, one of the claims comprising the Lardeau property is subject to a 2.5% net profits interest royalty.