



ASTORIUS RESOURCES LTD.

INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED JUNE 30, 2019

(Unaudited – Expressed in Canadian Dollars)

Notice of No Auditor Review

These unaudited consolidated interim financial statements of Astorius Resources Ltd. (the “Company”) have not been reviewed by the auditors of the Company. This notice is being provided in accordance with Section 4.3 (3) (a) of National Instrument 51-102 - Continuous Disclosure Obligations.

ASTORIUS RESOURCES LTD.Interim Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	June 30 2019	September 30 2018
ASSETS		
Current assets		
Cash	\$ 29,209	\$ 113,243
GST recoverable	4,612	11,088
Prepaid expenses	-	2,550
	33,821	126,881
Mineral properties (note 3)	701,713	868,951
	\$ 735,534	\$ 995,832
LIABILITIES		
Current liabilities		
Accounts payable (note 5)	\$ 97,835	\$ 29,950
Accrued liabilities (note 5)	301,420	113,060
Loans from related party (note 5)	-	102,838
	399,255	245,848
SHAREHOLDERS' EQUITY		
Share capital (note 4)	3,789,542	3,655,060
Share-based payment reserve (note 4)	522,091	522,091
Deficit	(3,975,354)	(3,427,167)
	336,279	749,984
	\$ 735,534	\$ 995,832

Nature and continuance of operations (note 1)

Going concern (note 2(b))

Approved on behalf of the Board:

Director "Arthur Brown"
Arthur Brown, DirectorDirector "Sandy MacDougall"
Sandy MacDougall, Director*The accompanying notes are an integral part of these financial statements*

ASTORIUS RESOURCES LTD.Interim Statements of Comprehensive Loss
(Unaudited - Expressed in Canadian Dollars)

	Three months ended June 30		Nine months ended June 30	
	2019	2018	2019	2018
EXPENSES				
Accounting and audit fees	\$ 1,675	\$ 1,568	\$ 31,625	\$ 10,568
Filing and transfer agent fees	8,499	2,798	19,423	36,758
Corporate communications	840	7,741	3,390	238,644
Legal	-	-	5,201	-
Management and consulting fees (note 5)	64,860	64,824	198,130	241,379
Office and general (note 5)	12,766	18,222	41,405	80,760
Travel	-	-	131	24,036
Share-based compensation	-	-	-	254,487
Loss before other items	(88,640)	(95,153)	(299,305)	(886,632)
Other expenses				
Write-down of mineral properties (note 3)	-	(379,500)	(255,938)	(379,500)
Gain on settlement of debt (note 4)	8,700	-	8,700	-
Interest and finance expense	-	(1,247)	(1,644)	(3,740)
	8,700	(380,747)	(248,882)	(383,240)
Net loss and comprehensive loss	(79,940)	(475,900)	(548,187)	(1,269,872)
Basic and diluted loss per share	\$ (0.02)	\$ (0.09)	\$ (0.11)	\$ (0.27)
Weighted average number of common shares outstanding	5,203,702	5,037,267	5,105,542	4,694,678

The accompanying notes are an integral part of these financial statements

ASTORIUS RESOURCES LTD.

Interim Statements of Cash Flow

(Unaudited - Expressed in Canadian Dollars)

	Nine months ended	
	June 30	
	2019	2018
Cash provided by (used in):		
Operating activities		
Net loss for the period	\$ (548,187)	\$ (1,269,872)
Add item not involving cash:		
Share-based payment expense	-	254,487
Write-down of mineral properties	247,238	379,500
Non-cash working capital items		
GST recoverable	6,476	(4,934)
Prepaid expenses	2,550	(7,267)
Due to related party	1,644	3,740
Accounts payable and accrued liabilities	286,245	15,577
Net cash used in operating activities	(4,034)	(628,769)
Investing activities		
Exploration expenditures	(80,000)	(349,236)
Net cash used in investing activities	(80,000)	(349,236)
Financing activities		
Exercise of warrants	-	120,000
Proceeds from issuance of common shares	-	1,030,000
Share issue costs	-	(61,704)
Share subscriptions received	-	15,900
Loan from related party	-	39,000
Net cash provided by (used in) financing activities	-	1,143,196
Change in cash during the period	(84,034)	165,191
Cash, beginning of the period	113,243	8,233
Cash, end of the period	\$ 29,209	\$ 173,424
Cash paid for interest	\$ -	\$ -

The accompanying notes are an integral part of these financial statements

ASTORIUS RESOURCES LTD.Interim Statements of Changes in Equity
(Unaudited - Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Subscriptions Received	Share-based Payment Reserve	Deficit	Total Equity
Balance at October 1, 2017	2,680,600	\$ 1,962,939	\$ -	\$ 196,429	\$ (2,045,259)	\$ 114,109
Issue of common shares for cash on exercise of share purchase warrants	240,000	120,000	-	-	-	120,000
Issue of common shares for property interest	450,000	675,000	-	-	-	675,000
Shares issued in exchange for debt (note 4)	20,000	30,000	-	-	-	30,000
Private placement of shares	1,666,667	1,000,000	-	-	-	1,000,000
Share issuance costs	-	(61,704)	-	-	-	(61,704)
Subscriptions received	-	-	15,900	-	-	15,900
Share-based payment expense	-	-	-	254,487	-	254,487
Net and comprehensive loss	-	-	-	-	(1,269,872)	(1,269,872)
Balance at June 30, 2018	5,057,267	3,726,235	15,900	450,916	(3,315,131)	877,920
Balance at October 1, 2018	5,057,267	3,655,060		522,091	(3,427,167)	749,984
Shares issued in exchange for debt (note 4)	268,962	134,482	-	-	-	134,482
Net and comprehensive loss	-	-	-	-	(548,187)	(548,187)
Balance at June 30, 2019	5,326,229	\$ 3,789,542		\$ 522,091	\$ (3,975,354)	\$ 336,279

The accompanying notes are an integral part of these financial statements

ASTORIUS RESOURCES LTD.
NOTES TO THE INTERIM FINANCIAL STATEMENTS

As at and for the nine months ended June 30, 2019 and 2018
(Unaudited - Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Astorius Resources Ltd. (the "Company") was incorporated under the Business Corporation Act of British Columbia on May 4, 2007 and is listed on the TSX Venture Exchange ("TSX-V"), trading under the symbol ASQ. The address of the Company's corporate office and its principal place of business is Suite 2150 - 555 West Hastings Street, Vancouver, British Columbia, V6B 4N6, Canada.

The Company is in the exploration stage and its principal business activity is the sourcing and exploration of mineral properties in Argentina. The Company is in the process of exploring and evaluating its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for mineral properties and related capitalized exploration expenditures is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production or proceeds from the disposition thereof.

These interim financial statements do not give effect to adjustments that would be necessary to the carrying amounts and classifications of assets and liabilities should the Company be unable to continue as a going concern.

These interim financial statements were authorized for issue on August 29, 2019 by the directors of the Company.

2. BASIS OF PREPARATION

a) Statement of compliance

These interim financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, Interim Financial Reporting, and the International Financial Reporting Interpretations Committee ("IFRIC").

The Company has consistently applied the same accounting policies in its interim financial statements and throughout all periods presented. These interim financial statements do not contain all of the information required for full annual financial statements. These interim financial statements for the nine months ended June 30, 2019 should be read in conjunction with the annual September 30, 2018 financial statements, which were prepared in accordance with IFRS as issued by the IASB.

ASTORIUS RESOURCES LTD.
NOTES TO THE INTERIM FINANCIAL STATEMENTS

As at and for the nine months ended June 30, 2019 and 2018
(Unaudited - Expressed in Canadian Dollars)

2. BASIS OF PREPARATION (continued)

b) Going Concern

These interim financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for a reasonable period. The Company has incurred losses since its inception and has a working capital deficiency of \$365,434 and an accumulated deficit of \$3,984,053 at June 30, 2019; these factors form a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors and generating profitable operations in the future. The Company has been successful in the past in raising funds for operations by issuing shares but there is a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Further discussion of liquidity risk is included in notes 6 and 7.

c) Measurement basis

These interim financial statements are prepared on the historical cost basis except for certain financial instruments, which are measured at fair value as explained in the accounting policies within Note 3 of the September 30, 2018 financial statements. All amounts are expressed in Canadian dollars unless otherwise stated.

d) Accounting Standards and Amendments Issued but not yet Effective

The following standard will be adopted by the Company effective October 1, 2019:

IFRS 16 Leases will be effective for accounting periods beginning on or after January 1, 2019. Early adoption will be permitted, provided the Company has adopted IFRS 15. This standard sets out a new model for lease accounting. The Company is currently evaluating the impact this statement is expected to have on its financial statements.

ASTORIUS RESOURCES LTD.
NOTES TO THE INTERIM FINANCIAL STATEMENTS

As at and for the nine months ended June 30, 2019 and 2018
(Unaudited - Expressed in Canadian Dollars)

3. MINERAL PROPERTIES

Expenditures on interests in mineral properties are considered exploration and evaluation assets.

June 30, 2019	Condor	Osos 1	Rainbow Canyon	Taca Taca	Covette	Total
Acquisition Costs						
<i>Balance, September 30, 2018</i>	\$ -	\$ -	\$ -	\$ 868,951	\$ -	\$ 868,951
Additions	-	-	-	-	50,000	50,000
Impairment	-	-	-	(217,238)	-	(217,238)
Acquisition costs, June 30, 2019	-	-	-	651,713	50,000	701,713
Exploration Costs						
<i>Balance, September 30, 2018</i>	-	-	-	-	-	-
Additions	38,700	-	-	-	-	38,700
Gain on settlement of debt	(8,700)	-	-	-	-	(8,700)
Impairment	(30,000)	-	-	-	-	(30,000)
Exploration costs, June 30, 2019	-	-	-	-	-	-
Balance, June 30, 2019	\$ -	\$ -	\$ -	\$ 651,713	\$ 50,000	\$ 701,713

September 30, 2018	Condor	Osos 1	Rainbow Canyon	Taca Taca	Total
Acquisition Costs					
<i>Balance, September 30, 2017</i>	\$ -	\$ -	\$ -	\$ -	\$ -
Additions	31,700	47,911	60,000	868,951	1,008,562
Impairment	(31,700)	(47,911)	(60,000)	-	(139,611)
Acquisition costs, September 30, 2018	-	-	-	868,951	868,951
Exploration Costs					
<i>Balance, September 30, 2017</i>	48,648	33,698	141,869	-	224,215
Additions	15,913	11,790	(8,029)	-	19,674
Impairment	(64,561)	(45,488)	(133,840)	-	(243,889)
Exploration costs, September 30, 2018	-	-	-	-	-
Balance, September 30, 2018	\$ -	\$ -	\$ -	\$ 868,951	\$ 868,951

a) The Condor Gold Property

On October 25, 2016, the Company entered into an option agreement to acquire 100% of the issued and outstanding shares of Lateegra Ecuador SA, title holder of the Condor gold property in southeast Ecuador, from Condor Mines SA. As consideration, the Company agreed to make periodic payments of cash totaling \$1,200,000 and issue 550,000 common shares of the Company by September 15, 2017. These terms were subsequently amended.

ASTORIUS RESOURCES LTD.
NOTES TO THE INTERIM FINANCIAL STATEMENTS

As at and for the nine months ended June 30, 2019 and 2018
(Unaudited - Expressed in Canadian Dollars)

3. MINERAL PROPERTIES (continued)

a) The Condor Gold Property (continued)

On November 28, 2017, the Company announced that it renegotiated the option terms for the Condor gold property with Lateegra Ecuador (the optionor) and has initiated an exploration program in Eduardo aiming to explore the recently optioned Condor properties.

The option terms are defined below:

Date	Cash	Exploration expenditures
Payment in December 31, 2017	\$25,000 USD	–
On or before March 30, 2018	\$50,000 USD	–
On or before March 31, 2018	–	\$50,000 USD
TOTAL	\$75,000 USD	\$50,000 USD

The Company is also required to pay the annual patent tax and to comply with the filing and audit requirements applicable to mineral properties in Ecuador on March 15, 2018.

The renegotiated Condor option has the following payment terms:

- Periodic cash payments totalling USD \$1,200,000 dollars; and
- Issuance of 450,000 shares.

During the year ended September 30, 2018, the Company made option payments of \$31,700 (USD \$25,000) in cash, and incurred consulting fees of \$30,000. The Company recorded an impairment write-down of mineral property acquisition costs and exploration costs in the amount of \$96,261 during the year ended September 30, 2018 and \$30,000 during the nine months ended June 30, 2019 as a result of the termination of this option agreement.

b) The Osos 1 Gold Property

On December 1, 2016, the Company entered into an option agreement to acquire 100% of the Osos 1 gold property in El Oro province, southwest Ecuador, comprising an area totaling 229 hectares. As consideration, the Company agreed to make periodic payments of cash totalling \$600,000 USD and issue 100,000 common shares of the Company by November 15, 2017. These terms were subsequently amended.

On December 5, 2017, the Company announced that it has renegotiated the option for the Osos 1 gold property with Mr. Francisco Soria (the Optionor) and has initiated an exploration program in Ecuador aiming to explore the recently optioned Osos 1 properties.

The option terms are as follows:

ASTORIUS RESOURCES LTD.
NOTES TO THE INTERIM FINANCIAL STATEMENTS

As at and for the nine months ended June 30, 2019 and 2018
(Unaudited - Expressed in Canadian Dollars)

3. MINERAL PROPERTIES (continued)

b) The Osos 1 Gold Property (continued)

Date	Cash	Common Shares	Exploration expenditures
Payment in December 31, 2017	\$ 25,000 USD		–
On or before March 30, 2018	\$ 50,000 USD	10,000	–
On or before March 31, 2018	–	–	\$ 50,000 USD
On or before September 30, 2018	\$100,000 USD	20,000	\$100,000 USD
On or before March 31, 2019	\$150,000 USD	30,000	–
On or before September 30, 2019	\$300,000 USD	40,000	–
TOTAL	\$625,000 USD	100,000	\$150,000 USD

The Company is also required to pay the annual patent taxes and to comply with the filing and audit requirements applicable to mineral properties in Ecuador on March 15, 2018. Additionally, the Company will grant the optionor a 1.5% NSR on or before September 30, 2019.

During the year ended September 30, 2018, the Company made option payments of \$47,911 (USD \$37,000) in cash. The Company recorded an impairment write-down of mineral property acquisition costs and exploration costs in the amount of \$93,399 as a result of the termination of this agreement during the year ended September 30, 2018.

c) Rainbow Canyon Gold Property

On February 8, 2017, the Company entered into an option agreement with Alba Minerals Ltd. to acquire 100% interest in the Rainbow Canyon gold property in Nevada, comprising 55 unpatented lode mining claims that cover an area of 417 hectares in the Olinghouse Mining District about 40 km east of Reno in Washoe County.

On September 25, 2017, the Company finalized the agreement. The Company can earn 100% interest in the Rainbow Canyon Property by paying an aggregate of \$80,000 cash over various periods extending over the period to June 15, 2018. The payment terms are:

- i. A cash payment of \$15,000 upon the signing of the agreement (PAID);
- ii. A further cash payment of \$20,000 on or before March 1, 2017 (PAID);
- iii. A further cash payment of \$5,000 on or before June 1, 2017 (PAID);
- iv. A further cash payment of \$10,000 on or before September 1, 2017 (PAID);
- v. A further cash payment of \$10,000 on or before December 1, 2017 (PAID);
- vi. A further cash payment of \$10,000 on or before March 1, 2018 (defaulted); and
- vii. A further cash payment of \$10,000 on or before June 15, 2018.

\$60,000 cash was paid on November 10, 2017, which satisfied the cash payment required of the terms (i) to (v).

On April 16, 2018, the Company recorded an impairment of \$193,840 as the option agreement was terminated.

ASTORIUS RESOURCES LTD.
NOTES TO THE INTERIM FINANCIAL STATEMENTS

As at and for the nine months ended June 30, 2019 and 2018
(Unaudited - Expressed in Canadian Dollars)

3. MINERAL PROPERTIES (continued)

d) Taca Taca District

On November 24, 2017, the Company received TSX-V approval to acquire 100% of two mineral concessions in the Taca Taca District, in Salta, Argentina. The Taca Taca District is located in the western Puna of Salta, close to the Chilean border.

The Company paid \$193,950 (\$150,000 USD) and issued 450,000 common shares with a fair value of \$675,000 (note 4). The Company is additionally required to incur \$275,000 USD in exploration expenditures and to pay \$300,000 USD upon acceptance of a NI 43-101 Report by the TSX-V.

On March 31, 2019, the Company recorded an impairment of \$217,238. The Company is currently reviewing exploration plans for this year.

e) Covette Property

On February 5, 2019, the Company entered into an option agreement to acquire the Covette Property, located in the James Bay Region, Province of Quebec, comprising 12 contiguous claims that cover an area of 613 hectares. The Company can acquire a 100% interest by paying an aggregate of \$1,250,000 cash over various periods extending over a thirty-six month period. The payment terms are:

- i. A cash payment of \$25,000 upon the signing of the agreement (PAID);
- ii. A further cash payment of \$25,000 on the 3 month anniversary of signing (PAID);
- iii. A further cash payment of \$100,000 on the 12 month anniversary of signing;
- iv. A further cash payment of \$100,000 on the 24 month anniversary of signing;
- v. A further cash payment of \$1,000,000 on the 36 month anniversary of signing;

A 2% Net Smelter Return (NSR) is included in the agreement payable to the Vendor. The Issuer must spend a minimum of \$300,000 qualified exploration and development expenditures by February 5, 2021.

4. SHARE CAPITAL

Authorized

Unlimited common shares without par value.

Issued

Nine months ended June 30, 2019

In January 2019, the Company entered into settlement agreements with two creditors and settled \$143,182 of debt with the issuance of 268,962 common shares of the Company at a deemed price of \$0.50 per common share. A gain on settlement of debt in the amount of \$8,700 was recorded as a result of these settlements. These agreements were approved by the TSX Venture Exchange on May 13, 2019.

ASTORIUS RESOURCES LTD.
NOTES TO THE INTERIM FINANCIAL STATEMENTS

As at and for the nine months ended June 30, 2019 and 2018
(Unaudited - Expressed in Canadian Dollars)

4. SHARE CAPITAL (continued)

On May 29, 2019, the Company consolidated all its issued and outstanding share capital on a one-new-for-ten-old basis. All share and per share information has been restated to reflect this consolidation. At June 30, 2019, there were 5,326,229 issued and fully paid common shares post consolidation.

Year ended September 30, 2018

On January 29, 2018, the Company entered into a settlement agreement with a creditor and settled \$30,000 of debt with the issuance of 20,000 common shares of the Company at a deemed price of \$1.50 per common share. This was approved by the TSX Venture Exchange on February 16, 2018.

On November 28, 2017, the Company issued 20,000 common shares for exercise of warrants.

On November 24, 2017, the Company issued 450,000 common shares at a market price of \$1.50 for the acquisition of 100% of two mineral concessions in the Taca Taca District, in Salta, Argentina.

On November 8, 2017, the Company issued 80,000 common shares for exercise of warrants at a price of \$0.50 per warrant.

On November 7, 2017, the Company closed a private placement for total gross proceeds of \$1,000,000. The Company issued a total of 1,666,667 units at a price of \$0.60 per unit. Each unit contains one common share and one transferrable share purchase warrant. Each warrant is exercisable at a price of \$1.00 for a period of 12 months from the date of issuance. In connection with private placement, the Company incurred \$61,704 share issuance costs in cash and issued 89,440 finders' warrants with a fair value of \$71,175 using the Black-Scholes pricing model with the following assumptions:

Risk-free interest rate	2.06%
Expected dividend yield	0%
Share price volatility	105.81%
Expected life of warrants	1 year

On October 25, 2017, the Company issued 140,000 common shares for exercise of warrants at a price of \$0.50 per warrant.

Stock Options

The Company has established a stock option plan for directors, employees, and consultants. Under the Company's stock option plan, the exercise price of each option is determined by the Board, subject to the pricing policies of the TSX Venture Exchange. Options vest immediately when granted and expire five years from the date of the grant, unless the Board establishes more restrictive terms.

ASTORIUS RESOURCES LTD.
NOTES TO THE INTERIM FINANCIAL STATEMENTS

As at and for the nine months ended June 30, 2019 and 2018
(Unaudited - Expressed in Canadian Dollars)

4. SHARE CAPITAL (continued)

Stock Options (continued)

The aggregate number of shares issuable pursuant to options granted under the plan is limited to 10% of the Company's issued shares at the time the options are granted. The aggregate number of options the Company's issued shares at the time the options are granted. The aggregate number of options granted to any one optionee in a 12-month period is limited to 5% of the issued shares of the corporation.

On October 27, 2017, the Company granted 240,000 share purchase options to directors, an officer and consultants with an exercise price of \$1.00 per share for a period of five years, expiry date of October 27, 2022. The Company recorded \$254,487 as share-based payment expenses. The fair values of the options granted were determined using the Black-Scholes pricing model, using the following weighted average assumptions:

Risk-free interest rate	1.66%
Expected dividend yield	0%
Share price volatility	152.92%
Expected life of options	5 years

Continuity of stock options for the nine months ended June 30, 2019 and year ended September 30, 2018 is as follows:

	Nine months ended June 30 2019		Year ended September 30 2018	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding - beginning of period	165,000	\$ 1.00	40,000	\$ 1.00
Granted	-	-	240,000	1.00
Expired	-	-	(40,000)	1.00
Cancelled	(165,000)	1.00	(75,000)	1.00
Outstanding - end of period	-	\$ -	165,000	\$ 1.00

On May 28, 2019, the Company cancelled the 165,000 stock options outstanding at that date.

ASTORIUS RESOURCES LTD.
NOTES TO THE INTERIM FINANCIAL STATEMENTS

As at and for the nine months ended June 30, 2019 and 2018
(Unaudited - Expressed in Canadian Dollars)

4. SHARE CAPITAL (continued)

Warrants

Warrant activity for the period ended June 30, 2019 and year ended September 30, 2018 are presented below:

	Nine months ended June 30 2019		Year ended September 30 2018	
	Number of Warrants	Weighted average exercise price	Number of Warrants	Weighted average exercise price
Outstanding - beginning of period	2,250,707	\$ 1.08	734,600	\$ 1.10
Exercised	-	-	(240,000)	1.10
Expired	(89,440)	1.08	-	-
Granted	-	-	1,756,107	1.00
Outstanding - end of period	2,161,267	\$ 1.08	2,250,707	\$ 1.08

As at June 30, 2019, the following warrants were outstanding:

Number of Warrants	Weighted Average Exercise Price	Expiry date	Remaining Life (years)
1,666,667	\$ 1.00	November 7, 2019	0.36
80,000	\$ 0.50	May 13, 2021	1.87
414,600	\$ 1.50	August 16, 2021	2.13
2,161,267	\$ 1.08		

On November 7, 2018, 89,440 warrants expired unexercised. The Company extended the expiry date of 1,666,667 warrants to November 7, 2019.

5. RELATED PARTY TRANSACTIONS

During the nine months ended June 30, 2019 and 2018, the Company entered into the following related party transactions:

- The Company incurred office and general fees of \$Nil (2018 - \$10,763) and accounting fees of \$Nil (2018 - \$9,000) to a company controlled by the former CFO.
- The Company incurred management fees of \$90,000 (2018 - \$90,000) to the CEO of the Company.
- The Company incurred management fees of \$90,000 (2018 - \$90,000) to the Chairman of the Company.
- The Company incurred consulting fees of \$14,580 (2018 - \$6,824) to a director of the Company who provides geological services.
- The Company incurred \$Nil (2018 - \$254,487) of share-based compensation to directors and officers.

ASTORIUS RESOURCES LTD.
NOTES TO THE INTERIM FINANCIAL STATEMENTS

As at and for the nine months ended June 30, 2019 and 2018
(Unaudited - Expressed in Canadian Dollars)

5. RELATED PARTY TRANSACTIONS (continued)

- f) The Company has identified its directors and certain senior officers as its key management personnel and the compensation costs for key management personnel and companies related to them were recorded at their exchange amounts as agreed upon by transacting parties as follows:

	June 30, 2019	June 30, 2018
Management fees	\$ 198,130	\$ 241,379

At June 30, 2019, accounts payable and accrued liabilities included \$285,460 (September 30, 2018: \$99,480) for amounts due to companies controlled by the CEO and two Directors. All amounts payable are non-interest bearing, unsecured and due on demand.

By loan agreement dated January 1, 2017, the Company received a loan of \$50,000 from the Company's President which bears interest at 10% per annum with a financing fee of \$1,500 that was to be repaid by June 30, 2017. During the period ended December 31, 2017, the Company received an additional loan of \$39,000 from the Company's President under the same terms. On January 30, 2019, an agreement was reached whereby this loan plus interest was exchanged for 208,962 common shares of the Company. This debt settlement was approved by the TSX Venture Exchange on May 13, 2019.

6. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of mineral properties. The Company does not have any externally imposed capital requirements to which it is subject.

As at June 30, 2019 the Company had capital resources consisting of cash. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or adjust the amount of cash and cash equivalents.

The Company's investment policy is to invest its cash in investment instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected time of expenditures from continuing operations.

ASTORIUS RESOURCES LTD.
NOTES TO THE INTERIM FINANCIAL STATEMENTS

As at and for the nine months ended June 30, 2019 and 2018
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7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Classification

The Company has classified its cash as fair value through profit or loss. Accounts payable and loan from related party are classified as other financial liabilities.

The following table summarizes information regarding the carrying values and classification of the Company's financial instruments:

	Jun 30, 2019	Sept 30, 2018
Fair value through profit or loss (i)	\$ 29,209	\$ 113,243
Other financial liabilities (ii)	97,835	132,788

- (i) Cash
- (ii) Accounts payable and loan from related party

The Company classifies the fair value of these financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Cash is classified under Level 1.

Level 2 – Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices). The Company does not have any financial instruments classified under Level 2.

Level 3 – Valuations in the level are those with inputs for the asset or liability that are not based on observable market data. Accounts payable and accrued liabilities and loans are classified under Level 3.

Fair value

As at June 30, 2019 the Company's financial instruments consist of cash, accounts payable and loan from related party. The fair values of these financial instruments approximate their carrying values because of their current nature.

IFRS 7 Financial Instruments – Disclosures, establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 7 prioritizes the inputs into three levels that may be used to measure fair value:

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7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The fair values of the Company's financial assets and liabilities as of June 30, 2019 were calculated as follows:

	Balance at June 30, 2019	Quoted Prices in Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	\$	\$	\$	\$
Financial Assets:				
Cash	29,209	29,209	-	-

The Company's financial instruments are exposed to the following risks:

Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high credit quality financial institution. Credit risk is assessed as low.

Liquidity Risk

The Company plans its holding of cash is sufficient to meet its financial obligations as they fall due. The Company currently settles its financial obligations with cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. As at June 30, 2019, the Company has a working capital deficiency of \$365,434 and requires additional cash to fund operation and exploration activities. The Company does not have investments in any asset backed deposits. Liquidity risk is assessed as high.

Foreign Exchange Risk

The Company does not have foreign currency denominated financial instruments and is not exposed to significant foreign exchange risk.

Market risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The sale of the financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity prices. The Company's ability to raise capital is subject to risks associated with fluctuations in the stock market. Management closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

8. OPERATING SEGMENT INFORMATION

The Company's operations are limited to a single industry segment being the acquisition, exploration and development of mineral properties. The Company has mineral properties located in Quebec, Canada and in Argentina, South America.

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9. SUBSEQUENT EVENTS

There are no subsequent events to report.