

NEWRANGE GOLD CORP.
CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)

April 30, 2019

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Newrange Gold Corp.

Opinion

We have audited the accompanying consolidated financial statements of Newrange Gold Corp. (the "Company"), which comprise the consolidated statements of financial position as at April 30, 2019 and 2018, and the consolidated statements of loss and comprehensive loss, changes in equity, and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company incurred a net loss of \$2,024,710 during the year ended April 30, 2019 and, as of that date, the Company's current liabilities exceeded its current assets by \$153,734. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Glenn Parchomchuk.

“DAVIDSON & COMPANY LLP”

Vancouver, Canada

Chartered Professional Accountants

August 21, 2019

NEWRANGE GOLD CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	April 30, 2019	April 30, 2018
ASSETS		
Current		
Cash	\$ 184,246	\$ 604,814
Other receivables	11,271	28,714
Marketable securities (Note 8)	15,500	-
Prepaid expenses (Note 11)	114,234	72,010
	325,251	705,538
Land and equipment (Note 4)	153,297	175,996
Mineral properties (Note 5)	2,564,864	2,360,042
TOTAL ASSETS	\$ 3,043,412	\$ 3,241,576
LIABILITIES AND EQUITY		
Current		
Accounts payable and accrued liabilities (Note 11)	\$ 441,151	\$ 260,244
Income tax payable	37,834	37,834
TOTAL LIABILITIES	478,985	298,078
EQUITY		
Share capital (Note 9)	24,599,842	23,101,817
Reserves (Note 9)	9,863,555	9,715,941
Deficit	(31,898,970)	(29,874,260)
TOTAL EQUITY	2,564,427	2,943,498
TOTAL LIABILITIES AND EQUITY	\$ 3,043,412	\$ 3,241,576

Nature and continuance of operations (Note 1)
Subsequent events (Note 16)

Approved on behalf of the Board of Directors on August 21, 2019:

Signed: "Robert G. Carrington"

Director

Signed: "Ron Schmitz"

Director

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

NEWRANGE GOLD CORP.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
YEARS ENDED APRIL 30,

	2019	2018
EXPENSES		
Administration and office costs (Notes 11 and 14)	\$ 390,792	\$ 413,675
Exploration expenditures, net (Note 6)	937,281	2,203,233
Marketing services and shareholder information	323,511	276,952
Professional fees	78,695	71,928
Salaries	-	161,050
Share-based compensation (Notes 9 and 11)	450,752	752,500
Financing fee (Note 7)	151,560	-
Transfer agent and filing fees	66,736	49,748
	(2,399,327)	(3,929,086)
Foreign exchange loss	(29,131)	(15,631)
Gain on option payment received (Note 5)	388,248	-
Other income (Note 8)	47,500	-
Unrealized loss on marketable securities (Note 8)	(32,000)	-
Write-off of exploration and evaluation assets (Note 5)	-	(196)
Net loss and comprehensive loss for the year	\$ (2,024,710)	\$ (3,944,913)
Basic and diluted loss per common share	\$ (0.02)	\$ (0.06)
Weighted average number of common shares outstanding, basic and diluted	84,216,421	70,009,142

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

NEWRANGE GOLD CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
YEARS ENDED APRIL 30,

	2019	2018
CASH FLOWS FROM (TO)		
OPERATIONS		
Net loss for the year	\$ (2,024,710)	\$ (3,944,913)
Adjustments for:		
Depreciation included in exploration expenditures	44,909	22,443
Gain on option payment received	(388,248)	-
Share-based compensation	450,752	752,500
Financing fee	151,560	-
Other income	(47,500)	-
Unrealized loss on marketable securities	32,000	-
Write-off of exploration and evaluation assets	-	196
Changes in non-cash working capital items:		
Other receivables	17,443	(20,832)
Prepaid expenses	(42,224)	(51,260)
Accounts payable and accrued liabilities	180,907	81,677
	(1,625,111)	(3,160,189)
INVESTING		
Acquisition of mineral properties	(329,221)	(354,212)
Mineral property option payment received	512,647	-
Acquisition of equipment	(22,210)	(142,585)
	161,216	(496,797)
FINANCING		
Shares issued for cash	900,600	1,332,148
Share issue costs	(5,160)	(45,012)
Loans received	251,871	-
Loans paid	(251,871)	-
Shares issued for stock options exercised	135,887	82,486
Shares issued for warrants exercised	12,000	1,312,573
	1,043,327	2,682,195
Change in cash during the year	(420,568)	(974,791)
Cash at beginning of year	604,814	1,579,605
Cash at end of year	\$ 184,246	\$ 604,814
Supplementary cash flow information		
Cash paid for interest and income taxes	\$ 4,048	\$ -
Non-cash financing and investing activities:		
Fair value of stock options exercised	\$ 428,438	\$ 51,803
Fair value of finder's warrants	\$ -	\$ 8,900
Residual value of warrants	\$ -	\$ 42,401
Shares issued pursuant to loan agreements (Note 7)	\$ 26,260	\$ -
Warrants issued pursuant to loan agreement (Note 7)	\$ 125,300	\$ -

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

NEWRANGE GOLD CORP.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Expressed in Canadian Dollars)

YEARS ENDED APRIL 30, 2019 AND 2018

	Number of Shares	Share Capital	Reserves	Subscriptions Received in Advance	Deficit	Total
Balance at April 30, 2017	61,433,436	\$ 20,364,620	\$ 8,963,943	\$ 213,500	\$ (25,929,347)	\$ 3,612,716
Shares issued for cash	4,798,028	1,386,648	-	(213,500)	-	1,173,148
Share issue costs	-	(45,012)	-	-	-	(45,012)
Share issue costs - warrants	-	(8,900)	8,900	-	-	-
Share-based compensation	-	-	752,500	-	-	752,500
Residual value of warrants	-	(42,401)	42,401	-	-	-
Shares issued – options exercised	1,247,131	134,289	(51,803)	-	-	82,486
Shares issued – warrants exercised	10,083,303	1,312,573	-	-	-	1,312,573
Loss for the year	-	-	-	-	(3,944,913)	(3,944,913)
Balance at April 30, 2018	77,561,898	23,101,817	9,715,941	-	(29,874,260)	2,943,498
Shares issued for cash	11,257,500	900,600	-	-	-	900,600
Share issue costs	-	(5,160)	-	-	-	(5,160)
Share-based compensation	-	-	450,752	-	-	450,752
Warrants issued pursuant to loan agreement	-	-	125,300	-	-	125,300
Shares issued pursuant to loan agreements	169,422	26,260	-	-	-	26,260
Shares issued – options exercised	1,935,667	564,325	(428,438)	-	-	135,887
Shares issued – warrants exercised	100,000	12,000	-	-	-	12,000
Loss for the year	-	-	-	-	(2,024,710)	(2,024,710)
Balance at April 30, 2019	91,024,487	\$ 24,599,842	\$ 9,863,555	\$ -	\$ (31,898,970)	\$ 2,564,427

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

NEWRANGE GOLD CORP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2019 AND 2018

1. NATURE AND CONTINUANCE OF OPERATIONS

Newrange Gold Corp (“the Company or Newrange”) was incorporated under the *Business Corporations Act (B.C.)* on May 16, 2006. The Company acquired all of the outstanding shares of Corporacion Minera de Colombia S.A. (“Minera Colombia”) on September 16, 2006 by way of a share exchange agreement. The consolidated financial statements of Newrange as at and for the year ended April 30, 2019 comprise the Company and its subsidiaries. Newrange is the ultimate parent of the consolidated group. The Company’s corporate and head office address is #510 – 580 Hornby Street, Vancouver, British Columbia, Canada, V6C 3B6.

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

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

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

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

During the year ended April 30, 2019, the Company incurred a net loss of \$2,024,710 (2018 - \$3,944,913), and as at April 30, 2019, has a working capital deficiency of \$153,734 (2018 – working capital of \$407,460).

2. SIGNIFICANT ACCOUNTING POLICIES**Basis of Presentation**

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

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

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

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2019 AND 2018

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

The policies applied in the consolidated financial statements are presented below and are based on IFRS issued and effective as of August 21, 2019, the date the Board of Directors approved the consolidated financial statements.

Basis of Consolidation

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

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

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

Foreign Currencies

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments

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

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

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

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

Financial assets

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

Financial assets at FVTPL

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

Financial assets at FVTOCI

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

Financial assets at amortized cost

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

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

Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the loss allowance is measured for the financial asset at an amount equal to twelve month expected credit losses. For trade receivables the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized. Given the nature and balances of the Company’s receivables the Company has no material loss allowance at adoption or as at April 30, 2019.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities

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

Fair value through profit or loss

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

Financial liabilities at amortized cost

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

Cash

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

Land and Equipment

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

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

Mineral Properties and Exploration and Evaluation Expenditures

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

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

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2019 AND 2018

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

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

Impairment of Non-Financial Assets

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

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

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

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

Restoration, Rehabilitation and Environmental Obligations

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

NEWRANGE GOLD CORP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2019 AND 2018

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

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

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

Share Capital

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

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

Share-based Payment Transactions

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

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

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

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

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

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

Earnings (Loss) per Share

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

Segment Reporting

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

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

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2019 AND 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**Judgments and Estimates**

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

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

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

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

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

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

3. CHANGES IN ACCOUNTING STANDARDS

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

IFRS 9, Financial Instruments

The IASB replaced IAS 39 – “Financial Instruments: Recognition and Measurement” in its entirety with IFRS 9 in three main phases. IFRS 9 is the new standard for the financial reporting of financial instruments that is principles-based and less complex than IAS 39. IFRS 9 requires that all financial assets be measured at amortized cost or at fair value based on the Company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. Financial liabilities are measured at amortized cost except for financial liabilities classified at fair value through profit or loss, financial guarantees and certain other exceptions. IFRS 9 is effective for periods beginning on or after January 1, 2018. There were no significant impacts upon adoption.

NEWRANGE GOLD CORP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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FOR THE YEARS ENDED APRIL 30, 2019 AND 2018

3. CHANGES IN ACCOUNTING STANDARDS (continued)

The following table summarizes the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Company's financial assets and financial liabilities:

	IAS 39 Classification	IFRS 9 Classification
Cash	FVTPL	FVTPL
Other receivables	Loans and receivables	Amortized cost
Marketable securities	Not applicable	FVTPL
Accounts payable and accrued liabilities	Other liabilities	Amortized cost
Income tax payable	Other liabilities	Amortized cost
Loan payable	Other liabilities	Amortized cost

The following new accounting standards and interpretations have been published, but have not been applied in the preparation of these financial statements:

IFRS 16, Leases

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

The eventual application of this standard is not expected to have a significant impact on the Company's existing accounting policies or financial statement presentation.

NEWRANGE GOLD CORP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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4. LAND AND EQUIPMENT

	Field Equipment	Land	Vehicle	Total
Cost				
As at April 30, 2017	\$ 250,402	\$ 55,854	\$ -	\$ 306,256
Additions	142,585	-	-	142,585
As at April 30, 2018	392,987	55,854	-	448,841
Additions	-	-	22,210	22,210
As at April 30, 2019	\$ 392,987	\$ 55,854	22,210	\$ 471,051
Accumulated depreciation				
As at April 30, 2017	\$ 250,402	\$ -	\$ -	\$ 250,402
Additions	22,443	-	-	22,443
As at April 30, 2018	272,845	-	-	272,845
Additions	42,043	-	2,866	44,909
As at April 30, 2019	\$ 314,888	\$ -	\$ 2,866	\$ 317,754
Net book value				
As at April 30, 2018	\$ 120,142	\$ 55,854	\$ -	\$ 175,996
As at April 30, 2019	\$ 78,099	\$ 55,854	\$ 19,344	\$ 153,297

NEWRANGE GOLD CORP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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FOR THE YEARS ENDED APRIL 30, 2019 AND 2018

5. MINERAL PROPERTIES

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

	April 30, 2017	Additions	Write-offs	April 30, 2018
Pamlico, USA	\$ 275,291	\$ 354,212	\$ -	\$ 629,503
Rocky Mountain, USA	284,400	-	-	284,400
Yarumalito, Colombia	1,321,740	-	-	1,321,740
El Dovio, Colombia	124,595	-	(196)	124,399
	\$ 2,006,026	\$ 354,212	\$ (196)	\$ 2,360,042

Pamlico, Nevada, USA

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

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

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

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

Rocky Mountain, Colorado, USA

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

NEWRANGE GOLD CORP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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5. MINERAL PROPERTIES (continued)

Yarumalito, Colombia

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

El Dovio, Colombia

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

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

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

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

Anori, Colombia

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

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

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

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

NEWRANGE GOLD CORP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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6. EXPLORATION EXPENSES

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

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

Exploration expenditures incurred during the year ended April 30, 2018 were as follows:

2018	Pamlico	Yarumalito	Anori	El Dovio	Total
Administration, consultants and salaries	\$ 522,727	\$ 141,023	\$ 15,136	\$ 52,799	\$ 731,685
Assaying	495,901	-	-	-	495,901
Drilling	631,566	-	-	-	631,566
Field costs	216,251	38,212	-	4,247	258,710
Travel	85,371	-	-	-	85,371
	\$ 1,951,816	\$ 179,235	\$ 15,136	\$ 57,046	\$ 2,203,233

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7. LOANS PAYABLE

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

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

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

8. MARKETABLE SECURITIES

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

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

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

(b) Share Issuances

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

- i) issued 1,935,667 common shares upon exercise of options for gross proceeds of \$135,887 resulting in a reallocation of share-based reserves of \$428,438 from reserves to share capital.
- ii) issued 169,422 common shares pursuant to loan agreements with officers, directors, advisors of the Company and certain non-arm's length lenders (Note 7).
- iii) closed a non-brokered private placement of 11,257,500 units at \$0.08 per unit for gross proceeds of \$900,600. Each unit consists of one common share and one share purchase warrant entitling the holder to purchase one additional common share for a period of two years at a price of \$0.12 per share. Under certain terms, the warrants may be accelerated if the closing price of the Company's common shares on the TSX Venture Exchange exceeds \$0.20 for any 20 consecutive days. The Company paid \$5,160 in finders' fees.
- iv) issued 100,000 common shares upon exercise of warrants for gross proceeds of \$12,000.

NEWRANGE GOLD CORP.
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9. EQUITY (continued)

(b) Share Issuances (continued)

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

- i) closed a non-brokered private placement of 2,160,000 units at \$0.30 per unit for gross proceeds of \$648,000 of which \$213,500 was received during the year ended April 30, 2017. Each unit consists of one common share and one share purchase warrant entitling the holder to purchase one additional common share for a period of two years at a price of \$0.45 per share. The warrants may be accelerated under certain terms if the 20 day volume weighted average share price of the Company is equal to or higher than \$0.75 after the expiry of the 4 month hold period. There was no value attributed to the warrant component of the unit offering. The Company paid \$13,245 in finders' fees.
- ii) issued 1,247,131 common shares upon exercise of options for gross proceeds of \$82,486 resulting in a reallocation of share-based reserves of \$51,803 from reserves to share capital.
- iii) issued 10,083,303 common shares upon exercise of warrants for gross proceeds of \$1,312,573.
- iv) closed the first tranche of a private placement of 2,120,028 units at a price of \$0.28 per unit for gross proceeds of \$593,608. Each unit consists of one common share and one-half share purchase warrant entitling the holder to purchase one additional common share for a two year period at a price of \$0.45 per share. The value of \$42,401 was attributed to the warrant component of the unit offering. The warrants may be accelerated under certain terms if the closing price of the Company's common shares on the TSXV exceeds \$0.75 for any 20 consecutive trading days.

closed the second and final tranche of a private placement by issuing 518,000 units at a price of \$0.28 per unit for gross proceeds of \$145,040. Each unit consists of one common share and one-half share purchase warrant entitling the holder to purchase one additional common share for a two year period at a price of \$0.45 per share. The warrants may be accelerated under certain terms if the closing price of the Company's common shares on the TSXV exceeds \$0.75 for any 20 consecutive trading days.

The Company paid \$20,190 in finders' fees and issued 71,750 finder's warrants valued at \$8,900.

(c) Stock options

The Company adopted a stock option plan (the "Plan") pursuant to the policies of the TSX Venture Exchange. The maximum number of shares that may be reserved for issuance under the Plan is limited to 10% of the issued common shares of the Company at any time. The vesting terms are determined at the time of grant. The continuity of stock options for the year ended April 30, 2019 and 2018 is as follows:

	April 30, 2019		April 30, 2018	
	Number of stock options	Weighted average exercise price	Number of stock options	Weighted average exercise price
Outstanding, beginning of year	5,935,070	\$ 0.29	5,144,798	\$ 0.16
Granted	4,282,597	0.10	2,037,403	0.49
Exercised	(1,935,667)	0.07	(1,247,131)	0.07
Expired/cancelled	(2,287,000)	0.12	-	-
Outstanding, end of year	5,995,000	\$ 0.14	5,935,070	\$ 0.29

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9. EQUITY (continued)

(c) Stock options (continued)

The following table summarizes information about stock options outstanding and exercisable at April 30, 2019:

Exercise prices	Number outstanding	Expiry date	Number exercisable
\$0.510	645,000	28-August-19	645,000
\$0.080	717,403*	28-August-19	717,403
\$0.300	150,000	1-March-20	150,000
\$0.080	3,445,597**	26-September-20	3,445,597
\$0.200	637,000	15-January-21	637,000
\$0.080	200,000	29-March-22	200,000
\$0.170	200,000	8-April-24	200,000
	5,995,000		5,995,000

*462,403 exercised subsequently.

**495,000 exercised subsequently.

(d) Share-Based Compensation

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

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

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9. EQUITY (continued)

(d) Share-based Compensation (continued)

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

- i) granted 200,000 stock options to consultants of the Company. The options are exercisable at \$0.60 per option for 24 months. The options were valued using the Black-Scholes option pricing model resulting in share-based compensation of \$92,700. The options were fully vested on the grant date.
- ii) granted 1,537,403 stock options to consultants, officers, advisors, and employees of the Company. The options are exercisable at \$0.51 per option for 24 months. The options were valued using the Black-Scholes option pricing model resulting in share-based compensation of \$601,000. The options were fully vested on the grant date.
- iii) granted 150,000 stock options to a consultant of the Company. The options are exercisable at \$0.32 per options for 36 months. The options were valued using the Black-Scholes option pricing model resulting in share-based compensation of \$31,800. The options were fully vested on the grant date.
- iv) granted 150,000 stock options to a director of the Company. The options are exercisable at \$0.30 per options for 24 months. The options were valued using the Black-Scholes option pricing model resulting in share-based compensation of \$27,000. The options were fully vested on the grant date.

The options granted during the years ended April 30, 2019 and 2018 were valued using the Black-Scholes option pricing model with the following weighted average grant date assumptions:

	Year ended April 30, 2019	Year ended April 30, 2018
Weighted average grant date fair value	\$0.10	\$0.49
Weighted average risk-free interest rate	2.12%	1.34%
Expected dividend yield	0%	0%
Weighted average stock price volatility	118%	161%
Weighted average forfeiture rate	0%	0%
Weighted average expected life of options in years	2.14	2.07

NEWRANGE GOLD CORP.

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9. EQUITY (continued)

(e) Warrants

The continuity of share purchase warrants for the year ended April 30, 2019 is as follows:

Expiry Date	Exercise Price	Balance,		Issued	Exercised	Expired/ cancelled	Balance,	
		April 30, 2018					April 30, 2019	
November 14, 2018	\$ 0.45	3,183,333		-	-	(3,183,333)		-
January 8, 2019	\$ 0.45	200,000		-	-	(200,000)		-
May 4, 2019*	\$ 0.45	2,990,366		-	-	-	2,990,366	
May 12, 2019*	\$ 0.45	2,160,000		-	-	-	2,160,000	
October 11, 2019**	\$ 0.11	-	1,497,164	-	-	-	-	1,497,164
March 22, 2020	\$ 0.45	1,060,014		-	-	-	1,060,014	
March 22, 2020	\$ 0.45	71,750		-	-	-	71,750	
April 3, 2020	\$ 0.45	259,000		-	-	-	259,000	
October 26, 2020	\$ 0.12	-	11,257,500	(100,000)	-	-	-	11,157,500
November 15, 2021	\$ 0.17	1,700,000		-	-	-	1,700,000	
		11,624,463	12,754,664	(100,000)	(3,383,333)		20,895,794	
<i>Weighted average exercise price</i>		\$ 0.41	\$ 0.12	\$ 0.12	\$ 0.45	\$ 0.23		

* expired subsequently

**954,545 exercised subsequently

The warrants issued during the years ended April 30, 2019 and 2018 that were valued using the Black Scholes option pricing model had the following assumptions:

	Year ended April 30, 2019	Year ended April 30, 2018
Weighted average grant date fair value	\$0.16	\$0.26
Weighted average risk-free interest rate	2.23%	1.82%
Expected dividend yield	0%	0%
Weighted average stock price volatility	116%	116%
Weighted average forfeiture rate	0%	0%
Weighted average expected life of warrants in years	1.00	2.00

10. SEGMENTED INFORMATION

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

	USA	Colombia	Total
April 30, 2019			
Capital assets	\$ 1,307,752	\$ 1,410,409	\$ 2,718,161
April 30, 2018			
Capital assets	\$ 979,352	\$ 1,556,686	\$ 2,536,038

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11. RELATED PARTY TRANSACTIONS

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

For the year ended April 30, 2019	Salary or Fees	Share-Based Payment	Total
Management Compensation	\$ 427,205	\$ 121,690	\$ 548,895
Director Compensation	-	36,406	36,406
Cross Davis & Company LLP	63,000	17,765	80,765
	\$ 490,205	\$ 175,861	\$ 666,066

For the year ended April 30, 2018	Salary or Fees	Share-Based Payment	Total
Management Compensation	\$ 371,085	\$ 117,276	\$ 488,361
Director Compensation	-	161,867	161,867
Cross Davis & Company LLP	63,000	-	63,000
	\$ 434,085	\$ 279,143	\$ 713,228

Related party liabilities	April 30, 2019	April 30, 2018
Due to Management*	\$ 362,917	\$ 29,266

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

Cross Davis & Company LLP provided management services including a chief financial officer, a corporate secretary, accounting staff, administration staff and office space to the Company. At April 30, 2019, the Company has prepaid \$10,500 (2018 - \$10,500) to Cross Davis for future services.

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

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

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

Foreign currency risk

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

NEWRANGE GOLD CORP.

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12. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

	April 30, 2019 ("COP")	April 30, 2018 ("COP")
Cash	14,707,340	78,905,100
Receivables	687,893	633,444
Accounts payable and accrued liabilities	(6,317,421)	(6,361,035)
Net exposure	9,077,812	73,177,509
Canadian dollar equivalent	\$ 3,849	\$ 33,510

	April 30, 2019 ("USD")	April 30, 2018 ("USD")
Cash	22,155	59,269
Accounts payable and accrued liabilities	(5,097)	(14,271)
Net exposure	17,058	44,998
Canadian dollar equivalent	\$ 22,956	\$ 57,711

Based on the above net exposures as at April 30, 2019 and assuming that all other variables remain constant, a 10% change in the value of the Canadian dollar against the above foreign currencies would result in an increase / decrease of approximately \$2,681 (2018 - \$9,122) to net loss for the year.

Credit Risk

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

Liquidity Risk

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

Interest Rate Risk

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

Management of Capital

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties. The Company relies mainly on equity issuances to raise new capital and on entering into joint venture agreements on certain properties which enables it to conserve capital and to reduce risk. In the management of capital, the Company includes the components of equity as well as cash. The Company prepares annual estimates of exploration and administrative expenditures and monitors actual expenditures compared to the estimates to ensure that there is sufficient capital on hand to meet ongoing obligations. The Company's investment policy is to invest its cash in savings accounts or highly liquid short-term deposits with terms of one year or less and which can be liquidated after thirty days without interest or penalty. The Company will have to raise additional financing to cover its exploration and administrative costs for the next twelve months. The Company's approach to the management of capital did not change during the year ended April 30, 2019.

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

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2019 AND 2018

13. FINANCIAL INSTRUMENTS

The carrying value of its financial assets and liabilities approximates their fair value as at April 30, 2019 and 2018 due to their short term maturity except for investments in marketable securities which are carried at fair value. The Company classifies its financial liabilities, comprised of accounts payable and accrued liabilities as financial liabilities at amortized cost.

14. ADMINISTRATION AND OFFICE COSTS

	Year ended April 30, 2019	Year ended April 30, 2018
Consulting	\$ 206,305	\$ 213,006
Financial expense	9,239	6,542
Office	46,150	56,415
Rent	27,676	12,948
Travel	101,422	124,764
	\$ 390,792	\$ 413,675

15. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2019	2018
Earnings (loss) For the year	\$ (2,024,710)	\$ (3,944,913)
Expected income tax (recovery)	\$ (547,000)	\$ (1,039,000)
Change in statutory, foreign exchange rate and other	433,000	52,000
Permanent difference	179,000	215,000
Impact of change in tax rates	-	-
Share issue cost	(8,000)	(12,000)
Adjustment to prior years provision versus statutory tax returns	(15,000)	56,000
Change in unrecognized deductible temporary differences	(42,000)	728,000
Total income tax expense (recovery)	\$ -	\$ -

The Colombian income tax rate increased during the year due to changes in the law that increased corporate income tax rates in Colombia.

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

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FOR THE YEARS ENDED APRIL 30, 2019 AND 2018

15. INCOME TAXES (continued)

The significant components of the Company's deferred tax assets that have not been included on the consolidated statement of financial position are as follows:

	2019	2018
Deferred Tax Assets (liabilities)		
Exploration and evaluation assets	\$ 3,909,000	\$ 4,228,000
Property and equipment	80,000	76,000
Share issue costs	15,000	11,000
Allowable capital losses	13,000	13,000
Marketable securities	4,000	-
Non-capital losses available for future period	2,867,000	2,602,000
	6,888,000	6,930,000
	(6,888,000)	(6,930,000)
Net deferred tax assets	\$ -	\$ -

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	2019	Expiry Date Range	2018	Expiry Date Range
Temporary Differences				
Exploration and evaluation assets	\$ 13,233,000	No expiry date	\$ 13,123,000	No expiry date
Property and equipment	281,000	No expiry date	239,000	No expiry date
Share issue costs	55,000	2040 to 2043	40,000	2039 to 2042
Allowable capital losses	48,000	No expiry date	48,000	No expiry date
Marketable securities	32,000	No expiry date	-	-
Non-capital losses available for future period	10,477,000	2029 to 2039	9,238,000	2028 to 2038

Tax attributes are subject to review, and potential adjustment, by tax authorities.

16. SUBSEQUENT EVENTS

Subsequent to the year ended April 30, 2019, the Company:

- i) closed a non-brokered private placement of 3,593,000 units at \$0.14 per unit for gross proceeds of \$503,020. Each unit consists of one common share and one-half share purchase warrant entitling the holder to purchase one additional common share for a period of two years at a price of \$0.20 per share. The Company paid \$11,221 in finders' fees.
- ii) issued 957,403 common shares upon exercise of options for gross proceeds of \$76,592.
- iii) issued 954,545 common shares upon exercise of warrants for gross proceeds of \$105,000.
- iv) entered into a non-binding agreement giving a corporation exclusive rights to pursue a definitive agreement for the purchase of the Yarumalito project and received \$25,000 as a deposit.

NEWRANGE GOLD CORP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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FOR THE YEARS ENDED APRIL 30, 2019 AND 2018

16. SUBSEQUENT EVENTS (continued)

- v) negotiated a non-binding agreement with a private Australian company, Andean Mining Corporation Pty Ltd., for the sale of the Company's wholly-owned subsidiary, Corporacion Minera de Colombia S.A. The sale will include the purchase of El Dovia and Anori, both of which are 100% owned by the Colombian subsidiary, for US\$1,000,000.