

**ROMIOS GOLD RESOURCES INC.**

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**For the three and nine months ended March 31, 2020  
(unaudited)  
(Expressed in Canadian \$)**

**Romios Gold Resources Inc.**  
**(the "Company")**  
**NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by, and are the responsibility of, the Company's management. The Company's independent auditor has not performed a review of these financial statements.

DATED this 14th day of May, 2020.

**ROMIOS GOLD RESOURCES INC**

Per: (signed) "Tom Drivas"  
Name: Tom Drivas  
Title: Chief Executive Officer

Per: (signed) "Frank van de Water"  
Name: Frank van de Water  
Title: Chief Financial Officer

# Romios Gold Resources Inc.

## Condensed Interim Consolidated Statements of Financial Position

(Expressed in Cdn \$)

(Unaudited)

As at	March 31 2020 \$	June 30 2019 \$
<b>Assets</b>		
Current		
Cash and cash equivalents (note 4)	96,460	1,239,108
Accounts receivable	11,500	83,284
Marketable securities (note 5)	327,855	1,630,138
Prepaid expenses	32,846	30,652
<b>Total current assets</b>	<b>468,661</b>	<b>2,983,182</b>
Exploration and evaluation assets (note 6)		
Acquisition costs	2,215,885	2,213,055
Right of use assets (note 7)	51,693	-
<b>Total assets</b>	<b>2,736,239</b>	<b>5,196,237</b>
<b>Liabilities</b>		
Current		
Accounts payable & accruals	67,403	357,339
Current portion of lease obligations	16,962	-
Due to related parties	698,893	682,338
<b>Total Current Liabilities</b>	<b>783,258</b>	<b>1,039,677</b>
Non-current liabilities		
Lease obligations	38,999	-
<b>Total liabilities</b>	<b>822,257</b>	<b>1,039,677</b>
<i>Nature of operations and going concern (note 1)</i>		
<i>Subsequent events (note 13)</i>		
<b>Shareholders' equity</b>		
Share capital (note 8(a))	33,012,471	33,012,471
Warrants (note 8(c))	-	33,223
Contributed surplus (note 9)	5,073,834	4,900,886
Deficit	(36,172,323)	(33,790,020)
<b>Total shareholders' equity</b>	<b>1,913,982</b>	<b>4,156,560</b>
<b>Total liabilities and shareholders' equity</b>	<b>2,736,239</b>	<b>5,196,237</b>

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

APPROVED ON BEHALF OF THE BOARD on May 14, 2020

"Signed"

Anastasios (Tom) Drivas

"Signed"

Frank van de Water

## Romios Gold Resources Inc.

### Condensed Interim Consolidated Statements of Changes in Equity

(Expressed in Cdn \$)

(Unaudited)

	Share Capital \$	Warrants \$	Contributed Surplus \$	Deficit \$	Total \$
<b>At June 30, 2018</b>	31,888,326	176,566	4,505,737	(32,168,003)	4,402,626
Net loss and comprehensive loss for the year	-	-	-	(863,275)	(863,275)
Working capital units issued, net	475,000	-	-	-	475,000
Flow-through shares issued, net	682,319	-	-	-	682,319
Valuation of warrants	(34,675)	34,675	-	-	-
Adjustment for expired warrants	-	(132,789)	132,789	-	-
Shares issued for properties, net	22,549	-	-	-	22,549
Broker's warrants exercised	3,500	-	-	-	3,500
Share-based compensation	-	-	19,488	-	19,488
<b>At March 31, 2019</b>	33,037,019	78,452	4,658,014	(33,031,278)	4,742,207
Net loss and comprehensive loss for the year	-	-	-	(758,742)	(758,742)
Deferred income tax on flow- through shares	(26,000)	-	-	-	(26,000)
Adjustment for share issue costs	1,452	(1,452)	-	-	-
Adjustment for expired warrants	-	(43,777)	43,777	-	-
Share-based compensation	-	-	199,095	-	199,095
<b>At June 30, 2019</b>	33,012,471	33,223	4,900,886	(33,790,020)	4,156,560
Adjustment for expired warrants	-	(33,223)	33,223	-	-
Net loss and comprehensive loss for the year	-	-	-	(2,382,303)	(2,382,303)
Share-based compensation	-	-	139,725	-	139,725
<b>At March 31, 2020</b>	33,012,471	-	5,073,834	(36,172,323)	1,913,982

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

## Romios Gold Resources Inc.

### Condensed Interim Consolidated Statements of Loss, and Comprehensive Loss

(Expressed in Cdn \$)

	For the three months ended March 31		For the nine months ended March 31	
	2020	2019	2020	2019
	\$	\$	\$	\$
<b>Expenses</b>				
Operating activities				
Exploration expenses (Note 6)	43,398	65,057	824,940	309,626
Less: refund received (Note 6)	-	-	(50,738)	-
Net exploration expenses	43,398	65,057	774,202	309,626
Acquisition cost of properties dropped (Note 6)	-	-	4,820	1,945
Amortization of right of use assets (Note 7)	4,699	-	14,098	-
General and administrative activities:				
Professional fees	27,183	38,055	83,180	129,732
Management fees and salaries	46,875	51,900	155,625	159,750
Office and general	8,787	10,580	25,347	41,157
Shareholder communication	28,829	35,752	42,521	95,465
Share-based compensation	46,063	4,132	139,725	19,488
General and administrative expenses	157,737	140,419	446,398	445,592
Loss for the period before the following	205,834	205,476	1,239,517	757,163
Unrealized loss on marketable securities (Note 5)	313,208	69,161	1,143,948	108,391
Interest on lease obligations (Note 3)	1,463	-	4,626	-
Interest income	(528)	(187)	(5,789)	(2,279)
<b>Net loss and comprehensive loss for the period</b>	<b>519,977</b>	<b>274,450</b>	<b>2,382,303</b>	<b>863,275</b>
Basic and diluted loss per share	0.00	0.00	0.01	0.00
Weighted average number of shares outstanding	198,397,000	198,397,000	198,397,000	189,610,000

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

**Romios Gold Resources Inc.**  
**Condensed Interim Consolidated Statements of Cash Flows**  
*(Expressed in Cdn \$)*  
*(Unaudited)*

	For the nine months ended March 31	
	2020	2019
	\$	\$
<b>Operating activities</b>		
Net loss for the period	(2,382,303)	(863,275)
Items not affecting cash:		
Share-based compensation	139,725	19,488
Amortization of ROU assets (note 7)	14,098	-
Interest on lease obligations (note 3)	4,626	-
Unrealized loss on marketable securities (note 5)	1,143,948	108,391
Acquisition cost of properties dropped	4,820	1,945
	<b>(1,075,086)</b>	<b>(733,451)</b>
Net change in non-cash working capital		
Accounts receivable	71,784	(4,100)
Prepaid expenses	(2,194)	26,571
Accounts payable and accrued liabilities	(289,937)	11,313
Due to related parties	16,555	83,590
Net cash used in operating activities	<b>(1,278,878)</b>	<b>(616,077)</b>
<b>Investing activities</b>		
Property option cash proceeds	-	750,000
Exploration and evaluation assets acquisition costs	(7,650)	(24,748)
Net cash from investing activities	<b>(7,650)</b>	<b>725,252</b>
<b>Financing activities</b>		
Repayment of lease obligations	(14,455)	-
Marketable securities sold (note 5)	158,335	-
Private placement of working capital units	-	475,000
Private placement of flow-through units	-	744,750
Share issue costs	-	(64,882)
Warrants exercised	-	3,500
Net cash from financing activities	<b>143,880</b>	<b>1,158,368</b>
Change in cash and cash equivalents	<b>(1,142,648)</b>	<b>1,267,543</b>
Cash and cash equivalents, beginning of the period	<b>1,239,108</b>	<b>250,219</b>
<b>Cash and cash equivalents, end of the period</b>	<b>96,460</b>	<b>1,517,762</b>

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

## **ROMIOS GOLD RESOURCES INC.**

### ***Notes to Condensed Interim Consolidated Financial Statements***

**March 31, 2020**

**(Expressed in Canadian dollars unless otherwise stated)**

#### **1. Nature of operations and going concern**

Romios Gold Resources Inc. ("Romios" or "the Company") is a listed public Company (TSX-V:"RG") incorporated under the Ontario Business Corporations Act and has interests in resource properties which are being explored and evaluated to determine their economic viability. The registered office and location of corporate records is Suite 500, 2 Toronto St., Toronto, Ontario.

These unaudited condensed interim consolidated financial statements ("Statements") have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at March 31, 2020 the Company had no sources of operating cash flows. The Company will therefore require additional funding which, if not raised, would result in the curtailment of activities and project delays. The Company had working capital deficiency of \$314,597 at March 31, 2020, after providing for \$698,893 due to related parties, and has incurred losses since inception, including \$24,695,716 spent on exploration and evaluation of its mineral properties that it currently holds, resulting in an accumulated deficit of \$36,172,323 at March 31, 2020. The Company's ability to continue as a going concern is uncertain and is dependent upon its ability to continue to raise adequate financing. There can be no assurances that the Company will be successful in this regard, and therefore, there is doubt regarding the Company's ability to continue as a going concern, and accordingly, the use of accounting principles applicable to a going concern. These consolidated financial statements do not reflect adjustments that would be necessary if the "going concern" assumption is not appropriate. If the "going concern" assumption is not appropriate, adjustments to the carrying values of the assets and liabilities, the expenses and the balance sheet classifications, which could be material, would be necessary.

The recoverability of expenditures on its resource properties is dependent upon the existence of resources that are economically recoverable, confirmation of the Company's ownership interests in the claims, the ability of the Company to obtain necessary financing to complete the exploration and the development of the properties, and upon future profitable production or proceeds from disposition thereof.

#### **2. Basis of preparation and statement of compliance with IAS 34**

These Financial Statements form part of the period covered by the Company's International Financial Reporting Standards ("IFRS") annual consolidated financial statements. These Financial Statements have been prepared in accordance with IAS 34 - *Interim Financial Reporting* and on the basis of IFRS standards and interpretations expected to be effective as at the Company's IFRS annual reporting date, June 30, 2020.

These Financial Statements do not contain all the disclosures required by IFRS for annual financial statements and should be read in conjunction with the Company's audited annual consolidated financial statements for the year ended June 30, 2019 prepared in accordance with International Accounting Standards as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") in effect as of June 30, 2019.

In the opinion of management, all adjustments considered necessary for fair presentation have been included in these Financial Statements. Operating results for the nine months ended March 31, 2020 may not be indicative of the results that may be expected for the year ending June 30, 2020.

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### 3. Summary of significant accounting policies

Readers should refer to the June 30, 2019 annual consolidated financial statements for the accounting policies used in the preparation of these Financial Statements. The IASB continues to amend and add to current IFRS standards and interpretations with several projects underway. Accordingly, the accounting policies adopted by the Company for the Company's IFRS annual consolidated financial statements will be determined as at June 30, 2020. In the event that accounting policies adopted at June 30, 2020 differ materially from the accounting policies used in the preparation of these Financial Statements, these Financial Statements will be restated to retrospectively account for the application of those policies adopted at June 30, 2020.

#### Principles of consolidation

The Statements include the accounts of 100% owned McLymont Mines Inc., which holds the title to some of the claims in British Columbia and Romios Gold Nevada Inc. which holds the mining claims in Nevada. All inter-company accounts and transactions have been eliminated on consolidation.

#### Presentation Currency

The Company's presentation currency and functional currency is the Canadian dollar ("C\$").

#### Accounting pronouncements adopted

At the date of approval of these Financial Statements for the three months ended September 30, 2019, the following standards which are applicable to the Corporation were adopted.

#### *IFRS 16, Leases*

The Company adopted IFRS 16, Leases ("IFRS 16") on July 1, 2019. The objective of IFRS 16 is to record most leases on the lessee's balance sheet. Accordingly, under IFRS 16, the Company is required to recognize a right-of use asset, representing its right to use the underlying asset, and a lease liability, representing its obligation to make lease payments.

The Company has adopted IFRS 16 using a modified retrospective approach, which does not require restatement of prior periods. Comparative information has not been restated and continues to be reported under IAS 17, Leases.

The Company's lease for its office had previously been classified as an operating lease under IAS 17. On adoption of IFRS 16, liabilities for the lease were measured as the present value of the remaining lease payments, discounted using an assumed incremental borrowing rate as of July 1, 2019 of 10%.

The Company's lease liabilities at July 1, 2019 are reconciled to the operating lease commitments at June 30, 2019 as follows:

Operating lease commitment at June 30, 2019	\$79,159
Discounting using a July 1, 2019 incremental borrowing rate	(13,368)
Discounted lease liabilities at July 1, 2019	65,791



The Company's lease obligation consists of the following as at March 31, 2020:

<b>Movement in lease obligation:</b>	<b>\$</b>
Beginning balance at July 1, 2019	-
IFRS adjustments	\$65,791
Additions during the nine months ended March 31, 2020	-
Payments during the three months ended September 30, 2019	(3,031)
Payments during the three months ended December 31, 2019	(3,106)
Payments during the three months ended March 31, 2020	(3,693)
Lease obligations at March 31, 2020	55,961
Less: current portion	(16,962)
Total long-term lease obligations	\$38,999

During the first nine months ended March 31, 2020, the Company recognized the following amounts:

- amortization expense of right-of-use assets of \$14,098
- interest expense on lease liabilities of \$4,626.

#### **4. Cash and cash equivalents**

Cash and cash equivalents consist of cash and investments in Canadian Chartered Bank demand money market funds.

On October 2, 2018, the Company closed the first tranche of a non-brokered private placement with the sale of 1,300,000 flow-through units for gross proceeds of \$130,000. On December 21, 2018, the Company completed a private placement of 8,307,692 flow-through units for gross proceeds of \$540,000 and on December 31, 2018, a private placement of 1,150,000 flow-through units for gross proceeds of \$74,750. Flow-through funds are committed to be expended on Canadian Exploration Expenditures and are therefore not available for current working capital purposes.

During the nine months ended March 31, 2020, the Company spent a total of \$824,940 on exploration and evaluation activities, in BC and ON.

#### **5. Marketable securities**

On June 11, 2018, the Company sold its Timmins-Hislop property and received 178,321 common shares of McEwen Mining Inc. valued at \$500,000, based on the 5 day volume weighted average share price on the NYSE prior to closing.

Romios retains a 2% net smelter returns royalty ("NSR") interest in the property. McEwen Mining will have the right at any time to purchase a 1% NSR from the Company for \$2 million.

Crystal Lake Mining Corp, ("CLM") received regulatory approval on February 22, 2019 to enter into a definitive agreement (the "Agreement") whereby Romios' Newmont Lake Project, (the "Property") is now optioned to CLM. Note 6 sets out the main terms of the Agreement and in accordance with the Agreement, the Company has received cash payments of \$1,000,000 and 4 million common shares of CLM valued at \$1,060,000 at the time of receipt in June, 2019. The proceeds of option payments are credited against the original acquisition cost of mineral properties.

Canadian Equities	Crystal Lake Mining Corp.			McEwen Mining Inc.			Total	
	Shares	Market \$	Cost \$	Shares	Market \$	Cost \$	Market \$	Cost \$
Balance June 30, 2018	-	-	-	178,321	485,033	500,000	485,033	500,000
Additions in the year	4,000,000	1,060,000	1,060,000	-	-	-	1,060,000	1,060,000
Unrealized gain/(loss)	-	160,000	-	-	(74,895)	-	85,105	-
Balance June 30, 2019	4,000,000	1,220,000	1,060,000	178,321	410,138	500,000	1,630,138	1,560,000
Disposals in the period	(1,270,000)	(158,335)	(336,550)	-	-	-	(158,335)	(336,550)
Unrealized (loss)	-	(897,865)	-	-	(246,083)	-	(1,143,948)	-
Balance March 31, 2020	2,730,000	163,800	723,450	178,321	164,055	500,000	327,855	1,223,450

The shares are designated as financial instruments carried at fair value, with unrealized gains and losses based on stock exchange quoted prices recognised in comprehensive loss for the period.

## 6. Exploration and evaluation assets

Acquisition costs	British Columbia \$	Ontario \$	Quebec \$	Nevada, USA \$	Total \$
Balance, June 30, 2018	4,212,139	8,500	-	-	4,220,639
Total additions for the period	49,861	4,500	-	-	54,361
<i>Property option proceeds:</i>					
Cash	(1,000,000)	-	-	-	(1,000,000)
CLM common shares	(1,060,000)	-	-	-	(1,060,000)
Abandonment and write off	(1,945)	-	-	-	(1,945)
Balance, June 30, 2019	2,200,055	13,000	-	-	2,213,055
Total additions for the period	-	7,650	-	-	7,650
Abandonment and write off	(4,820)	-	-	-	(4,820)
Balance, March 31, 2020	2,195,235	20,650	-	-	2,215,885

The Company's holdings in the Golden Triangle Area total 78,535 hectares (194,064 acres). Acquisition costs for British Columbia include property payment obligations and maintenance fees for claims.

The acquisition costs of exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the realizable amount.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest. With regard to the Company's Quebec and Nevada properties, the carrying value was reduced to nil as future exploration on these claims was neither budgeted nor planned.

### Ontario claims

In April 2018 the Company acquired two blocks of cell claims by online staking in the vicinity of the Lundmark-Akow Lake claims. Block #1 consists of 91 cell claims, approximately 1,777 hectares (4,391 acres). Block #2 comprises 79 cell claims, approximately 1,540 hectares (3,805 acres) 10 km northwest of the Lundmark Lake area.

In March 2019, the Company acquired by staking 7 claims, adding 137 hectares to the Lundmark-Akow Lake property after receipt of the VTEM survey results. Another 8 claims totalling 158 hectares were also acquired as grass roots targets south of the Musselwhite mine.

The Company acquired by staking another 142 claims in the northwest portion of the Lundmark-Akow Lake Project area in September. The claims cover approximately 2,987 hectares (7,381 acres).

At March 31, 2022 the Company had a 100% working interest on a total of 8,022 hectares (18,823 acres) on the Lundmark-Akow lake property, part of which is subject to a 3% net smelter return royalty held by a corporation controlled by the President and CEO.

### **BC claims**

To acquire a 100% interest in the Royce Claim and the Porc Claim (the "Royce/Porc Property") covering respectively 1,321 and 614 hectares in the Golden Triangle the Company issued 500,000 common shares to the vendors in July 2018, valued at \$25,000 and granted a 1% net smelter returns royalty ("NSR") in favour of the vendors for each of the two properties. The Company has the right to buy back a 0.5% NSR, in respect of each of the two properties, for \$500,000, and has a right of first refusal on the remaining 0.5% NSR.

In the Golden Triangle of BC, in September 2018 the Company acquired by staking 17 claims covering 6,506 hectares, 1.4 km west of the JW property and in December, 4 additional claims covering 1,832 hectares adjoining the Andrei claims. In March 2019 five additional claims covering 791 hectares were acquired by staking over a historic prospect 11 km northeast of the Andrei claims.

In December 2018 the Company signed a definitive agreement (the "Agreement") with Crystal Lake Mining Corporation ("CLM") whereby, over the next three years CLM can earn a 100% working interest in the Newmont Lake Project (the "Property") comprising approximately 438 square kilometres. The consideration set out, among other things, the issue of 12 million common shares by CLM to the Company over three years, of which the first 4 million shares were issued on receipt of regulatory approval of the transaction in February 2019; the payment of \$2 million in cash option payments, of which \$250,000 was paid upon signing of the Letter Agreement, \$500,000 was paid on receipt of regulatory approval and \$250,000 in June, 2019 (a total of \$1.0 million received in the 2019 fiscal year). A further \$1 million will be payable upon CLM earning its 100% interest in the Property through the expenditure of \$8 million on the Property over no more than a 3-year period, with the first \$3 million to be spent in the calendar year 2019. Upon completion of the option agreement, Romios will retain a 2% Net Smelter Returns Royalty ("2% NSR") on the Property, and on any after-acquired claims within a 5 km radius of the current boundary of the Property. The 2% NSR may be reduced at any time to a 1% NSR on the payment of \$2 million per 0.5% NSR.

CLM undertook an exploration program pursuant to the terms of the Letter Agreement and on November 2, 2018 CLM reported that it had completed drilling six reverse circulation ("RC") drill holes, four on the Burgundy Ridge Zone, and two on the Northwest Zone of the Property. Expenditures incurred by CLM on the Property under the Agreement are not included in these financial statements.

CLM carried out an extensive exploration program on the Property in the summer of 2019, stating that expenditures were significantly in excess of the \$3 million required for the calendar year 2019.

Amounts expended by the Company to date for exploration and evaluation activities in each area are summarized below. These costs are being charged to the statement of loss and comprehensive loss as incurred.

	British Columbia	Quebec	Ontario	Cumulative Total
	\$	\$	\$	\$
Balance, June 30, 2018	20,636,775	981,684	1,311,495	22,929,954
Total additions for the year	186,891	1,444	803,225	991,560
Balance, June 30, 2019	20,823,666	983,128	2,114,720	23,921,514
Total additions for the period	230,278	5,701	588,961	824,940
BC refund	(50,738)	-	-	(50,738)
Balance, March 31, 2020	21,003,206 <sup>(1)</sup>	988,829 <sup>(2)</sup>	2,703,681 <sup>(3)</sup>	24,695,716

(1) Net of cumulative refunds totalling \$742,716 received from the province of British Columbia.

(2) Net of cumulative refunds totalling \$431,127 received from the province of Quebec.

(3) Net of cumulative refunds totalling \$97,824 received from the province of Ontario.

## 7. Right of use assets

Cost	Office lease \$
Balance June 30, 2019	nil
Additions in the period	65,791
Balance March 31, 2020	65,791
Accumulated amortization	
Balance June 30, 2019	\$ -
Amortization for the period	14,098
Balance March 31, 2020	14,098
Net book value as at March 31, 2020	\$51,693

## 8. Share capital

### (a) Common shares

The Company is authorized to issue an unlimited number of no par value common shares. The following table provides the details of changes in the number of issued common shares.

	Number #	Amount \$
Balance, June 30, 2018	181,131,824	31,888,326
Issuance of shares for property July, 2018	500,000	25,000
Exercise of brokers warrants	70,000	3,500
Flow through units issued October 2, 2018	1,300,000	130,000
Working capital units issued October 2 2018	5,312,500	425,000
Working capital units issued November 8, 2018	625,000	50,000
Flow through units issued December 21, 2018	8,307,692	540,000
Flow through units issued December 31, 2018	1,150,000	74,750
Flow through share liability	-	(26,000)
Warrant issue valuation	-	(33,223)
Share issue costs	-	(64,882)
Balance, June 30, 2019 and March 31, 2020	198,397,016	33,012,471

Since June 30, 2018 the Company completed the following financings in order to advance the exploration programs in the Golden Triangle of BC and the Lundmark-Akow Project in northwestern Ontario, and for corporate overhead costs.

**Non – brokered Private Placements**

Date	Type	Units	Price	Proceeds, \$	Warrants	Price	Expiry
October 2, 2018	FT	1,300,000	\$0.10	130,000	650,000	\$0.18	October 2, 2019
October 2, 2018	WC	5,312,500	\$0.08	425,000	5,312,500	\$0.12	October 2, 2019
November 8, 2018	WC	625,000	\$0.08	50,000	625,000	\$0.12	November 2, 2019
December 21, 2018	FT	8,307,692	\$0.065	540,000	-	-	-
December 31, 2018	FT	1,150,000	\$0.065	74,750	-	-	-

In July, 2018 500,000 common shares were issued at \$0.05 to acquire the minority interest in the Royce/Porc and JW Property in the Golden Triangle of BC, subject to a 1% net smelter royalty in respect of each of the claims.

**(b) Common share purchase options**

The Company has a stock option plan (the “Plan”) for the benefit of directors, officers, key employees, and consultants. The total number of shares which may be reserved and set aside for issuance to eligible persons may not exceed 10% of the issued and outstanding common shares. At March 31, 2020, 13,450,000 common shares were reserved for the exercise of stock options granted under the Plan.

The following table provides the details of changes in the number of issued common share purchase options during the period:

	Options #	Weighted-average exercise price \$
Outstanding at June 30, 2018	9,350,000	0.10
Granted	9,850,000	0.08
Expired, May 2019	(5,750,000)	0.10
Options outstanding at June 30, 2019 and March 31, 2020	13,450,000	0.09
Options exercisable at March 31, 2020	8,525,000	0.09

On June 6, 2019 9,850,000 share purchase options were granted to acquire common shares of the Company at \$0.08 per share for five years. The fair value was estimated at \$0.08 per option at the date of grant using the Black-Scholes option pricing model with the following assumptions: risk-free weighted-average interest of 1.33%, expected dividend yield of nil, average expected volatility of 185.45% and expected life term of 60 months.

Based on estimated fair values, the Company recorded \$139,725 as share-based compensation for the nine months ended March 31, 2020, for options vested during the period. Options outstanding vest half on the date of grant and half twelve months from the date of grant.

Number of stock options	Number exercisable	Remaining contractual life	Exercise price per share	Expiry date
2,600,000	2,600,000	12.7 months	\$0.10	April 20, 2021
500,000	500,000	32.4 months	\$0.10	December 13, 2022
500,000	500,000	35.6 months	\$0.10	March 19, 2023
9,850,000	4,925,000	50.2 months	\$0.08	June 6, 2024
13,450,000	8,525,000			

### (c) Warrants

On certain issuances of common shares, the Company grants warrants entitling the holder to acquire additional common shares of the Company, and the Company grants warrants as consideration for services associated with the placement of such common share issues. The following table provides the details of changes in the number of outstanding common share purchase warrants:

	<b>Number of Shares</b>	<b>Price Range \$</b>
Balance June 30, 2018	10,634,334	0.05 to 0.12
Expired, unexercised	(10,564,334)	0.05 to 0.12
Exercised	(70,000)	0.05
Private placement warrants issued	7,252,115	0.065 to 0.18
Balance June 30, 2019	7,252,115	0.07 to 0.18
Expired, unexercised	(7,252,115)	0.07 to 0.18
Balance December 31, 2019 and March 31, 2020	-	

The fair value of the warrants issued in the period ended June 30, 2019 was estimated to be \$33,223, using the Black-Scholes option pricing model with the following assumptions: risk-free weighted-average interest of 1.90–2.25%, expected dividend yield of nil, average expected volatility of 134.31%-135.88% and expected life term of 12 months.

The number of common shares outstanding on March 31, 2020 was 198,397,016..Taking into account outstanding share purchase options and warrants, the fully diluted common shares that could have been outstanding on March 31, 2020 was 211,847,016.

### 9. Contributed surplus

A summary of changes in contributed surplus is:

	<b>Amount \$</b>
Balance, June 30, 2018	4,505,737
Share-based compensation	218,583
Warrants expired	176,566
Balance, June 30, 2019	4,900,886
Share-based compensation	139,725
Warrants expired	33,223
Balance, March 31, 2020	5,073,834

### 10. Related party transactions

During the three months ended March 31, 2020, the Company incurred related party expenses of \$69,800 (2019 – \$70,085) and \$235,900 for the nine months ended March 31, 2020 (2019 - \$220,997). These expenses are salary and consulting fees paid or payable to the Company's key senior officers, Tom Drivas, President and Chief Executive Officer, Frank van de Water, Chief Financial Officer and John Biczok, Vice-President, Exploration effective December 13, 2017 and Lawrence Roulston from March 19, 2018, to February 19, 2020. As at March 31, 2020, \$608,931 (2019 - \$591,387) was due to these related parties. Key management personnel were not paid post-retirement benefits, termination benefits, or other long-term benefits during the nine months ended March 31, 2020 and 2019.

Share-based compensation to key management and directors for the three and nine months ended March 31, 2020 was \$39,282 and \$119,156 (2019 - \$4,132 and \$19,488).

During the nine months ended March 31, 2020 the company incurred expenses of \$30,275 (2019 - \$88,227) for legal fees to a law firm related to a Director of the Company, William R. Johnstone. At March 31, 2020, \$2,476 (2019 - \$14,476) was outstanding.

These amounts were expensed in the period incurred as administrative and general expenses or exploration expenses. Expenses and amounts paid and owing are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

## 11. Financial instruments and risk management

### Categories of financial assets and liabilities

Under IFRS, financial instruments are classified into one of the following five categories: Fair value through profit and loss ("FVTPL"), held to maturity investments, loans and receivables, assets available for sale and financial liabilities. The carrying values of the Company's financial instruments are classified into the following categories:

	<b>March 31</b>	June 30
	<b>2020</b>	2019
	<b>\$</b>	<b>\$</b>
FVTPL <sup>(1)</sup>	<b>424,315</b>	2,869,246
Loans and receivables <sup>(2)</sup>	<b>11,500</b>	83,284
Financial liabilities <sup>(3)</sup>	<b>67,403</b>	357,339

(1) Includes cash, cash equivalents and marketable securities.

(2) Includes accounts receivable related to HST refunds.

(3) Includes accounts payable.

### Financial Instruments

The carrying amounts for the Company's cash and cash equivalents approximate their fair values because of the short-term nature of these items. Marketable securities are priced at the quoted closing stock market price on the period end date.

### Risks arising from financial instruments and risk management

The Company's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company.

### Liquidity risk

Prudent liquidity risk management implies maintaining at all times sufficient cash, liquid investments and committed credit facilities to meet the Company's commitments as they arise. The Company manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecast and actual cash flows. The Company is currently assessing all options to address its liquidity issues. It is not possible to determine with any certainty the success and adequacy of these initiatives.

### Pandemic COVID-19 risk

On March 11, 2020 the World Health Organization declared the COVID -19 infectious virus a global pandemic, with resulting travel bans, physical distancing, closing of social, cultural and educational facilities and non-essential businesses. Global financial equity markets have declined considerably and remain volatile. The possible effect on the Company could include difficulty in accessing exploration sites and hiring

personnel for exploration programs, as well as in raising additional equity financing. The global shutdown and isolation of the people is showing progress in the decline of the rate of infection, but the timing to return to normal and the impact on the Company's operations is difficult to project.

### Carrying value of exploration and evaluation assets

The Company regularly reviews the carrying value of its properties for impairment to determine whether the carrying amount of these assets will be recoverable from future cash flows or from the proceeds of disposition of the properties. Assumptions underlying the cash flow estimates include the forecasted prices for gold, copper and silver, and operating, capital, exploration and reclamation costs, which are subject to risks and uncertainties.

## **12. Capital disclosures**

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration and evaluation assets. The capital of the Company consists of capital stock, warrants and contributed surplus.

The properties in which the Company currently has an interest are in the exploration stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company has its existing working capital and will seek to raise additional amounts as needed. Discussions regarding financing are ongoing.

The Company will continue to assess new properties and acquire an interest in additional properties if it feels there is sufficient geologic or economic potential, and if it has adequate financial resources to do so.

Romios reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements.

## **13. Subsequent events**

In April 2020, the Company acquired by staking 81 mining claims totalling 1,576.5 hectares (3,896 acres) that cover the on-strike continuation of the mineralized iron formation and coincident shear zone that host Arseno Lake zinc-lead-silver-gold prospect in NW Ontario. This prospect was discovered by Northern Dynasty Explorations Ltd. in 1987 and is currently held by Newmont Corp. Little work of any material significance has been done on the property since 1988. The Romios claims cover approximately 7 km of the east-west trending horizon that hosts the Arseno Lake prospect, as indicated by a series of electromagnetic conductors, a linear magnetic high, and two historic drill holes. The new claims are located 8 km northeast of the road accessible community of Weagamow (Round) Lake and just 4 km from the nearest road. They are 32 km NW of Romios' 2019 gold-copper discovery on their Lundmark-Akow property and 58 km NW of Newmont's Musselwhite gold mine.

These additional claims bring the Company's claims in Ontario to 762 for a total of 14,892 hectares (37,021 acres).