



**Mundoro Capital Inc.**

**Condensed Interim Consolidated Financial Statements**

**(Unaudited)**

**June 30, 2021**

**Expressed in Canadian Dollars**

Reader's Note:

These unaudited condensed interim consolidated financial statements of Mundoro Capital Inc. have been prepared by management and have not been reviewed by the Company's auditors.

**MUNDORO CAPITAL INC.***(An exploration stage company)***Consolidated Statements of Financial Position****(Unaudited)****(Expressed in Canadian Dollars)**

<b>As at</b>	<b>June 30, 2021</b>	<b>December 31, 2020</b>
	<b>(Unaudited)</b>	
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 4,192,497	\$ 2,083,665
Amounts receivable (note 3)	321,036	136,900
Deposits	37,381	19,806
Prepaid expenses	161,671	92,076
	<b>4,712,585</b>	<b>2,332,447</b>
<b>Non-current assets</b>		
Investments (note 4)	600,533	493,964
Equipment and vehicles (note 5)	149,769	189,184
Mineral interests (note 6)	185,724	72,474
	<b>936,026</b>	<b>755,622</b>
<b>TOTAL ASSETS</b>	<b>\$ 5,648,611</b>	<b>\$ 3,088,069</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (notes 9 & 11)	\$ 570,568	\$ 361,240
Advances from joint venture partners (note 9)	255,238	519,728
Short-term loan (note 7)	40,000	-
<b>TOTAL LIABILITIES</b>	<b>865,806</b>	<b>880,968</b>
<b>EQUITY</b>		
Share capital (note 10)	53,481,558	50,384,465
Contributed surplus	8,994,887	8,994,887
Stock options reserve	1,389,869	1,205,763
Accumulated other comprehensive income	76,170	(74,023)
Deficit	(59,159,679)	(58,303,991)
<b>TOTAL EQUITY</b>	<b>4,782,805</b>	<b>2,207,101</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>\$ 5,648,611</b>	<b>\$ 3,088,069</b>

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

These condensed interim consolidated financial statements are authorized for issue by the Board of Directors on August 23, 2021.

The are signed on the Company's behalf by:

/s/ Michael Calyniuk, Director

/s/ Teo Dechev, Director

**MUNDORO CAPITAL INC.***(An exploration stage company)***Consolidated Statements of Loss and Comprehensive Loss****(Unaudited)****(Expressed in Canadian Dollars)**

	For the three months ended		For the six months ended	
	June 30, 2021	June, 2020	June 30, 2021	June 30, 2020
<b>Exploration and project evaluation (note 8)</b>	\$ 865,848	\$ 511,992	\$ 1,705,351	\$ 1,742,150
Less: recoveries	(646,317)	(104,575)	(1,277,951)	(1,197,817)
	<b>219,531</b>	<b>407,417</b>	<b>427,400</b>	<b>544,333</b>
<b>EXPENSES</b>				
Corporate governance	64,975	45,993	108,699	104,936
General and administrative	25,928	26,980	52,837	56,614
Accounting and audit	60,851	33,943	92,212	83,604
Corporate communication	40,918	43,501	70,251	112,738
Operator fees earned	(64,632)	(7,666)	(127,795)	(116,302)
	<b>128,040</b>	<b>142,751</b>	<b>196,204</b>	<b>241,590</b>
<b>LOSS BEFORE OTHER EXPENSES</b>	<b>347,571</b>	<b>550,168</b>	<b>623,604</b>	<b>785,923</b>
<b>OTHER (INCOME) EXPENSES</b>				
Interest and other income	(1,548)	(1,531)	(22,695)	(3,821)
Share-based payments	141,600	58,589	161,556	82,047
Depreciation (note 6)	14,711	15,913	30,125	31,243
Change in fair value of investments	76,204	24,126	(106,569)	(115,940)
Foreign exchange (gain) loss	(7,912)	(147,394)	169,667	(355,740)
	<b>223,055</b>	<b>(50,297)</b>	<b>232,084</b>	<b>(362,211)</b>
<b>NET LOSS (INCOME) FOR THE PERIOD</b>	<b>\$ 570,626</b>	<b>\$ 499,871</b>	<b>\$ 855,688</b>	<b>\$ 423,712</b>
<b>OTHER COMPREHENSIVE (INCOME) LOSS WHICH MAY BE RE-CLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS</b>				
Foreign currency translation differences for foreign operations	(124,477)	(9,462)	(150,193)	227,238
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b>\$ 446,149</b>	<b>\$ 490,409</b>	<b>\$ 705,495</b>	<b>\$ 650,950</b>
<b>Loss per share</b>				
Basic and diluted gain (loss) per share:	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)

## MUNDORO CAPITAL INC.

(An exploration stage company)

### Consolidated Statements of Change in Equity

(Unaudited)

(Expressed in Canadian Dollars)

	Share capital		Reserves		Accum. Other Comprehensive Income	Deficit	Total
	Number of shares	Amount	Contributed Surplus	Stock options reserve			
<b>Balance at December 31, 2019</b>	<b>80,664,527</b>	<b>\$ 50,288,125</b>	<b>\$ 9,000,153</b>	<b>\$ 1,090,160</b>	<b>\$ 61,321</b>	<b>\$ (56,476,395)</b>	<b>\$ 3,963,364</b>
Units issued for cash-private placement	735,473	99,289	-	-	-	-	99,289
Units issued for cash-stock option	45,001	5,400	-	-	-	-	5,400
Share issue costs	-	(8,349)	-	-	-	-	(8,349)
Share-based payments (Note 10 (b))	-	-	(5,266)	115,603	-	-	110,336
Net comprehensive loss for the year	-	-	-	-	(135,344)	(1,827,596)	(1,962,940)
<b>Balance at December 31, 2020</b>	<b>81,445,001</b>	<b>\$ 50,384,465</b>	<b>\$ 8,994,887</b>	<b>\$ 1,205,763</b>	<b>\$ (74,023)</b>	<b>\$ (58,303,991)</b>	<b>\$ 2,207,101</b>
<b>Balance at December 31, 2020</b>	<b>81,445,001</b>	<b>\$ 50,384,465</b>	<b>\$ 8,994,887</b>	<b>\$ 1,205,763</b>	<b>\$ (74,023)</b>	<b>\$ (58,303,991)</b>	<b>\$ 2,207,101</b>
Units issued for cash-private placement	19,287,500	3,086,000	-	-	-	-	3,086,000
Units issued for cash-stock option	870,000	105,600	-	-	-	-	105,600
Share issue costs	-	(94,507)	-	-	-	-	(94,507)
Share-based payments (Note 10 (b))	-	-	-	184,106	-	-	184,106
Net comprehensive loss for the period	-	-	-	-	150,193	(855,688)	(705,495)
<b>Balance at June 30, 2021</b>	<b>101,602,501</b>	<b>\$ 53,481,558</b>	<b>\$ 8,994,887</b>	<b>\$ 1,389,869</b>	<b>\$ 76,170</b>	<b>\$ (59,159,679)</b>	<b>\$ 4,782,805</b>

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

**MUNDORO CAPITAL INC.***(An exploration stage company)***Consolidated Statements of Cash Flows****(Unaudited)****(Expressed in Canadian Dollars)**

	<b>For the six months ended</b>	
	<b>June 30, 2021</b>	<b>June 30, 2020</b>
<b>Cash flows provided from (used in):</b>		
<b>OPERATING ACTIVITIES</b>		
<b>Net Income (loss) for the period</b>	\$ (855,688)	\$ (423,712)
<b>Adjustments for items not affecting cash:</b>		
Depreciation	27,459	31,244
Share-based payments	184,106	82,047
Foreign exchange (gain) loss	169,667	(355,740)
Change in fair value of investments (note 4)	(106,569)	(115,940)
	<b>(581,025)</b>	<b>(782,101)</b>
<b>Net changes in non-cash working capital items:</b>		
Amounts receivable	(196,769)	1,104,205
Prepaid expenses	(71,046)	(8,958)
Deposits	(18,724)	(526)
Accounts payable and accrued liabilities	228,077	(709,706)
Advances from option partners	(264,490)	(175,982)
<b>Net cash provided by (used in) operating activities</b>	<b>(903,977)</b>	<b>(573,068)</b>
<b>FINANCING ACTIVITIES</b>		
Funds transferred from escrow, net of costs	-	(8,349)
Issuance of common shares for cash, net of share issue costs	3,086,000	99,289
Issuance of common shares for cash, stock option exercise	105,600	-
Share issuance cost	(94,507)	-
Proceeds from government loan	40,000	-
<b>Net cash flows from financing activities</b>	<b>3,137,093</b>	<b>90,940</b>
<b>INVESTING ACTIVITIES</b>		
Expenditures on resource properties	(116,703)	(187)
Purchase of equipment	(9,670)	(12,691)
Proceeds from disposition of assets	11,603	-
Restricted cash	-	24,290
<b>Net cash flows from investing activities</b>	<b>(114,770)</b>	<b>11,412</b>
<b>Effects of exchange rate changes on cash and cash equivalents</b>	<b>(9,514)</b>	<b>104,368</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,108,832</b>	<b>(366,348)</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>2,083,665</b>	<b>2,744,516</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 4,192,497</b>	<b>\$ 2,378,168</b>

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

## MUNDORO CAPITAL INC.

(An exploration stage company)

### Notes to the Condensed Interim Consolidated Financial Statements

March 31, 2020

(Unaudited)

(Expressed in Canadian Dollars)

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#### 1. NATURE OF OPERATIONS

Mundoro Capital Inc. (the "Company" or "MCI" or "Mundoro") is an exploration and development company operating in the mineral resource sector. The business of exploration and development involves a high degree of risk and there can be no assurance that current exploration and development programs will result in discovery or future profitable operations.

The Company was incorporated on March 6, 2008 under the Business Corporations Act of the Province of British Columbia and its common stock is quoted on the TSX Venture Exchange ("TSXV") under the symbol MUN.

The Company's head office and principal address is 14<sup>th</sup> floor - 1040 West Georgia Street, Vancouver, British Columbia, Canada V6E 4H1.

On March 11, 2020, The World Health Organization (WHO) declared COVID-19 a global pandemic. The impact of COVID-19 remains uncertain, current circumstances are dynamic and the impact of the pandemic on our business operations, including the duration and effect on our future exploration and access to various levels of government cannot be reasonably estimated at this time. The Company's operation continues with precautions and strictly adheres to the health guidelines of the Governments in the jurisdictions we work.

#### 2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

##### a) *Statement of compliance with International Financial Reporting Standards*

These unaudited condensed interim consolidated financial statements of the Company have been prepared in accordance with International Accounting Standard 34 – Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

This interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is, therefore, recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2020. The accounting policies applied by the Company in these financial statements are consistent with those of the previous financial years with the exception of the Company's investments, which are recognized at fair value with the adoption of IFRS 9 as discussed below.

##### b) *Basis of preparation*

These unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis except for the Company's investments which are recognized at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. Certain comparative figures have been reclassified to conform to the current period's presentation.

##### c) *Management judgements and key sources of estimation uncertainty*

The preparation of financial statements in conformity with IFRS requires management to use judgment in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgments are regularly evaluated and are based on management's experience and other factors including expectations about future events that are believed to be reasonable under the circumstances.

Judgment is required in assessing whether certain factors would be considered an indicator of impairment. Both internal and external information are considered to determine whether there is an indicator of impairment present and therefore, whether impairment testing is required.

## MUNDORO CAPITAL INC.

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#### 3. AMOUNTS RECEIVABLE

	June 30, 2021		December 31, 2020
Amounts receivable			
VAT/GST receivable	\$ 246,938	\$	129,944
Receivable from joint venture partners	-		-
Other receivable	74,098		6,956
	\$ 321,036	\$	136,900

#### 4. INVESTMENTS

On June 10, 2013, the Company, through a 100%-owned subsidiary, acquired at a cost of \$280,853, a 2.9% equity interest in a privately held gold producing company in Bulgaria. As at June 30, 2021, the fair value of such equity investment was determined to be \$600,533 (December 31, 2020 - \$493,964), resulting in an increase in fair value of this investment of \$106,569 in the Company's statement of loss.

#### 5. EQUIPMENT AND VEHICLES

Cost	Office equipment		Field equipment		Total
<b>As at December 31, 2019</b>	<b>\$ 48,382</b>	<b>\$</b>	<b>427,750</b>	<b>\$</b>	<b>476,132</b>
Additions	2,226		12,919		15,145
Disposals			(4,699)		(4,699)
Effect of movements in exchange rates	1,170		30,068		31,238
<b>As at December 31, 2020</b>	<b>\$ 51,778</b>	<b>\$</b>	<b>466,038</b>	<b>\$</b>	<b>517,816</b>
Additions	9,670		-		9,670
Disposals	(6,008)		(59,312)		(65,320)
Effect of movements in exchange rates	(829)		(25,819)		(26,648)
<b>As at June 30, 2021</b>	<b>\$ 54,611</b>	<b>\$</b>	<b>380,907</b>	<b>\$</b>	<b>435,518</b>
<b>Accumulated depreciation</b>					
<b>As at December 31, 2019</b>	<b>\$ (37,872)</b>	<b>\$</b>	<b>(212,785)</b>	<b>\$</b>	<b>(250,657)</b>
Depreciation for the year	(7,010)		(56,564)		(63,574)
Disposal	-		2,327		2,327
Effect of movements in exchange rates	(1,208)		(15,520)		(16,728)
<b>As at December 31, 2020</b>	<b>\$ (46,090)</b>	<b>\$</b>	<b>(282,542)</b>	<b>\$</b>	<b>(328,632)</b>
Depreciation for the period	(4,454)		(23,005)		(27,459)
Disposal	7,563		46,154		53,717
Effect of movements in exchange rates	1,182		15,443		16,625
<b>As at June 30, 2021</b>	<b>\$ (41,799)</b>	<b>\$</b>	<b>(243,950)</b>	<b>\$</b>	<b>(285,749)</b>
<b>Net book amount</b>					
As at December 31, 2020	\$ 5,688	\$	183,496	\$	189,184
As at June 30, 2021	\$ 12,812	\$	136,957	\$	149,769

## MUNDORO CAPITAL INC.

(An exploration stage company)

### Notes to the Condensed Interim Consolidated Financial Statements

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(Expressed in Canadian Dollars)

#### 6. MINERAL INTERESTS

	European projects		Mexico projects		Total
<b>Balance as at December 31, 2019</b>	\$	<b>447,579</b>	\$	<b>5,748</b>	\$ <b>453,327</b>
Acquisition costs		6,693		-	6,693
Write-down		(413,872)		-	(413,872)
Effect of movements in exchange rates		26,575		(249)	26,326
<b>Balance at December 31, 2020</b>	\$	<b>66,975</b>	\$	<b>5,499</b>	\$ <b>72,474</b>
Acquisition costs		116,703			116,703
Effect of movements in exchange rates		(3,312)		(141)	(3,453)
<b>Balance at June 30, 2021</b>	\$	<b>180,366</b>	\$	<b>5,358</b>	\$ <b>185,724</b>

#### Serbian Properties

The Company holds, through its Serbian subsidiaries, ten 100%-owned exploration licenses which include: (i) Zeleznik (including adjoining license Crvena Zemlja), (ii) Padina, (iii) Borsko Jezero, (iv) Savinac, (v) Bacevica, (vi) Oblez, (vii) Skorusa, (viii) Branik, (ix) GT7 and (x) Vitonavac. These properties are held in the name of the Company's Serbian subsidiaries. To maintain title to the exploration licenses in Serbia, the Company has ongoing annual exploration expenditure commitments and annual property taxes. As of June 30, 2021, such holding costs amounted to \$22,902 (2020 - \$68,856).

In March 2021 Mundoro was granted an exploration license in central Serbia. The GT7 Copper Project is copper-gold area totalling 98 sq. km located in the northern portion of the Serbo-Macedonian Metallogenic Province.

In 2016, Mundoro entered into an Agreement with Japan Oil, Gas and Metals National Corporation ("JOGMEC") which included the Borsko license ("JOGMEC-Mundoro JV Project"). During Stage One (March 2016 – March 2019) of the Earn-in, JOGMEC sole-funded US\$4 million of exploration expenditures. From March 2016 to April 2020, JOGMEC sole funded a total of US\$5.8 million (C\$8.1 million) under the Agreement and has completed the earn-in for a 51% interest in the project. During Q2-2020 Mundoro exercised the option to acquire a 2% interest in the project from JOGMEC (increasing Mundoro's interest to 51%) for a nominal consideration. Mundoro is the operator. The JOGMEC-Mundoro JV Project is at a proportionate funding stage. To date, Mundoro has sole funded US\$60,000 under the Agreement, increasing its interest to 51.28%.

In Q4 2019, the Company entered into an earn-in agreement (the "Earn-in Agreement") with Vale Canada Limited ("Vale"), in which Mundoro granted to Vale over two phases ("Phase One and Phase Two") an option to earn up to a 75% interest in four of its exploration licenses: Skorusa, Oblez, Branik and Padina (the "**Vale-Mundoro Projects**") by sole funding expenditures of up to US\$50 million. Phase One provides Vale the option to earn a 51% in the Vale-Mundoro Projects by sole-funding US\$5 million in expenditures over 3 years. Following Phase One, Vale has the option, to elect to enter Phase Two, whereupon it can earn an additional 24% interest in the Vale-Mundoro Projects, for a total of 75% interest, by sole-funding an additional US\$45 million in expenditures (the "Phase Two Option") by the fifth anniversary of the election date. If either party dilutes below 10%, their interest will convert into a 2% NSR of which up to 1% NSR can be re-purchasable.

In Q2-2021, Mundoro entered into an option agreement with Vale Canada Limited ("Vale") in which Mundoro has granted to Vale an option on two additional exploration licenses, Savinac and Bacevica, ("Option Projects") in Timok, Serbia. To exercise the Option, Vale is to complete exploration expenditures of US\$2 million over two years, and if Vale extends the Option for an additional year, Vale will expend an additional US\$1 million during the extension year. During the Option period, Vale will make annual option payments of US\$200,000. Upon exercise of the Option, Mundoro will retain a 2% NSR royalty on the Projects, of which Vale will have an option to purchase up to 1% of the NSR royalty (subject to certain conditions) with payments tied to the gold price at that time. After exercise of the Option, Vale is to make milestone payments to Mundoro totaling US\$9,000,000 upon completion of four major milestones commencing with a resource estimate filing and ending with attainment of a development permit.



## MUNDORO CAPITAL INC.

(An exploration stage company)

### Notes to the Condensed Interim Consolidated Financial Statements

March 31, 2020

(Unaudited)

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#### 6. MINERAL INTERESTS (continued)

Amounts received from third parties earning into a license(s) are netted against the exploration expenditures on the applicable licenses and recognized in the Company's statement of loss. Any advances received for future exploration work or any reimbursable funds expended by the Company are recognized separately in the statement of financial position. Operator fees earned as the designated operator of the projects are recognized in the Company's statement of loss.

##### Bulgarian Properties

In Q1-2019, Mundoro entered into a Generative Program Agreement (the "Generative Agreement") in the Republic of Bulgaria ("Bulgaria") with Japan Oil, Gas and Metals National Corporation ("JOGMEC"). JOGMEC has designated a few properties as Designated Projects to proceed to the next stage of the Generative Agreement. Mundoro also has a number of applications at the Ministry of Energy in Bulgaria for additional areas of exploration.

##### Other Properties

The Company owns 100% interest in the Camargo Project, a porphyry copper-gold deposit located in Southeastern Chihuahua State, Mexico. To maintain the Camargo mineral concession, the Company has an ongoing annual exploration expenditure commitment and semi-annual government property tax payments.

#### 7. SHORT-TERM LOAN

In February 2021, the Company was approved and received a \$60,000 line of credit ("CEBA loan") under the Canada Emergency Business Account (CEBA) program funded by the Government of Canada. The CEBA loan is non-interest bearing and can be repaid without penalty at any time. On June 30, 2021, the outstanding balance on the CEBA loan will automatically convert to a 2-year interest free term loan ("CEBA term loan"). If \$40,000 of the CEBA term loan is repaid on or before December 31, 2022, the repayment of the remaining \$20,000 shall be forgiven. The difference between the amount received and the value of the CEBA loan of \$20,000 has been recorded as interest and other income during the period ended March 31, 2021.

#### 8. EXPLORATION AND PROJECT EVALUATION

The following is a summary of expenditures incurred on the Company's projects during the periods:

	Serbia	Bulgaria	Other	Total
<b>For the six months ended June 30, 2021</b>				
Project Administration <sup>1</sup>	\$ 112,419	\$ 45,615	\$ -	\$ 158,034
Land holding <sup>2</sup>	22,902	-	-	22,902
Government and community relations <sup>3</sup>	35,953	17,328	-	53,281
Field related <sup>4</sup>	119,311	10,187	-	129,498
Personnel <sup>5</sup>	334,939	48,890	-	383,829
Technical services <sup>6</sup>	788,408	-	-	788,408
Project evaluation <sup>7</sup>	124,171	19,492	25,736	169,399
Total expenditures	1,538,103	141,512	25,736	1,705,351
Less: recoveries	(1,277,951)	-	-	(1,277,951)
	<b>\$ 260,152</b>	<b>\$ 141,105</b>	<b>\$ 25,736</b>	<b>\$ 427,400</b>

## MUNDORO CAPITAL INC.

(An exploration stage company)

### Notes to the Condensed Interim Consolidated Financial Statements

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#### 8. EXPLORATION AND PROJECT EVALUATION (continued)

For the six months ended June 30, 2020								
Project Administration <sup>1</sup>	\$	88,371	\$	65,909	\$	8,851	\$	163,131
Land holding <sup>2</sup>		66,039		2,817		-		68,856
Government and community relations <sup>3</sup>		27,221		13,206		-		40,426
Field related <sup>4</sup>		103,697		11,396		3,181		118,274
Personnel <sup>5</sup>		306,825		48,361		-		355,186
Technical services <sup>6</sup>		797,945		24,977		-		822,922
Project evaluation <sup>7</sup>		165,400		7,954		-		173,355
Total expenditures		1,555,498		174,620		12,032		1,742,150
Less: recoveries		(1,164,409)		(33,408)		-		(1,197,817)
	\$	<b>391,089</b>	\$	<b>141,212</b>	\$	<b>12,032</b>	\$	<b>544,333</b>

<sup>1</sup> Project Administration expenses include administrative, accounting and legal costs related to the projects.

<sup>2</sup> Land holding costs include property taxes and related costs associated with holding the properties.

<sup>3</sup> Government and community relations relates to the costs of communicating with governing bodies in the local jurisdictions.

<sup>4</sup> Field related expenses include items such as field equipment costs and lodging for field personnel.

<sup>5</sup> Personnel costs for conducting exploration work include consultants and employees, full-time and allocated.

<sup>6</sup> Technical Services expenditures include activities such as geochemical sampling and assaying, geophysical surveys and interpretation, and drilling and assaying.

<sup>7</sup> Project evaluation expenditures capture those costs incurred in analysis of existing mineral projects and evaluating new mineral project opportunities.

#### 9. ACCOUNTS PAYABLE, ADVANCES AND ACCRUED LIABILITIES

		June 30, 2020		December 31, 2020
Trade payables	\$	430,128	\$	238,218
Advances from joint ventures		255,238		519,728
Accrued liabilities		140,440		123,022
	\$	<b>825,806</b>	\$	<b>880,968</b>

#### 10. SHARE CAPITAL

##### a) Authorized share capital

Unlimited number of common shares without par value.

##### b) Issued share capital

At June 30, 2021, there were 101,602,501 issued and fully paid common shares (December 31, 2020 – 81,445,001).

In December 2019, the Company closed the first tranche of a private placement of 11,340,502 units at a price of \$0.135 per unit for gross proceeds of \$1,530,968. Each unit is comprised of one common share and one half of one common share purchase warrant with each whole warrant entitling the holder to acquire one common share of the Company at an exercise price of \$0.20 for a period of 24 months.

## MUNDORO CAPITAL INC.

(An exploration stage company)

### Notes to the Condensed Interim Consolidated Financial Statements

March 31, 2020

(Unaudited)

(Expressed in Canadian Dollars)

#### 10. SHARE CAPITAL (continued)

In January 2020, the Company closed the second tranche of the private placement of 735,473 units at a price of \$0.135 per unit for gross proceeds of \$99,289. Each unit is comprised of one common share and one half of one common share purchase warrant with each whole warrant entitling the holder to acquire one common share of the Company at an exercise price of \$0.20 for a period of 24 months. A total of \$5,674 was paid as a finder's fee to certain qualified registrants equal to 7% of the gross proceeds raised by such finders. Total costs incurred by the Company in connection with the private placement amounted to \$8,349.

In February 2021, the Company closed a private placement of 19,287,500 units at a price of \$0.16 per units for gross proceeds of \$3,086,000. Each unit is comprised of one common share and one half of one common share purchase warrant with each whole warrant entitling the holder to acquire one common share of the Company at an exercise price of \$0.30 for a period of 24 months. A total of \$60,000 was paid as a finder's fee to certain qualified registrants equal to 6% of the gross proceeds raised by such finders. Total costs incurred by the Company in connection with the private placement amounted to \$94,507.

During the period ended June 30, 2021, stock options of 870,000 shares were exercised at a weighted average price of \$0.121 per unit for gross proceeds of \$105,600.

#### c) Stock options

The continuity of stock options during the period ended March 31, 2021 and the year ended December 31, 2020 was as follows:

	June 30, 2021		December 31, 2020	
	Number outstanding	Weighted average exercise price	Number outstanding	Weighted average exercise price
Opening Balance	6,662,500	\$ 0.14	6,917,500	\$ 0.14
Granted	2,650,000	-	1,545,000	0.12
Exercises	(870,000)	0.12	(45,001)	0.12
Expired	-	-	(452,500)	0.21
Forfeitures	(7,500)	-	(1,302,499)	0.12
Closing Balance	8,435,000	\$ 0.14	6,662,500	\$ 0.14

The following summarizes information about stock options outstanding and exercisable at June 30, 2021:

Grant date	Options outstanding	Expiry Date	Unvested Options	Options exercisable	Remaining Life	Exercise price (\$)
January 18, 2017	691,000	January 18, 2022	-	691,000	0.55	0.13
June 13, 2017	1,029,000	June 13, 2022	-	1,029,000	0.95	0.17
May 23, 2018	1,050,000	May 23, 2023	-	1,050,000	1.90	0.11
May 27, 2019	1,516,667	May 27, 2024	-	1,516,667	2.91	0.12
June 30, 2020	1,498,333	June 30, 2025	499,444	998,889	4.00	0.12
May 4, 2021	2,650,000	May 4, 2026	1,766,667	883,333	4.84	0.23
	8,435,000		2,266,111	6,168,889	2.60	0.14

## MUNDORO CAPITAL INC.

(An exploration stage company)

### Notes to the Condensed Interim Consolidated Financial Statements

March 31, 2020

(Unaudited)

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#### 10. SHARE CAPITAL (continued)

##### d) Warrants

The change in warrants during the period ended March 31, 2021 and the year ended December 31, 2020 was as follows:

	June 30, 2021		December 31, 2020	
	Number outstanding	Weighted average Exercise price	Number outstanding	Weighted average exercise price
Opening balance	6,037,987	\$ 0.20	14,272,209	\$ 0.20
Issued	9,643,751	0.30	367,737	0.20
Expired	-	-	(8,601,959)	0.20
Closing balance	15,681,738	\$ 0.26	6,037,987	\$ 0.20

A summary of the Company's warrants outstanding as at June 30, 2021 is as follows:

Issuance date	Warrants outstanding	Price per share	Expiry date
December 30, 2019	5,670,251	\$ 0.20	December 30, 2021
January 14, 2020	367,737	0.20	January 14, 2022
February 11, 2021	9,643,750	0.30	February 11, 2023
	15,681,738	\$ 0.26	

#### 11. RELATED PARTY TRANSACTIONS AND BALANCES

##### a) Related party balances

The balances due to related parties included in accounts payables and accrued liabilities were \$18,528 as at June 30, 2021 (December 31, 2020 – \$15,050). These amounts are for reimbursement of expenses and service fees.

##### b) Related party transactions

Expenses by nature:	For the three months ended		For the six months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Directors' fees	\$ 18,475	\$ 17,150	\$ 34,400	\$ 33,250
Short-term management salaries and benefits	98,692	101,274	198,196	202,549
Share based payments - Directors	33,670	16,172	39,281	21,530
Share based payments - Management	35,360	13,892	40,486	19,744
	\$ 186,197	\$ 148,488	\$ 312,363	\$ 277,073

**MUNDORO CAPITAL INC.***(An exploration stage company)***Notes to the Condensed Interim Consolidated Financial Statements****March 31, 2020****(Unaudited)****(Expressed in Canadian Dollars)****12. SEGMENTED INFORMATION**

The Company's total assets and net losses by geographic segment are as follows:

	Canada		Other		Europe		Total
<b>Assets</b>							
As at June 30, 2021							
Non-current	\$ 23,595	\$	5,358	\$	829,937	\$	858,890
Current	3,869,119		22,274		826,328		4,717,721
<b>Total assets</b>	<b>\$ 3,892,714</b>	<b>\$</b>	<b>27,632</b>	<b>\$</b>	<b>1,656,265</b>	<b>\$</b>	<b>5,576,611</b>
As at December 31, 2020							
Non-current	\$ 18,611	\$	5,499	\$	663,403	\$	687,513
Current	1,588,212		22,862		789,482		2,400,556
<b>Total assets</b>	<b>\$ 1,606,823</b>	<b>\$</b>	<b>28,361</b>	<b>\$</b>	<b>1,452,885</b>	<b>\$</b>	<b>3,088,069</b>
<b>Net loss (income):</b>							
For the period ended June 30, 2021	\$ 49,872	\$	-	\$	805,816	\$	855,688
For the period ended June 30, 2020	\$ 298,042	\$	-	\$	125,670	\$	423,712