
OROSUR MINING INC.
CONDENSED INTERIM CONSOLIDATED FINANCIAL
STATEMENTS
THREE AND NINE MONTHS ENDED
FEBRUARY 28, 2022
(EXPRESSED IN THOUSANDS OF UNITED STATES
DOLLARS)
(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed interim consolidated financial statements of Orosur Mining Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

Orosur Mining Inc.

Condensed Interim Consolidated Statements of Financial Position (Expressed in thousands of United States dollars) Unaudited

	As at February 28, 2022	As at May 31, 2021
ASSETS		
Current assets		
Cash and cash equivalents	\$ 4,791	\$ 6,958
Restricted cash (note 14)	137	1,367
Accounts receivable and other assets (note 5)	174	201
Assets held for sale in Uruguay (note 4)	593	2,314
Total current assets	5,695	10,840
Non-current assets		
Property, plant and equipment (note 7)	113	124
Exploration and evaluation assets Colombia (note 8)	5,351	5,148
Total assets	\$ 11,159	\$ 16,112
LIABILITIES AND (DEFICIT)		
Current liabilities		
Accounts payable and accrued liabilities (note 9)	\$ 296	\$ 486
Liabilities of Chile discontinued operation (note 4)	2,060	2,047
Warrant liability (note 10)	433	1,734
Liabilities held for sale in Uruguay (note 4)	13,487	16,830
Total current liabilities	16,276	21,097
Deficit		
Share capital (note 13)	69,333	69,333
Shares held by Trust (note 14)	(72)	(165)
Contributed surplus	9,491	8,591
Currency translation reserve	(2,159)	(1,826)
Deficit	(81,710)	(80,918)
Total deficit	(5,117)	(4,985)
Total liabilities and deficit	\$ 11,159	\$ 16,112

Nature of operations and going concern (note 1)

Subsequent events (note 19)

Approved on behalf of the Board:

(Signed) "Louis Castro" Chairman of the Board

(Signed) "Thomas Masney" Audit Committee Chair

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

Orosur Mining Inc.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Expressed in thousands of United States dollars)

Unaudited

	Three Months Ended February 28, 2022	Three Months Ended February 28, 2021	Nine Months Ended February 28, 2022	Nine Months Ended February 28, 2021
Operating expenses				
Corporate and administrative expenses	\$ (444)	\$ (377)	\$ (1,329)	\$ (910)
Exploration expenses	(26)	(10)	(36)	(39)
Share-based payments	41	(859)	(274)	(867)
Other income	-	9	2	20
Net finance cost	(3)	(3)	(6)	(6)
Gain on fair value of warrants (note 10)	428	(61)	1,301	(61)
Net foreign exchange gain (loss)	(33)	135	(135)	152
Net (loss) for the period for continued operations	\$ (37)	\$ (1,166)	\$ (477)	\$ (1,711)
Other comprehensive income (loss):				
Cumulative translation adjustment	\$ (139)	\$ (24)	\$ (333)	\$ 133
Total comprehensive (loss) for the period from continued operations	(176)	(1,190)	(810)	(1,578)
(Loss) income from discontinued operations (note 4)	(329)	(70)	(315)	(1,549)
Total comprehensive (loss) for the period	(505)	(1,260)	(1,125)	(3,127)
Basic and diluted net (loss) income per share for continued operations (note 16)	\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.01)
Basic and diluted net (loss) income per share for discontinued operations (note 16)	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.01)
Weighted average number of common shares outstanding	188,420	185,392	188,420	168,917

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

Orosur Mining Inc.

Condensed Interim Consolidated Statements of Cash Flows

(Expressed in thousands of United States dollars)

Unaudited

	Nine Months Ended February 28, 2022	Nine Months Ended February 28, 2021
Operating activities		
Net (loss) for the period for continued and discontinued operations	\$ (792)	\$ (3,260)
Adjustments for:		
Share-based payments	274	867
Labor provision adjustments	(1,600)	-
Obsolescence provision	(1,100)	(100)
Fair value of warrants	(1,301)	61
Gain on sale of property, plant and equipment	(230)	(400)
Foreign exchange and other	56	1,472
Changes in non-cash working capital items:		
Accounts receivable and other assets	51	(14)
Inventories	1,504	1,356
Accounts payable and accrued liabilities	920	(791)
Net cash used in operating activities	(2,218)	(809)
Investing activities		
Decrease in the restricted cash	(719)	-
Proceeds received for sale of property, plant and equipment	746	461
Purchase of property, plant and equipment	-	(61)
Environmental tasks	(1,100)	-
Proceeds received from exploration and option agreement	1,266	2,893
Exploration and evaluation expenditures	(1,630)	(1,540)
Net cash (used in) provided by investing activities	(1,437)	1,753
Financing activities		
Issue of common shares	-	4,978
Proceeds from the sale of treasury shares	719	-
Proceeds from exercise of options	-	437
Proceeds from exercise of warrants	-	282
Net cash provided by financing activities	719	5,697
Net Change in cash and cash equivalents	(2,936)	6,641
Net change in cash classified within assets held for sale	769	(417)
Cash and cash equivalents, beginning of period	6,958	782
Cash and cash equivalents, end of period	\$ 4,791	\$ 7,006
Operating activities		
- continued operations	(1,803)	(765)
- discontinued operations	(415)	(44)
Investing activities		
- continued operations	(1,083)	1,292
- discontinued operations	(354)	461
Financing activities		
- continued operations	719	5,697

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

Orosur Mining Inc.
Condensed Interim Consolidated Statements of Changes in Deficit
(Expressed in thousands of United States dollars)
Unaudited

	Share capital	Shares issued to Trust	Contributed surplus	Currency translation reserve	Deficit	Total
Balance, May 31, 2020	\$ 65,670	\$ (380)	\$ 5,987	\$ (2,016)	\$ (79,035)	\$ (9,774)
Private placement	2,601	-	-	-	-	2,601
Shares sold by Trust (note 14)	(56)	56	-	-	-	-
Warrants exercised	356	-	-	-	-	356
Options exercised	540	-	(103)	-	-	437
Stock-based compensation	-	-	867	-	-	867
Currency translation adjustment	-	-	-	133	-	133
Net loss for the period for continued operations	-	-	-	-	(1,711)	(1,711)
Net loss for the period for discontinued operations	-	-	-	-	(1,549)	(1,549)
Balance, February 28, 2021	\$ 69,111	\$ (324)	\$ 6,751	\$ (1,883)	\$ (82,295)	\$ (8,640)
Balance, May 31, 2021	\$ 69,333	\$ (165)	\$ 8,591	\$ (1,826)	\$ (80,918)	\$ (4,985)
Shares sold by Trust (note 14)	-	93	626	-	-	719
Stock-based compensation	-	-	274	-	-	274
Currency translation adjustment	-	-	-	(333)	-	(333)
Net loss for the period for continued operations	-	-	-	-	(477)	(477)
Net loss for the period for discontinued operations	-	-	-	-	(315)	(315)
Balance, February 28, 2022	\$ 69,333	\$ (72)	\$ 9,491	\$ (2,159)	\$ (81,710)	\$ (5,117)

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

Orosur Mining Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended February 28, 2022

(Expressed in thousands of United States dollars)

Unaudited

1. Nature of operations and going concern

Orosur Mining Inc. ("Orosur" or "the Company") is a South American-focused gold development and exploration company.

Orosur was incorporated and is domiciled in Canada and is governed by the corporate laws of the Yukon Territory, Canada. The Company's shares are listed on the Toronto Stock Exchange (TSX) in Canada and the Alternative Investment Market (AIM) of the London Stock Exchange in the United Kingdom. The Company's registered office is Suite 1010 - 1075 West Georgia Street, Vancouver, British Columbia, Canada, V6E 3C9.

Orosur operates in Colombia and Uruguay. In Colombia, the Company conducts exploration activities and has a farm-in exploration agreement with Newmont Corporation ("Newmont") and Agnico Eagle Mines Limited ("Agnico") in Anzá. In Uruguay, the Company has historically operated the San Gregorio gold mine, which is presently in care and maintenance, and has reached an agreement to settle its liabilities in Uruguay by selling its assets at San Gregorio and the issuing of common shares of Orosur (note 4).

Going concern uncertainty

These unaudited condensed interim consolidated financial statements were prepared on a going concern basis under the historical cost method except for certain financial assets and liabilities that are accounted as assets and liabilities held for sale. Assets held for sale are measured at the lower of cost or recoverable amount. This accounting treatment is applied to the activities in Uruguay. In line with negotiations and the final agreement (the "Agreement") as of December 17, 2018 with creditors in Uruguay (see note 4), the Company's Uruguayan subsidiary Loryser S.A. ("Loryser") is required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business based on the payment plan agreed. Whether such proceeds will be sufficient to settle the debts in entirety is unknown at this time. The Agreement contemplates that net proceeds from the sale of Loryser's assets in Uruguay together with the issuance of 10 million common shares of Orosur (see note 14) shall satisfy all amounts owing to Loryser's creditors as well as provide funds for Loryser to conduct this process and close operation responsibly. Accordingly, the activities of Uruguay are consolidated in the financial statements as assets and liabilities held for sale and profit and loss from discontinuing operations. The Agreement was ratified by the Court in September 2019. The ratification by the Court means that the Agreement is legally binding on all trade creditors and that the Intervenor's control over Loryser ceases. On December 6, 2019, 10,000,000 common shares were issued to a trust for the benefit of Loryser's creditors as contemplated in the court-approved Agreement.

As at February 28, 2022, the Company had cash of \$4,791 (May 31, 2021 - \$6,958) and a net working capital deficiency of \$10,581 (May 31, 2021 - \$10,257). During the nine months ended February 28, 2022, the Company carried an accumulated deficit of \$81,710 (May 31, 2021 - \$80,918).

In March 2020, the World Health Organization declared the outbreak of the coronavirus (COVID-19) a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, have adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. In Colombia, the Company has established protocols to mitigate against the problems presented by COVID-19, which should allow activity to continue in Anzá. There can, of course, be no assurances that there will be no disruptions from any future outbreaks in the locality and in the wider region that would lead to a more protracted exploration program. In Uruguay, the impact of the pandemic has slowed down the realization of assets but sales are still being made, including to foreign buyers, in spite of travel restrictions.

Orosur Mining Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended February 28, 2022

(Expressed in thousands of United States dollars)

Unaudited

1. Nature of operations and going concern (continued)

Going concern uncertainty (continued)

The Company's continuance as a going concern is dependent on its ability to obtain adequate financing. These material uncertainties may cast significant doubt on the Company's ability to realize its assets and discharge its liabilities in the normal course of business and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern. Although the Company has been successful in the past in obtaining financing, with the private placement in December 2020, which raised gross proceeds of £4 million (\$5,372), and was successful in reaching a payment plan agreement with creditors in Uruguay in December 2018, (Court approval received September 13, 2019), there is no assurance on how the agreement with creditors in Uruguay will develop, or that the Company will be able to obtain adequate financing in the future on terms advantageous to the Company.

The unaudited condensed interim consolidated financial statements do not reflect the adjustments to carrying values of assets and liabilities and the reported expenses and consolidated statements of financial position classifications that would be necessary if the going concern assumption was deemed inappropriate. These adjustments could be material.

2. Significant accounting policies for continued and discontinued operations

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRSs issued and outstanding as of April 28, 2021, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as were followed in the most recent annual financial statements as at and for the year ended May 31, 2021. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending May 31, 2022 could result in restatement of these unaudited condensed interim consolidated financial statements.

Orosur Mining Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended February 28, 2022

(Expressed in thousands of United States dollars)

Unaudited

2. Significant accounting policies for continued and discontinued operations (continued)

Functional and presentation currency

The functional and presentation currency of the Company is the United States dollar.

All of the Company's entities have the United States dollar as the functional currency, except for Waymar Resources Ltd., Cordillera Holdings International Ltd., Minera Anzá S.A., Fortune Valley Resources Inc. and Fortune Valley Resources Inc. BVI, whose functional currency is the Canadian dollar and Minera Anzá S.A. (Colombia branch), whose functional currency is the Colombian peso.

The results of operations and financial position of all the Company's entities that have a functional currency different from the presentation currency (United States dollar) are translated into the presentation currency as follows:

- a) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- b) Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- c) All resulting exchange differences are recognized in other comprehensive income under the caption "Currency translation reserve".

New standards adopted

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after May 31, 2021. Many are not applicable or do not have a significant impact to the Company's unaudited condensed interim consolidated financial statements.

New standards not yet adopted and interpretations issued but not yet effective

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after June 01, 2022. Many are not applicable or do not have a significant impact to the Company and have been excluded.

3. Critical accounting estimates, judgments and assumptions

The preparation of the Company's unaudited condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. By definition, estimates and assumptions seldom equal actual results and have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, and to the amounts of revenue and expenses presented in these unaudited condensed interim consolidated financial statements. The areas that require management to make significant judgments, estimates and assumptions are discussed below.

Orosur Mining Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended February 28, 2022

(Expressed in thousands of United States dollars)

Unaudited

3. Critical accounting estimates, judgments and assumptions (continued)

Consolidation

The consolidated financial statements include the accounts of Orosur and its subsidiaries (collectively “the Group”). Subsidiaries are entities controlled directly or indirectly by Orosur. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The Company’s list of subsidiaries is included in note 17. All are 100% owned by Orosur and they include the Company’s subsidiaries in Uruguay, Chile and Colombia. In each case the management has deemed that Orosur has control over these and all other subsidiaries on the measures set out above.

Discontinued operations

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

The Company is accounting for its activities in Chile and Uruguay as discontinued. Chile is recognized as a discontinued operation after all of its mining assets were sold or returned. In Uruguay, the operations are on a care and maintenance basis and the Company’s subsidiary, Loryser S.A. is well advanced in the sale of its assets and the liquidation of its liabilities and commitments in other than the normal course of business.

Exploration and evaluation expenditure

The recoverability of amounts shown for capitalized exploration and evaluation costs is dependent upon the discovery of economically recoverable reserves. Management reviews the carrying value of capitalized exploration and evaluation costs at least annually. The review is based on the Company’s intention for development of the underlying asset.

Environmental rehabilitation provisions

The fair value of the liability is determined based on the net present value of estimated future costs estimated by management based on feasibility and engineering studies on a site by site basis. While care was taken to estimate the retirement obligations, these amounts are estimates of expenditures that are not due until future years; the Company assesses its provision on an ongoing basis or when new material information becomes available.

Stock-based compensation

The Company uses the fair value method to account for stock-based employee compensation plans. The calculation of this benefit relies on estimates of the anticipated life of the option, risk free rate, forfeiture rate and the volatility of the Company’s share price.

Warrant liability

The fair value of the warrant liability is measured using a Black Scholes pricing model. Assumptions and estimates are made in determining an appropriate risk-free interest rate, volatility, term, dividend yield, discount due to exercise restrictions, and the fair value of common stock. Any significant adjustments to the unobservable inputs would have a direct impact on the fair value of the warrant liability.

Orosur Mining Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended February 28, 2022

(Expressed in thousands of United States dollars)

Unaudited

4. Discontinued operations

Uruguay

On June 14, 2018, Loryser (the Company's operating subsidiary in Uruguay) applied to commence reorganization proceedings under Uruguayan legislation (Act N°18.387) (the "Loryser Reorganization Proceedings"). To have continued with the San Gregorio mine plan, a swift and timely transition from San Gregorio Underground to the Veta A Underground project would have been required, which itself would have required external financing plus an environmental permit for Veta A, both of which were not available at the time. As a result of those circumstances, the Board of Directors actively explored a number of alternatives for Orosur and its subsidiaries. The decision to apply for the Loryser Reorganization Proceedings and creditor protection was made in consultation with the Company's legal and financial advisors and the Company's management believed it to be in the best interests of Loryser, the Company and their stakeholders.

In December 2018, Loryser reached a payment plan agreement with creditors in Uruguay ("Agreement"). In May 2019, the Court approved the final list of creditors and Loryser's independent assets valuation. In August 2019, the Intervenor filed a report informing the Court that it had verified that 71.48% of the trade creditors by value had adhered to the Agreement. Consequently, the Intervenor informed that majorities legally required were reached and the Court gave public notice of the Agreement.

The Agreement was approved by the Reorganization court in Montevideo and the Court decree was publicly posted on September 12, 2019 and became final and binding for all trade creditors on September 20th 2019.

On December 6, 2019, 10,000,000 common shares of Orosur were issued to a trust for the benefit of Loryser's creditors as contemplated in the court Agreement (note 14).

In line with negotiations and the Agreement with creditors in Uruguay, Loryser S.A. is required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business based on the payment plan agreed. The Agreement contemplates that by September 2021 (or, as may be extended to a later date by the Court, in order to maximise the fulfilment of the Agreement in the face of delays caused by the Covid pandemic) the net proceeds from the sale of Loryser's assets in Uruguay together with the sale of the issued 10 million common shares of Orosur (see note 14) shall satisfy all amounts owing to Loryser's creditors, as well as provide funds for Loryser to pay its former employees and to conduct this process and close the operation responsibly.

Accordingly, the assets and liabilities related to Uruguay have been reclassified as assets and liabilities of discontinued operations in the unaudited condensed interim consolidated financial statements. Operating results and cash flows related to these assets and liabilities have been included as a net loss from discontinued operations in the unaudited condensed interim consolidated statements of loss and comprehensive income (loss), and as cash flows from discontinued operations in the unaudited condensed interim consolidated statements of cash flows.

Orosur Mining Inc.**Notes to Condensed Interim Consolidated Financial Statements****Three and Nine Months Ended February 28, 2022****(Expressed in thousands of United States dollars)****Unaudited**

4. Discontinued operations (continued)**Uruguay (continued)****Uruguay - Net liabilities of discontinued operations held for sale**

	As at February 28, 2022	As at May 31, 2021
ASSETS		
Current assets		
Cash and cash equivalents	\$ 105	\$ 874
Accounts receivable and other assets (note 5)	96	127
Inventories ⁽¹⁾ (note 6)	184	589
Total current assets	385	1,590
Property, plant and equipment ⁽¹⁾ (note 7)	197	713
Restricted cash	11	11
Total assets	\$ 593	\$ 2,314
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 9)	\$ 11,228	\$ 13,471
Current portion of term debt (note 11)	1,239	1,239
Environmental rehabilitation provision (note 12)	1,020	1,823
Total current liabilities	13,487	16,533
Non-current liabilities		
Environmental rehabilitation provision (note 12)	-	297
Total liabilities	13,487	16,830
Net liabilities of discontinued operations held for sale	(12,894)	(14,516)

(1) Assets held for sale are measured at the lower of book value or fair value.

Orosur Mining Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended February 28, 2022

(Expressed in thousands of United States dollars)

Unaudited

4. Discontinued operations (continued)

Uruguay (continued)

Net (loss) income and comprehensive (loss) income from discontinued operations

	Three Months Ended February 28, 2022	Three Months Ended February 28, 2021	Nine Months Ended February 28, 2022	Nine Months Ended February 28, 2021
Operating expenses				
Corporate and administrative expenses	\$ 5	\$ (4)	\$ (44)	\$ (4)
Obsolescence provision	800	100	1,100	100
Care and maintenance	(470)	(1,374)	(1,392)	(2,888)
Other income	(316)	1,148	204	1,908
Net finance cost (net)	-	-	(51)	(1)
Net foreign exchange	(340)	93	(114)	(592)
Income (loss) income before income tax	(321)	(37)	(297)	(1,477)
Net (loss) income and comprehensive (loss) income for the period attributable to owners of the parent				
	\$ (321)	\$ (37)	\$ (297)	\$ (1,477)

Cash flows from discontinued operations

	Nine Months Ended February 28, 2022	Nine Months Ended February 28, 2021
Operating activities - discontinued operations		
Net (loss) income for the period	\$ (297)	\$ (1,477)
Adjustments for:		
Obsolescence provision	(1,100)	(100)
Labor provision adjustments	(1,600)	-
(Gain) on sale of fixed assets	(230)	(400)
Other and foreign exchange	197	1,453
Changes in non-cash working capital items:		
Accounts receivable and other assets	30	48
Inventories	1,504	1,356
Accounts payable and accrued liabilities	1,081	(924)
Net cash provided by (used in) operating activities	(415)	(44)
Investing activities - discontinued operations		
Payments for environmental rehabilitation	(1,100)	-
Proceeds from sale of fixed assets	746	461
Net cash (used in) provided by investing activities	(354)	461
Net Change in cash and cash equivalents	(769)	417
Cash and cash equivalents, beginning of period	874	328
Cash and cash equivalents, end of period	\$ 105	\$ 745

Orosur Mining Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended February 28, 2022

(Expressed in thousands of United States dollars)

Unaudited

4. Discontinued operations (continued)

Chile

In May 2018, the Company terminated the option agreement on its Anillo gold exploration project with Nacional del Cobre de Chile ("Codelco"), Chile's national mining company, located close to Antofagasta, in Region II, Chile.

Pantaniillo

In October 2009, the Company entered in an option agreement with Anglo American Norte S.A ("Anglo"), a subsidiary of Anglo American plc.

Anglo and the Company signed on May 25, 2017 in Notary Public the repurchase of the Pantaniillo properties by Anglo in line with the decision made to discontinue the project. The Company gave the mining concessions of this project back to Anglo in June 2017.

Following the relinquishment by Fortune Valley Resources Chile S.A. ("FVRC") of the Pantaniillo project, Anglo American sought the payment of minimum royalties totaling US\$3 million and requested arbitration in September, 2017. Arbitration proceedings were conducted in Santiago, Chile. On March 28, 2019, the Arbitral Tribunal rendered its decision, ruling that FVRC is required to pay Anglo approximately US\$1.6 million plus interest at Chile's current interest rate calculated from December 2015 until its effective payment. The Tribunal's decision is exclusively against FVRC. Orosur was not named in the decision from the Tribunal nor was Orosur a party to the relevant agreements. The Company has recognized on consolidation a provision of \$1.9 million in relation to this decision as at February 28, 2022 for FVRC (May 31, 2021 - \$1.9 million).

Accordingly, the assets and liabilities related to Chile have been reclassified as assets and liabilities of discontinued operations in the unaudited condensed interim consolidated financial statements as at February 28, 2022. Operating results and cash flows related to these assets and liabilities have been included as a net loss from continued operations in the unaudited condensed interim consolidated statement of loss and comprehensive income (loss), and as cash flows from discontinued operations in the unaudited condensed interim consolidated statements of cash flows, respectively.

As at February 28, 2022, a provision charge of \$2,018, including interest (May 31, 2021 - \$2,000, including interest) related to the Pantaniillo arbitration decision against FVRC was recognized.

Orosur Mining Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended February 28, 2022

(Expressed in thousands of United States dollars)

Unaudited

4. Discontinued operations (continued)

Chile (continued)

Chile - Net liabilities of discontinued operations

	As at February 28, 2022	As at May 31, 2021
ASSETS		
Current assets		
Cash and cash equivalents ⁽¹⁾	\$ 7	\$ 4
Total assets	\$ 7	\$ 4
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities ⁽²⁾	\$ 2,060	\$ 2,047
Total current liabilities	2,060	2,047
Liabilities of Chile discontinued operation	2,060	2,047

⁽¹⁾ Cash and cash equivalents of \$7 (May 31, 2021: \$4) have been classified to cash and cash equivalents of continuing operations.

⁽²⁾ Of which \$2,018 (May 31, 2021 - \$2,000) relates to the Pantanillo claim and interest.

Net loss and comprehensive loss from Chile discontinued operations

	Three Months Ended February 28, 2022	Three Months Ended February 28, 2021	Nine Months Ended February 28, 2022	Nine Months Ended February 28, 2021
Operating expenses				
Net finance cost (net)	\$ (8)	\$ (33)	\$ (18)	\$ (72)
Net loss and comprehensive loss for the period attributed to the owners of the parent	\$ (8)	\$ (33)	\$ (18)	\$ (72)

5. Accounts receivable and other assets

Accounts receivable and other assets from continued operation

	February 28, 2022	May 31, 2021
Tax receivable ⁽¹⁾	\$ 26	\$ 32
Deposit	77	78
Miscellaneous receivable	71	91
Total accounts receivable and other assets	\$ 174	\$ 201

⁽¹⁾ Tax receivable consists of refunds to be collected for Canadian GST / HST.

Orosur Mining Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended February 28, 2022

(Expressed in thousands of United States dollars)

Unaudited

5. Accounts receivable and other assets (continued)

Accounts receivable and other assets from discontinued operations (Uruguay)

	February 28, 2022	May 31, 2021
Tax receivable ⁽¹⁾	\$ 31	\$ 22
Advance payments to suppliers	6	66
Marketable securities	8	8
Miscellaneous receivable	51	31
Total accounts receivable and other assets	\$ 96	\$ 127

(1) Tax receivable consists of refunds to be collected for Uruguayan Value Added Tax

6. Inventories

Inventories from discontinued operations (Uruguay)

	February 28, 2022	May 31, 2021
Mine supplies	\$ 184	\$ 589
Total inventories	\$ 184	\$ 589

7. Property, plant and equipment

Property, plant and equipment from continued operations

Cost	Tangible fixed assets	Total
Balance, May 31, 2020	\$ 129	\$ 129
Additions	59	59
Balance, May 31, 2021	188	188
Additions	1	1
Other	(9)	(9)
Balance, February 28, 2022	\$ 180	\$ 180

Accumulated depreciation	Tangible fixed assets	Total
Balance, May 31, 2020	\$ 57	\$ 57
Depreciation for the year	7	7
Balance, May 31, 2021	\$ 64	\$ 64
Depreciation for the period	6	6
Other	(3)	(3)
Balance, February 28, 2022	\$ 67	\$ 67

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7. Property, plant and equipment (continued)

Carrying amount	Tangible fixed assets	Total
Balance, May 31, 2021	\$ 124	\$ 124
Balance, February 28, 2022	\$ 113	\$ 113

Property, plant and equipment from discontinued operations (Uruguay)

Cost	Tangible fixed assets	Tangible underground development costs	Total
Balance, May 31, 2020	\$ 56,942	\$ 5,133	\$ 62,075
Other	(157)	-	(157)
Disposals	(5,423)	-	(5,423)
Balance, May 31, 2021	51,362	5,133	56,495
Disposals	(4,465)	-	(4,465)
Balance, February 28, 2022	\$ 46,897	\$ 5,133	\$ 52,030

Property, plant and equipment from discontinued operations (Uruguay)

Accumulated depreciation	Tangible fixed assets	Tangible underground development costs	Total
Balance, May 31, 2020	\$ 56,239	\$ 4,641	\$ 60,880
Disposals	(5,082)	-	(5,082)
Other	(16)	-	(16)
Balance, May 31, 2021	\$ 51,141	\$ 4,641	\$ 55,782
Disposals	(3,949)	-	(3,949)
Balance, February 28, 2022	\$ 47,192	\$ 4,641	\$ 51,833

Carrying amount	Tangible fixed assets	Tangible underground development costs	Total
Balance, May 31, 2021	\$ 221	\$ 492	\$ 713
Balance, February 28, 2022	\$ (295)	\$ 492	\$ 197

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8. Exploration and evaluation costs

No changes occurred during the nine months ended February 28, 2022 regarding the Company's exploration farm-in agreements, acquisitions and farm-out agreements and status of each project as reported at May 31, 2021.

Nine months ended February 28, 2021	Colombia
Balance, May 31, 2020	\$ 6,479
Additions	3,094
Anzá Project option agreement payment	(4,659)
Foreign exchange differences	234
Balance, February 28, 2021	\$ 5,148

Nine months ended February 28, 2022	Colombia
Balance, May 31, 2021	\$ 5,148
Additions	1,636
Anzá Project option agreement payment	(1,269)
Foreign exchange movement	(164)
Balance, February 28, 2022	\$ 5,351

Strategic Alliance with Newmont and Agnico

On September 10, 2018, the Corporation completed an exploration agreement with venture option with Newmont Colombia S.A.S., a wholly-owned subsidiary of Newmont Corporation for the Anzá exploration property. The Exploration and Option Agreement includes a three-phase earn-in structure allowing Newmont to earn up to a 75% ownership interest in the Anzá Project by spending a minimum of \$30.0 million in qualifying expenditures over twelve years, completing an NI 43-101 compliant feasibility study and making cash payments to Orosur equalling a total of \$4.0 million over Phases 1 and 2. In Phase 1, Newmont may earn a 51% ownership interest by spending \$10.0 million in qualifying expenditures over four years and making cash payments to Orosur equalling a total of \$2.0 million during the first two years of the Phase 1 earn-in period. Upon Newmont's completion of Phase 1, it may elect, in its sole discretion, to exercise its option to form a joint venture with Orosur. In Phase 2, Newmont may elect to earn an additional 14% ownership interest in the Anzá Project by sole funding \$20.0 million in qualifying expenditures within four years, completing an NI 43-101 compliant pre-feasibility study and making cash payments to Orosur equalling a total of \$2.0 million. In Phase 3, Newmont may elect to earn an additional 10% ownership interest in the Anzá Project by completing an NI 43-101 compliant feasibility study within four years.

During the year ended May 31, 2021, Newmont Corporation entered into a Joint Venture Agreement ("Joint Venture") with Agnico whereby the two companies will jointly assume and advance Newmont's prior rights and obligations with respect to the Anzá Project in Colombia on a 50-50 basis, with Agnico as operator of the Joint Venture.

As at February 28, 2022, no indicators of impairment were noted on the Company's exploration and evaluation projects.

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9. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities of continued operations

	February 28, 2022	May 31, 2021
Commercial suppliers	\$ 244	\$ 405
Salaries, labour benefits and social security contributions	52	81
Total accounts payable and accrued liabilities	\$ 296	\$ 486

Accounts payable and accrued liabilities of discontinued continued operations (Uruguay)

	February 28, 2022	May 31, 2021
Commercial suppliers ⁽¹⁾	\$ 9,378	\$ 9,768
Salaries, labour benefits and social security contributions ⁽²⁾	1,310	3,178
Mining royalties and other taxes	540	525
Total accounts payable and accrued liabilities	\$ 11,228	\$ 13,471

(1) This includes amounts to be settled in accordance with the corresponding legal process under the Loryser Reorganization Proceedings (see note 4).

(2) This includes a provision for a full reduction in Loryser staff in the case of a liquidation of Loryser, which would include full labour liabilities associated with the retrenchment of the entire Loryser workforce as stipulated by the payment plan Agreement with creditors (see note 4).

10. Warrant liability

In December 2020, the Company completed a private placement financing consisting of one (1) common share in the capital stock of the Company ("Common Share") and one-half (1/2) of one Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire an additional Common Share at a price of 25.5 pence for a period of 2 years from the date of issuance. Under IFRS, warrants issued with an exercise price denominated in a foreign currency are considered financial derivative instruments and the prescribed accounting treatment is to classify these warrants as a current liability measured at fair value upon initial recognition. At each subsequent reporting date, the warrants are re-measured at fair value and the change in fair value is recognized through profit or loss. Upon warrant exercise, the fair value previously recognized in warrant liability is transferred from warrant liability to share capital.

The following table summarizes the changes in the warrant liabilities for the periods ending February 28, 2022 and May 31, 2021:

Details related to the warrant liability are summarized below.

	As at February 28, 2022	As at May 31, 2021
Opening balance	\$ 1,734	\$ -
Fair value on warrants issued	-	2,552
Fair value adjustment	(1,301)	(627)
Warrants exercises	-	(191)
Closing balance	\$ 433	\$ 1,734

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10. Warrant liability (continued)

	As at February 28, 2022	As at May 31, 2021
Opening balance, outstanding warrants	10,897	-
Warrants issued	-	11,765
Warrants exercised	-	(868)
Closing balance, outstanding warrants	10,897	10,897

A summary of the assumptions used in the valuation model for re-measuring the warrants at end of the period is set out below.

	As at February 28, 2022	As at May 31, 2021
Common share market price	\$ 0.161	\$ 0.248
Weighted average risk free interest rate	1.24 %	0.31 %
Estimated common share weighted average price volatility	133.19 %	168.19 %
Expected dividend yield	nil %	nil %
Estimated weighted average life in years	0.80	1.50

The following table reflects the warrants issued and outstanding as of February 28, 2022:

	Number of warrants outstanding	Exercise price	Expiry date
	10,897	GBP0.255	December 7, 2022

11. Term debt

Term debt of discontinued operations (Uruguay)

	February 28, 2022	May 31, 2021
Current financial debt ⁽¹⁾	\$ 1,239	\$ 1,254
Net debt	\$ 1,239	\$ 1,254

(1) Related to the line of credit in the amount of \$1,500. The total amount of the financial debt showing above is included under the Loryser Reorganization Proceedings (note 4).

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12. Environmental rehabilitation provision

The Company's environmental rehabilitation provision relates to the retirement and remediation of the San Gregorio operation in Uruguay. The environmental rehabilitation obligations have been recorded as a liability at estimated fair value determined by calculating the net present value of estimated future costs.

The following table summarizes the movements in the environmental rehabilitation provision for the nine months ended February 28, 2022 and year ended May 31, 2021:

Environmental rehabilitation provision discontinued operations (Uruguay)

	February 28, 2022	May 31, 2021
Balance, beginning of period	\$ 2,120	\$ 2,550
Expenditure incurred in rehabilitation	(1,100)	(708)
Accretion expense	-	278
Balance at end of period	\$ 1,020	\$ 2,120
Less: current portion	(1,020)	(1,823)
Balance, end of period	\$ -	\$ 297

Loryser has a legal and constructive obligation to restore the San Gregorio operation as mining operations ceased. This estimate is revised annually. The Company advances rehabilitation work previous to the closure date at its discretion and in accordance with DINAMA, the Uruguayan environmental agency.

Uruguayan mining and environmental legislation require environmental obligations to be supported by guarantees. As a result, rehabilitation guarantee letters of credit with a total amount of \$1,326 (May 31, 2021 - \$1,326) have been provided by local Uruguayan insurance companies and financial institutions. Before the expiration of the coverage period, DINAMA executed these guarantees in order to secure the funds for the future remediation. Loryser has been in discussions with DINAMA apply these funds to contribute to the cost of remediation work at San Gregorio. In line with Company's expectations during Q3 2020, Loryser managed to close and sign a Settlement Agreement with DINAMA in order to apply the \$1,326 from the environmental guarantee that had been executed. Pursuant to the Settlement Agreement, Loryser is continuing with the reclamation of the tailings dam and DINAMA will pay in instalments on completion of a six-phased closure plan. The first such payment by DINAMA of \$150 under the plan was received by the Company in May 2020, a second payment of \$269 was received in December 2020; and, two more payments totalling \$538 were received in January 2021. The Settlement Agreement is now effective after getting final approval from the Audit Tribunal and a Civil court that oversees all Governmental accounts and settlements.

13. Share capital

a) Authorized share capital

The authorized share capital consisted of unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

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13. Share capital (continued)

b) Common shares issued

	Number of common shares ('000)	Amount \$
Balance, May 31, 2020	160,278	65,670
Units issued in private placement ⁽²⁾	23,529	5,372
Value of warrants in Units issued ⁽²⁾	-	(2,552)
Issue costs of private placement ⁽²⁾	-	(395)
Warrants exercised	794	356
Stock options exercised	3,577	540
Creditor share issued to Trust ⁽¹⁾	-	(56)
Balance, February 28, 2021	188,178	68,935
Balance, May 31, 2021 and February 28, 2022	188,420	69,333

(1) On December 6, 2019, the Company issued 10,000,000 common shares pursuant to the Company's previously announced Agreement between the Company's wholly-owned subsidiary, Loryser and Loryser's creditor. The common shares were issued to a trust for the benefit of Loryser's creditors as contemplated in the court-approved Agreement and is classified under Deficit in the balance sheet (see note 14). The shares were valued at \$380 using the Company's share price on day of closing.

During the nine months ended February 28, 2022, the Trustee sold 4,355,500 common shares to the market (nine months ended February 28, 2021 - 1,465,500 common shares)

(2) On December 7, 2020, the Company completed a private placement financing consisting of the sale of 23,529,412 units (the "Units") at 17 pence per Unit for aggregate gross proceeds of £4 million (\$5,372). Each Unit consisted of one (1) common share in the capital stock of the Company ("Common Share") and one-half (1/2) of one Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire an additional Common Share at a price of 25.5 pence for a period of 2 years from the date of issuance. These warrants were assigned a value of \$2,552 using the Black-Scholes valuation model. The underlying weighted average assumptions used in the estimation of fair value in the Black-Scholes valuation model are as follows: Risk free rate: 0.28%; Expected life: 2 years; Expected volatility: 154% based on historical 2 year trends; and Weighted average share price: CDN\$0.35. The Company incurred total cost of \$395 in fees and other expenses and \$217 is included in share capital and the amount charged \$178 is included in finance cost in the statement (loss) and comprehensive (loss) income.

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14. Shares held by Trust and Restricted Cash

In December 2018, Loryser reached an agreement with the majority of its creditors. (the "Agreement"), achieving a support level of approximately 72% of creditors by value, comprising 67 different creditors. The Agreement was ratified by the Court in September 2019. The ratification by the Court means that the Agreement is legally binding on all trade creditors and that Intervenor's control over Loryser ceases. In December 2019, as part of the consideration to be applied to the creditors' liabilities, Orosur issued 10,000,000 common shares of Orosur to the San Gregorio Trust. The Trust, is an independent legal body established by Orosur (the "Settlor") with a independent Trustee whose sole purpose it is to sell the shares at the best possible price and pay that money to Loryser's creditors the "Beneficiaries of the Trust pursuant to the Agreement. The Trustee was appointed in the Trust Deed and the Settlor cannot remove the Trustee. The Trustee is not an employee nor a director of Orosur or any of its subsidiaries and does not receive instructions from Orosur. For accounting purposes as per IFRS, the Trust is treated as a subsidiary of the Company.

The Restricted Cash is related to the funds net of costs raised by the Trust from the sale of the shares held by the Trust. During the nine months ended February 28, 2022, the Trustee disposed of 4,355,500 common shares to the market, raising proceeds of \$1,151. (May 31, 2021 - 5,644,500 common shares, raising \$1,869 of which \$512 had been released to Loryser). During the nine months ended February 28, 2022, \$1,950 had been released to Loryser to be applied in accordance with the Court ratified Creditors Agreement. The balance is expected to be released within the next 3 months.

As of February 28, 2022, the remaining restricted cash balance was \$137 (May 31, 2021 - \$1,367)

15. Stock options

The Company has an option plan (the "Plan") for the officers, directors, employees and consultants of the Company and its subsidiaries. Options under the Plan are typically granted in numbers that reflect the responsibility of the particular optionee and his or her contribution to the business and activities of the Company. Options granted under the Plan have a term between 5 and 10 years. Except in specified circumstances, options are not assignable and terminate on the optionee ceasing to be employed by or associated with the Company. The terms of the Plan further provide that the price at which shares may be issued under the Plan cannot be less than the market price (net of permissible discounts) of the shares when the relevant options were granted.

The following table summarizes information regarding the Company's outstanding options at February 28, 2022:

	Number of stock options ('000)	Weighted average exercise price (CDN \$)
Balance, May 31, 2020	6,808	\$ 0.14
Issued ⁽¹⁾ ⁽²⁾	5,900	0.33
Exercised	(3,577)	0.16
Expired / Forfeitures	(1,044)	0.13
Balance, February 28, 2021	8,087	\$ 0.28
Balance, May 31, 2021	7,919	\$ 0.27
Expired / Forfeitures	(399)	0.24
Balance, February 28, 2022	7,520	\$ 0.28

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15. Stock options (continued)

(1) On December 10, 2020, 5,600,000 options were granted to directors, officers, employees and consultants of the Company pursuant to the Company's stock option plan. The stock options have an exercise price of CDN\$0.325 per share and are exercisable for a period of 10 years. The options vested 50% immediately and 50% on December 10, 2021. The estimated fair value of these options at the grant date was \$1,329 using the Black-Scholes valuation model with the following assumptions: strike price - CDN\$0.3 risk free interest rate - 0.74%; expected volatility - 147% based on historical 10 year trends; expected life - 10 years; and expected dividends - \$nil.

(2) On January 29, 2021, 300,000 options were granted to a director of the Company. The stock options have an exercise price of CDN\$0.46 per share and are exercisable for a period of 5 years. The options vested 50% immediately and 50% on January 29, 2022. The estimated fair value of these options at the grant date was \$90 using the Black-Scholes valuation model with the following assumptions: strike price - CDN\$0.42; risk free interest rate - 0.43%; expected volatility - 155% based on historical 5 year trends; expected life - 5 years; and expected dividends - \$nil.

The following table reflects the actual stock options issued and outstanding as of February 28, 2022:

Expiry date	Exercise price (CDN \$)	Weighted average remaining contractual life (years)	Number of options outstanding ('000)	Number of options vested (exercisable) ('000)
November 17, 2022	0.240	0.72	310	310
October 23, 2023	0.110	1.65	283	283
November 14, 2024	0.050	2.71	587	587
May 4, 2025	0.040	3.18	440	147
January 29, 2026	0.460	3.92	300	300
December 10, 2030	0.325	8.79	5,600	5,600
	0.28	7.19	7,520	7,227

As at February 28, 2022, there were 7,520 options outstanding, of which 7,227 were vested and exercisable (May 31, 2021 - 7,919 and 4,480, respectively). The weighted average exercise price of the options outstanding as at February 28, 2022 was CDN\$0.28 (May 31, 2021 - CDN\$ 0.27).

During the three and nine months ended February 28, 2022, \$nil and \$274, respectively of compensation expense was recorded (\$859 and \$867, respectively for the three and nine months ended February 28, 2021).

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16. Income (loss) per share

For the three and nine months ended February 28, 2022, basic and diluted loss per share for continued operations has been calculated based on the loss attributable to common shareholders of \$37 and \$477, respectively (three and nine months ended February 28, 2021 - loss of \$1,166 and \$1,711, respectively) and the weighted average number of common shares outstanding of 188,420 and 188,420, respectively (three and nine months ended February 28, 2021 - 185,392 and 168,917, respectively).

For the three and nine months ended February 28, 2022, basic and diluted loss per share for discontinued operations has been calculated based on the loss attributable to common shareholders of \$329 and \$315, respectively (three and nine months ended February 28, 2021 - income of \$(70) and \$(1,549), respectively) and the weighted average number of common shares outstanding of 188,420 and 188,420, respectively (three and nine months ended February 28, 2021 - 185,392 and 168,917, respectively).

Diluted loss per share did not include the effect of stock options and warrants as they are anti-dilutive.

17. Related parties

Subsidiaries:

The unaudited condensed interim consolidated financial statements include the financial statements of Orosur Mining Inc. (the "Parent") and the following subsidiaries (together referred as the "Company"):

Name of subsidiary	Country of incorporation	Equity interest		Functional currency
		as of Feb 28, 2021	as of May 31, 2021	
International Mining Holdings Limited (IMHL)	Barbados	100%	100%	US dollar
Loryser S.A.	Uruguay	100%	100%	US dollar
Minera San Gregorio S.A.	Uruguay	100%	100%	US dollar
Cinco Rios S.A.	Uruguay	100%	100%	US dollar
Nafypel S.A.	Uruguay	100%	100%	US dollar
Triselco S.A.	Uruguay	100%	100%	US dollar
Kevelux S.A.	Uruguay	100%	100%	US dollar
Glendora S.A.	Uruguay	100%	100%	US dollar
Dalvàn S.A.	Uruguay	100%	100%	US dollar
Bolir S.A.	Uruguay	100%	100%	US dollar
Brimol S.A.	Uruguay	100%	100%	US dollar
Montemura S.A.	Uruguay	100%	100%	US dollar
Ugdev S.A.	Uruguay	100%	100%	US dollar
Fortune Valley Resources Inc.	Canada	100%	100%	Canadian dollar
Fortune Valley Resources Inc. BVI	BVI	100%	100%	Canadian dollar
Fortune Valley Resources Chile S.A.	Chile	100%	100%	US dollar
Waymar Resources Ltd.	Canada	100%	100%	Canadian dollar
Cordillera Holdings International Ltd. BVI	BVI	100%	100%	Canadian dollar
Minera Anzá S.A. (BVI)	BVI	100%	100%	Canadian dollar
Minera Anzá S.A. (Colombia branch)	Colombia	100%	100%	Colombian peso
Anillo SPA	Chile	100%	100%	US dollar

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17. Related parties (continued)

Compensation of key management personnel

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly. Key management personnel include the members of the Board of Directors of the Company (executive and non-executive) and the following key executives: Chief Executive Officer and Chief Financial Officer. The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends. The Chief Executive Officer is also a director of the Company.

The compensation paid or payable to key management was as follows:

	Three Months Ended February 28, 2022	Three Months Ended February 28, 2021	Nine Months Ended February 28, 2022	Nine Months Ended February 28, 2021
Salaries and other short term benefits	\$ -	\$ -	\$ -	\$ 67
Fees ⁽¹⁾	10	11	41	42
Directors fees	155	95	479	204
Share-based payments (stock options)	-	536	274	540

(1) The Company expensed fees to Marrelli Support Services Inc. ("Marrelli Support") for the services of Vic Hugo to act as Chief Financial Officer of the Company. In addition, Marrelli Support also provides bookkeeping services to the Company. Vic Hugo is an employee of Marrelli Support.

18. Segmented information

For the Company's unaudited condensed interim consolidated financial statements for the three and nine months ended February 28, 2022, the Company identifies three operating segments, namely Uruguay segment, exploration segment and corporate segment which management reviews regularly in order to evaluate their performance and make decisions about resources to be allocated. Uruguay and Chile are considered as discontinued operations within those segments.

	(Discontinued)				
	(Uruguay)	Exploration (Chile)	Exploration (Colombia)	Corporate	Total
Three Months Ended February 28, 2022					
Exploration expenses	\$ -	\$ -	\$ (26)	\$ -	\$ (26)
Corporate and admin expenses	-	-	-	(444)	(444)
Share-based payment	-	-	-	41	41
Discontinued operations	(321)	(8)	-	-	(329)
Total segment loss	\$ (321)	\$ (8)	\$ (26)	\$ (403)	\$ (758)

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18. Segmented information (continued)

	Discontinued				
	Uruguay	Exploration Chile	Exploration Colombia	Corporate	Total
Nine months ended February 28, 2022					
Exploration expenses	\$ -	\$ -	\$ (36)	\$ -	\$ (36)
Corporate and administrative expenses	-	-	-	(1,329)	(1,329)
Share-based payment	-	-	-	(274)	(274)
Other income	-	-	2	-	2
Discontinued operations	(297)	(18)	-	-	(315)
Total segment income (loss)	\$ (297)	\$ (18)	\$ (34)	\$ (1,603)	\$ (1,952)

	(Discontinued)				
	(Uruguay)	Exploration (Chile)	Exploration (Colombia)	Corporate	Total
Three Months Ended February 28, 2021					
Exploration expenses	\$ -	\$ -	\$ (5)	\$ (4)	\$ (9)
Corporate and admin expenses	-	-	(1)	(377)	(378)
Share-based payment	-	-	-	(859)	(859)
Other income	-	-	-	9	9
Discontinued operations	(37)	(33)	-	-	(70)
Total segment loss	\$ (37)	\$ (33)	\$ (6)	\$ (1,231)	\$ (1,307)

	Discontinued				
	Uruguay	Exploration Chile	Exploration Colombia	Corporate	Total
Nine months ended February 28, 2021					
Exploration expenses	-	-	(28)	(10)	(38)
Corporate and administrative expenses	-	-	(1)	(910)	(911)
Share-based payment	-	-	-	(867)	(867)
Other income	-	-	20	-	20
Discontinued operations	(1,477)	(72)	-	-	(1,549)
Total segment loss	\$ (1,477)	\$ (72)	\$ (9)	\$ (1,787)	\$ (3,345)

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18. Segmented information (continued)

Reconciliation of segmented loss to net loss for the period is as follows:

	Three Months Ended February 28, 2022	Three Months Ended February 28, 2021	Nine Months Ended February 28, 2022	Nine Months Ended February 28, 2021
Segment loss continued operations	\$ (429)	\$ (1,237)	\$ (1,637)	\$ (1,796)
Segment income (loss) discontinued operations (note 4)	(329)	(70)	(315)	(1,549)
Net finance cost	(3)	(3)	(6)	(6)
Gain on fair value of financial instruments, net	428	(61)	1,301	(61)
Net foreign exchange gain	(33)	135	(135)	152
Cumulative translation adjustment	(139)	(24)	(333)	133
Total comprehensive loss for the period	\$ (505)	\$ (1,260)	\$ (1,125)	\$ (3,127)

19. Subsequent events

Subsequent to February 28, 2022, the Company granted 4,120,000 options were granted to directors, officers, employees and consultants of the Company pursuant to the Company's stock option plan. The stock options have an exercise price of CDN\$0.22 per share and are exercisable for a period of 5 years. The options vested 50% immediately and 50% on March 11, 2023.

Subsequent to February 28, 2022, 100,000 options were exercised at a price of CDN\$0.05, with an expiry date of November 14, 2024.