AURANIA

AURANIA RESOURCES LTD.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the Three Months Ended March 31, 2023

(*Expressed in Canadian Dollars)*

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AURANIA

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING AND NOTICE TO READER

The accompanying unaudited condensed consolidated interim financial statements of Aurania Resources Ltd. (the "Company") for the three months ended March 31, 2023 are the responsibility of the Company's management ("Management") and have been prepared by Management and include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these condensed consolidated interim financial statements ("Financial Statements") in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* using the accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") for condensed consolidated interim financial statements.

In accordance with National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the Financial Statements, they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor. The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professionals Accountants of Canada for a review of condensed consolidated interim financial statements by an entity's auditor.

AURANIA RESOURCES LTD.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION (Unaudited)

(Expressed in Canadian dollars)

AS AT	March 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash	**366,856**	$1,473,768
Prepaid expenses	**453,410**	431,439
Receivables (notes 5 and 16)	**34,888**	88,023
Total current assets	**855,154**	1,993,230
Non-current asset		
Property and equipment (note 6)	**106,648**	120,509
Right of use asset (ROU) (note 7)	**224,776**	239,761
TOTAL ASSETS	**$1,186,578**	$2,353,500
LIABILITIES AND EQUITY (DEFICIENCY)		
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	**1,710,892**	$1,612,941
Current lease liabilities (note 10)	**56,470**	56,470
Total current liabilities	**1,767,362**	1,669,411
Long-Term liability		
Promissory notes (note 9)	**7,531,558**	7,514,229
Lease liabilities (note 10)	**188,314**	202,116
TOTAL LIABILITIES	**9,487,234**	9,385,756
EQUITY (DEFICIENCY)		
Share capital (note 11)	**$660**	$582
Share premium (note 11)	**71,043,143**	68,575,091
Share to be issued (note 12)	**979,814**	979,814
Warrants (note 13)	**6,808,513**	5,715,767
Contributed surplus and shareholder contribution (notes 9 and 12)	**9,190,462**	9,217,439
Accumulated deficit	**(96,323,248)**	(91,520,949)
Total shareholders' (deficiency)	**(8,300,656)**	(7,032,256)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)	**$1,186,578**	$2,353,500

Nature of operations and business continuance (note 1)
Commitments and contingencies (notes 8 and 18)
Subsequent events (note 19)

APPROVED BY THE BOARD:

Signed, "Jonathan Kagan", Director

Signed, "Keith M. Barron", Director

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

AURANIA RESOURCES LTD.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY) (Unaudited)

(*Expressed in Canadian dollars)*

	ISSUED CAPITAL				RESERVES			
	Common Shares #	Share Capital	Share Premium	Shares to be issued	Warrants	Contributed Surplus	Accumulated Deficit	Total Equity Surplus (Deficiency)
Balance – December 31, 2021	**51,959,675**	**$520**	**$66,082,072**	**$732,054**	**$7,252,555**	**$8,507,647**	**$(82,884,639)**	**$(309,791)**
Shares issued for private placement	1,996,653	20	1,397,637	-	-	-	-	1,397,657
Less share issue cost	-	-	(37,264)	-	(30,112)	-	-	(67,376)
Warrants issued for private placement	-	-	754,934	-	(754,934)	-	-	-
Broker warrants issued for private placement	-	-	-	-	(585,000)	-	585,000	-
Expiry of warrants (note 13)	-	-	-	-	-	-	-	-
Restricted stock units "RSUs" cancelled (note 12)	-	-	-	-	-	(60,958)	60,958	-
Stock based compensation – RSUs compensation (note 12)	-	-	-	-	-	90,633	-	90,633
Stock-based compensation - Option compensation (note 12)	-	-	-	-	-	201,146	-	201,146
Shareholder contribution	-	-	-	-	-	307,296	-	307,296
Net loss for the year	-	-	-	-	-	-	(5,241,947)	(5,241,947)
Balance – March 31, 2022	**53,956,328**	**$540**	**$68,197,379**	**$732,054**	**$5,882,509**	**$9,045,764**	**$(87,480,628)**	**$(3,622,382)**

	ISSUED CAPITAL				RESERVES			
	Common Shares #	Share Capital	Share Premium	Shares to be issued	Warrants	Contributed Surplus	Accumulated Deficit	Total Equity Surplus (Deficiency)
Balance – December 31, 2022	**58,217,926**	**$582**	**$68,575,091**	**$979,814**	**$5,715,767**	**$9,217,439**	**$(91,520,949)**	**$(7,032,256)**
Shares issued for private placements - March 2023 (note 11(i))	7,801,145	78	3,588,449	-	-	-	-	3,588,527
Less share issue cost (note 11(i))	-	-	(19,185)	-	(8,466)	-	-	(27,651)
Warrants issued for private placement - March 2023 (notes 13 and	-	-	(1,101,212)	-	1,101,212	-	-	-
Cancellation of stock options (note 12)	-	-	-	-	-	(433,547)	433,547	-
Stock-based compensation - RSUs compensation (note 12)	-	-	-	-	-	19,887	-	19,887
Stock based compensation – Option compensation (note 12)	-	-	-	-	-	103,148	-	103,148
Shareholder contribution (note 9)	-	-	-	-	-	283,535	-	283,535
Net loss for the year	-	-	-	-	-	-	(5,235,846)	(5,235,846)
Balance – March 31, 2023	**66,019,071**	**$660**	**$71,043,143**	**$979,814**	**$6,808,513**	**$9,190,462**	**$(96,323,248)**	**$(8,300,656)**

AURANIA RESOURCES LTD.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS (Unaudited)

(Expressed in Canadian dollars)

Three months ended March 31,	2023	2022
Operating Expenses:		
Exploration expenditures (notes 8, 15 and 16)	**$4,298,898**	$3,826,469
Stock-based compensation (notes 12 and 14)	**123,035**	291,779
Investor relations	**123,138**	168,720
Office and general	**187,999**	218,597
Management fees (note 14)	**79,500**	472,867
Professional and administration fees	**15,637**	97,694
Regulatory and transfer agent fees	**30,692**	33,387
Director and advisor fees (note 14)	**-**	15,000
Amortization (notes 6 and 7)	**28,846**	15,401
Total expenses	**$4,887,745**	$5,139,914
Other Expenses/(Income)		
Loss (gain) on foreign exchange	**27,694**	(55,085)
Interest income	**(2,853)**	(1,124)
Accretion of shareholder contribution (note 9)	**323,260**	158,242
Net loss and comprehensive loss for the year	**$5,235,846**	$5,241,947
Basic and diluted loss per share	**$0.09**	$0.10
Weighted average common shares outstanding – basic and diluted	**58,911,361**	52,002,109

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

AURANIA RESOURCES LTD.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS (Unaudited)

(Expressed in Canadian dollars)

Three months ended March 31,	2023	2022
Cash flows from the following activities:		
Operating activities:		
Net loss for the year	**$(5,235,846)**	$(5,241,947)
Adjustment for:		
Amortization (notes 6 & 7)	**32,656**	15,401
Stock-based compensation	**123,035**	291,799
Accrued interest and accretion (note 9)	**323,260**	158,242
Foreign exchange loss/ (gain)	**(27,694)**	(108,705)
Non-cash items:		
Prepaid expenses and receivables	**31,164**	93,027
Accounts payable and accrued liabilities	**85,637**	(612,341)
Net cash used in operating activities	**(4,667,788)**	(5,404,524)
Financing activities:		
Shares issued for private placement (note 11)	**3,588,527**	1,397,657
Less share issue costs (note 11)	**(27,651)**	(67,376)
Promissory notes (note 9)	**-**	1,510,500
Net cash provided by financing activities	**3,560,876**	2,840,781
Investing activity:		
Purchase of property and equipment (note 6)	**-**	(668)
Net cash used in investing activities	**-**	(668)
(Decrease) in cash	**(1,106,912)**	(2,564,411)
Cash – beginning of year	**1,473,768**	4,522,657
Cash – end of year	**$366,856**	$1,958,246

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

1. NATURE OF OPERATIONS AND BUSINESS CONTINUANCE

Aurania Resources Ltd. (the "Company") was incorporated under the laws of Bermuda on June 26, 2007 pursuant to the provisions of The Companies Act 1981 (Bermuda). On February 18, 2011, the Company registered extra-provincially in the Province of Ontario, Canada. The registered head office of the Company is located at 31 Victoria Street, Hamilton, HM10, Bermuda. The corporate office is located at Ste. 1800 – 8 King Street East, Toronto, ON M5C 1B5.

The Company is a junior exploration mining company engaged in the identification, evaluation, acquisition and exploration of mineral property interests, with a focus on precious metals. On May 26, 2017, the Company acquired EcuaSolidus, S.A. ("ESA"), a private Ecuador-based company, owned by the principal shareholder of the Company, in order to acquire all the rights, title and interest in 42 mineral exploration licenses in Ecuador (the "Lost Cities – Cutucu Project" or the "Project"). See note 8 for more information.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that the current exploration program will result in profitable mining operations. The recoverability of the amounts expended on mineral property interests and the carrying value of property, plant and equipment and the Company's continued existence is dependent upon the preservation of its interest in recoverable reserves, the achievement of profitable operations, maintenance of concessions and, the ability of the Company to raise necessary financing to complete its planned exploration program.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration activities and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims and noncompliance with regulatory and environmental requirements. The Company's assets are located in Ecuador and Peru and are subject to the risk of foreign investment, including increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions and political uncertainty.

As at March 31, 2023 the Company had current assets $855,154 (December 31, 2022 - $1,993,230) to fund current liabilities of: accounts payable and accrued liabilities of $1,767,362 (December 31, 2022 - $1,669,411), and long-term liabilities of $7,719,872 (December 31, 2022 - $7,716,345). Further, the Company had an accumulated deficit of $96,323,248 (December 31, 2022 - $91,520,949) and working capital deficit of $912,208 (December 31, 2022 - surplus $323,819).

The Company's ability to continue operations and fund its future exploration property expenditures is highly dependent on Management's ability to secure additional financing. Management acknowledges that while it has been successful in raising sufficient capital in the past, there can be no assurance it will be able to do so in the future. These financial statements do not include the adjustments that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. STATEMENT OF COMPLIANCE

These Financial Statements, including comparatives, have been prepared in accordance with IAS 34 - Interim Financial Reporting using the accounting policies consistent with IFRS as issued by the IASB. These Financial Statements do not conform in all respects to the requirements of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") for annual financial statements. Accordingly, these Financial Statements should be read in conjunction with the Company's annual December 31, 2022 financial statements which can be found on the Company's SEDAR profile at www.sedar.com and are also available on the Company's website http://www.aurania.com.

3. BASIS OF PRESENTATION

Basis of measurement

These Financial Statements have been prepared under the historical cost convention except for certain financial assets and liabilities, which are measured at fair value. All amounts have been expressed in Canadian dollars, the Company's functional currency, unless otherwise stated and "USD" represents United States dollars, "CHF" represents Swiss francs and "SOL" represents Peruvian SOL. All amounts have been rounded to the nearest dollar, unless otherwise stated.

Basis of consolidation

These Financial Statements incorporate the financial statements of the Company and its wholly-owned subsidiaries: AuroVallis Sarl ("AVS"), incorporated under the laws of Switzerland, ESA, incorporated under the laws of Ecuador and Sociedad Minera Vicus Exploraciones S.A.C, incorporated under the laws of Peru. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

Significant accounting judgments and estimates

The application of the Company's accounting policies in compliance with IFRS requires the Company's management to make certain judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date are the same as those described in the Company's most recent annual financial statements, which can be found on the Company's SEDAR profile at www.sedar.com and are also available on the Company's website http://www.aurania.com.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in these Financial Statements are based on IFRS policies issued and outstanding as of the date the Board of Directors approved these interim financial statements being May 25, 2023. The same accounting policies and methods of computation are followed in these Financial Statements as those applied in note 4 – Significant Accounting Policies of the Company's most recent annual consolidated financial statements for the year ended December 31, 2022.

New and Amended IFRS standards recently adopted
Effective January 1, 2023, the Company adopted the following amendments. These new standards and changes did not have any material impact on the Company's condensed interim consolidated financial statements.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. In February 2021, the IASB issued 'Disclosure of Accounting Policies' with amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements.

IAS 8 – Accounting Policies, Changes in Accounting Estimates and Error ("IAS 8") In February 2021, the IASB issued 'Definition of Accounting Estimates' to help entities distinguish between accounting policies and accounting estimates.

IAS 12 – Income Taxes ("IAS 12") In May 2021, the IASB issued 'Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction' that clarifies how entities account for deferred tax on transactions such as leases and decommissioning obligations.

5. CAPITAL AND FINANCIAL RISK MANAGEMENT

Capital management

The Company considers the capital that it manages to include share capital, share premium, warrants, contributed surplus and shareholder contribution and accumulated deficit, which at March 31, 2023 was a deficiency of $8,300,656 (December 31, 2022 – deficiency of $7,032,256). The Company manages its capital structure and makes adjustments to it, based on the funds needed in order to support the acquisition and exploration of mineral properties. Management does this in light of changes in economic conditions and the risk characteristics of the underlying assets. There has been no change with respect to the overall capital risk management strategy during the three months ended March 31, 2023.

Neither the Company nor its subsidiaries are subject to externally imposed capital requirements, other than those of the TSX Venture Exchange ("TSXV"), which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of six months.

Capital raises

On March 23, 2023 the Company closed the first tranche of the previously announced (March 13, 2023) non-brokered private placement financing of up to 10,869,565 units of the Company (the "Units") at a price of $0.46 per Unit (the "Issue Price") for total gross proceeds to the Company of up to $5,000,000 (the "Offering"). An aggregate of 7,801,145 Units were sold at a price of $0.46 per Unit, for total gross proceeds of $3,588,527. The Company paid commissions to certain finders of an aggregate of $7,986 in cash and 17,360 finder warrants. Each finder warrant entitles the holder to purchase one Unit at the Issue Price and is exercisable for a period of thirty-six (36) months from the closing of the first tranche.

Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign currency, and commodity price risk). Risk management is carried out by management, with guidance from the Audit Committee under policies approved by the Board of Directors (the "Board"). The Board also provides regular guidance for overall risk management. There have been no changes in the risks, objectives, policies, and procedures during the three months ended March 31, 2023.

Credit risk

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. The Company has no significant concentration of credit risk arising from its operations. Cash is held at select Canadian, Swiss, Ecuadorian, and Peruvian financial institutions, from which management believes the risk of loss to be low. The Company does not have any material risk exposure to any single debtor or group of debtors.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company endeavors to have sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot be reasonably predicted.

The Company generates cash flow primarily from its financing activities. As at March 31, 2023, the Company had available cash of $366,856 (December 31, 2022 – $1,473,768) to settle current liabilities of $1,767,362 (December 31, 2022 – $1,669,411). Also, the Company has long-term liabilities of $7,719,872 (December 31, 2022 – $7,716,345). See note 9 – Promissory notes.

All the Company's financial liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms, except for its promissory notes. In addition to the commitments disclosed in Note 18, the Company is obligated to the following contractual maturities of undiscounted cash flows as at March 31, 2023:

In Canadian $ equivalents	Carry amount	Contractual cash flows	April 1 ,2023 to March 31, 2024	Thereafter
Accounts payable and accrued liabilities	**$ 1,710,892**	$ 1,710,892	$ 1,710,892	$ -
Promissory note 2017 (note 9)	**553,173**	644,977	-	644,977
Promissory note 2019 (note 9)	**3,849,980**	4,461,218	-	4,461,218
Promissory note March 2022 (note 9)	**1,398,869**	1,673,087	-	1,673,087
Promissory note June 2022 (note 9)	**866,110**	1,036,110	-	1,036,110
Promissory note July 2022 (note 9)	**863,425**	1,033,425	-	1,033,425
Lease liabilities (note 10)	**244,784**	274,396	70,875	203,521
Total	**$ 9,487,234**	**$ 10,834,104**	**$ 1,781,767**	**$ 9,052,337**

As the Company has no steady source of revenues or cash flow and has implemented its exploration plan as anticipated, it is highly probable that additional financing will be required during 2023 to further advance exploration at the Project, to meet ongoing financial obligations and discharge the Company's liabilities, in the normal course of business. Different funding sources are being considered to advance exploration, including equity issuances, short-term loans, the exercise of warrants and stock options and joint venture partnerships.

Market risk

Market risk is the risk related to changes in the market prices, such as fluctuations in foreign exchange rates and interest rates that will affect the Company's net earnings or the value of its financial instruments.

(i) Interest rate risk
Cash balances are deposited in highly-accessible and low-interest bank accounts that are used for short-term working capital requirements. The Company regularly monitors compliance to its cash management policy.

(ii) Foreign currency risk
Certain of the Company's expenses are incurred in United States dollars and Swiss francs and are therefore subject to gains or losses due to fluctuations in these currencies. Management believes that the foreign exchange risk derived from currency conversions is best served by not hedging its foreign exchange risk. At March 31, 2023 and December 31, 2022, the Company's exposure to foreign currency risk with respect to amounts denominated in USD, CHF, and SOL, was substantially as follows:

In Canadian $ equivalents	**March 31, 2023**	December 31, 2022
Cash	**$147,619**	$126,806
Accounts payable, accrued liabilities, promissory notes	**$(8,550,368)**	$(7,280,509)
Net exposure	**$(8,402,749)**	$(7,153,703)

Commodity price risk

Commodity price risk is defined as the potential adverse future impact on earnings and economic value due to commodity price movements and volatility. The ability of the Company to develop its mineral properties and the future profitability of the Company is directly related to the market price of gold, silver, copper, and other commodities. Commodity prices have fluctuated significantly in recent years. There is no assurance that these metals will be produced in the future or that a profitable market will exist for them. As of March 31, 2023 and December 31, 2022, the Company was not a metals commodity producer.

Sensitivity analysis

At March 31, 2023 and 2022, both the carrying and fair value amounts of the Company's short-term financial instruments are approximately equivalent due to their short-term nature. The carrying amount of the long-term promissory notes at March 31, 2023 approximates their fair value. The fair value of the long-term promissory notes at March 31, 2023 is approximately $7,008,218. This was estimated based on discounting the promissory notes at an estimated discount rate of 15% - 20% with term a term of one year.

Based on Management's knowledge and experience of the financial markets, the Company believes that a 10% strengthening of the Canadian dollar against the USD and CHF and SOL would have decreased the net asset position of the Company as at March 31, 2023 by $840,275 (at December 31, 2022 – $715,000). A 10% weakening of the Canadian dollar against the same would have had an equal but opposite effect.

(Expressed in Canadian Dollars)

6. PROPERTY & EQUIPMENT

	Leasehold Improvements	Field Equipment	Furniture and Fixtures	Computer Equipment	Total
COST					
At December 31, 2022	**27,545**	**135,614**	**8,399**	**186,805**	**358,363**
Additions	-	-	-	-	-
At March 31, 2023	**27,545**	**135,614**	**8,399**	**186,805**	**358,363**
ACCUMULATED DEPRECIATION					
At December 31, 2022	**(11,293)**	**(91,044)**	**(3,249)**	**(132,268)**	**(237,854)**
Additions	(518)	(5,441)	(190)	(7,712)	(13,861)
At March 31, 2023	**(11,811)**	**(96,485)**	**(3,439)**	**(139,980)**	**(251,715)**
NET BOOK VALUE					
At December 31, 2022	16,252	44,570	5,150	54,537	120,509
At March 31, 2023	**$15,734**	**$39,129**	**$4,960**	**$46,825**	**$106,648**

7. RIGHT OF USE ASSETS

The Company has certain leases related to an office and warehouse for the operations in Toronto. The leases are for a term ending December 31, 2026.

Right of Use Assets	
Initial adoption (October 1st, 2022)	$254,746
Accumulated Depreciation ROU	
Balance December 31, 2022	(14,985)
Amortization	(14,985)
Balance March 31, 2023	**(29,970)**
Net Book Value	
At December 31, 2022	**239,761**
At March 31, 2022	**224,776**

8. MINERAL PROPERTY INTERESTS

ECUADOR

a) Mineral concessions and obligations

The Company acquired the rights, title and 100% interest in the Lost Cities Project, comprised of certain mineral concessions covering 207,764Ha in southeastern Ecuador, on May 26, 2016 and subsequently registered before the Mining Registry of the Mining and Non-Renewable Natural Resources Regulation and Control Agency in compliance with the Mining Law. The concessions are valid for 25 years, renewable for a subsequent 25-year period, provided that the concessions are maintained in good standing.

(Expressed in Canadian Dollars)

Regulation for Mineral concessions have not changed and continue to be as described in note 8 (a) – Mineral concessions and obligations of the Company's annual December 31, 2022 financial statements which can be found on the Company's SEDAR profile at www.sedar.com and are also available on the Company's website http://www.aurania.com.

The concession fees paid, potential future fee obligations and expenditure commitments are set out below.

	Initial Exploration Phase		
Year	**Annual concession fee (USD)**	**Expenditure Required (USD)**	**Actual Expenditure (USD)**
1 (2017)	$1,973,198[1]	$1,038,820[2]	$3,354,497
2 (2018)	2,004,923[1]	2,077,640[2]	4,396,820
3 (2019)	2,046,475[1]	2,077,640[2]	5,116,155
4 (2020)	2,077,640[1]	2,077,640[2]	8,627,136
5 (2021)	2,077,640[1]	2,077,640[2]	12,820,134
6 (2022)	2,207,493[1]	2,077,640[2]	5,364,089
7 (2023)	2,337,345[1]	2,077,640[5]	[3]
Estimated 8 (2024)	[4]	[4]	[3]

[1] Paid
[2] Requirement satisfied.
[3] Reported by March 31 of the following year.
[4] During 2023, the Company will evaluate the concessions and may not renew those of lower geological interest. At this time, the Company does not know the combination of concessions advancing to Advanced Exploration and those to be released, which may result in an increase or decrease in the amounts to be paid.
[5] 2023 amounts are estimated maximum Required Expenditures that assumes the current number of concessions are maintained and a continuing fee of USD10.00 per hectare.

b) Relinquishment or cancellation of concessions

The size of the concession area constituting the Project may be reduced at the Company's discretion, based on exploration results. Conversely, mineral concessions can be cancelled by the State, for various reasons including, misrepresentation by the concession-holder of the stage of the concessions' exploration and development, by causing an excessive environmental impact, irreparable damage to Ecuadorian cultural heritage, or by the violation of human rights. See note 15 – Exploration expenses.

c) Exploration entitlements

The properties are subject to two percent (2%) net smelter return royalty on metal production and a two percent (2%) net sales return royalty on non-metallic products, held by Dr. Keith Barron, vendor and current Chairman, CEO, President, and largest shareholder of the Company.

PERU

Mineral concessions in Peru

At March 31, 2023, the Company's land position in Peru consists of a total of 130 concession applications and concession titles covering 128,700Ha (32 applications for 31,300Ha and 98 concession titles for 97,400Ha)

(Expressed in Canadian Dollars)

- The applications are being verified to avoid those to include existing concessions or ecologically fragile areas. After clearance, they will be published in the INGEMMET-vetted applications in the local press in the province in which the concession applications lie.
- An annual concession fee of USD3.00 per hectare is required to be paid by the end of June 2023 to keep the concessions in good standing. The Company has an annual obligation of USD384,405 ($518,947 at an exchange rate of 1.35 USD/CAD) regarding the Peru project concession payments.
- At this time, the Company has no current plans to perform additional exploration on the project in Peru, and is considering alternatives to further this project, including potential joint venture opportunities.
- As at March 31, 2022, the Company has credits worth $358,436 (March 31, 2022 - $nil) from rejected mineral property applications from previous years, that can be applied in the INGEMMET to future applications or concessions fees.

9. PROMISSORY NOTES

Promissory Note 2017 - Mineral Concessions Loan ("MCL1")

On March 20, 2017, Dr. Keith Barron, a related party of the Company by virtue of the fact that he is the Chairman, the President and Chief Executive Officer, a promoter and a principal shareholder of the Company, advanced USD2,000,000 ($2,671,600 at an exchange rate of 1.3358 USD/CAD) by way of a promissory note to the Company. USD1,000,000 ($1,208,600) was repaid on May 29, 2021; USD217,168 ($280,000) was settled for 700,000 stock options, with an exercise price of $0.40, on April 2, 2018 and $500,000 was repaid in cash on August 16, 2018. The loan is unsecured, bearing an interest rate of 2% per annum which is considered to be below a market rate of interest for such a loan. IFRS requires that where an interest rate is below the market rate, estimated at 15%, there is deemed to be a benefit to the Company and as such that portion of the promissory loan considered to represent that benefit is recorded in equity as a shareholder contribution. The amount of the benefit is then recognized over the life of the promissory note as an accretion expense. On September 30, 2020, Dr. Barron agreed to amend the terms of his promissory note such that it will become repayable on the day following the one-year anniversary of Dr. Keith Barron requesting repayment. The accretion on the promissory note will be accounted for as a shareholder contribution until such time that the repayment is requested by the Lender.

For the three months ended March 31,	2023	2022
Balance, beginning of year	**$550,945**	$511,689
Interest rate benefit recognized as shareholder contribution	**(17,272)**	(71,056)
Accretion expense	**19,948**	77,824
Foreign exchange translation gain	**(448)**	32,488
Balance, end of period	**$553,173**	$550,945

Promissory Note issued in April 2019

On April 22, 2019, Dr. Barron, advanced USD3,000,000 ($4,005,900 at an exchange rate of 1.3353 USD/CAD) by way of a promissory note to the Company. The loan is unsecured, bearing an interest rate of 2% per annum which is considered to be below a market rate of interest for such a loan. IFRS requires that where an interest rate is below the market rate, estimated at 15%, there is deemed to be a benefit to the Company and as such that portion of the promissory loan considered to represent that benefit is recorded in equity as a shareholder contribution.

(Expressed in Canadian Dollars)

On August 20, 2020, Dr. Barron agreed to amend the terms of his promissory note issued in 2019 such that it will become repayable on the day following the one-year anniversary of Dr. Keith Barron requesting repayment. The accretion on the promissory note will be accounted for as a shareholder contribution until such time that the repayment is requested by the Lender. The amount of the benefit is then recognized over the life of the promissory note as an accretion expense.

For the three months ended March 31,	2023	2022
Balance, beginning of year	**$3,850,516**	$3,532,223
Interest rate benefit recognized as shareholder contribution	**(131,865)**	(467,424)
Accretion expense	**152,152**	547,751
Foreign exchange translation gain	**(20,823)**	237,966
Balance, end of period	**$3,849,980**	$3,850,516

Promissory Notes issued in 2022

During year 2022, Dr. Barron, advanced a total of three loans to the Company in the following dates and amounts:

- March 11, 2022 – USD1,187,500 ($1,510,500 at an exchange rate of 1.2720 USD/CAD)
- June 10, 2022 – $1,000,000
- July 29, 2022 – $1,000,000

The loans are unsecured, bear interest at 2% per annum and mature upon notice of twelve months and one day from the Lender. IFRS requires that where an interest rate is below the market rate, estimated at 20%, there is deemed to be a benefit to the Company and as such that portion of the promissory loans considered to represent that benefit is recorded in equity as a shareholder contribution. The loans become repayable on the day following the one-year anniversary of Dr. Keith Barron requesting repayment. The accretion on the promissory notes will be accounted for as a shareholder contribution until such time that the repayment is requested by the Lender. The amount of the benefit is then recognized over the life of the promissory notes as an accretion expense.

For the three months ended March 31,	2023	2022
Initial carrying amount	**$7,514,228**	$ 7,027,837
Interest rate benefit recognized as shareholder contribution	**(283,533)**	(873,325)
Accretion expense	**323,260**	1,005,067
Foreign exchange translation gain	**(22,397)**	354,649
At March 31, 2023	**$7,531,558**	$ 7,514,228

10. LEASE LIABILITIES

Lease Liabilities	
Balance at December 31, 2022	**$258,586**
Interest expense	3,810
Payments	(17,612)
Lease liabilities as at March 31, 2023	**$244,784**

Lease Liabilities	March 31, 2023
Current lease liability at year end	**$56,470**
Non-current lease liability at year end	**188,314**
Lease liabilities as at March 31, 2023	**$244,784**

The Company used a discount rate of 6% in determining the present value of lease payments.

(Expressed in Canadian Dollars)

11. SHARE CAPITAL

Authorized share capital at March 31, 2023 and December 31, 2022 is 1,000,000,000 common shares with a par value of $0.00001 per share. All shares issued are fully paid. The number of issued and outstanding common shares at March 31, 2023 is 66,019,071 (December 31, 2022 – 58,217,926). During the three months ended March 31, 2023, the Company completed the following:

(i) **Private placement financings**
On March 23, 2023 the Company closed the first tranche of the previously announced (March 13, 2023) non-brokered private placement financing for 7,801,145 Units priced at $0.46 per unit, each unit consisting of one common share and one full warrant, the warrant having and exercise price of $0.75 per warrant and an expiry date of March 23, 2026. The Company paid commissions to certain finders of an aggregate of $7,986 in cash and 17,360 finder warrants. Each finder warrant entitles the holder to purchase one Unit at the Issue Price and is exercisable for a period of thirty-six (36) months from the closing of the first tranche. Dr. Keith Barron, the Chief Executive Officer, President, director, promoter and a significant shareholder of the Company subscribed for 7,195,845 Units of this offering. The cash paid for regulatory and legal costs was $27,653. A value of $1,098,767 has been assigned to warrants using the Black-Sholes option pricing model using the following assumptions: expected dividend yield 0%, expected volatility of 96.71%, a risk free rate of 3.46% and an expected life of 3 years. Volatility is based on the historical trading of the Company's shares.

(ii) **Private placement financings – subsequent event.**
On April 25, 2023 and May 19, 2023, the Company announced the closure of the second and third tranche of the previously announced (March 13, 2023) non-brokered private placement financing. Refer to note 19 – Subsequent events for more details.

12. STOCK-BASED COMPENSATION

Stock Options

The Company maintains a stock option plan (the "Plan") for the benefit of directors, officers, employees, and consultants. The maximum number of common shares reserved for issuance with respect to the Plan cannot exceed 10% of the issued and outstanding common shares of the Company at the date of grant. Stock options generally vest 1/3 annually.

(i) For the three months period ended March 31, 2023, an aggregate of $103,148 of stock-based compensation was recorded for the fair value of vested stock options resulting from the grant of stock options in the current period and prior years.

(ii) The following summarizes the stock options activity during the three months ended March 31, 2023:

	Number of Options	Weighted Average Exercise Price	Estimated Fair Value
Balance – December 31, 2022	**4,119,500**	**$2.31**	**$6,653,877**
Expired	(200,000)	2.17	(433,547)
Stock-based compensation expense	-	-	103,148
Balance – March 31, 2023	**3,919,500**	**$2.27**	**$6,323,477**

(Expressed in Canadian Dollars)

(iii) The following summarizes the stock options outstanding at March 31, 2023:

Issued Number of Options	Exercisable Number of Options	Exercise Price	Expiry Date	Estimated Fair Value
116,000	116,000	2.68	5-Apr-23	233,046
180,000	180,000	3.36	16-Jan-24	457,200
24,000	24,000	3.40	16-Jan-24	60,960
77,000	77,000	2.97	28-Jun-24	170,940
780,000	780,000	2.70	24-Oct-24	1,463,477
200,000	200,000	3.16	7-Feb-25	471,999
760,000	760,000	3.51	17-Nov-25	1,502,519
100,000	66,667	3.25	22-Dec-25	182,500
200,000	133,333	3.21	25-Jan-26	372,452
40,000	40,000	2.51	1-Jul-26	59,640
1,245,000	415,000	0.84	30-Jun-27	410,595
162,500	54,167	0.84	4-Jul-27	42,404
35,000	8,750	0.84	18-Aug-27	8,102
3,919,500	**2,854,917**			**$5,435,833**

The weighted average contractual life remaining for stock options as at March 31, 2023 is 2.80 years (December 2022 – 2.91 years).

Restricted Stock Units ("RSUs")

RSUs are granted to encourage employee performance and retention. The RSUs are awarded based on performance criteria and vest over three years in equal instalments. For each RSU that vests a common share in the Company is issued. The following summarizes the RSU activity during the three months ended March 31, 2023:

	Number of RSUs	Weighted Average Fair Value	Estimated Fair Value
Balance – December 31, 2022	**57,800**	**$3.46**	**$ 157,330**
Stock-based compensation expense	-	-	19,887
Balance – March 31, 2023	**57,800**	**$3.46**	**$177,217**

The weighted average contractual life remaining for RSUs at March 31, 2023 is 2.10 years (December 31, 2022 – 2.35 years). The RSUs were not included in the computation of diluted net loss per share for the periods presented as they are anti-dilutive.

Shares to be issued

	Number of Shares to be Issued	Weighted Average Fair Value	Estimated Fair Value
Balance – December 31, 2022	**334,100**	**$2.89**	**$979,814**
Balance – March 31, 2023	**334,100**	**$2.89**	**$979,814**

Shares to be Issued are Restricted Share Units ("RSUs") that have fully vested but where the related shares are yet to be issued. There was not change during the three months ended March 31, 2023.

(Expressed in Canadian Dollars)

13. WARRANTS

The following summarizes the warrants and Agents' warrants activity and outstanding warrants and Agents' warrants for the three months ended March 31, 2023:

	Number of Warrants/ Agents' Options	Weighted Average Exercise Price	Estimated Fair Value
Balance – December 31, 2022	**14,625,792**	**$2.08**	**$5,715,767**
Issued warrants private placement	7,801,145	0.75	1,090,301
Finders Warrants	17,360	0.75	2,445
Balance – March 31, 2023	**22,444,297**	**$1.62**	**$6,808,513**

Outstanding warrants

Expiry date	Number of Warrants	Exercise Price
April 1, 2024	2,507,000	$4.25
April 1, 2024	150,420	4.25
April 1, 2024	403,709	4.25
March 28, 2024	1,586,653	1.25
March 30, 2024	410,000	1.25
November 29 2024	2,417,166	0.75
December 22,2024	1,829,442	0.75
March 23, 2026	7,818,505	0.75
October 21, 2026	3,835,250	2.20
October 21, 2026	230,115	2.20
October 21, 2026	1,256,037	2.20
Balance – March 31, 2023	**22,444,297**	**$1.62**

No warrants were exercised during the three months ended March 31, 2023.

14. KEY MANAGEMENT COMPENSATION EXPENSE

In accordance with IAS 24, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and nonexecutive) of the Company. The remuneration of Management and directors of the Company was:

At March 31	2023	2022
Salary - corporate (1)	**$41,730**	$84,485
Salary – technical (2)	**65,268**	99,250
Director and advisor fees (3)	-	18,750
Stock-based compensation for key management (4)	**103,148**	304,854
Total key management compensation expense	**$210,145**	$507,339

(1) Salary - corporate includes 100% CFO fees.
(2) Salary - technical includes 100% of the compensation paid to the Vice President, Exploration.
(3) Director's fees are $15,000 per annum, per director or $3,750 per quarter. The Directors agreed to receive all of their director fees in the form of stock options in lieu of cash for the year 2023
(4) This figure is the estimated fair value expense of vested stock options and RSUs granted to key management and directors during the three months ended March 31, 2023 and 2022.

(Expressed in Canadian Dollars)

15. EXPLORATION EXPENSE

For the three months ended March 31,	2023	2022
ECUADOR		
GEOLOGY/FIELD:		
- Salaries, benefits	**$219,899**	$432,125
- Camp costs, equipment, supplies	**91,162**	175,714
- Project management	**65,268**	51,282
- Travel, accommodation	**51,481**	34,812
- Office (Quito, Macas)	**6,722**	14,769
- Environment, health & safety	**58,113**	87,797
- Water	**14,820**	16,305
- Drilling	**452,125**	-
GEOCHEMISTRY	**19,264**	51,174
EXPERT CONSULTANTS	**31,059**	40,026
CORPORATE SOCIAL RESPONSIBILITY – fees, travel, supplies	**123,428**	110,499
LEGAL AND OTHER FOR CONCESSIONS	**-**	10,946
CONCESSION MAINTENANCE - permits	**3,165,349**	2,776,966
Total exploration – Ecuador & Canada	**$4,298,690**	$3,802,415
PERU		
- Costs related to concession fee applications	**$208**	$1,673
- Technical Consulting	**-**	1,292
- Travel, accommodation	**-**	6,505
- Legal	**-**	14,584
Total exploration – Peru	**$208**	$24,054
TOTAL EXPLORATION EXPENSE	**$4,298,898**	$3,826,469

16. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The Company entered into the following transactions with related parties during the three months ended March 31, 2023 and 2022:

(a) During the three months ended March 31, 2023, the Company incurred $nil (First quarter 2022 - $36,000) of administrative service costs including office, rent and general office services to Big Silver Ltd., a company owned and controlled by the Chairman, CEO and principal shareholder.

(b) Certain Company employees undertake work for other companies with officers and directors in common and recharges those companies with the direct cost of the work done. The amounts receivable are unsecured, non-interest bearing and have no fixed terms of repayment. During the three months ended March 31, 2023:

I. $nil (First quarter 2022-$21,377) was recharged to U3O8 Corp. whose President, CEO and Director, Dr. Richard Spencer was also Aurania's President and Director, until his departure in January 2022, and Dr. Keith Barron, Director, Chairman and CEO of Aurania is also Chairman and Director of U3O8 Corp. At March 31, 2023 $nil remained receivable (March 31, 2022-$21,377).

II. $nil (First quarter 2022 - $nil) was recharged to Firestone Ventures Inc. Dr. Keith Barron, Chairman and CEO of the Company, is also President, CEO and Director of Firestone Ventures Inc. Dr. Richard Spencer, Aurania's former President and Director served on the board of directors of Firestone Ventures Inc. At March 31, 2023, $1,805 remained receivable (March 31, 2022-$1,805).
III. $nil (First quarter 2022 - $nil) was recharged to the Step Forward Foundation, a private charitable organization whose founder and Director Dr. Keith Barron, is also the Chairman and CEO of the Company. At March 31, 2023, $281 remained receivable (March 31, 2022-$281).

For other related party transactions, see note 8 – Mineral property interests, note 9 – Promissory notes, note 11 – Share Capital, note 14 – Key management compensation expense and note 19 – Subsequent events.

17. SEGMENTED INFORMATION

At March 31, 2023, the Company's operations comprised one business segment engaged in mineral exploration and three operating segments – Ecuador, Switzerland, and Peru. Cash of $240,789 (December 31, 2022 - $1,433,767) is held in a Canadian chartered bank, $119,244 (December 31, 2022 - $34,469) being held in a chartered bank in Ecuador, $1,714 (December 31, 2022 - $1,729) being held in a chartered bank in Switzerland and the balance of $5,109 (December 31, 2022 - $3,803) being held in a chartered bank in Peru.

18. COMMITMENTS AND CONTINGENCIES

Environmental contingencies

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations.

Service costs and consulting agreements

The Company is party to certain management contracts. At March 31, 2023 these contracts contain minimum commitments of approximately $661,028 and additional contingent payments of up to approximately $543,055 upon the occurrence of a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in these consolidated financial statements.

On June 30, 2022, the Company entered into a corporate services agreement for a fractional CFO. The Company is paying $220/hour on a monthly basis for wages based on hours worked. The term of the agreement has been renewed until December 15, 2023. Monthly services have been approximately $13,000 per month.

On July 9, 2021, the Company announced that it has retained Alpha Bronze, LLC. ("Alpha Bronze") to provide certain investor relations services. Under the terms of the agreement, the Company will pay Alpha Bronze a monthly fee of USD5,500 ($7,425 at an exchange rate of 1.35 USD/CAD) for a period of 12 months and grant Alpha Bronze 40,000 stock options with a term of five years, and an exercise price of $2.52. This contract was renewed for another 12 months period.

In September 2022, the Company entered into a four-year term office lease agreement with monthly fees starting at $5,245 increasing to $5,673 through the term of the lease, and a storage fixed monthly fee of $623. See note 10 – Lease liabilities.

19. SUBSEQUENT EVENTS

Stock options

Subsequent to March 31, 2023, 116,000 stock options expired unexercised on April 5, 2023.

Following the agreement by the directors of the Company to receive their director fees for 2023 in stock options in lieu of cash, on April 11, 2023, the Company granted a total of 53,568 stock options exercisable at $0.46, vested immediately and expiring on April 11, 2026.

Private placement financings

Subsequent to March 31, 2023, the Company announced the closing of the second tranche on April 25, 2023, and third and final tranche on May 19, 2023 of the non-brokered private placement financing announced on March 13, 2023 of up to 10,869,565 units of the Company (the "Units") at a price of $0.46 per Unit (the "Issue Price") for total gross proceeds to the Company of up to $5,000,000 (the "Offering"). The first tranche closed on March 23, 2023, during the reporting period of these Financial Statements.

On the closing of the second tranche, an aggregate of 1,227,963 Units were sold at a price of $0.46 per Unit, for total gross proceeds of $564,863 according to the terms previously announced. The Company paid commissions to certain finders of an aggregate of $16,051 in cash and 34,892 finder warrants. Each finder warrant entitles the holder to purchase one Unit at the Issue Price and is exercisable for a period of thirty-six (36) months from the closing of the second tranche.

On the closing of the third and final tranche, an aggregate of 224,703 Units were sold at a price of C$0.46 per Unit for gross proceeds of $103,364.

An aggregate of 9,253,811 Units have been sold under the Offering for total gross proceeds of $4,256,753.20. Each Unit consists of one common share of the Company (a "Common Share") and one Common Share purchase warrant (a "Warrant"). Each Warrant will entitle the holder to purchase one Common Share (a "Warrant Share") at an exercise price of $0.75 per Warrant Share for a period of 36 months following the closing of the corresponding tranche. Dr. Keith Barron, the Chief Executive Officer, President, director, promoter and a significant shareholder of the Company subscribed for an aggregate of 7,413,236 Units under the Offering.