



AURANIA

AURANIA RESOURCES LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

For the Three Months Ended March 31, 2024 and 2023

(Expressed in Canadian Dollars)

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AURANIA

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING AND NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements of Aurania Resources Ltd. (the "Company") for the three months ended March 31, 2024 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 interim consolidated financial statements ("Financial Statements") in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting*. These condensed interim consolidated 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 condensed interim consolidated financial statements should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2023.

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 interim consolidated financial statements have not been reviewed by an auditor. The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with the standards established by the Chartered Professionals Accountants of Canada for a review of condensed interim consolidated financial statements by an entity's auditor.

AURANIA RESOURCES LTD.**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Unaudited)***(Expressed in Canadian dollars)*

AS AT	March 31, 2024	December 31, 2023
ASSETS		
Current assets		
Cash	542,592	\$325,262
Prepaid expenses	88,801	64,092
Receivables (notes 5 and 16)	22,859	84,415
Total current assets	654,252	473,769
Non-current asset		
Property and equipment (note 6)	70,723	74,863
Right of use assets (note 7)	147,928	161,376
TOTAL ASSETS	872,903	\$710,008
LIABILITIES AND SHAREHOLDERS' (DEFICIENCY)		
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	3,937,463	\$773,791
Current lease liabilities (note 10)	41,769	55,281
Total current liabilities	3,979,232	829,072
Long-term liabilities		
Promissory notes (note 9)	10,971,487	9,926,970
Lease liabilities (note 10)	126,359	126,359
TOTAL LIABILITIES	15,077,078	10,882,401
SHAREHOLDERS' (DEFICIENCY)		
Share capital (note 11)	675	\$675
Share premium (note 11)	71,458,341	71,458,341
Share to be issued (note 12)	872,528	872,528
Warrants (note 13)	6,997,977	6,997,977
Contributed surplus and shareholder contribution (notes 9 and 12)	9,912,778	9,269,256
Accumulated deficit	(103,446,474)	(98,771,170)
Total shareholders' (deficiency)	(14,204,175)	(10,172,393)
TOTAL LIABILITIES AND SHAREHOLDERS' (DEFICIENCY)	872,903	\$710,008

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 interim consolidated financial statements.

AURANIA RESOURCES LTD.

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

(Expressed in Canadian dollars)

	ISSUED CAPITAL					RESERVES		Total Equity Surplus (Deficiency)
	Common Shares #	Share Capital	Share Premium	Shares to be issued	Warrants	Contributed Surplus	Accumulated Deficit	
Balance – December 31, 2022	51,959,675	\$520	\$66,082,072	\$732,054	\$7,252,555	\$8,507,647	\$(82,884,639)	\$(309,791)
Shares issued for private placements - March 2023 (note 11(i))	1,996,653	20	1,397,637	-	-	-	-	1,397,657
Less share issue cost (note 11(i))	-	-	(37,264)	-	(30,112)	-	-	(67,376)
Warrants issued for private placement - March 2023 (notes 13 and 11(i))	-	-	754,934	-	(754,934)	-	-	-
Broker warrants issued for private placement	-	-	-	-	(585,000)	-	585,000	-
Restricted stock units "RSUs" cancelled	-	-	-	-	-	(60,958)	60,958	-
Stock based compensation – RSUs compensation (note 12)	-	-	-	-	-	90,633	-	90,633
Stock-based compensation - Option compensation (note 12 (xi))	-	-	-	-	-	201,146	-	201,146
Shareholder contribution (note 9)	-	-	-	-	-	307,296	-	307,296
Net loss for the year	-	-	-	-	-	-	(5,241,947)	(5,241,947)
Balance – March 31, 2023	53,956,328	\$540	\$68,197,379	\$732,054	\$5,882,509	\$9,045,764	\$(87,480,628)	\$(3,622,382)
	Common Shares #	Share Capital	Share Premium	Shares to be issued	Warrants	Contributed Surplus	Accumulated Deficit	Total Equity Surplus (Deficiency)
Balance – December 31, 2023	67,471,737	\$675	\$71,458,341	\$872,528	\$6,997,977	\$9,269,256	\$(98,771,170)	\$(10,172,393)
Expiry of stock options (note 12)	-	-	-	-	-	(60,960)	60,960	-
Stock based compensation – Option compensation (note 12)	-	-	-	-	-	102,830	-	102,830
Shareholder contribution (note 9)	-	-	-	-	-	601,652	-	601,652
Net loss for the year	-	-	-	-	-	-	(4,736,264)	(4,736,264)

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

AURANIA RESOURCES LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND
COMPREHENSIVE LOSS (Unaudited)

(Expressed in Canadian dollars)

Three months ended March 31,	2024	2023
Operating Expenses:		
Exploration expenditures (notes 8, 14, 15 and 16)	\$3,536,819	\$4,298,898
Stock-based compensation (notes 12 and 14)	\$102,830	123,035
Investor relations	157,459	123,138
Office and general	165,100	197,464
Management fees (note 14)	28,559	70,035
Professional and administration fees	22,137	15,637
Regulatory and transfer agent fees	35,922	30,692
Amortization (notes 6 and 7)	22,337	28,846
Total expenses	\$4,071,163	\$4,887,745
Other Expenses (Income)		
Loss on foreign exchange	156,221	27,694
Interest income	(27)	(2,853)
Accretion of shareholder contribution (note 9)	508,907	323,260
Net loss and comprehensive loss for the period	4,736,264	\$5,235,846
Basic and diluted loss per share	\$0.07	\$0.09
<hr/>		
Weighted average common shares outstanding – basic and diluted	67,471,737	58,911,361

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

AURANIA RESOURCES LTD.**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)***(Expressed in Canadian dollars)*

Three months ended March 31,	2024	2023
Cash flows from the following activities:		
Operating activities:		
Net loss for the year	\$(4,736,264)	\$(5,235,846)
Adjustment for:		
Amortization (notes 6 and 7)	22,337	32,656
Stock-based compensation (notes 12 and 14)	102,830	123,035
Accretion of shareholder contribution (note 9)	508,907	323,260
Foreign exchange loss (gain)	137,262	(27,694)
Net change in non-cash working capital:		
Prepaid expenses and receivables	36,847	31,164
Accounts payable and accrued liabilities	3,163,672	85,637
Net cash used in operating activities	(764,409)	(4,667,788)
Financing activities:		
Shares issued for private placement (note 11)	-	3,588,527
Less share issue costs (note 11)	-	(27,651)
Issuance of promissory notes (note 9)	1,000,000	-
Principal payments on lease liabilities (note 10)	(13,512)	-
Net cash provided by financing activities	986,488	3,560,876
Investing activity:		
Purchase of property and equipment (note 6)	(4,749)	-
Net cash used in investing activities	(4,749)	-
(Decrease) in cash	217,330	(1,106,912)
Cash – beginning of year	325,262	1,473,768
Cash – end of period	\$542,592	\$366,856
Supplemental cash flow information		
Interest paid	2,657	3,420
Non-cash items:		
Shareholder contribution	601,652	327,444
Lease cancellations	-	-
Non-cash share issuance costs	-	2,444

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

AURANIA RESOURCES LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended March 31, 2024 and 2023 (Unaudited)

(Expressed in Canadian Dollars)

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 – Mineral Property Interests.

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 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. See note 8 – Mineral Property Interests regarding the current status of the Company's permits and licenses. 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, 2024 the Company had current assets \$654,252 (December 31, 2023 - \$473,769) to fund current liabilities of \$3,979,232 (December 31, 2023 - \$829,072), and long-term liabilities of \$11,097,846 (December 31, 2023 - \$10,053,329). Further, the Company had an accumulated deficit of \$103,446,474 (December 31, 2023 - \$98,771,170) and working capital deficit of \$3,324,980 (December 31, 2023 - deficiency of \$355,303).

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. As a result, there is material uncertainty that results in significant doubt about the Company's ability to continue as a going concern. These consolidated 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. 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

AURANIA RESOURCES LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three months ended March 31, 2024 and 2023

(Expressed in Canadian Dollars)

Board (“IASB”) for annual financial statements. Accordingly, these Financial Statements should be read in conjunction with the Company’s annual consolidated financial statements for the year ended December 31, 2023 which can be found on the Company’s SEDAR+ profile at www.sedarplus.ca 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 dollar (“CAD” or “\$”), the Company’s functional currency, unless otherwise stated and “USD” represents United States dollars, “CHF” represents Swiss francs, “SOL” represents Peruvian SOL, and “EUR” represents European Union euro. 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, Sociedad Minera Vicus Exploraciones S.A.C, incorporated under the laws of Peru, Breizh Ressources, incorporated under the laws of France, and Corsica Ressources, incorporated under the laws of France. 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.sedarplus.ca 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 condensed consolidated interim financial statements being May 27, 2024. 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, 2023.

AURANIA RESOURCES LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three months ended March 31, 2024 and 2023

(Expressed in Canadian Dollars)

Recently adopted accounting pronouncements

Certain pronouncements were issued by the IASB that are mandatory for accounting periods commencing on or after January 1, 2024. Many are not applicable or do not have a significant impact to the Company. There are no relevant IFRS's or IFRS interpretations that are effective that would have a material impact on the Company.

Future changes in accounting pronouncements

A number of new standards are not yet effective for the year ended December 31, 2024, and have not been applied in preparing these financial statements. Many are not applicable to, or do not have a significant impact on the Company and have therefore been excluded. The following have not been adopted and are being evaluated to determine their impact on the Company's consolidated financial statements. The Company will adopt these pronouncements as of their effective date.

IFRS 10 – Consolidated Financial Statements (“IFRS 10”) and IAS 28 – Investments in Associates and Joint Ventures (“IAS 28”) were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined; however early adoption is permitted.

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, 2024 was a deficiency of \$14,204,175 (December 31, 2023 – deficiency of \$10,172,393). 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, 2024.

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.

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, 2024.

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, Peruvian and French financial institutions,

AURANIA RESOURCES LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

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(Expressed in Canadian Dollars)

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, 2024, the Company had available cash of \$542,592 (December 31, 2023 – \$325,262) to settle current liabilities of \$3,979,232 (December 31, 2023 – \$829,072). Also, the Company has long-term liabilities of \$11,097,846 (December 31, 2023 – \$10,053,329). 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, 2024:

In Canadian \$ equivalents	Carry amount	Contractual cash flows	April 1, 2024 to March 31, 2025	Thereafter
Accounts payable and accrued liabilities	\$ 3,937,463	\$ 3,937,463	\$ 3,937,463	\$ -
Promissory note 2017 (note 9)	547,658	656,612	-	656,612
Promissory note 2019 (note 9)	3,793,425	4,548,067	-	4,548,067
Promissory note March 2022 (note 9)	1,424,197	1,707,458	-	1,707,458
Promissory note June 2022 (note 9)	886,151	1,056,164	-	1,056,164
Promissory note July 2022 (note 9)	883,466	833,333	-	833,333
Promissory note June 2023 (note 9)	1,727,902	2,067,929	-	2,067,929
Promissory note October 2023 (note 9)	857,071	1,027,085	-	1,027,085
Promissory note January 2024 (note 9)	851,619	1,021,619	-	1,021,619
Lease liabilities (note 10)	168,128	182,965	65,102	117,863
Total	\$ 15,077,080	\$ 17,038,696	\$ 4,002,565	\$ 13,036,131

As the Company has no steady source of revenues or cash flow, it is highly probable that additional financing will be required during 2024 to further advance exploration at the Project, and to meet ongoing financial obligations in the normal course of business. There can be no assurance that financing will be available on terms acceptable to the company or at all.

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.

AURANIA RESOURCES LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three months ended March 31, 2024 and 2023

(Expressed in Canadian Dollars)

(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 USD, CHF, SOL, and EUR, which are subject to potential gains or losses due to fluctuations in these currencies. As at March 31, 2024, the Company holds balances in those foreign currencies which are subject to foreign currency risk, with the most material being in USD. The CAD equivalent of the USD balances include \$141,260 in cash (December 31, 2023 – \$56,652) and \$9,578,679 in accounts payable, accrued liabilities, and promissory notes (December 31, 2023 – \$6,230,667). The financial position related to balances in the other currencies is less significant. The Company's exposure to foreign currency risk with respect to amounts denominated in USD, CHF, SOL and EUR, as of March 31, 2024 and December 31, 2023 was substantially follows:

In Canadian \$ equivalents	March 31, 2024	December 31, 2023
Cash	\$173,473	\$88,858
Accounts payable, accrued liabilities and promissory notes	(9,609,603)	(6,261,613)
Net exposure	\$(9,436,129)	\$(6,172,755)

Management believes that the foreign exchange risk derived from currency conversions is best served by not hedging its foreign exchange risk.

Sensitivity analysis

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, CHF, SOL and EUR at March 31, 2024 would have increased the net asset position of the Company by \$943,613 (at December 31, 2023 – \$617,276). A 10% weakening of the Canadian dollar against the same would have had an equal but opposite effect.

At March 31, 2024 and December 31, 2023, 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, 2024 approximates their fair value. The carrying value of the long-term promissory notes at March 31, 2024 is approximately \$10,971,487. This was estimated based on discounting the promissory notes at an estimated discount rate of 20% with term a term of one year.

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, 2024 and December 31, 2023, the Company was not a metals commodity producer.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three months ended March 31, 2024 and 2023

(Expressed in Canadian Dollars)

6. PROPERTY & EQUIPMENT

	Leasehold Improvements	Field Equipment	Furniture and Fixtures	Computer Equipment	Total
COST					
At December 31, 2023	27,545	135,614	8,399	186,805	358,363
Additions	-	-	-	4,749	4,749
At March 31, 2024	27,545	135,614	8,399	191,554	363,112
ACCUMULATED DEPRECIATION					
At December 31, 2023	(13,367)	(105,204)	(4,007)	(160,922)	(283,500)
Additions	(519)	(1,866)	(190)	(6,314)	(8,889)
At March 31, 2024	(13,886)	(107,070)	(4,197)	(167,236)	(292,389)
NET BOOK VALUE					
At December 31, 2023	14,178	30,410	4,392	25,883	74,863
At March 31, 2024	\$13,659	\$28,544	\$4,202	\$24,318	\$70,723

7. RIGHT OF USE ASSETS

The Company has certain lease related to an office for the operations in Toronto. The lease is for a term ending December 31, 2026.

Right of Use Assets	
At December 31, 2023	\$228,616
Accumulated Depreciation ROU	
Balance December 31, 2023	(67,240)
Amortization	(13,448)
Balance March 31, 2024	(80,688)
Net Book Value	
At December 31, 2023	161,376
At March 31, 2024	147,928

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.

AURANIA RESOURCES LTD.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three months ended March 31, 2024 and 2023

(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 most recent annual consolidated financial statements for the year ended December 31, 2023 which can be found on the Company’s SEDAR+ profile at www.sedarplus.ca 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 ²	4,486,236
8 (2024)	2,389,286 ³	2,077,640 ⁴	⁵
Estimated	⁶	⁶	^{5,6}

¹ Paid

² Requirement satisfied.

³ The Company filed all the appropriate documentation for the renewal of its 42 mineral exploration concession in Ecuador. The Company also filed a request to enter into an agreement for payment of the associated annual concession fees. By filing the concession renewals prior to the March 31, 2024 deadline, the Company maintains its property in Ecuador in good standing while an agreement is finalized.

⁴ 2024 amounts are estimated maximum Required Expenditures that assumes the current number of concessions are maintained and a continuing fee of USD10.00 per hectare.

⁵ Reported by March 31 of the following year.

⁶ The Company will evaluate the concessions and may not renew those of lower geological interest. 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.

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, and largest shareholder of the Company.

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PERU

Mineral concessions in Peru

At March 31, 2024, the Company's land position in Peru consists of a total of 94 concession applications and concession titles covering 93,100Ha (5 applications for 4,900Ha and 89 concession titles for 88,200Ha).

- The Company decided to withdraw the applications pending to be verified by local authorities, keeping the 94 concessions already granted.
- The annual concession fee is USD3.00 per hectare required to keep the concessions in good standing.
- 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.
- At March 31, 2024, the Company had credits worth \$900 (March 31, 2023 - \$358,436) corresponding to rejected mineral property applications from previous years, resulting in credits that can be applied in the INGEMMET to future applications or concessions fees.

9. PROMISSORY NOTES

Promissory Notes 2017 - 2023

During 2017, 2019, 2022, and 2023 Dr. Keith Barron, who is the Chairman, President, and Chief Executive Officer, as well as a principal shareholder of the Company (the "Lender" or "Dr. Barron"), advanced a total of seven loans to the Company in the following dates and amounts:

- March 20, 2017 – USD2,000,000 (\$2,671,600 at an exchange rate of 1.3358 USD/CAD). Portions of this loan were repaid on various dates, including a settlement involving stock options.
- April 22, 2019 – USD3,000,000 (\$4,005,900 at an exchange rate of 1.3353 USD/CAD)
- 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
- June 14, 2023 – \$2,000,000, received in advances between June 20 and September 20, 2023
- October 13, 2023 – \$1,000,000, received in advances between October 11 and December 12, 2023

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% throughout the year ended December 31, 2023, 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. 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.

As at	March 31, 2024	December 31, 2023
Initial carrying amount	\$9,926,970	\$ 10,064,229
Interest rate benefit recognized as shareholder contribution	(439,508)	(1,662,631)
Accretion expense	495,143	1,660,169
Foreign exchange translation gain	137,264	(134,797)
Balance, end of period	\$10,119,869	\$ 9,926,970

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Promissory Note issued in January 2024

On January 30, 2024, the Company announced the approval from the Board of Directors to receive a loan from Dr. Barron for an aggregate of \$1,000,000, received in advances between January and March, 2024. The loan is unsecured, bears interest at 2% per annum and becomes repayable on the day following the one-year anniversary of Dr. Barron requesting repayment. 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 loan considered to represent that benefit is recorded in equity as a shareholder contribution. 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.

As at	March 31, 2024	December 31, 2023
Total proceeds	\$1,000,000	\$ -
Initial shareholder contribution on initial recognition	(150,000)	-
Initial carrying amount	850,000	-
Interest rate benefit recognized as shareholder contribution	(12,144)	-
Accretion expense	13,763	-
Balance, end of period	\$851,619	\$ -

10. LEASE LIABILITIES

The Company has a lease related to an office for the operations in Toronto. The lease is for a term ending December 31, 2026.

Lease Liabilities	
Balance at December 31, 2023	\$181,640
Interest expense	2,657
Payments	(16,169)
Lease liabilities as at March 31, 2024	\$168,128

Lease Liabilities	
Current lease liability at year end	\$41,769
Non-current lease liability at year end	\$126,359
Lease liabilities as at March 31, 2024	\$168,128

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

11. SHARE CAPITAL

Authorized share capital at March 31, 2024 and December 31, 2023 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, 2024 and December 31, 2023 is 67,471,737.

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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.

During the three months ended March 31, 2024, the Company recorded the following stock option transactions:

- (i) The directors of the Company agreed to receive their director fees for 2024 in stock options in lieu of cash. The Company granted a total of 94,000 stock options exercisable at \$0.25 in lieu of their director fees for the first quarter of 2024, expiring after three years and vesting immediately. A fair value of \$15,040 was determined using the Black-Sholes pricing model with the following assumptions: expected dividend yield of 0%, expected volatility based on historical trading of 105% and risk-free rate of 4.16%.
- (ii) On January 16, 2024, 24,000 stock options with an estimated fair value of \$60,960 expired unexercised.
- (iii) The following summarizes the stock options activity during the three months ended March 31, 2024:

	Number of Options	Weighted Average Exercise Price	Estimated Fair Value
Balance – December 31, 2023	5,161,468	\$1.28	\$5,074,717
Granted	94,000	0.32	14,100
Expired	(24,000)	0.90	(60,960)
Stock-based compensation expense	-	-	102,830
Balance – March 31, 2024	5,231,468	\$1.27	\$5,130,687

- (iv) The following summarizes the stock options outstanding at March 31, 2024:

Issued Number of Options	Exercisable Number of Options	Exercise Price	Expiry Date	Estimated Fair Value
77,000	77,000	\$2.97	28-Jun-24	\$170,940
480,000	480,000	2.70	24-Oct-24	900,601
125,000	125,000	3.16	7-Feb-25	295,000
460,000	460,000	3.51	17-Nov-25	909,419
100,000	100,000	3.25	22-Dec-25	182,500
200,000	200,000	3.21	25-Jan-26	377,860
53,568	53,568	0.46	11-Apr-26	14,999
58,000	58,000	0.33	30-Jun-26	11,600
40,000	40,000	2.51	1-Jul-26	59,640
107,200	107,200	0.24	30-Sep-26	15,008
79,200	79,200	0.31	31-Dec-26	15,048
94,000	94,000	0.25	31-Mar-27	14,100
1,170,000	780,000	0.84	30-Jun-27	604,674
162,500	108,333	0.84	4-Jul-27	66,933
35,000	35,000	0.84	18-Aug-27	13,044
1,990,000	663,334	0.33	30-Jun-28	267,668
5,231,468	3,460,635	\$1.25		\$3,919,034

The weighted average contractual life remaining for stock options as at March 31, 2024 is 3.0 years (December 2023 – 3.23 years).

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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. There was no RSU activity during the three months ended March 31, 2024.

Shares to be issued

Shares to be issued (“STBI”) are restricted stock units that have fully vested but where the related shares are yet to be issued. There was no activity related to STBI for the three months ended March 31, 2024:

	Number of Shares to be Issued	Weighted Average Fair Value on Grant Date	Estimated Fair Value on Grant Date
Balance – December 31, 2023	289,700	\$3.01	\$872,528
Balance - March 31, 2024	289,700	\$3.01	\$872,528

13. WARRANTS

There was no activity related to warrants or agents’ warrants for the three months ended March 31, 2024:

	Number of Warrants/ Agents’ Options	Weighted Average Exercise Price	Estimated Fair Value
Balance – December 31, 2023	23,931,855	\$1.56	\$6,997,977
Balance - March 31, 2024	23,931,855	\$1.56	\$6,997,977

Outstanding warrants

On March 29, 2024, the Company announced the extension of the exercise period for a total of 1,996,653 unlisted common share purchase warrants, all of which were exercisable at \$1.25 per common share and would otherwise expire on March 28, 2024, or March 30, 2024. The following table summarizes the warrants and Agents’ warrants outstanding as at March 31, 2024:

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
November 29, 2024	2,419,176	0.75
December 22, 2024	1,827,432	0.75
March 28, 2025	1,586,653	1.25
March 30, 2025	410,000	1.25
March 23, 2026	7,818,505	0.75
April 25, 2026	1,262,855	0.75
May 19, 2026	224,703	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, 2024	23,931,855	\$1.56

The weighted average contractual life for warrants outstanding as at March 31, 2024 is 1.55 years. Refer to note 19 – Subsequent events for information regarding issued warrants related to a private placement.

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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. 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 and 2024.

For the three months ended March 31,	2024	2023
Salary - corporate ⁽¹⁾	\$28,559	\$41,730
Salary – technical ⁽²⁾	62,184	65,268
Stock-based compensation for key management ⁽³⁾	74,425	103,148
Total key management compensation expense	\$165,168	\$210,146

⁽¹⁾ Salary - corporate includes 100% CFO fees.

⁽²⁾ Salary - technical includes 100% of Vice President Exploration compensation.

⁽³⁾ This figure is the estimated expense of vested stock options and RSUs granted to key management and directors during the three months ended March 31, 2024 and 2023.

15. EXPLORATION EXPENSE

For the three months ended March 31,	2024	2023
ECUADOR		
GEOLOGY/FIELD:		
- Salaries, benefits	\$53,449	\$219,899
- Camp costs, equipment, supplies	35,535	91,162
- Project management	2,052	65,268
- Travel, accommodation	1,293	51,481
- Office (Quito, Macas)	4,395	6,722
- Environment, health & safety	8,143	58,113
- Water	15,413	14,820
- Drilling	-	452,125
GEOCHEMISTRY	1,645	19,264
EXPERT CONSULTANTS	3,398	31,059
CORPORATE SOCIAL RESPONSIBILITY – fees, travel, supplies	77,735	123,428
LEGAL AND OTHER FOR CONCESSIONS	20,602	-
CONCESSION MAINTENANCE - permits	3,237,483	3,165,349
Total exploration in Ecuador	\$3,461,143	\$4,298,690
PERU		
- Costs related to concession fee applications	-	\$208
- Legal	2,311	-
Total exploration in Peru	\$2,311	\$208
FRANCE		
- Project management	\$60,132	-
- Expert consultants	4,582	-
- Travel, accommodation	3,590	-
- Office and general	505	-
- Legal expenses	4,556	-
Total exploration – France	\$73,365	-
TOTAL EXPLORATION EXPENSE	\$3,536,819	\$4,298,898

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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, 2024 and 2023:

- (a) Certain Company employees undertake work for other companies with officers and directors in common and the Company passes through the cost of the work done to those companies. The amounts receivable are unsecured, non-interest bearing and have no fixed terms of repayment. During the three months ended March 31, 2024:
 - I. \$nil (first quarter 2023-\$nil) was passed to Firestone Ventures Inc. Dr. Keith Barron, Chairman and CEO of the Company, was 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, 2024 \$nil remained receivable (March 31, 2023-\$1,805).
 - II. \$nil (first quarter 2023-\$nil) was passed through 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, 2024 \$nil remained receivable (March 31, 2023-\$281).
- (b) During the three months ended March 31, 2024, the Company incurred expenses of \$3,844 (first quarter 2023-\$nil) for its operations in France paid by Dr. Keith Barron. At March 31, 2024 \$62,243 remained as an accounts payable due to Dr. Barron (March 31, 2023-\$nil).

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, 2024, the Company's operations comprised one business segment engaged in mineral exploration and four geographical segments in Ecuador, Peru, France and Switzerland. Cash of \$347,715 (December 31, 2023 - \$243,283) is held in a Canadian chartered bank, \$136,395 (December 31, 2023 - \$23,325) being held in a chartered bank in Ecuador, \$1,740 (December 31, 2023 - \$1,732) being held in a chartered bank in Switzerland, \$53,474 (December 31, 2023 - \$30,474) being held in a chartered bank in France and the balance of \$3,268 (December 31, 2023 - \$26,447) 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 a party to certain management contracts. At year-end, these contracts contained minimum commitments of approximately \$917,778, of which the totality is due within one year upon the termination of those contracts. In the occurrence of a change of control, additional contingent payments of up to approximately \$97,304 would be due. As a triggering event has not taken place, the contingent payments have not been reflected in these consolidated financial statements.

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On June 30, 2022, the Company entered a corporate services agreement for a fractional CFO. The Company pays \$230/hour for wages based on hours worked. The agreement is for twelve months and is automatically renewed for subsequent periods of six months unless written notice of termination has been provided by any of the parties. Monthly services during the three months ended March 31, 2024 have been approximately \$13,000.

In September 2022, the Company entered into a four-year term office lease agreement with monthly fees starting at \$5,248 increasing to \$5,673 through the term of the lease. See note 10 – Lease liabilities.

19. SUBSEQUENT EVENTS

Warrants

On April 1, 2024, the tradable warrants listed on TSX-Venture under the symbol ARU.WT.A. expired unexercised. A total of 3,061,129 expired unexercised on that date.

Private placement financing

On April 17, 2024 the Company announced it intends to further its 2024 exploration plan at its Project in southeastern Ecuador and to complete a non-brokered private placement financing of up to 20,000,000 units of the Company (the “Units”) at a price of \$0.20 per Unit (the “Issue Price”) for total gross proceeds to the Company of up to \$4,000,000 (the “Offering”). Each Unit will consist 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 \$0.45 per Warrant Share for a period of 24 months following the closing of the Offering.

On May 9 and May 23, 2024, the Company closed the first and second tranches, respectively, of the non-brokered private placement financing announced on April 17, 2024 for 10,874,360 and 4,219,752 Units, respectively, priced at \$0.20 per Unit, for total gross proceeds of \$2,174,872 and \$843,950, respectively. Each Unit consisting of one common share and one full warrant, the warrant having an exercise price of \$0.45 per warrant and an expiry date of two years after closing of the corresponding tranche. The Company paid commissions to certain finders of an aggregate of \$3,430 in cash and 17,150 finder warrants for the first tranche and nil for the second tranche. Each finder warrant entitles the holder to purchase one Unit at the Issue Price and is exercisable for a period of twenty-four (24) months from the closing of the first tranche. Dr. Keith Barron subscribed for 2,303,360 Units of this offering. The cash paid for regulatory and legal costs was \$18,913.

Respectively for warrants of first and second tranche: A value of \$587,215 and \$227,867 has been assigned using the Black-Sholes option pricing model using the following respective assumptions: expected dividend yield 0% for both, expected volatility of 116.99% and 117.27%, a risk free rate of 4.20% and 4.19% and an expected life of 2 years. Volatility is based on the historical trading of the Company’s shares.

There is no guarantee that future tranches of the private placement will close in full or at all.

Debt Settlement

The Company announced on April 17, 2024, followed by an update on April 24, 2024, that the Board of Directors approved a debt settlement arrangement with Dr. Barron, whereby Dr. Barron will convert up to \$2,000,000, plus accumulated interest of \$72,165, of the loans owed to him by the Company into Common Shares at a price of \$0.20 per Common Share (the “Debt Settlement”). There are no warrants associated with the Debt Settlement. The Company has elected to settle the indebtedness through the issuance of Common Shares to preserve cash and strengthen the Company’s balance sheet.

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On May 9, 2024, the Company announced the completion of the Debt Settlement. Pursuant to which, the Company issued an aggregate of 10,360,825 Common Shares to Dr. Keith Barron in settlement of \$2,000,000 of loans plus interest thereon of \$72,165, for an aggregate amount of \$2,072,165 owed to him by the Company, at a price of C\$0.20 per Common Share.