ROMIOS GOLD RESOURCES INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended December 31, 2018 and 2017
(unaudited)
(Expressed in Canadian $)

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

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

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

DATED this 12th day of February, 2019.

ROMIOS GOLD RESOURCES INC

Per: *(signed) “Tom Drivas”*
Name: Tom Drivas
Title: Chief Executive Officer

Per: *(signed) “Frank van de Water”*
Name: Frank van de Water
Title: Chief Financial Officer

Romios Gold Resources Inc.

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Cdn $)

(Unaudited)

As at	**December 31 2018 $**	June 30 2018 $
Assets		
Current		
Cash and cash equivalents (note 4)	**1,156,772**	250,219
Accounts receivable	**23,968**	18,049
Marketable securities (note 5)	**445,803**	485,033
Prepaid expenses	**79,174**	59,763
Total current assets	**1,705,717**	813,064
Exploration and evaluation assets (note 6)		
Acquisition costs	**4,013,807**	4,220,639
Total assets	**5,719,524**	5,033,703
Liabilities		
Current		
Accounts payable & accruals	**41,104**	27,218
Due to related parties	**661,332**	603,859
Total liabilities	**702,436**	631,077
Contingencies and commitments (note 12)		
Subsequent events (note 13)		
Shareholders' equity		
Share capital (note 7(a))	**33,041,583**	31,888,326
Warrants (note 7(c))	**78,452**	176,566
Contributed surplus (note 8)	**4,653,882**	4,505,737
Deficit	**(32,756,829)**	(32,168,003)
Total shareholders' equity	**5,017,088**	4,402,626
Total liabilities and shareholders' equity	**5,719,524**	5,033,703

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

APPROVED ON BEHALF OF THE BOARD on FEBRUARY 12, 2019

"Signed"	"Signed"
Anastasios (Tom) Drivas	Frank van de Water

Romios Gold Resources Inc.

Condensed Interim Consolidated Statements of Changes in Equity
(Expressed in Cdn $)
(Unaudited)

	Share Capital $	Warrants $	Contributed Surplus $	Deficit $	Total $
At June 30, 2017	31,224,506	127,997	4,333,894	(31,724,109)	3,962,288
Net loss and comprehensive loss for the period	-	-	-	(443,049)	(443,049)
Working capital units issued, net	238,600	-	-	-	238,600
Flow-through shares issued, net	361,730	-	-	-	361,730
Valuation of warrants	(132,789)	132,789	-	-	-
Adjustment of expired warrants	-	(127,997)	127,997	-	-
Share-based compensation	-	-	12,939	-	12,939
At December 31, 2017	31,692,047	132,789	4,474,830	(32,167,158)	4,132,508
Net loss and comprehensive loss for the period	-	-	-	(845)	(845)
Working capital units issued, net	192,956	-	-	-	192,956
Flow-through shares issued, net	47,100	-	-	-	47,100
Valuation of warrants	(43,777)	43,777	-	-	-
Share-based compensation	-	-	30,907	-	30,907
At June 30, 2018	31,888,326	176,566	4,505,737	(32,168,003)	4,402,626
Net loss and comprehensive loss for the period	-	-	-	(588,826)	(588,826)
Working capital units issued, net	475,000	-	-	-	475,000
Flow-through shares issued, net	686,883	-	-	-	686,883
Valuation of warrants	(34,675)	34,675	-	-	-
Shares issued for properties, net	22,549	-	-	-	22,549
Broker's warrants exercised	3,500	-	-	-	3,500
Adjustment of expired warrants	-	(132,789)	132,789	-	-
Share-based compensation	-	-	15,356	-	15,356
At December 31, 2018	33,041,583	78,452	4,653,882	(32,756,829)	5,017,088

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

Romios Gold Resources Inc.

Condensed Interim Consolidated Statements of Loss, and Comprehensive Loss

(Expressed in Cdn $)

	For the three months ended December 31		For the six months ended December 31	
	2018	2017	**2018**	2017
	$	$	**$**	$
Expenses				
Operating activities				
Exploration expenses	**112,873**	21,400	**244,570**	234,893
Acquisition cost of properties dropped	-	-	**1,945**	-
General and administrative activities:				
Professional fees	**59,086**	26,815	**91,677**	47,482
Management fees and salaries	**58,313**	49,275	**107,850**	99,075
Office and general	**12,081**	10,063	**30,577**	19,679
Shareholder communication	**39,827**	22,516	**59,713**	29,543
Share-based compensation	**7,374**	12,939	**15,356**	12,939
General and administrative expenses	**176,681**	121,608	**305,173**	208,718
Loss for the period before the following	**289,554**	143,008	**551,688**	443,611
Unrealized loss on marketable securities	**3,567**	-	**39,231**	-
Interest income	**(226)**	(265)	**(2,093)**	(562)
Net loss and comprehensive loss for the perioc	**292,895**	142,743	**588,826**	443,049
Basic and diluted loss per share	**0.00**	0.00	**0.00**	0.00
Weighted average number of shares outstanding	**188,731,000**	173,482,000	**185,216,000**	172,425,000

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

Romios Gold Resources Inc.

Condensed Interim Consolidated Statements of Cash Flows

(Expressed in Cdn $)

(Unaudited)

	For the six months ended December 31	
	2018	2017
	$	$
Operating activities		
Net loss for the period	**(588,826)**	(443,049)
Items not affecting cash:		
Share-based compensation	**15,356**	12,939
Unrealized loss on marketable securities	**39,231**	-
Acquisition cost of properties dropped	**1,945**	-
	(532,294)	(430,110)
Net change in non-cash working capital		
Accounts receivable	**(5,919)**	(4,893)
Prepaid expenses	**(19,411)**	(893)
Accounts payable and accrued liabilities	**13,886**	18,968
Due to related parties	**57,473**	98,463
Net cash used in operating activities	**(486,265)**	(318,465)
Investing activities		
Property option proceeds	**250,000**	-
Exploration and evaluation assets acquisition costs	**(20,114)**	(30,093)
Net cash from investing activities	**229,886**	(30,093)
Financing activities		
Private placement of flow-through units	**744,750**	387,250
Private placement of working capital units	**475,000**	238,600
Share issue costs	**(60,318)**	(25,520)
Warrants exercised	**3,500**	-
Net cash from financing activities	**1,162,932**	600,330
Change in cash and cash equivalents	**906,553**	251,772
Cash and cash equivalents, beginning of period	**250,219**	145,400
Cash and cash equivalents, end of period	**1,156,772**	397,172

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

1. Nature of operations and going concern

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

These unaudited condensed interim consolidated financial statements (“Statements”) have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at December 31, 2018 the Company had no sources of operating cash flows. The Company will therefore require additional funding which, if not raised, would result in the curtailment of activities and project delays. The Company had a working capital of $1,003,281 as at December 31, 2018, after providing for $661,332 due to related parties, and has incurred losses since inception, including $22,776,599 spent on exploration and evaluation of its mineral properties, resulting in an accumulated deficit of $32,756,829 as at December 31, 2018. The Company’s ability to continue as a going concern is uncertain and is dependent upon its ability to continue to raise adequate financing. There can be no assurances that the Company will be successful in this regard, and therefore, there is doubt regarding the Company’s ability to continue as a going concern, and accordingly, the use of accounting principles applicable to a going concern. These consolidated financial statements do not reflect adjustments that would be necessary if the “going concern” assumption is not appropriate. If the “going concern” assumption is not appropriate, adjustments to the carrying values of the assets and liabilities, the expenses and the balance sheet classifications, which could be material, would be necessary.

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

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

These Financial Statements form part of the period covered by the Company’s International Financial Reporting Standards (“IFRS”) annual consolidated financial statements. These Financial Statements have been prepared in accordance with IAS 34 - *Interim Financial Reporting* and on the basis of IFRS standards and interpretations expected to be effective as at the Company’s IFRS annual reporting date, June 30, 2019.

These Financial Statements do not contain all the disclosures required by IFRS for annual financial statements and should be read in conjunction with the Company’s audited annual consolidated financial statements for the year ended June 30, 2018 prepared in accordance with International Accounting Standards as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) in effect as of June 30, 2018.

In the opinion of management, all adjustments considered necessary for fair presentation have been included in these Financial Statements. Operating results for the six months ended December 31, 2018 may not be indicative of the results that may be expected for the year ending June 30, 2019.

3. Summary of significant accounting policies

Readers should refer to the June 30, 2018 annual consolidated financial statements for the accounting policies used in the preparation of these Financial Statements. The IASB continues to amend and add to current IFRS standards and interpretations with several projects underway. Accordingly, the accounting policies adopted by the Company for the Company's IFRS annual consolidated financial statements will be determined as at June 30, 2019. In the event that accounting policies adopted at June 30, 2019 differ materially from the accounting policies used in the preparation of these Financial Statements, these Financial Statements will be restated to retrospectively account for the application of those policies adopted at June 30, 2019.

Principles of consolidation

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

Presentation Currency

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

Accounting pronouncements adopted

At the date of approval of these Financial Statements for the six months ended December 31, 2018, the following standards which are applicable to the Corporation were adopted.

IFRS 9, Financial instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments – to replace IAS 39 Financial Instruments: Recognition and Measurement. The standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Corporation adopted this standard effective July 1, 2018 and has determined that it will have little or no impact on reported operations.

IFRS 2, Share-based payment

In June 2016, the IASB issued amendments to IFRS 2, Share-based Payment ("IFRS 2"), clarifying how to account for certain types of share-based payment transactions. The amendments apply for annual periods beginning on or after January 1, 2018 with prospective application. The Company adopted this standard effective July 1, 2018 and has determined that the adoption will have no effect on the financial statements.

4. Cash and cash equivalents

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

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

During the period ended December 31, 2018, the Company spent a total of $244,570 on exploration and evaluation activities, in BC and ON.

5. Marketable securities

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

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

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

6. Exploration and evaluation assets

Acquisition costs	British Columbia	Ontario	Quebec	Nevada, USA	Total
	$	$	$	$	$
Balance, June 30, 2017	4,182,046	-	-	-	4,182,046
Total additions for the period	30,093	8,500	-	-	38,593
Balance, June 30, 2018	4,212,139	8,500	-	-	4,220,639
Total additions for the period	20,113	-	-	-	20,113
Property acquisition	25,000	-	-	-	25,000
Property option proceeds	(250,000)	-	-	-	(250,000)
Abandonment and write off	(1,945)	-	-	-	(1,945)
Balance, December 31, 2018	4,005,307	8,500	-	-	4,013,807

The Company’s holdings in the Golden Triangle Area total 80,706 hectares (199,429 acres). Additional acquisition costs for British Columbia include property payment obligations and maintenance fees for claims.

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

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest. With regard to the Company’s Quebec and Nevada properties, management determined that at June 30, 2017 a write-down of the capitalized value was appropriate, as future exploration on these claims was neither budgeted nor planned. Accordingly, the carrying value of these properties was reduced to nil.

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

In July 2018 Romios acquired a 100% interest in the Royce Claim and the Porc Claim (the "Royce/Porc Property") covering respectively 1,321 and 614 hectares in the Golden Triangle, previously subject to the terms of two separate option agreements. In consideration for the termination of the Prior Option Agreements and the issuance of 500,000 common shares of the Company to the Vendors, valued at $25,000 and the granting of a 1% net smelter returns royalty ("NSR") in favour of the Vendors in respect of each of the two properties. The Company has the right to buy a 0.5% NSR, in respect of each of the two properties, for the payment of $500,000 and has a right of first refusal on the remaining 0.5% NSR..

In September 2018, the Company acquired by staking 17 claims covering 6,506 hectares beginning 9 km northwest of Teck Resources-Newmont Mining Corp.'s Galore Creek porphyry Cu-Au deposits and 1.4 km west of Romios' existing JW Claim porphyry Cu-Au prospect.

On September 24, 2018 the Company announced the signing of a binding Letter Agreement with Crystal Lake Mining Corporation ("CLM") whereby, over the next three years CLM can earn a 100% working interest in the Newmont Lake Project (the "Property") in BC's Golden Triangle area in consideration for, among other things, 12 million common shares of CLM (4 million shares of which are issuable upon regulatory approval of the transaction); the payment of $2 million in cash option payments, of which $250,000 was paid upon signing of the Letter Agreement, and a further $250,000 is payable on each of the following 90 days, 180 days and 270 days from receipt of regulatory approval of this transaction; and a further $1 million is payable upon CLM earning its 100% interest in the Property through the expenditure of $8 million on the Property over a 3-year period. Romios retains a 2% Net Smelter Returns Royalty ("2% NSR") on the Property, or on any after-acquired claims within a 5 km radius of the current boundary of the Property. The 2% NSR may be reduced at any time to a 1% NSR on the payment of $2 million per 0.5% NSR.

CLM undertook an exploration program pursuant to the terms of the Letter Agreement and on November 2, 2018 CLM reported that it had completed drilling six reverse circulation ("RC") drill holes, four on the Burgundy Ridge Zone, and two on the Northwest Zone of the Property. Assays of the RC drill material are pending, with results to be announced when assays are received and analysed.

On December 4, 2018 the Company announced that it had finalized a definitive agreement dated November 29, 2018 (the "Definitive Agreement") with CLM to option the Property.

In order to obtain regulatory approval of the transaction, the Company was required to obtain shareholder approval to the Definitive Agreement which was sought at the Annual and Special meeting of shareholders scheduled for January 11, 2019.

In December 2018, the Company acquired by staking 4 claims covering 1,832 hectares.

Amounts expended to date for exploration and evaluation activities for each area are summarized below. These amounts have been charged to the statement of loss and comprehensive loss.

	British Columbia $	Quebec $	Ontario $	Total $
Balance, June 30, 2017	20,426,709	983,903	660,080	22,070,692
Total additions for the period	210,066	2,508	253,490	466,064
Quebec refund	-	(4,727)	-	(4,727)
Balance, June 30, 2018	20,636,775	981,684	913,570	22,532,029
Total additions for the period	181,584	1,058	61,928	244,570
Balance, December 31, 2018	20,818,359(1)	982,742(2)	975,498(3)	22,776,599

(1) Net of cumulative refunds totalling $691,978 received from the province of British Columbia.
(2) Net of cumulative refunds totalling $431,127 received from the province of Quebec.
(3) Net of cumulative refunds totalling $97,824 received from the province of Ontario.

7. Share capital

(a) Common shares

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

	Number #	Amount $
Balance, June 30, 2017	167,268,490	31,224,506
Flow through units issued July 2017, net	3,700,000	159,385
Working capital units issued July 2017, net	400,000	14,462
Flow through units issued November 2017, net	2,696,667	155,577
Working capital units issued November 2017, net	3,643,333	168,154
Flow through units issued June 2018, net	523,334	43,477
Working capital units issued June 2018, net	2,900,000	162,846
Share issue costs	-	(40,081)
Balance, June 30, 2018	181,131,824	31,888,326
Issuance of shares for property July, 2018	500,000	25,000
Exercise of brokers warrants	70,000	3,500
Flow through units issued October 2, 2018	1,300,000	130,000
Working capital units issued October 2 2018	5,312,500	425,000
Working capital units issued November 8, 2018	625,000	50,000
Flow through units issued December 21, 2018	8,307,692	540,000
Flow through units issued December 31, 2018	1,150,000	74,750
Warrant issue valuation	-	(32,806)
Share issue costs	-	(62,187)
Balance, December 31, 2018	198,397,016	33,041,583

Since June 30, 2017 the Company completed the following financings in order to advance the exploration programs in the Golden Triangle of BC and the Lundmark-Akow Project in northwestern Ontario, and for corporate overhead costs.

Non – brokered Private Placements

Date	Type	Units	Price	Proceeds, $	Warrants	Price	Expiry
July 14, 2017	FT	3,700,000	$0.05	185,000	1,850,000	$0.10	July 14, 2018
July 14, 2017	WC	400,000	$0.05	20,000	400,000	$0.10	July 14, 2018
November 24, 2017	FT	2,696,667	$0.075	202,250	1,348,333	$0.12	November 24, 2018
November 24, 2017	WC	3,643,333	$0.06	218,600	3,643,333	$0.12	November 24, 2018
June 5, 2018	FT	523,334	$0.09	47,100	261,667	$0.12	June 5, 2019
June 5, 2018	WC	2,900,000	$0.07	203,000	2,900,000	$0.12	June 5, 2019
October 2, 2018	FT	1,300,000	$0.10	130,000	650,000	$0.18	October 2, 2019
October 2, 2018	WC	5,312,500	$0.08	425,000	5,312,500	$0.12	October 2, 2019
November 8, 2018	WC	625,000	$0.08	$50,000	625,000	$0.12	November 2, 2019
December 21, 2018	FT	8,307,692	$0.065	540,000	4,153,846	$0.18	December 21, 2019
December 31, 2018	FT	1,150,000	$0.065	74,750	575,000	$0.18	December 31, 2019

Issue Costs

Date	Finder's fees	Brokers Warrants	Price	Expiry
July 14, 2017	$3,500	70,000	$0.05	July 14, 2018
November 24, 2017	$9,660	161,000	$0.06	November 24, 2018
December 21, 2018	$43,200	664,615	$0.065	December 21, 2019

On July 13, 2018 500,000 common shares were issued at $0.05 to acquire the minority interest in the Royce/Pork and JW Property in the Golden Triangle of BC.

(b) Common share purchase options

The Company has a stock option plan (the "Plan") for the benefit of directors, officers, key employees, and consultants. The total number of shares which may be reserved and set aside for issuance to eligible persons may not exceed 10% of the issued and outstanding common shares. As at December 31, 2018, 9,350,000 common shares were reserved for the exercise of stock options granted under the Plan.

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

	Options	**Weighted-average exercise price**
	#	$
Outstanding at June 30, 2017	8,600,000	0.10
Granted	1,000,000	0.10
Expired	(250,000)	0.10
Outstanding at June 30, 2018 and December 31, 2018	9,350,000	0.10
Options exercisable at December 31, 2018	9,100,000	0.10

On December 13, 2017 500,000 share purchase options were granted to acquire common shares of the Company at $0.10 per share for five years. The fair value was estimated at $0.05 per option at the date of grant using the Black-Scholes option pricing model with the following assumptions: risk-free weighted-average interest of 1.61%, expected dividend yield of nil, average expected volatility of 156.24% and expected life term of 60 months.

On March 19, 2018 500,000 share purchase options were granted to acquire common shares of the Company at $0.10 per share for five years. The fair value was estimated at $0.08 per option at the date of grant using the Black-Scholes option pricing model with the following assumptions: risk-free weighted-average interest of 2%, expected dividend yield of nil, average expected volatility of 192.67% and expected life term of 60 months.

Based on estimated fair values, the Company recorded $15,356 as share-based compensation for the six month period ended December 31, 2018, for options vested during the period. Options outstanding vest half on the date of grant and half twelve months from the date of grant.

On April 18, 2018, 250,000 options at an exercise price of $0.10 per share, expired unexercised.

Number of stock options	Number exercisable	Remaining contractual life	Exercise price per share	Expiry date
5,350,000	5,350,000	4.2 months	$0.10	May 5, 2019
200,000	200,000	6 months	$0.10	June 30, 2019
2,800,000	2,800,000	27.7 months	$0.10	April 20, 2021
500,000	500,000	47.4 months	$0.10	December 13, 2022
500,000	250,000	50.6 months	$0.10	March 19, 2023
9,350,000	9,100,000			

(c) Warrants

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

	Number #	***Price Range*** $
Balance June 30, 2017	5,464,603	
Private placement warrants issued	10,634,334	0.05 to 0.12
Expired	(5,464,603)	0.06 to 0.15
Balance June 30, 2018	10,634,334	0.05 to 0.12
Expired	(2,250,000)	0.05 to 0.10
Exercised	(70,000)	0.05
Balance September 30, 2018	8,314,334	0.06 to 0.12
Expired	(5,152,667)	0.06 to 0.12
Private placement warrants issued	11,980,961	0.065 to 0.18
Balance December 31, 2018	15,142,628	

Number of warrants	Remaining contractual life	Exercise price per warrant	Expiry date
261,667	5.2 months	$0.12	June 5, 2019
2,900,000	5.2 months	$0.12	June 5, 2019
650,000	9.1 months	$0.18	October 2, 2019
5,312,500	9.1 months	$0.12	October 2, 2019
625,000	10.3 months	$0.12	November 8, 2019
4,153,846	11.7 months	$0.18	December 21, 2019
664,615	11.7 months	$0.065	December 21, 2019
575,000	12 months	$0.18	December 31, 2019
15,142,628			

The fair value of the warrants issued in the period ended December 31, 2018 was estimated to be $34,675, using the Black-Scholes option pricing model with the following assumptions: risk-free weighted-average interest of 1.85–2.25%, expected dividend yield of nil, average expected volatility of 131.49%-135.88% and expected life term of 12 months.

The number of common shares outstanding on December 31, 2018 was 198,397,016. Taking into account outstanding share purchase options and warrants, the fully diluted common shares that could have been outstanding on December 31, 2018 was 222,889,644.

8. Contributed surplus

A summary of changes in contributed surplus is:

	Amount $
Balance, June 30, 2017	4,333,894
Warrants expired	127,997
Share-based compensation	43,846
Balance, June 30, 2018	4,505,737
Share-based compensation	15,356
Warrants expired	132,789
Balance, December 31, 2018	4,653,882

9. Related party transactions

During the three months ended December 31, 2018, the Company incurred related party expenses of $74,375 (2017 – $51,175) and $150,912 for the six months ended December 31, 2018 (2017 - $100,975). These expenses related to salary and consulting fees paid or payable to the Company's key senior officers, Tom Drivas, President and Chief Executive Officer, Frank van de Water, Secretary and Chief Financial Officer and John Biczok, Vice-President, Exploration effective December 13, 2017 and Lawrence Roulston effective March 19, 2018. As at December 31, 2018, $576,436 (2017 - $423,443) was due to these related parties. Key management personnel were not paid post-retirement benefits, termination benefits, or other long-term benefits during the period ended December 31, 2018 and 2017.

Share-based compensation to key management and directors for the three months ended December 31, 2018 was $7,374 (2017 - $12,939) and for the six months ended December 31, 2018 was $15,356 (2017 - $12,939).

During the six months ended December 31, 2018 the company incurred expenses of $67,382 (2017 - $26,299) for legal fees to a law firm related to a Director of the Company, William R. Johnstone. At December 31, 2018, $9,311 (2017 - $15,952) was outstanding.

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

10. Financial instruments and risk management

Categories of financial assets and liabilities

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

	December 31 2018 $	June 30 2018 $
FVTPL [1]	**1,602,575**	735,252
Loans and receivables [2]	**23,968**	18,049
Financial liabilities [3]	**46,009**	38,950

(1) Includes cash, cash equivalents and marketable securities.
(2) Includes accounts receivable related to HST refunds.
(3) Includes accounts payable.

Financial Instruments

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

Risks arising from financial instruments and risk management

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

Liquidity risk

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

Carrying value of exploration and evaluation assets

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

11. Capital disclosures

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

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

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

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

The Company is not subject to externally imposed capital requirements.

12. Contingencies and commitments

As at December 31, 2018 the Company had a lease commitment to January 31, 2020 for its principle office location estimated to total $17,860 and has $44,511 on deposit as property reclamation bonds with various governmental agencies, recorded in prepaid expenses.

13. Subsequent events

On January 11, 2019, at the Annual and Special Meeting of Shareholders, the shareholders of the Company approved the Definitive Agreement with CLM to option the Newmont Lake Property, subject to the approval of the TSX Venture Exchange, which was obtained on January 21, 2019.

On February 5, 2019, the Company announced that the date for receipt of regulatory approval of the Definitive Agreement with CLM had been extended to February 22, 2019.