



Condensed Interim Consolidated Financial Statements

As at, and for the three and nine month periods ended November 30, 2019
(Expressed in Canadian Dollars)

Altamira Gold Corp.

NOTICE TO READER

The accompanying condensed interim consolidated financial statements of Altamira Gold Corp. for the three month and nine month periods ended November 30, 2019, have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. These condensed interim consolidated financial statements have not been reviewed by the Company's external auditors.

Altamira Gold Corp.

Condensed Interim Consolidated Statements of Financial Position

As at November 30, 2019 and February 28, 2019

(Expressed in Canadian Dollars)

	November 30, 2019	February 28, 2019
Assets		
Current		
Cash and cash equivalents	\$ 42,313	\$ 123,742
Other receivables	7,065	6,981
Prepaid expenses	14,968	8,572
Total current assets	64,346	139,295
Non-current assets		
Property and equipment (note 3)	31,804	55,534
Exploration and evaluation assets (note 4)	11,848,924	11,497,516
Long term investment	59,801	59,261
Reclamation deposit	15,000	15,000
Total Assets	\$ 12,019,875	\$ 11,766,606
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 157,781	\$ 85,050
Due to related parties (note 8)	28,548	1,525
Current portion of long term liabilities (note 5)	139,550	88,471
Total current liabilities	325,879	175,046
Long term liabilities (note 5)	270,963	148,508
	596,842	323,554
Equity		
Share capital (note 6)	35,463,084	34,366,390
Share subscriptions received (notes 6, 8)	106,168	25,401
Share-based payments reserve (note 7)	3,803,816	3,727,674
Accumulated other comprehensive income/(loss)	(799,845)	(369,555)
Deficit	(27,150,190)	(26,306,858)
	11,423,033	11,443,052
Total Liabilities and Equity	\$ 12,019,875	\$ 11,766,606

Nature of operations and going concern (note 1), Commitments (note 11), Subsequent events (note 12)

Approval on behalf of the Board of Directors:

Michael Bennett

Director

Christopher Harris

Director

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

Altamira Gold Corp.

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss

For the three and nine month periods ended November 30, 2019 and 2018

(Expressed in Canadian Dollars)

	Three Months Ended November 30,		Nine months Ended November 30,	
	2019	2018	2019	2018
Operating Expenses				
Advertising and promotion	\$ 24,463	\$ 14,884	\$ 36,543	\$ 72,220
Amortization	6,257	6,564	19,570	19,813
Consulting fees and staff costs	158,483	147,565	460,345	425,974
Office and general	24,895	30,033	96,162	103,315
Other Exploration costs	-	-	6,835	6,301
Professional fees	9,360	11,140	42,765	41,731
Share-based payments	-	6,927	76,142	164,480
Transfer agent & regulatory fees	10,383	7,777	24,777	20,438
Travel	28,408	8,241	68,630	47,182
	(262,249)	(233,131)	(831,769)	(901,454)
Other income (expense)				
Interest expense	(6,240)	(4,234)	(15,142)	(9,786)
Interest income	1,507	541	2,432	4,883
Gain on disposal of fixed asset	-	-	-	-
Foreign exchange gain	39	7	1,147	7
Unrealised gain or loss on marketable securities	-	5,000	-	5,000
Gain on sale of mineral property	-	119,999	-	119,999
Loss for the period before income tax	(266,943)	(111,818)	(843,332)	(781,351)
Income tax recovery	-	-	-	-
Net Loss for the Period	(266,943)	(111,818)	(843,332)	(781,351)
Cumulative Translation Adjustment	(89,420)	(15,313)	(430,290)	(394,525)
Total Comprehensive Loss for the Period	(356,363)	(127,131)	(1,273,622)	(1,175,876)
Basic and Diluted Loss Per Share	\$ 0.004	\$ 0.002	\$ 0.013	\$ 0.015
Weighted Average Number of Common Shares Outstanding – Basic and Diluted	69,961,603	38,907,621	67,271,012	31,588,001

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

Altamira Gold Corp.

Condensed Interim Consolidated Statements of Changes in Equity
For the nine month periods ended November 30, 2019 and 2018
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Subscription Receipts	Reserves	Accumulated OCI / (Loss)	Deficit	Total
Balance, February 28, 2018	48,643,316	\$ 33,427,931	\$ 3,276	\$ 3,469,324	\$ (36,217)	\$ (25,177,307)	\$ 11,687,007
Shares issued for cash	9,000,000	900,000	-	-	-	-	900,000
Share subscriptions received			19,000				19,000
Share issuance costs	-	(14,791)	-	-	-	-	(14,791)
Returned to treasury	(10,000)	(10,000)	-	-	-	-	(10,000)
Share-based payments	-	-	-	164,480	-	-	164,480
Cumulative translation adjustment	-	-	-	-	(394,525)	-	(394,525)
Net loss for the period	-	-	-	-	-	(781,351)	(781,351)
Balance, November 30, 2018	57,633,316	\$ 34,303,140	\$ 22,276	\$ 3,633,804	\$ (430,742)	\$ (25,958,658)	\$ 11,569,820
Balance, February 28, 2019	58,617,912	\$ 34,366,390	\$ 25,401	\$ 3,727,674	\$ (369,555)	\$ (26,306,858)	\$ 11,443,052
Shares issued for private placements	10,479,400	1,047,940	-	-	-	-	1,047,940
Share issuance costs	-	(11,371)	-	-	-	-	(11,371)
Shares issued for salary	864,291	60,125	(22,125)	-	-	-	38,000
Share subscriptions received			102,892				102,892
Share-based payments	-	-	-	76,142	-	-	76,142
Cumulative translation adjustment	-	-	-	-	(430,290)	-	(430,290)
Net loss for the period	-	-	-	-	-	(843,332)	(843,332)
Balance, November 30, 2019	69,961,603	\$ 35,463,084	\$ 106,168	\$ 3,803,816	\$ (799,845)	\$ (27,150,190)	\$ 11,423,033

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

Altamira Gold Corp.

Condensed Interim Consolidated Statements of Cash Flows
For the nine month periods ended November 30, 2019 and 2018
(Expressed in Canadian Dollars)

	2019	2018
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES:		
Net loss for the period	\$ (843,332)	\$ (781,351)
Adjustments for items not affecting cash:		
Share-based payments	76,142	183,480
Shares issued for salaries	38,000	-
Amortization	19,570	19,813
Gain on disposal of mineral property	-	(119,999)
Unrealized gain on marketable securities	-	(5,000)
Unrealized currency translation adjustment	19,825	17,030
Changes in non-cash working capital:		
Other receivables	(84)	21,140
Prepaid expenses	(6,396)	21,799
Due to related parties	27,023	(77,342)
Accounts payable and accrued liabilities	94,155	(20,173)
Long term liabilities	132,455	6,614
	(442,642)	(733,989)
INVESTING ACTIVITIES:		
Exploration and evaluation asset acquisition and expenditures	(777,943)	(809,460)
Cash received on sale of mineral property	-	25,000
Acquisition of property and equipment	(305)	(23,698)
	(778,248)	(808,158)
FINANCING ACTIVITIES:		
Shares issued for cash	1,047,940	900,000
Shares issued for salaries	38,000	-
Shares subscriptions received	102,892	-
Share issuance costs	(11,371)	(14,791)
	1,139,461	885,209
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(81,429)	(656,938)
Cash, beginning of period	123,742	1,062,758
Cash and cash equivalents, end of period	\$ 42,313	\$ 405,820

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

Altamira Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the Three and Nine Months Ended November 30, 2019
(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Altamira Gold Corp. (“Altamira” or the “Company”) is a publicly listed company incorporated in British Columbia on September 1, 1994, with limited liability under the legislation of the Province of British Columbia and its shares are listed on the TSX Venture Exchange (“TSX-V”). The Company is principally engaged in the acquisition, exploration, development and mining of mineral properties.

The head office, principal address, and registered and records office of the Company are located at 1500 – 409 Granville Street, Vancouver, BC, Canada, V6C 1T2.

Going concern

These consolidated financial statements were prepared on a going concern basis. As of November 30, 2019, the Company had a working capital deficit of \$261,533 (February 28, 2019 - working capital deficit of \$35,751). The Company’s ability to continue as a going concern is dependent upon the ability of the Company to obtain financing and generate positive cash flows from its operations. Management of the Company believes they are able to raise sufficient funds to cover all of its operating requirements, financial commitments, and business development priorities during the next twelve months. However, the Company expects that it will continue to need to obtain further financing in the form of debt, equity or a combination thereof in the future. There can be no assurance that additional funding will be available to the Company, or, if available, that this funding will be on acceptable terms. If adequate funds are not available, the Company may be required to delay or reduce the scope of any or all of its development projects. All of these material uncertainties may cast significant doubt about the Company’s ability to continue as a going concern.

Approval of the financial statements

These consolidated financial statements for the three and nine month periods ended November 30, 2019, were reviewed by the Audit Committee and were approved and authorized for issue by the Board of Directors on January 27, 2020.

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

Statement of compliance

These condensed interim consolidated financial statements of the Company as at and for the three and nine month periods ended November 30, 2019, with comparative information as at February 28, 2019 and for the three and nine month periods ended November 30, 2018, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) which the Canadian Accounting Standards Board has approved for incorporation into Part 1 of the Handbook of Canadian Institute of Chartered Accountants, as applicable to the preparation of interim financial statements including IAS 34. These unaudited interim financial statements do not include all of the disclosures required for annual financial statements and hence should be read in conjunction with the Company’s annual consolidated financial statements for the year ended February 28, 2019. These unaudited condensed interim consolidated financial statements follow the same significant accounting policies as those included in the Company’s most recent annual consolidated financial statements, except as described herein.

Standards, amendments and interpretations not yet effective

There are no IFRS that are not yet effective that would be expected to have a material impact on the Company.

Altamira Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the Three and Nine Months Ended November 30, 2019

(Expressed in Canadian Dollars)

3. PROPERTY AND EQUIPMENT

	Machinery & equipment	Furniture	Vehicles	Software	Total
<u>Cost</u>					
February 28, 2019	\$ 32,244	\$ 4,974	\$ 50,634	\$ 22,379	\$ 110,231
Additions	-	305	-	-	305
Disposals	-	-	-	-	-
Foreign currency alignment	(3,441)	(549)	(5,404)	(1,797)	(11,191)
November 30, 2019	\$ 28,803	\$ 4,730	\$ 45,230	\$ 20,582	\$ 99,345
<u>Accumulated Amortization</u>					
February 28, 2019	\$ 22,717	\$ 2,078	\$ 16,527	\$ 13,375	\$ 54,697
Additions	5,750	749	9,029	4,042	19,570
Disposals	-	-	-	-	-
Foreign currency alignment	(2,774)	(267)	(2,312)	(1,373)	(6,726)
November 30, 2019	\$ 25,693	\$ 2,560	\$ 23,244	\$ 16,044	\$ 67,541
<u>Net Book Value</u>					
February 28, 2019	\$ 9,527	\$ 2,896	\$ 34,107	\$ 9,004	\$ 55,534
November 30, 2019	\$ 3,110	\$ 2,170	\$ 21,986	\$ 4,538	\$ 31,804

Altamira Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the Three and Nine Months Ended November 30, 2019
(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS

The following schedule shows the Company's total property expenditures for the three and nine month periods ended November 30, 2019 and year ended February 28, 2019:

	Brazil	Canada	Total
Balance, February 28, 2018	\$ 10,860,849	\$ 3	\$ 10,860,852
Additions during the period -			
Acquisition costs			
Claim maintenance	240,545	-	240,545
Property exploration costs			
Assays	34,090	-	34,090
Camp expenses	117,125	-	117,125
Drilling	46,326	-	46,326
Geological costs	451,527	-	451,527
External studies	53,822	-	53,822
Travel and accommodation	27,915	-	27,915
Total additions during the period	971,350	-	971,350
Sale of mineral property	-	(1)	(1)
Foreign currency alignment	(334,685)	-	(334,685)
Balance, February 28, 2019	\$ 11,497,514	\$ 2	\$ 11,497,516
Additions during the period -			
Acquisition costs			
Claim maintenance	396,555	-	396,555
Property exploration costs			
Assays	18,985	-	18,985
Camp expenses	51,544	-	51,544
Drilling	-	-	-
Geological costs	250,218	-	250,218
External studies	86,868	-	86,868
Travel and accommodation	3,428	-	3,428
Total additions during the period	807,598	-	807,598
Impairment	-	-	-
Foreign currency alignment	(456,190)	-	(456,190)
Balance, November 30, 2019	\$ 11,848,922	\$ 2	\$ 11,848,924

Altamira Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the Three and Nine Months Ended November 30, 2019
(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS - continued

Properties in Brazil:

The following schedule shows the Company's total expenditures in Brazil by property for the nine month period ended November 30, 2019 and year ended February 28, 2019:

	Cajueiro	Apiacas	Colider	Nova Canaa	Crepori	Santa Helena	Other	Total
Balance, February 28, 2018	\$ 8,982,753	\$ 404,985	\$ 219,882	\$ 160,482	\$ 520,871	\$ -	\$ 571,876	\$ 10,860,849
Additions during the period -								
Acquisition costs								
Claim maintenance	80,418	55,118	398	-	23,862	30,995	49,754	240,545
Property exploration costs								
Assays	13,600	-	12,955	-	-	7,535	-	34,090
Camp expenses	98,283	3,099	3,086	-	3,152	9,470	35	117,125
Drilling	46,326	-	-	-	-	-	-	46,326
Geological costs	396,944	13,330	177	-	177	39,710	1,189	451,527
External studies	45,839	-	7,983	-	-	-	-	53,822
Travel and accommodation	22,749	1,650	359	-	-	3,157	-	27,915
Total additions during the year	704,159	73,197	24,958	-	27,191	90,867	50,978	971,350
Foreign currency alignment	(274,004)	(13,526)	(6,926)	(4,539)	(15,502)	(2,570)	(17,618)	(334,685)
Balance, February 28, 2019	\$ 9,412,908	\$ 464,656	\$ 237,914	\$ 155,943	\$ 532,560	\$ 88,297	\$ 605,236	\$ 11,497,514
Additions during the period -								
Acquisition costs								
Claim maintenance	46,513	95,887	7,254	-	15,806	75,639	155,456	396,555
Property exploration costs								
Assays	179	18,025	79	-	-	59	643	18,985
Camp expenses	28,765	22,074	-	-	-	339	366	51,544
Drilling	-	-	-	-	-	-	-	-
Geological costs	153,771	79,563	172	-	172	15,050	1,490	250,218
External studies	78,888	188	-	-	-	7,792	-	86,868
Travel and accommodation	2,179	736	-	-	-	513	-	3,428
Total additions during the period	310,295	216,473	7,505	-	15,978	99,392	157,955	807,598
Foreign currency alignment	(360,471)	(25,252)	(9,098)	(5,781)	(20,336)	(6,958)	(28,294)	(456,190)
Balance, November 30, 2019	\$ 9,362,732	\$ 655,877	\$ 236,321	\$ 150,162	\$ 528,202	180,731	\$ 734,897	\$ 11,848,922

The Company, through its subsidiary Alta Floresta Gold Mineração Ltda, holds a 100% interest in all of its properties.

For portions of the Cajueiro property, the previous property owners have retained a 1.0% net smelter royalty ("NSR"). In addition, a portion of the Cajueiro property is subject to a 2.5% GSR payable to the land owner.

For the Vila Rica property (included in 'Other'), the previous property owners have retained a 1.5% NSR.

Altamira Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the Three and Nine Months Ended November 30, 2019
(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS - continued

For portions of the Carlinda and Colider properties, the previous property owners have retained a 2.5% NSR which may be reduced to 1.5% at the Company's option for a payment of US\$ 4,000,000. In addition, the Company is committed to issue 600,000 common shares of ECI Exploration and Mining Inc. ("ECI"), AFG's former joint venture partner, to the previous property owners upon realising a resource (defined in accordance with National Instrument 43-101) on any part of these properties, and a further 600,000 common shares of ECI upon receipt of the first bankable feasibility study on any part of these properties. As at November 30, 2019, the Company owned 600,000 common shares of ECI with a book value of \$59,801 (\$45,000 USD).

In addition to the NSR's referred to above, the properties held under licences originally acquired from ECI are subject to a 1.75% NSR that is held by ECI.

Properties in Canada:

The following schedule shows the Company's total expenditures in Canada by property for the three and nine month periods ended November 30, 2018 and year ended February 28, 2017:

	Tom Gold Mine Claims	Day Claims	Other Properties	Total
Balance, February 28, 2018	\$ 1	\$ 1	\$ 1	\$ 3
Sale of mineral property	(1)	-	-	(1)
Balance, February 28, 2019	\$ -	\$ 1	\$ 1	\$ 2
Additions and disposals in period	-	-	-	-
Balance, November 30, 2019	\$ -	\$ 1	\$ 1	\$ 2

In September 2018, the Company sold its 100% interests in the Tom and Sickle claims located in the Northwest Territories for total consideration valued at \$120,000. The properties had previously been written down to \$1. See also note 13, Subsequent Events.

5. LONG TERM LIABILITIES

AFM has restructured its liabilities relating to claim maintenance costs for certain of its mineral properties. Pursuant to the terms of restructuring, AFM agreed to repay liabilities relating to claims maintenance costs and penalties totalling BRL\$1,306,948 over 10 to 60 months including interest. Interest is calculated using the Sistema Especial de Liquidação e Custodia ("SELIC") rate as published by Brazil's central bank.

	November 30, 2019	February 28, 2019
Long term liabilities	\$ 410,513	\$ 236,979
Less: current portion of long term liabilities	(139,550)	(88,471)
	\$ 270,963	\$ 148,508

Altamira Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the Three and Nine Months Ended November 30, 2019
(Expressed in Canadian Dollars)

5. LONG TERM LIABILITES - continued

The annual totals of long-term liabilities payable, in monthly installments, in each of the next five years are as follows:

	BRL	CAD
November 30, 2021	R\$ 444,285	\$ 139,550
November 30, 2022	344,374	108,168
November 30, 2023	243,568	76,505
November 30, 2024	188,092	59,080
November 30, 2025	86,629	27,210
	R\$ 1,306,948	\$ 410,513

6. SHARE CAPITAL

Authorized and issued:

Unlimited common shares without nominal or par value.

During the nine months ended November 30, 2019:

- i. On March 8, 2018 the Company's issued 294,998 common shares at a deemed price of \$0.075 per share to settle salary payments totaling \$22,125 due to members of its executive team in respect of the month of February 2019. The shares were subject to a four month hold period.
- ii. On April 5, 2019 the Company issued 345,702 common shares at a deemed price of \$0.064 per Share to settle salary payments totaling \$22,125 due to members if its executive team in respect of the month of March 2019. The shares were subject to a four month hold period.
- iii. On May 3, 2019 the Company issued 223,591 common shares at a deemed price of \$0.071 per Share to settle salary payments totaling \$15,875 due to members if its executive team in respect of the month of April 2019. The shares were subject to a four month hold period.
- iv. On May 10, 2019 the Company closed a non-brokered private placement of 10,479,400 units ("Units") at a price of \$0.10 per Unit for gross proceeds of \$1,047,940. Each Unit consists of one common share and one share purchase warrant ("Warrant"). Each Warrant entitles the holder to purchase one additional common share of the Company at a price of \$0.15 per share for a period of 24 months from closing. The company issued 7,000 finders warrants exercisable at \$0.15 per warrant share for a period of two years from the issue date.

During the year ended February 28, 2019:

- i. On March 27, 2018, 10,000 common shares of the Company, originally issued at \$1.00 per share, were cancelled and returned to treasury.
- ii. On August 17, 2018 the Company closed a non-brokered private placement of 6,060,000 units ("Units") at a price of \$0.10 per Unit for gross proceeds of \$606,000. Each Unit consists of one common share and one share purchase warrant ("Warrant"). Each Warrant entitles the holder to purchase one additional common share of the Company at a price of \$0.20 per share for a period of 60 months from closing.
- iii. On August 23, 2018, the Company closed a non-brokered private placement of 2,940,000 units ("Units") at a price of \$0.10 per Unit for gross proceeds of \$294,000. Each Unit consists of one common share and one share purchase warrant ("Warrant"). Each Warrant entitles the holder to purchase one additional common share of the Company at a price of \$0.20 per share for a period of 60 months from closing.

Altamira Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the Three and Nine Months Ended November 30, 2019
(Expressed in Canadian Dollars)

6. SHARE CAPITAL - continued

- iv. On December 18, 2018 the Company's issued 339,286 common shares at a deemed price of \$0.056 per share to settle salary payments totaling \$19,000 due to members of its executive team in respect of the month of November 2018.
- v. On January 11, 2019 the Company issued 368,748 common shares at a deemed price of \$0.06 per Share to settle salary payments totaling \$22,125 due to members of its executive team in respect of the month of December 2018.
- vi. On February 11, 2019 the Company issued 276,562 common shares at a deemed price of \$0.08 per Share to settle salary payments totaling \$22,125 due to members of its executive team in respect of the month of January 2019.

Warrants:

Warrant transactions and the number of warrants outstanding for nine month period ended November 30, 2019 and year ended February 28, 2019 are summarized as follows:

	November 30, 2019		February 28, 2019	
	Number of Warrants	Weighted Average Exercise Price*	Number Warrants	Weighted Average Exercise Price
Balance, beginning of year	25,079,536	\$ 0.27	29,892,352	\$ 0.40
Issued	10,486,400	0.15	9,000,000	0.20
Expired	(6,414,536)	0.28	(13,812,816)	0.51
Balance, end of period	29,151,400	\$ 0.23	25,079,536	\$ 0.27

The following warrants were outstanding as at November 30, 2019:

Expiry Date	Exercise Price	Number of warrants	Remaining Contractual Life (Years)
December 20, 2022	\$0.33	9,665,000	3.06
August 16, 2023	\$0.20	6,060,000	3.71
August 23, 2023	\$0.20	2,940,000	3.73
May 10, 2021	\$0.15	10,486,400	1.44
Balance, November 30, 2019	\$0.23	29,151,400	2.68

Altamira Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the Three and Nine Months Ended November 30, 2019
(Expressed in Canadian Dollars)

7. SHARE-BASED PAYMENTS

The Company has a stock option plan in place under which it is authorized to grant options of up to 10% of its outstanding shares to officers, directors, employees and consultants. The exercise price of each option is to be determined by the Board of Directors but shall not be less than the discounted market price as defined by the TSX-V. The expiry date for each option should be for a maximum term of five years.

Options granted to directors, employees and consultants, other than consultants engaged in investors relations activities, will vest fully upon the expiry of the TSX-V hold period of four months from the award date, unless otherwise approved by the relevant regulatory authorities. Options granted to employees in investors relations activities will vest in stages over a minimum period of 12 months with no more than one-quarter of the options vesting in any three month period.

The following is a summary of option transactions under the Company's stock option plan for the nine month period ended November 30, 2019 and year ended February 28, 2019:

	November 30, 2019		February 28, 2019	
	Number of	Weighted	Number of	Weighted
	Options	Average	Options	Average
		Exercise		Exercise
		Price		Price
Balance, beginning of year	5,735,000	\$ 0.22	3,520,000	\$ 0.28
Granted	1,300,000	0.10	2,245,000	0.13
Cancelled	(140,000)	0.17	(30,000)	0.28
Balance, end of year	6,895,000	0.18	5,735,000	0.22
Exercisable	6,895,000	\$ 0.18	5,735,000	\$ 0.22

The following stock options were outstanding as at November 30, 2019:

Expiry Date	Exercise Price (\$)	Number of options	Remaining Contractual Life (Years)
April 5, 2022	0.28	1,830,000	2.35
June 27, 2022	0.28	915,000	2.58
December 22, 2022	0.28	605,000	2.95
May 14, 2023	0.17	1,070,000	3.45
October 1, 2021	0.10	100,000	1.84
February 4, 2024	0.10	1,075,000	4.18
July 22, 2024	0.10	1,300,000	4.65
Balance, November 30, 2019	0.22	6,895,000	3.31

Altamira Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the Three and Nine Months Ended November 30, 2019
(Expressed in Canadian Dollars)

7. SHARE-BASED PAYMENTS - continued

The Company applies the fair value method in accounting for its stock options using the Black-Scholes pricing model. During the nine month period ended November 30, 2019, the Company recorded \$76,142 (2018 - \$157,553) in share-based payments expense using the following assumptions:

	Nine months Ended November 30, 2019	Nine months Ended November 30, 2018
Risk free interest rate	1.40%	2.22%
Expected life	5 years	5 years
Expected volatility	115.42%	131.5%
Expected dividend yield	0%	0%
Expected forfeiture	0%	0%
Weighted average share price	\$0.08	\$0.17

	Nine month period ended	
	November 30, 2019	November 30, 2018
Key Management Compensation:		
Consulting fees and salaries	\$ 242,750	\$ 285,750
Salary paid as shares	25,500	-
Share-based payments	47,099	84,640
Advertising and promotion	-	-
Total	\$ 315,349	\$ 370,379

	November 30, 2019	February 28, 2019
Related Party Balances:		
Due to directors and officers of the Company	\$ 22,054	\$ 1,525
Due to (from) companies related by common directors*	(1,391)	(4,771)
Total	\$ 23,445	\$ (3,246)

*Due from companies related by common directors are included with other receivables.

In March and April 2019, members of the key management group were paid a portion of their consulting fees and salaries in the form of shares of the Company. A total of 383,609 shares were issued in respect of salary payments totaling \$25,500.

Amounts due to directors and officers of the Company comprise accrued salaries, consulting fees, and expense reimbursement claims. Share Subscriptions Received include a total of \$102,892 received from directors and officers in respect of an impending financing. Related party amounts are unsecured, non-interest bearing and due on demand. These transactions are measured by the exchange amount that is the amount agreed upon by the transacting parties and are on terms and conditions similar to non-related entities.

Altamira Gold Corp.

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9. SEGMENTED DISCLOSURE

The Company has one operating segment, acquisition, exploration and development of mineral properties. The table below shows consolidated data by geographic segment:

	November 30, 2019	February 28, 2019
Non-current assets by geographic segment		
Canada	\$ 2,278	\$ 3,319
Brazil	11,878,450	11,549,732
	\$ 11,880,728	\$ 11,553,051

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at November 30, 2019, the Company's financial instruments are comprised of cash and cash equivalents, other receivables (excluding GST), long term investment, reclamation deposit, accounts payable and accrued liabilities, due to related parties and long term liabilities. The carrying value of cash and cash equivalents, accounts payable and accrued liabilities and due to related parties approximate their fair values due to the relatively short periods to maturity of these financial instruments.

Financial instruments measured at fair value on the statement of financial position are summarized in levels of fair value hierarchy as follows:

At November 30, 2019

Assets	Level 1	Level 2	Level 3	Total
Cash	\$ 42,313	\$ -	\$ -	\$ 42,313
Reclamation deposit	15,000	-	-	15,000
Total	\$ 57,313	\$ -	\$ -	\$ 57,313

At February 28, 2018

Assets	Level 1	Level 2	Level 3	Total
Cash	\$ 123,742	\$ -	\$ -	\$ 123,742
Reclamation deposit	15,000	-	-	15,000
Total	\$ 138,742	\$ -	\$ -	\$ 138,742

Altamira Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the Three and Nine Months Ended November 30, 2019

(Expressed in Canadian Dollars)

11. COMMITMENTS

The Company has no commitments other than in respect of long term liabilities as described in note 5.

12. SUBSEQUENT EVENTS

The Company relinquished its remaining Canadian Properties, Porcupine and Day, in January 2020. The properties had been written down to a nominal value of \$2.00 in prior years.