



**Condensed Consolidated Financial Statements
For the three months ended March 31, 2020**

**Expressed in Canadian Dollars
(unaudited)**

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed consolidated interim 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 consolidated interim financial statements for MAX Resource Corp. for the three months ended March 31, 2020 have been prepared by and are the responsibility of the management.

The Company's independent auditor has not performed a review of these unaudited condensed consolidated interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of unaudited condensed consolidated interim financial statements by an entity's auditor.

Max Resource Corp.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars) (unaudited)
As at

	Note	March 31, 2020	December 31, 2019
ASSETS			
Current assets			
Cash and cash equivalents		\$ 54,711	\$ 685,025
Prepays		8,924	8,924
Taxes recoverable		33,044	44,987
		96,679	738,936
Non-current assets			
Deposits	5	25,000	-
Equipment	6	45,555	47,061
		70,555	47,061
TOTAL ASSETS		\$ 167,234	\$ 785,998
LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	3,9	\$ 873,773	\$ 678,254
		873,773	678,254
EQUITY			
Share capital	7	22,611,032	22,611,032
Share purchase warrant reserve	7,8	512,685	512,685
Share-based payment reserve	7,8	2,445,843	2,225,732
Deficit		(26,276,099)	(25,241,705)
		(706,539)	107,744
TOTAL LIABILITIES AND EQUITY		\$ 167,234	\$ 785,998

Nature of operations and going concern (Note 1)

Contingency (Note 12)

Subsequent events (Note 13)

APPROVED BY:

DIRECTOR	<u>“Paul John”</u>	DIRECTOR	<u>“Brett Matich”</u>
	Paul John		Brett Matich

Max Resource Corp.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)(unaudited)

		Three months ended	
	Note	March 31, 2020	March 31, 2019
Expenses			
Consulting	9	\$ 320,351	\$ 279,433
Depreciation	6	1,507	2,398
Exploration and evaluation expenditures	4	199,609	418,040
Foreign exchange		(1,098)	-
Interest expense (income)		84	(3,145)
Management fees	9	98,179	84,000
Office and miscellaneous		30,664	31,461
Professional fees		49,014	75,964
Property investigation costs	5	12,000	64,902
Share based compensation	7	220,111	-
Transfer agent, filing fees and shareholder relations		55,741	128,518
Travel		48,232	108,790
Loss and comprehensive loss for the period		\$ (1,034,394)	\$ (1,190,361)
Loss per share – basic and diluted	7	\$ (0.04)	\$ (0.12)
Weighted average number of common shares outstanding – basic and diluted		27,906,155	9,802,140

Max Resource Corp.
Consolidated Statement of Changes in Equity
(Expressed in Canadian dollars) (unaudited)

	Note	Share capital		Advance on private placement	Reserves		Deficit	Total
		Number of shares	Amount		Share purchase warrant reserve	Share-based payment reserve		
Balance at December 31, 2018		9,147,477	18,768,689	-	495,662	2,133,423	(20,460,863)	936,912
Shares issued for services	7	16,667	36,000	-	-	-	-	36,000
Shares issued on exercise of warrants	7	1,690,950	1,716,650	-	-	-	-	1,716,650
Loss for the period		-	-	-	-	-	(1,190,361)	(1,190,361)
Balance at March 31, 2019		10,855,094	20,521,339	-	495,662	2,133,423	(21,651,224)	1,499,201
Balance at December 31, 2019		27,906,155	\$ 22,611,032	\$ -	\$ 512,684	\$ 2,225,732	\$ (25,241,705)	\$ 107,744
Share based compensation		-	-	-	-	220,111	-	220,111
Loss for the period		-	-	-	-	-	(1,034,394)	(1,034,394)
Balance at March 31, 2020		27,906,155	\$ 22,611,032	\$ -	\$ 512,684	\$ 2,445,843	\$ (26,276,099)	\$ (706,539)

See accompanying notes to the unaudited condensed consolidated financial statements

Max Resource Corp.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars) (unaudited)

	Three months ended	
	March 31, 2020	March 31, 2019
Cash flows used in operating activities		
Loss for the year	\$ (1,034,394)	\$ (1,190,361)
Items not affecting cash:		
Depreciation	1,507	2,398
Share based compensation	220,111	-
Changes in non-cash working capital items:		
Decrease (increase) in prepaids	-	66,876
Increase in taxes recoverable	11,943	52,648
Increase in trade payables and accrued liabilities	195,519	(178,763)
Net cash flows used in operating activities	(605,315)	(1,247,202)
Cash flows used in investing activities		
Increase in deposits	(25,000)	(150,000)
Equipment	-	(29,495)
Net cash flows used in investing activities	(25,000)	(179,495)
Cash flows used in financing activities		
Shares issued for cash, net of issue costs	-	1,752,650
Net cash flows provided by financing activities	-	1,752,650
Change in cash and cash equivalents	(630,315)	325,953
Cash and cash equivalents, beginning of year	685,025	840,407
Cash and cash equivalents, end of period	\$ 54,711	\$ 1,166,360
Cash and cash equivalents consist of:		
Cash	\$ 54,711	\$ 1,166,360
Cash equivalents	-	-
	\$ 54,711	\$ 1,166,360

Other non-cash transactions:
n/a

1. Nature of operations and going concern

Max Resource Corp. (the “Company” or “Max Resource”) was incorporated on April 25, 1994, under the laws of the province of Alberta, Canada, and continued its jurisdiction of incorporation into British Columbia on February 5, 2019. The Company’s principal activity is the acquisition and exploration of mineral properties in Canada and Colombia. The Company’s shares are traded on the TSX Venture Exchange (“TSX-V”) under the symbol “MXR”.

The Company’s head office is located at #1188 - 1095 West Pender Street, Vancouver, British Columbia, Canada, V6E 2M6 and its registered and records office is located at 25th Floor, 700 West Georgia Street, Vancouver, British Columbia, Canada, V7Y 1B3.

These unaudited condensed consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning that it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at March 31, 2020, the Company had an accumulated deficit of \$26,276,099 (December 31, 2019: \$25,241,705) and a working capital deficit of \$777,093 (working capital December 31, 2019: \$60,683) and, to date, the Company has not generated any revenues to meet its operating and administrative expenses or its other obligations. The Company’s continuation as a going concern is dependent upon its ability to raise equity capital or borrowings sufficient to meet current and future obligations and ultimately to attain profitable operations. These uncertainties may cast significant doubt on the ability of the Company to continue operations as a going concern. Management intends to finance operating costs over the next twelve months with private placements of the Company’s common shares and loans from related parties.

2. Significant accounting policies and basis of preparation

These unaudited condensed consolidated financial statements were authorized for issue on June 1, 2020 by the directors of the Company.

Statement of compliance with International Financial Reporting Standards

These unaudited condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the IFRS Interpretations Committee (“IFRIC”).

These unaudited condensed interim consolidated financial statements do not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the audited annual consolidated financial statements of the Company for the year ended December 31, 2019.

Basis of preparation

These unaudited condensed consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. These unaudited condensed consolidated financial statements are presented in Canadian dollars unless otherwise noted.

Consolidation

The consolidated financial statements include the accounts of the Company and its 100% owned subsidiaries, Max Resource, Inc., incorporated in the USA, Gachala Colombia Corp. incorporated in British Columbia, PGE Americas Metals Corp. incorporated in British Columbia, and Gachala Colombia Corp Sucursal Colombia., a branch of Gachala Colombia Corp. located in Colombia.

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

Significant accounting policies

The significant accounting policies that have been used in the preparation of these unaudited condensed consolidated interim financial statements are summarized in the Company's annual audited consolidated financial statements for the year ended December 31, 2019.

3. Trade payables and accrued liabilities

The components of trade payables and accrued liabilities are as follows:

		March 31, 2020	December 31, 2019
Trade payables (note 9)	\$	834,273	\$ 635,754
Accrued liabilities		39,500	42,500
	\$	873,773	\$ 678,254

4. Exploration and evaluation expenditures

For the three months ended March 31, 2020 and 2019, the Company incurred exploration and evaluation expenditures on projects as follows:

2020	Cesar Project	Gachala Project	Choco Project	North Choco Project	Total
Licensing	\$ 5,432	\$ --	\$ -	\$ -	\$ 5,432
Geological	194,177	-	-	-	194,177
	\$ 199,609	\$ -	\$ -	\$ -	\$ 199,609

2019	Gachala Project	Choco Project	Total
Licensing	\$ 3,500	\$ 391,548	\$ 395,048
Geological	-	22,992	22,992
	\$ 3,500	\$ 414,540	\$ 418,040

These amounts have been expensed as they do not meet the criteria for capitalization under IFRS 6 as the Company does not yet have title to the licenses which are currently in the application phase with the ANM (the Colombian National Mining Agency). Applications made in the Choco area are in the final stage of approval but will be delayed due to the disruption caused by COVID-19. The expectation for the approval of the Choco applications is now the end of 2020. The CESAR applications are expected mid-2021 but may be subject to similar delays caused by COVID-19.

Gachala Project

The Company originally filed 23 initial mineral license applications located within the Gachala sedimentary copper basin of eastern Colombia, approximately 60 kilometers east of Bogota. These were surrendered in 2019.

Choco Project

The Company has filed 6 initial mineral license applications within the Choco Department, Colombia.

North Choco Project

The Company has filed 41 initial mineral license applications within the Choco, Caldas, Antioquia and Risaralda Departments, Colombia.

Cesar Project

The Company has filed 6 initial mineral license applications within the northern Andean copper belt in northeastern Colombia.

5. Property investigation costs

On June 14, 2018, the Company entered into a binding letter agreement dated June 14, 2018, with Noble Metals Ltd. ("Noble"), an Australian company for a proposed acquisition by Max Resource from Noble of all of the outstanding securities of GPS Metals Lab, Global Products Manufacture & Services and Condoto Platinum Ltd. (including Condoto Platinum's local branch in Colombia). After extensive due diligence by the Company, the June 14, 2018 letter agreement evolved into an asset purchase agreement with Noble which was entered into on February 8, 2019. On May 8, 2019 the Company entered into a letter of intent with Noble and Buena Fortuna Mining company Pty. Ltd. to acquire up to a 100-per-cent interest in Andagueda Mining Pty. Ltd., which holds an exploration and mining agreement with Tahimi Indigenous Reservation of Alto Andagueda. In connection with these transactions the Company issued non-refundable deposits totaling \$250,000 of which \$100,000 was paid in fiscal 2018. On October 15, 2019, the Company announced that both these agreements have been terminated due to challenges surrounding access and due diligence; the associated deposits were charged to operations.

During fiscal 2018, and 2019, the Company also considered several potential acquisition targets in Colombia where the Company did not proceed after the evaluative process. Accordingly, during the year ended December 31, 2019, \$397,938 (2018: \$675,433) was charged to property investigation costs in the statement of loss and comprehensive loss.

During the three months ended March 31, 2020, \$12,000 (2019: \$64,902) was charged to property investigation costs in the statement of loss and comprehensive loss.

6. Equipment

A continuity of equipment is as follows:

	(\$)
Balance, December 31, 2018	25,389
Additions	27,375
Depreciation	(5,703)
Balance, December 31, 2019	47,061
Additions	-
Depreciation	(1,507)
Balance, March 31, 2020	45,554

7. Share capital

Authorized and issued share capital

Unlimited number of common shares without par value. At March 31, 2020, there were 27,906,155 issued and fully paid common shares outstanding.

Share consolidation

On November 22, 2019 the Company consolidated its shares on the basis of one new, post-consolidated share for every six old, pre-consolidated shares. All share and per share amounts in these financial statements are presented on a post-consolidation basis. Following the consolidation, there were 12,993,428 common shares outstanding.

Shares issued

During the three months ended March 31, 2020:

No shares were issued during this period.

During the year ended December 31, 2019:

On December 30, 2019, the Company issued 11,987,727 units for gross proceeds totaling \$659,325 pursuant to a non-brokered private placement. Each unit was comprised of one common share and one share purchase warrant. Each warrant enables the holder to acquire one common share at a price of \$0.10 for a two-year period. The Company paid aggregate finder's fees of \$14,280 and issued 261,091 finder warrants with the same terms as the above warrants and with a fair value of \$19,000. The fair value of the finder warrants was calculated using the Black-Scholes Option Pricing Model and the following assumptions: Average exercise price \$0.10, Expected life – 2 years, Risk-free rate – bond equivalent yield – 1.68%, Annualized volatility – 100%, Dividend yield – 0%.

On November 19, 2019, the Company settled an aggregate of \$292,500 in debt through the issuance of 2,925,000 common shares to various creditors (consultants, and directors and officers of the Company). The fair value of shares issued to consultants were \$198,000 to settle \$247,500 in debt, resulting in a gain of \$49,500. The remaining shares were issued to directors and officers of the Company, who are also shareholders. As these parties were acting in their capacity as shareholders, the Company chose to measure the common shares at the carrying value of the liability extinguished.

On July 9, 2019, the Company issued 2,000,000 units for gross proceeds totaling \$1,200,000 pursuant to a non-brokered private placement. Each unit was comprised of one common share and one half of one share purchase warrant. Each whole warrant enables the holder to acquire one common share at a price of \$0.90 for a two-year period. The Company paid aggregate finder's fees of \$80,080 and issued 133,467 finder warrants with the same terms as the above warrants and with a fair value of \$48,500. The fair value of the finder warrants was calculated using the Black-Scholes Option Pricing Model and the following assumptions: Average exercise price \$0.90, Expected life – 2 years, Risk-free rate – bond equivalent yield – 1.64%, Annualized volatility – 100%, Dividend yield – 0%.

The Company issued 1,829,283 common shares for gross proceeds of \$1,815,400 from the exercise of warrants. The average exercise price was \$0.99. Upon exercise, \$50,478 was reallocated from reserves to share capital.

On February 15, 2019, the Company issued 16,667 common shares with a fair value of \$36,000 in exchange for certain digital and hard-copy data, including historic and work completed and in the possession of Newrange Gold Corp. on the Cerro de Cobre mineral claims and the surrounding area, located in Colombia. This amount has been expensed as a property investigation cost.

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the three months ended March 31, 2020 was based on the loss attributable to common shareholders of \$1,034,394 (2019: \$1,190,361) and the weighted average number of common shares outstanding of 27,906,155 (2019: 9,802,140). Diluted loss per share did not include the effect of outstanding stock options and warrants as they are anti-dilutive.

Stock options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, employees and consultants of the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 20% of the Company's issued and outstanding common shares. Such options will be exercisable for a period of up to 5 years from the date of grant. Options granted typically vest on the grant date.

During the year ended December 31, 2019, the Company granted 75,000 stock options to a consultant exercisable at \$3.60 for a period of five years. The fair value of the options was calculated to be \$97,645 using the Black-Scholes Option Pricing Model and the following assumptions: Expected life – 5 years, Risk-free rate – bond equivalent yield – 1.43%, Annualized volatility – 113%, Dividend yield – 0%. The options vest as to 25% on grant date, 25% on every 3 months thereafter. During the year ended December 31, 2019, the Company recognized a share-based compensation expense of \$92,309 and during the three months ended March 31, 2020, the Company recognized a share-based compensation expense of \$5,336.

During the three months ended March 31, 2020, the Company granted 2,700,000 stock options to officers, directors, and consultants exercisable at \$0.15 for a period of five years. The fair value of the options was calculated to be \$209,300 using the Black-Scholes Option Pricing Model and the following assumptions: Expected life – 5 years, Risk-free rate – bond equivalent yield – 1.55%, Annualized volatility – 100%, Dividend yield – 0%. During the three months ended March 31, 2020, the Company recognized a share-based compensation expense of \$209,300.

The option continuity schedule is as follows:

	Number of options	Weighted average exercise price
Options outstanding, December 31, 2018	-	\$ -
Granted	75,000	3.60
Options outstanding, December 31, 2019	75,000	\$ 3.60
Granted	2,700,000	0.15
Options outstanding, March 31, 2020	2,775,000	\$ 0.24

Details of options as at March 31, 2020 are as follows:

Exercise price \$	Number of options outstanding	Expiry Date
3.60	75,000	March 20, 2024
0.15	2,700,000	January 3, 2025
	2,775,000	

Warrants

The warrant continuity schedule is as follows:

	Number of warrants	Weighted average exercise price
Warrants outstanding, December 31, 2018	5,072,678	0.88
Warrants exercised	(1,829,283)	0.99

Warrants expired	(33,333)	1.20
Warrants issued	13,382,285	0.17
Warrants outstanding, December 31, 2019	16,592,346	\$ 0.34
Warrants exercised	-	-
Warrants expired	(13,333)	0.72
Warrants issued	-	-
Warrants outstanding, March 31, 2020	16,579,012	\$ 0.34

Details of warrants as at March 31, 2020 are as follows:

Exercise price (\$)	Number of warrants outstanding	Expiry Date
0.45	895,833	January 17, 2023
1.50	1,659,228	May 7, 2020 *
0.72	641,667	February 6, 2023
0.90	1,133,467	July 9, 2021
0.10	12,248,818	December 30, 2021
	16,579,012	

* expired subsequently without exercise

The weighted average remaining contracted life of warrants outstanding at March 31, 2020 is 1.65 years.

8. Reserves

Share based payment reserve and share purchase warrant reserve

The reserves record items recognized as share-based payments expense until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

9. Related party transactions

The following amounts due to related parties are included in trade payables and accrued liabilities:

	March 31, 2020	December 31, 2019
Directors, officers, or companies controlled by a director or officer of the Company	\$ 140,850	\$ 159,970

These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

Key management personnel compensation (consisting of management and certain directors)

Year ended:	March 31, 2020	March 31, 2019
Management, directors and consulting fees	\$ 105,679	\$ 129,000

10. Financial risk and capital management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The Company's cash is deposited with a major bank in Canada. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis.

Historically, the Company's primary source of funding has been the issuance of equity securities for cash, primarily through private placements and the advance of loans. The Company's access to equity financing is dependent upon market conditions and market risks. There can be no assurance of continued access to equity funding.

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is exposed to currency risk as it incurs expenditures that are denominated in United States dollars and the Colombian Peso while its functional currency is the Canadian dollar. The Company does not hedge its exposure to fluctuations in foreign exchange rates. The majority of cash is held in Canadian dollars.

The following is a summary of Canadian dollar equivalent financial assets and liabilities that are denominated in United States dollars or Colombian Pesos:

	March 31, 2020	December 31, 2019
Cash	\$ 2,472	\$ 922
Accounts payable	77,429	90,092
	\$ 79,901	\$ 91,014

Based on the above net exposures, there would be a nominal impact on the Company's net loss should there be a significant change in the United States dollar to Canadian dollar exchange rate or the or Colombia Peso to Canadian dollar exchange rate.

Interest rate risk

Interest rate risk is the risk due to variability of interest rates. The Company is exposed to interest rate risk on its bank account and related party loans. The income earned on the bank account is subject to the movements in interest rates. The Company has cash balances and fixed interest-bearing debt, therefore, interest rate risk is nominal.

Capital management

The Company's policy is to maintain a capital base sufficient to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of working capital and share capital. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	March 31, 2020	December 31, 2019
Cash and cash equivalents	\$ 54,711	\$ 685,025

Financial liabilities included in the statement of financial position are as follows:

	March 31, 2020	December 31, 2019
Non-derivative financial liabilities:		
Trade payables	\$ 873,773	\$ 635,754
	\$ 873,773	\$ 635,754

Fair value

The Company's financial instruments are presented as level one within the fair value hierarchy as at March 31, 2020.

11. Segmented Information

The Company and its subsidiaries are considered to be operating in one operating segment that being the exploration of resource properties. The Company's corporate offices are located in Canada and its mineral exploration activities are conducted in Colombia. Assets by geographical region are:

	Colombia	Canada	Total
Equipment	\$ 45,554	\$ -	\$ 45,554
Deposit	-	25,000	25,000
Current assets	2,191	94,489	96,679
Total	\$ 47,745	\$ 119,489	\$ 167,234

12. Contingency

During the year ended December 31, 2019, certain employees of Noble in Colombia were registered under the Company's name with the Colombian tax authorities, without the consent of the Company (Note 5). The Company has hired a Colombian law firm to unwind this unauthorized registration; however, the Company may face potential claims from these employees with respect to taxes, salaries and social security. The Company intends to vigorously defend against any potential claims, which cannot be reasonably estimated at this time.

13. Subsequent events

- a) On April 24, 2020, the Company has entered into shares for debt settlement agreements to issue a total of 3,637,750 common shares to consultants of the Company at a price of \$0.10 per share, thereby extinguishing a total of \$363,775 in liabilities. The shares were issued on May 8, 2020.
- b) On April 30, 2020, the Company issued 200,000 common shares on exercise of warrants for proceeds of \$20,000.
- c) On May 1, 2020, the Company issued 3,971,001 flow-through units (the "FT Units") at a price of \$0.075 per FT Unit. Each FT Unit is comprised of one flow-through common share and one-half of one warrant. Each whole warrant will entitle the holder to purchase one non-flow through

common share for a period of two years at a price of \$0.10 per share. In addition, the Company has paid finder's fees of \$19,926 and issued 265,680 finder's warrants to an arm's-length party. Each finders warrant is exercisable into one common share for a period of up to two years at a price of \$0.10 per share.

- d) On May 11, 2020 the Company entered into an option agreement to acquire 100% of the Ebay palladium project, located in Quebec, Canada. The Company has an option to acquire a 100% undivided ownership interest in the property, subject to royalty obligations, by completing various cash payments totaling \$150,000, share issuances totaling a value of \$375,000 (2,950,000 shares issued on May 25, 2020) and exploration expenditures totaling \$1,500,000 on or before May 11, 2023.
- e) In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The Company has been affected as this has delayed its license applications and exploration work in Colombia, and may impact future funding.