Quinto Resources inc

Unaudited Condensed Interim Financial Statements

(in Canadian dollars)

As at April 30, 2018 and 2017

NOTICE TO READERS OF CONDENSED INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim financial statements of the Corporation have been prepared in accordance with IFRS and are the responsibility of the Corporation's management.

The Corporation's independent auditor has not performed a review of these condensed interim financial statements.

Interim Statements of Financial Position *(Unaudited)*

As at April 30 and January 31, *(in Canadian dollars)*	Notes	2018	2018
Assets			
Current assets			
Cash and cash equivalents		**$ 4,458**	$ 20,639
Guaranteed investment certificates, rate of 1.35%, expiring from November 2018 to January 2019		**526,259**	601,259
Sales tax recoverable		**5,347**	24,510
Tax credits receivable		**-**	5,179
Prepaid expenses		**3,625**	5,507
Total assets		**$ 539,689**	$ 657,094
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**$ 133,216**	$ 158,122
Equity			
Share capital		**2,344,780**	2,344,780
Contributed surplus		**205,521**	205,521
Warrants		**263,697**	263,697
Deficit		**(2,407,524)**	(2,315,026)
		406,472	498,972
Total liabilities and equity		**$ 539,689**	$ 657,094
Going concern	*1*		

The accompanying notes are an integral part of these unaudited condensed financial statements

Interim Statements of Loss and Comprehensive Loss *(Unaudited)*

For the three-month periods ended April 30		2018		2017
Expenses				
Consulting and professional fees	**$**	**21,761**	$	37,827
Regulatory expenses		**7,655**		20,446
Investor relations		**39,250**		10,188
Rent		**1,126**		1,500
Insurance		**3,632**		1,882
Office expenses		**4,045**		2,560
Entertainment expenses		**3,392**		1,253
Travel and lodging		**4,225**		23,219
Exploration and evaluation expenses		**7,274**		-
Operating loss		**(92,360)**		(98,874)
Financing costs				
Interest and bank charges		**(138)**		(118)
Net loss and comprehensive loss	**$**	**(92,498)**	$	(98,992)
Net loss per share basic and diluted	**$**	**(0,003)**	$	(0,005)
Weighted average number of class A shares		**32,569,587**		20,028,465

The accompanying notes are an integral part of these unaudited condensed financial statements

Interim Statements of Changes in Equity *(Unaudited)*

For the three-month periods ended April 30, 2018 and 2017
(in Canadian dollars)

	Number of common shares outstanding	Share capital	Contributed surplus	Warrants	Deficit	Total equity
Balance – February 1st, 2018	**41,779,998**	**$2,344,780**	**$205,521**	**$263,697**	**$(2,315,026)**	**$498,972**
Net loss	**-**	**-**	**-**	**-**	**(92,498)**	**(92,498)**
Balance – April 30, 2018	**41,779,998**	**$2,344,780**	**$205,521**	**$263,697**	**$(2,407,524)**	**$406,474**
Balance – February 1st, 2017	23,729,998	$1,524,260	$81,600	$181,019	$(1,663,097)	$123,782
Net loss	-	-	-	-	(98,992)	(98,992)
Exercise of warrants	300,000	28,620	-	(4,620)	-	24,000
Balance – April 30, 2017	24,029,998	$1,552,880	$81,600	$176,399	$(1,762,089)	$48,790

The accompanying notes are an integral part of these unaudited condensed financial statements

Interim Statements of Cash Flows *(Unaudited)*

For the three-month periods ended April 30, *(in Canadian dollars)*		2018		2017
Operating activities				
Net loss	**$**	**(92,498)**	$	(98.992)
Changes in non-cash working capital items				
Sales tax recoverable		**19,163**		20,458
Prepaid expenses		**1,882**		1,882
Accounts payable and accrued liabilities		**(24,907)**		200
Cash flows used in operating activities		**(96,360)**		(76,452)
Investing activities				
Tax credits receivable		**5,179**		-
Disposition of guaranteed investment certificates		**75,000**		-
Cash flows used in investing activities		**80,179**		-
Financing activities				
Exercise of warrants		**-**		24,000
Decrease in cash and cash equivalents		**(16,181)**		(52,452)
Cash and cash equivalents – beginning of period		**20,639**		139,745
Cash and cash equivalents – end of period	**$**	**4,458**	$	87,293

The accompanying notes are an integral part of these unaudited condensed financial statements

1. Incorporation, nature of operations and going concern

The Corporation was incorporated under the *Canada Business Corporation Act* on January 20, 2010 and is classified as a Capital Pool Corporation as defined in policy 2.4 (the "CPC Policy") of the TSX Venture Exchange Inc. (the "Exchange"). The Corporation's common shares are listed for trading on the TSX Venture Exchange. The head office of the Corporation is located at 308 - 4710 St-Ambroise, Montréal, Québec, H4C 2C7.

The shares of the Corporation are traded on the TSX Venture Exchange under the symbol "QIT".

On December 28, 2012, the Corporation completed its Qualifying Transaction by acquiring an option to acquire a 50% interest in a mining property. The property consists of a total of 114 claims located in the Chibougamau region of Quebec. Following the Qualifying Transaction, the Corporation now specializes in the acquisition, exploration and evaluation of mineral properties.

The Corporation has not yet determined whether the mining property contains economically recoverable ore reserves. The recoverability of the amounts shown for mining properties depends upon the existence of economically recoverable ore reserves, the ability of the Corporation to obtain necessary financing to continue exploration work and development of its properties, and upon future profitable production or proceeds from the disposal of properties.

The accompanying unaudited condensed interim financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. In assessing whether the going concern assumption is appropriate, Management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. Management is aware in making its assessment of material uncertainties related to events and conditions that lend a significant doubt on the Corporation's ability to continue as a going concern and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern, as described in the following paragraph. These unaudited condensed interim financial statements do not reflect the adjustment to the carrying values of assets and liabilities, expenses and financial position classifications that would be necessary were the going concern assumption not appropriate. These adjustments could be material.

For the three-period ended April 30, 2018, the Corporation recorded a net loss of $92,498 and accumulated a deficit of $2,407,524 as at April 30, 2018. In addition to ongoing working capital requirements, the Corporation must secure sufficient funding to meet its existing commitments for exploration and development programs and pay general and administrative costs. As at April 30, 2018, the Corporation had a working capital of $406,473 including cash and cash equivalents of $4,458. Management estimates that these funds will not be sufficient to meet the Corporation's obligations and budgeted expenditures through April 30, 2019. Any funding shortfall may be met in the future in a number of ways, including but not limited to, the introduction of joint venture partners and/or business combinations. While Management has been successful in seeking funding in the past, there can be no assurance it will be able to do so in the future. Furthermore, there is no assurance that such funding or initiatives will be available to the Corporation or that it will be available on terms acceptable to the Corporation. Without new funding being available, the Corporation may be unable to continue its operations, and amounts realized for its assets may be less than amounts recorded in these financial statements.

1. Incorporation, nature of operations and going concern (cont'd)

Although management has taken steps to verify the title to the mining property in which it has an interest, in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee the Corporation's title. Property title may be subject to unregistered prior agreements and may not be in compliance with regulatory requirements.

The financial statements have been prepared on a going concern basis, which contemplates the realization of assets and liquidation of liabilities during the normal course of operations. These financial statements do not reflect the adjustment to the carrying values of assets and liabilities, the reported revenues and expenses and the statement of financial position classifications that would be necessary were the going concern assumption would not be appropriate. These adjustments could be material.

The Corporation's year end is January 31, 2019. These unaudited condensed financial statements were approved for issue by the Board of Directors on June 19, 2017.

2. Basis of preparation of financial statement

These unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The financial statements should be read in conjunction with the Company's audited annual financial statements for the year ended January 31, 2018, which have been prepared in accordance with IFRS as issued by the IASB.

The accounting policies followed in these unaudited condensed interim financial statements are consistent with those of previous financial year, except as described below.

3. Financial Instrument – Fair Value

The following table summarizes the fair value hierarchy under which the Company's financial instruments are valued.

- Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities: – none;
- Level two includes inputs that are observable other than quoted prices include in level one: – none;
- Level three includes inputs that are based on observable market data: – none.

Fair value estimates are made as at the date of the statement of financial position, based on relevant market information and other information about financial instruments.

(in Canadian dollars)

3. Financial Instrument – Fair Value (cont'd)

The Company's financial instruments as at April 30, 2018, consist of cash, accounts payable and accrued charges. The fair value of these financial instruments is disclosed below, and approximates their carrying value due to their short maturity and current market rates.

Fair value
Fair value of financial instruments is presented as follow:

	April 30, 2018		January 31, 2018	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Loans and receivables				
Cash	**$ 4,458**	**$ 4,458**	$ 20,639	$ 20,639
Guaranteed investment certificates	**526,259**	**526,259**	601,259	601,259
	$ 530,717	**$ 530,717**	$ 621,898	$ 621,898
Financial liabilities, at amortized cost				
Accounts payable and accrued liabilities	**$ 133,216**	**$ 133,216**	$ 158,122	$ 158,122

4. Exploration and evaluation asset

(1) Monster Lake

The Monster Lake property consists of a total of 114 claims located in the Chibougamau region of Quebec.

The Corporation has agreed to a 50% option on the property (the "Initial Option") payable: (i) with the issuance, subject to regulatory approval, of 1,000,000 common shares at a price of $0.15 each; (ii) payment in cash (over three years) of $350,000 and (iii) the commitment to carry out exploration work on the property amounting to $6,000 000 (over a period of four years). The Corporation will also be entitled, upon the exercise of the initial option to acquire an additional option of 20% of the property no later than on the seventh anniversary of the closing of the transaction having incurred additional expenses totalling $4,000,000 or by financing a feasibility study on the property. Each additional million dollar expense will increase the Corporation's interest by five percent (5%) up to a maximum of twenty percent (20%).

On September 23, 2013, TomaGold Corporation and Quinto Real Corporation have agreed to amend their option agreement dated November 26, 2012 (the "Option Agreement) for the Monster Lake property.

4. Exploration and evaluation asset (cont'd)

(1) Monster Lake (cont'd)

Pursuant to the Agreement, TomaGold transfers and sells to Quinto an undivided interest of 10% in the Property in exchange for the retrocession by Quinto of all its rights in the Option Agreement and its renunciation to all its rights and privileges provided in the Option Agreement. Accordingly, subject to adjustments provided in the Agreement, TomaGold will henceforth hold an undivided interest of 90% in the Property and will be the sole operator of the project.

Moreover, Quinto is discharged from a debt of $500,000 and of the obligation to refund. Quinto obtained releases from the holders of the debentures issued on February 2013. TomaGold undertakes to take charge of the debentures of Quinto and to indemnify Quinto starting from the closing of the transaction.

On November 12, 2013, Corporation TomaGold signed an option agreement with IAMGOLD in which IAMGOLD may earn a 50% interest in each of the Monster Lake, Winchester and Lac à l'eau jaune properties for a total of $17.575 million, including $16 million in exploration work and $1.575 million in payments over five years.

IAMGOLD will act as the project operator with the support of TomaGold personnel during the acquisition period of its 50% interest. Once IAMGOLD will have acquired its 50% interest, the interests of TomaGold and Quinto will be diluted proportionately such that TomaGold and Quinto will hold interests of 45% and 5%, respectively, in the Monster Lake property.

On November 2, 2015 the Company announced the agreement reached between IAMGOLD Corporation and TomaGold Corporation. Under the terms of the new agreement, IAMGOLD will acquire a 50% interest in the Monster Lake project, which comprises the Monster Lake, Winchester and Lac-à-l'Eau-Jaune properties, in exchange for a $3.22 million cash payment to TomaGold, of which $322,000 was paid to Quinto Real at the closing of the transaction.

IAMGOLD will also have an option to acquire an additional 25% interest by spending $10 million in exploration work over a 7-year period, with a minimum of $500,000 to be spent each year. The effective starting date for the exploration work commitment will be January 1st, 2015.

Upon IAMGOLD earning a 75% interest in the Monster Lake project, TomaGold and Quinto Real will have the option to fund their pro-rata share of exploration expenditures to keep its interest in the project, subject to a dilution clause if the Company is unable to fund its share of exploration expenditures. If TomaGold and Quinto Real are diluted to a 10% interest in the project, their ownership interest will be converted to a 1.5% NSR with a buyback provision. IAMGOLD would then have the possibility to buy back a 0.75% NSR for $2 million and the payment for the remaining 0.75% NSR would be capped at $8 million.

(2) Gwillim, Fancamp and Embry

On May 18, 2016, the Corporation signed an option agreement with Alexandria Minerals Corporation to acquire a 75 % undivided interest in the Chibougamau projects which include Gwillim, Fancamp and Embry properties. The Corporation will be the operator of the projects.

4. Exploration and evaluation asset (cont'd)

(2) Gwillim, Fancamp and Embry (cont'd)

As per the terms of the agreement, in order to acquire a 65% interest, the Corporation will have to:

1) issue 1,000,000 common shares of its share capital at signing of the agreement and 500,000 additional common shares of its share capital on or prior to May 18, 2018; and

2) incur exploration expenditures in the amount of $5,000,000 on the Properties over a period of 5 years as follows:
   - 300,000 during the first year following the effective date of the agreement;
   - an additional amount of $700,000 two years after the effective date;
   - an additional amount of $1,000,000 three years after the effective date;
   - an additional amount of $1,500,000 four years after the effective date;
   - an additional amount of $1,5000,000 five years after the effective date.

On or before seven years after the effective date, Quinto will have the option of earning an additional 10% undivided interest in the Properties by delivering to Alexandria a NI 43-101compliant prefeasibility mineral resource estimate that delineates a minimum of 1,000,000 ounces of gold on the Properties.

Following Quinto's 75% earn-in, the relationship will switch to a joint venture, where both parties will contribute to a pro-rata share of operating costs.

On July 13, 2016, the Corporation issued, following the signing of the option agreement, 1,000,000 common shares at a price of $0.05 per share, for total gross proceeds of $50,000.

As of June 22, 2017, the Corporation did not incur the required $300,000 of exploration expenditures on the Properties. As a result, Alexandria Minerals Corporation could terminate the option agreement. Consequently, the Corporation wrote-off these Properties in 2017.

On August 14, 2017, Alexandria ended the option agreement following the Corporation's default. Therefore, the Corporation wrote-off $12,120 of exploration and evaluation assets in 2018.

(3) Campo Largo in Brazil

On July 26, 2017, the Corporation signed an option agreement with Mr. Sabino Rodrigo de Freitas to earn up to a 100% interest in the Campo Largo gold project in Brazil.

In order to earn a 100% interest in the Property, the Corporation will have to fulfill the following terms over a six-year period.

(in Canadian dollars)

4. Exploration and evaluation asset (cont'd)

(3) Campo Largo in Brazil (cont'd)

Option period	Cumulative interest	The Corporation commitments
Upon signature and within 5 business days of receipt of all required regulatory approvals	-	- Initiate drilling and devise new exploration program
On or prior the first anniversary	15%	- Submit a NI 43-101 technical report - Incur minimum $250,000 of exploration work within first year - US$100,000 cash payment
On or prior the second anniversary	30%	- US$100,000 cash payment - Submit a NI 43-101 resource estimate report - Incur additional costs of $500,000
On or prior the third anniversary	50%	- Incur additional costs of $500,000 - Submit a positive preliminary economic assessment report - US$237,138 cash payment
On or prior the fourth anniversary	80%	- Submit a positive pre-feasibility study - Incur additional costs of $1,000,000
On or prior the sixth anniversary	100%	- Submit a feasibility study - Pay US$20 per ounce of economic reserves - Incur additional costs of $1,000,000

Based on the devaluation criteria analysis, the Corporation wrote-off $102,402 of exploration and evaluation assets in 2018.

(4) Camarinhas Gold

On March 4, 2017, the Corporation signed an option agreement with Americas Gold Corporation, SA, Elicio Gomes Lopes and Brasincor Empreendimentos E Participacoes SA to acquire an undivided 100% interest in the Camarinhas Gold Project in Brazil, consisting of 3 mining titles concessions defined by the Corporation as Camarinhas Central, East and West.

On May 5, 2017, the Corporation terminated the agreement because it was not satisfied with the results of the legal review. By virtue of the agreement, the Corporation has no penalty fees to pay for terminating the agreement.

5. Share capital

The Corporation is authorized to issue an unlimited number of class A and B shares of no par value with the following restrictions and privileges:

Class A: Voting, participating;
Class B: Non-voting, participating, issuable in series with designation, rights, privileges, restrictions and conditions to be determined by the board of directors.

Shares issues:

On February 10, 2017, 200,000 common shares were issued following the exercise of warrants at an exercise price of $0.08 per common share, for total gross proceeds of $16,000.

On February 16, 2017, 100,000 common shares were issued following the exercise of warrants at an exercise price of $0.08 per common share, for total gross proceeds of $8,000.

On November 1, 2017, the Corporation completed a private placement by issuing 15,000,000 units at a price of $0.05 per unit, for total gross proceeds of $750,000. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the Corporation at a price of $0.08 for 12 months from the closing date of the private placement. The fair value of the 15,000,000 warrants issued estimated at $155,941 was deducted from share capital and recorded as an increase in contributed surplus.

On December 8, 2017, 2,750,000 common shares were issued following the exercise of warrants at an exercise price of $0.08 per common share, for total gross proceeds of $220,000.

6. Contingency

The Corporation is partie to a $35,405 claim for non-compliance with the terms of the option agreement signed with Alexandria Minerals Corporation for the Gwillim, Fancamp and Embry properties. The Directors believe the claim has no merit and, consequently, no provision has been made for the contingent liability that could arise.

(in Canadian dollars)

7. Related party transactions

	2018	2017
Corporations held by directors and officers		
Consulting fees	$ 18,375	$ -

8. Subsequent events

On May 14, 2018, the Company announced that it has entered into a letter of intent to acquire a private Canadian company, Conga Mining Inc. (to be renamed “Combia Gold Inc.”) (“Combia”), which holds the right to acquire the Combia project (also known as the Guamo Project) (the “Combia Project”) in the Antioquia Region, Colombia, approximately 140 km east of Medellin (the “Transaction”). The Combia Project is comprised of 6 wholly-owned titles and 66% of a title covering an area of approximately 64 hectares, as well as a mill operating at a current production rate of 40 tons/day.

In consideration for the acquisition of all of the shares of Combia, the proposed terms would involve The Corporation issuing to Combia Shareholders, in exchange for their Combia shares, an aggregate of 40 million common shares of The Corporation, with 20 million common shares issued at closing (“Closing”) and 10 million common shares to be issued 5 months from Closing and 10 months from Closing, respectively. The terms relating to the Transaction are non-binding and are subject to The Corporation’s completion of due diligence, the successful negotiation and execution of a definitive agreement during an exclusivity period ending on August 15, 2018 and receipt of TSX Venture Exchange acceptance of the Transaction. Combia has commissioned the preparation of an independent technical report for the Combia Project, which technical report The Corporation expects to receive during its due diligence review. In consideration of the exclusivity provided to The Corporation, The Corporation has agreed to pay a US$100,000 fee to Combia if it does not complete the Transaction.

Combia is party to an agreement to acquire the Combia Project from its Colombian vendors (the “Vendors”), and Combia has advised that it is to make the following payments to the Vendors: (a) US$1 million at Closing; (b) US$1 million on the day which falls 5 months from Closing; and (c) US$700,000 on the day which falls 10 months from Closing. In addition, Combia must raise gross proceeds of at least US$1 million to fund exploration work on the Combia Project or the purchase of equipment or upgrades therefor, which amount must be spent during the 8 months following Closing. The Corporation would assume responsibility for these requirements if it were to proceed with the Transaction.

A finder’s fee is payable to an arm’s length third party in connection with and upon completion of the Transaction.