

AURELIUS MINERALS INC.
(Formerly Galena International Resources Ltd)

CONDENSED INTERIM FINANCIAL STATEMENTS

Unaudited - prepared by management

September 30, 2017

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

NOTICE OF NO AUDITOR REVIEW OF 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, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated financial statements of Aurelius Minerals Inc. (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 in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

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

AURELIUS MINERALS INC. (formerly Galena International Resources Ltd.)

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION (unaudited)

Expressed in Canadian Dollars

	<u>September 30,</u> <u>2017</u>	<u>March 31,</u> <u>2017</u>
ASSETS		
Current		
Cash	\$ 481,042	\$ 508,959
Receivables	6,293	26,986
Prepaid expenses	<u>2,486</u>	<u>2,486</u>
	489,821	538,431
Mineral properties (Note 3)	<u>383,684</u>	<u>363,685</u>
	<u>\$ 873,505</u>	<u>\$ 902,116</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 4)	\$ <u>52,335</u>	\$ <u>228,921</u>
Shareholders' equity		
Share capital (Note 5)	6,325,227	5,428,181
Reserves (Note 5)	263,043	100,476
Deficit	<u>(5,767,100)</u>	<u>(4,855,462)</u>
	<u>821,170</u>	<u>673,195</u>
	<u>\$ 873,505</u>	<u>\$ 902,116</u>

Nature and continuance of operations (Note 1)

Subsequent events (Note 8)

Approved and authorized by the Board on November 29, 2017

"Mark NJ Ashcroft"

Mark NJ Ashcroft, Director

"Randy Turner"

Randy Turner, Director

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AURELIUS MINERALS INC. (formerly Galena International Resources Ltd.)

CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS (Unaudited)

Expressed in Canadian Dollars

	Three Month Period Ended September 30 2017	Three Month Period Ended September 30 2016	Six Month Period Ended September 30 2017	Six Month Period Ended September 30 2016
EXPENSES				
Exploration (Note 3)	\$ 514,287	\$ -	\$ 552,292	\$ -
Property investigation	-	-	-	7,423
Business development	-	1,649	-	2,297
Legal, audit and accounting	4,935	63,839	8,878	63,839
Management fees and corporate services (Note 4)	56,000	46,434	99,500	62,734
Office and miscellaneous (Note 4)	3,458	2,765	8,167	3,049
Regulatory and transfer agent fees	3,456	9,904	9,783	11,695
Rent (Note 4)	200	2,400	7,572	2,400
Share-based compensation (Note 4 and 5)	163,578	-	163,578	77,642
Shareholder communication	24,801	-	45,743	-
Travel	6,255	18,276	8,232	18,276
Wages and benefits	3,642	-	7,893	-
	<u>(780,612)</u>	<u>(145,267)</u>	<u>(911,638)</u>	<u>(249,355)</u>
Loss and comprehensive loss for the period	<u>\$ (780,612)</u>	<u>\$ (145,267)</u>	<u>\$ (911,638)</u>	<u>\$ (249,355)</u>
Basic and diluted loss per common share	<u>\$ (0.02)</u>	<u>\$ (0.00)</u>	<u>\$ (0.02)</u>	<u>\$ (0.01)</u>
Weighted average number of common shares outstanding	50,721,811	36,527,342	49,899,122	28,299,581

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AURELIUS MINERALS INC. (formerly Galena International Resources Ltd.)

CONDENSED INTERIM STATEMENTS OF CASH FLOWS (Unaudited)

Expressed in Canadian Dollars

	Six Month Period Ended September 30 2017	Six Month Period Ended September 30 2016
Cash flows from operating activities		
Income (loss) for the period	\$ (911,638)	\$ (249,355)
Items not involving cash:		
Share-based compensation	163,578	77,642
Changes in non-cash working capital items:		
(Increase) decrease in receivables	20,693	(16,066)
Increase (decrease) in accounts payable and accrued liabilities	(176,586)	87,498
Net cash provided by (used in) operating activities	<u>(903,953)</u>	<u>(100,281)</u>
Cash flows from financing activities		
Issuance of capital stock for cash	914,365	668,018
Share issuance costs	(18,330)	(52,110)
Net cash provided by (used in) financing activities	<u>896,035</u>	<u>615,908</u>
Cash flows from investing activities		
Mineral property acquisition	(20,000)	(105,612)
Net cash provided by (used in) investing activities	<u>(20,000)</u>	<u>(105,612)</u>
Change in cash during the period	(27,918)	410,015
Cash, beginning of the period	508,959	68,604
Cash, end of the period	<u>\$ 481,041</u>	<u>\$ 478,619</u>

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AURELIUS MINERALS INC. (formerly Galena International Resources Ltd.)

CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (unaudited)

Expressed in Canadian Dollars

	Share Capital				
	Number	Amount	Reserves	Deficit	Total
Balance, March 31, 2016	22,822,884	\$ 4,288,473	\$ 39,193	\$ (4,267,369)	\$ 60,297
Issued for mineral properties (Note 5b)	500,000	72,500	-	-	72,500
Issued for private placements (Note 5b)	13,000,000	650,000	-	-	650,000
Issued for incentive stock option exercises (Note 5c)	277,200	18,018	-	-	18,018
Share issuance costs (Note 5b)	-	(52,110)	-	-	(52,110)
Share-based compensation (Note 5d)	-	-	77,642	-	77,642
Reserves transferred on cancelled options (Note 5c)	-	-	(16,359)	16,359	-
Loss for the period	-	-	-	(249,355)	(249,355)
Balance, September 30, 2016	<u>36,600,084</u>	<u>4,976,881</u>	<u>100,476</u>	<u>(4,500,365)</u>	<u>576,992</u>
Issued for mineral properties (Note 5b)	2,000,000	150,000	-	-	150,000
Issued for private placements (Note 5b)	3,100,000	310,000	-	-	310,000
Share issuance costs (Note 5b)	-	(8,700)	-	-	(8,700)
Loss for the period	-	-	-	(355,097)	(355,097)
Balance, March 31, 2017	<u>41,700,084</u>	<u>5,428,181</u>	<u>100,476</u>	<u>(4,855,462)</u>	<u>673,195</u>
Issued for private placements (Note 5b)	9,130,000	913,000	-	-	913,000
Share issuance costs (Note 5b)	-	(18,330)	-	-	(18,330)
Issued for incentive stock option exercises (Note 5c)	21,000	2,376	(1,011)	-	1,365
Share-based compensation (Note 5d)	-	-	163,578	-	163,578
Loss for the period	-	-	-	(911,638)	(911,638)
Balance, September 30, 2017	<u>50,851,084</u>	<u>\$ 6,325,227</u>	<u>\$ 263,043</u>	<u>\$ (5,767,100)</u>	<u>\$ 821,170</u>

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

AURELIUS MINERALS INC (formerly Galena International Resources Ltd.)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2017 (Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Aurelius Minerals Inc (formerly Galena International Resources Ltd.) (the “Company”) is incorporated under the Business Corporations Act, British Columbia and is in the exploration stage with respect to mineral properties. During the year the Company changed its name from Galena International Resources Ltd.

The Company’s head office and principal address is 1020 – 625 Howe Street, Vancouver, British Columbia, Canada, V6C 2T6. The Company’s registered and records office is 2300 – 550 Burrard Street, Vancouver, British Columbia, Canada V6C 2B5.

These condensed interim financial statements have been prepared by management 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. The Company has incurred ongoing losses. A number of alternatives including, but not limited to completing a financing, are being evaluated with the objective of funding ongoing activities and obtaining additional working capital. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due. These uncertainties may cast significant doubt on the entity’s ability to continue as a going concern.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards (“IAS”) 34, “Interim Financial Reporting” on a basis consistent with accounting policies disclosed in the audited financial statements for the fiscal year ended March 31, 2017.

These condensed interim financial statements should be read in conjunction with the most recently issued audited financial statements, which include information necessary or useful to understanding the Company’s business and financial statement presentation. In particular, the Company’s significant accounting policies which were presented in Note 3 to the Financial Statements for the fiscal year ended March 31, 2017 have been consistently applied in the preparation of the Company’s interim financial statements.

The Company’s interim financial statements are unaudited. Financial information in this report reflects any adjustments (consisting of normal recurring adjustments) that are, in the opinion of management, necessary to the fair presentation of the results for the interim periods in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board.

AURELIUS MINERALS INC (formerly Galena International Resources Ltd.)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2017 (Expressed in Canadian Dollars)

3. MINERAL PROPERTIES

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and to the best of its knowledge, title to all of its properties, except as described below are properly registered and in good standing.

The Company holds interests in various mineral claims located in Canada, the capitalized acquisition costs of which are as follows:

	September 30, 2017	March 31, 2016
Lipton Property, Ontario	\$ 208,685	\$ -
<p>A 100% interest, subject to a 2.0% NSR. To acquire its interest, the Company must pay \$1,000,000 (\$30,000 paid to date) over a ten year period and issue 500,000 common shares (500,000 issued with an aggregate value of \$72,500). Thereafter, to maintain the Option the Company must make annual cash payments totaling \$90,000 by June 2020 and file a minimum of two years of assessment work, with the remaining \$900,000 in annual cash payments payable between June 2021 and June 2026. The Company has the option to buy-back one-half of the NSR for \$2,500,000. The Company incurred other costs related to staking additional claims in the amount of \$106,185.</p>		
Mikwam Property, Ontario	\$ 175,000	\$ -
<p>On November 29, 2016, the Company entered into a Property Option Agreement (“Mikwam Option”) with ALX Uranium Corp. (“ALX”) to acquire a 100% interest in the Mikwam property (“Mikwam”). Pursuant to the Mikwam Option, the Company has the right to acquire a 100% interest in Mikwam (subject to certain royalty interests and encumbrances) by making aggregate cash and share payments to ALX over a period of three years as follows: \$25,000 (paid) and the issuance of 2,000,000 (issued with an aggregate value of \$150,000) on closing, \$50,000 or, at the Company’s election, issue 500,000 common shares (issued November 22, 2017) on or before the first anniversary of the Mikwam Option, \$75,000 or, at the Company’s election, issue 750,000 common shares on or before the second anniversary of the Mikwam Option, \$100,000 or, at the Company’s election, issue 750,000 common shares on or before the third anniversary of the Mikwam Option. In addition, on closing of the acquisition of Mikwam, the Company will grant ALX a 0.5% net smelter returns royalty (“NSR Royalty”). The Company will have the right, at any time, to acquire the NSR Royalty from ALX in consideration of a cash payment of \$1,000,000.</p>		
Total Mineral Property:	\$ 383,685	\$ -

During the six month period September 30, 2017, the Company incurred exploration expenditures as follows:

	Lipton	Mikwam	Total
Geological & Geophysics	\$ 178,199	\$ 5,449	\$ 183,648
Field Sampling	4,206	-	4,206
Drilling	364,438	-	364,438
	\$ 546,843	\$ 5,449	\$ 552,292

AURELIUS MINERALS INC (formerly Galena International Resources Ltd.)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2017 (Expressed in Canadian Dollars)

4. RELATED PARTY TRANSACTIONS

Key Management Personnel

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Company's Board of Directors and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

Compensation paid or payable to key management personnel for services rendered are as follows:

	6 month period ended September 30, 2017	3 month period ended September 30, 2016
Management fees	\$ 99,500	\$ 62,734
Stock based compensation	143,836	62,074
Total	\$ 243,336	\$ 124,808

Amounts paid or payable to companies with officers and/or directors in common are as follows:

	6 month period ended September 30, 2017	6 month period ended September 30, 2016
Rent	\$ 4,800	\$ 2,400
Accounting, investor relations & office	6,935	6,800
Total	\$ 11,735	\$ 9,200

Included in accounts payable and accrued liabilities at September 30, 2017 is \$19,630 (March 31, 2017 – \$30,932) due to companies controlled by officers and/or directors of the Company.

5. SHARE CAPITAL AND RESERVES

a) Authorized share capital

The authorized share capital of the Company is an unlimited number of common shares without par value. All issued shares are fully paid.

b) Issued share capital

During the six month period ended September 30, 2017 the Company issued:

- 1,550,000 common share units ("May Units") at a price of \$0.10 per April Unit and 3,250,000 flow through units ("May FT Units") at price of \$0.10 per May FT Unit, for gross proceeds of \$480,000 as part of a non-brokered private placement (the "Private Placement"). Each May Unit and May FT Unit consisted of one common share of the Company and one-half common share purchase warrant. Each full warrant entitles the holder to acquire one common share at an exercise price of \$0.15 until May 1, 2019. The Company paid finders' fees totalling \$7,500.

AURELIUS MINERALS INC (formerly Galena International Resources Ltd.)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2017 (Expressed in Canadian Dollars)

5. SHARE CAPITAL AND RESERVES (continued)

b) Issued share capital (continued)

- 2,730,000 units ("April Units") at a price of \$0.10 per April Unit and 1,600,000 flow through shares ("April FT Shares") at price of \$0.10 per April FT Share, for gross proceeds of \$433,000 as part of a non-brokered private placement (the "Private Placement"). Each April Unit consisted of one common share of the Company and one-half common share purchase warrant. Each full warrant entitles the holder to acquire one common share at an exercise price of \$0.15 until April 5, 2019. The Company paid finders' fees totalling \$10,830.

During the year ended March 31, 2017 the Company issued:

- 2,950,000 units ("March Units") at a price of \$0.10 per March Unit and 150,000 flow through shares ("March FT Shares") at price of \$0.10 per March FT Share, for gross proceeds of \$310,000 as part of a non-brokered private placement (the "Private Placement"). Each March Unit consisted of one common share of the Company and one-half common share purchase warrant. Each full warrant entitles the holder to acquire one common share at an exercise price of \$0.15 until March 23, 2019. The Company paid finders' fees totalling \$8,700.
- 13,000,000 units ("July Units") at a price of \$0.05 per Unit, for gross proceeds of \$650,000 as part of a non-brokered private placement. Each July Unit consisted of one common share of the Company and one-whole common share purchase warrant. Each full warrant entitles the holder to acquire one common share at an exercise price of \$0.10 until July 19, 2018. The Company paid finders' fees totalling \$7,950 and share issuance costs amounted to \$44,160.
- 500,000 common shares with an aggregate value of \$72,500 to MNJA Holdings Inc., a company controlled by Mr. Ashcroft, President & CEO of the Company, in conjunction with his appointment, pursuant to the Lipton Property Option Agreement (Note 3).
- 277,200 common shares with an aggregate value of \$18,018 pursuant to the exercise of incentive stock options.
- 2,000,000 common shares with an aggregate value of \$150,000 pursuant to the Mikwam Property Option Agreement (Note 3).

AURELIUS MINERALS INC (formerly Galena International Resources Ltd.)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2017 (Expressed in Canadian Dollars)

5. SHARE CAPITAL AND RESERVES (continued)

c) Stock options

The Company, in accordance with its shareholder approved stock option plan, is authorized to grant options to directors, officers, employees and/or consultants, to acquire up to 10% of the issued and outstanding common shares. The exercise price of each option equals the market price of the Company's stock as calculated on the date of grant. Options can be granted for a maximum term of ten years and vest on grant.

As at September 30, 2017, the Company had outstanding stock options, enabling the holders to acquire further common shares as follows:

Number of Shares	Exercise Price	Expiry Date
600,000	\$ 0.15	October 4, 2017
1,314,600	\$.065	June 24, 2021
<u>2,900,000</u>	<u>\$0.12</u>	<u>July 5, 2022</u>
4,814,600		

Stock option transactions are summarized as follows:

	September 30, 2017		March 31, 2017	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, beginning of period	1,935,600	\$ 0.09	650,000	\$ 0.15
Granted	2,900,000	0.12		0.065
			1,612,800	
Exercised	(21,000)	0.065	(277,200)	0.065
Expired/cancelled	<u>-</u>	<u>-</u>	<u>(50,000)</u>	<u>0.15</u>
Balance, end of period	<u>4,814,600</u>	<u>\$ 0.08</u>	<u>1,935,600</u>	<u>\$ 0.09</u>
Options exercisable, end of period	<u>4,814,600</u>	<u>\$ 0.08</u>	<u>1,935,600</u>	<u>\$ 0.09</u>

AURELIUS MINERALS INC (formerly Galena International Resources Ltd.)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2017 (Expressed in Canadian Dollars)

5. SHARE CAPITAL AND RESERVES (continued)

d) Options – Stock-based compensation

During the period ended September 30, 2017, the Company granted 2,900,000 (September 30, 2016 – 1,612,800) stock options with a fair value of \$163,578 (September 30, 2016 - \$77,642) or \$0.06 (September 30, 2016 - \$0.05) per option. All options vest immediately on grant.

The following weighted-average assumptions were used for the Black-Scholes valuation of stock options granted during the noted periods:

	3 months September 30, 2017	6 months September 30, 2016
Risk-free interest rate	1.42%	0.62%
Expected life of options	5.000	5.000
Annualized volatility	127.16	100.00%
Dividend rate	-	-
Weighted average FV	0.06	0.05

e) Warrants

As at September 30, 2017 the Company had outstanding share purchase warrants, enabling the holders to acquire further shares as follows:

Number of Warrants	Exercise Price	Expiry Date
13,000,000	\$ 0.10	July 19, 2018
1,475,000	\$0.15	March 23, 2019
1,365,000	\$0.15	April 5, 2019
<u>2,400,000</u>	<u>\$0.15</u>	<u>May 1, 2019</u>
18,240,000		

Share purchase warrant transactions were as follows:

	September 30, 2017		March 31, 2017	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, beginning of period	14,475,000	\$ 0.10	-	\$ -
Granted	3,765,000	\$ 0.15	14,475,000	0.10
Exercised	-	-	-	-
Expired/cancelled	-	-	-	-
Balance, end of period	18,240,000	\$ 0.11	14,475,000	\$ 0.10
Warrants exercisable, end of period	18,240,000	\$ 0.11	-	\$ -

AURELIUS MINERALS INC (formerly Galena International Resources Ltd.)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2017 (Expressed in Canadian Dollars)

6. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration, and evaluation of mineral properties in Canada.

7. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

There were no significant non-cash transactions for the six month period ended September 30, 2017 and 2016.

8. SUBSEQUENT EVENTS

- a) A total of 600,000 options expired unexercised on October 4, 2017.
- b) Pursuant to the Mikwam Option the Company issued 500,000 common shares to ALX.