

VIVA GOLD CORP.
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2019

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

Reader's Note:

These unaudited interim condensed consolidated financial statements of Viva Gold Corp. have been prepared by management and have not been reviewed by the Company's auditor

Viva Gold Corp.

Interim Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

| | Note | April 30, 2019 | October 31, 2018 |
|---|------|------------------|------------------|
| | | \$ | \$ |
| | | (Unaudited) | |
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | 3 | 87,349 | 415,406 |
| Receivable and prepayments | | 188,843 | 28,585 |
| | | <u>276,192</u> | <u>443,991</u> |
| Cash – restricted | 4 | 83,413 | 81,667 |
| Exploration and evaluation assets | 5 | 765,433 | 749,409 |
| TOTAL ASSETS | | <u>1,125,038</u> | <u>1,275,067</u> |
| LIABILITIES | | | |
| Current liabilities | | | |
| Accounts payable and accrued liabilities | 6 | 173,932 | 217,389 |
| Loan payable | 6 | 291,111 | 266,667 |
| | | <u>465,043</u> | <u>484,056</u> |
| Asset retirement obligation | 7 | 166,432 | 162,948 |
| TOTAL LIABILITIES | | <u>631,475</u> | <u>647,004</u> |
| SHAREHOLDERS' EQUITY | | | |
| Common shares | 8 | 4,255,762 | 3,533,775 |
| Shares subscribed | 8 | 55,500 | 19,980 |
| Cumulative translation adjustment | | 19,523 | 3,687 |
| Contributed surplus | 8 | 490,445 | 304,423 |
| Deficit | | (4,327,667) | (3,233,802) |
| TOTAL SHAREHOLDERS' EQUITY | | <u>493,563</u> | <u>628,063</u> |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | | <u>1,125,038</u> | <u>1,275,067</u> |

Nature of Operations and Going Concern (Note 1)

Approved on behalf of the Board:

“Gary MacDonald”
Gary MacDonald, Director

“James Hesketh”
James Hesketh, Director

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

Viva Gold Corp.

Interim Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

| | | For the three months ended April 30, | | For the six months ended April 30, | |
|--|------|--|------------------|--|------------------|
| | Note | 2019 | 2018 | 2019 | 2018 |
| | | \$ | \$ | \$ | \$ |
| OPERATING EXPENSES | | | | | |
| Exploration cost | 5 | 158,469 | 202,781 | 542,460 | 438,637 |
| Management fees | 6 | 16,654 | 23,906 | 38,833 | 45,646 |
| Office costs | | 14,501 | 16,024 | 19,713 | 23,322 |
| Professional fees | 6 | 34,066 | 29,316 | 58,784 | 48,182 |
| Share based payments | 8 | 36,552 | 160,065 | 183,522 | 356,929 |
| Shareholder information | | 87,212 | 14,543 | 195,499 | 43,585 |
| Transfer agent and filing fees | | 9,126 | 15,720 | 20,274 | 23,120 |
| Travel expenses | | 8,812 | 2,426 | 10,466 | 9,240 |
| | | (365,392) | (464,781) | (1,069,551) | (988,661) |
| Interest Expense | | (5,570) | - | (24,444) | - |
| Interest Income | | 58 | - | 130 | 42 |
| NET INCOME (LOSS) | | (370,904) | (464,781) | (1,093,865) | (988,619) |
| OTHER COMPREHENSIVE INCOME (LOSS): | | | | | |
| Items that may be reclassified to profit or loss | | | | | |
| Exchange losses arising on translation of foreign operations | | 16,161 | 33,237 | 15,836 | 1,386 |
| COMPREHENSIVE INCOME (LOSS) | | (354,743) | (431,544) | (1,078,029) | (987,233) |
| BASIC AND DILUTED INCOME (LOSS) PER SHARE | | (0.02) | (0.03) | (0.05) | (0.06) |
| Weighted average number of shares outstanding | | 20,801,052 | 16,470,967 | 20,655,998 | 16,470,967 |

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

Viva Gold Corp.

Interim Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollars)

Unaudited – Prepared by Management

| | Number of shares | Share capital \$ | Shares Subscribed \$ | Cumulative Translation Adjustment \$ | Contributed Surplus \$ | Deficit \$ | Total Equity \$ |
|--|---------------------|---------------------|----------------------------|---|------------------------------|--------------------|--------------------|
| Balance as at October 31, 2017 | 10,254,167 | 1,218,507 | 546,750 | (4,665) | 375,000 | (1,423,542) | 712,050 |
| Private placements | 4,204,000 | 1,051,000 | (546,750) | - | - | - | 504,250 |
| Financing cost incurred | 12,800 | (51,524) | - | - | - | - | (51,524) |
| Shares issued for accrued compensation | 2,000,000 | 500,000 | - | - | (375,000) | - | 125,000 |
| Share based payments | - | - | - | - | 231,929 | - | 231,929 |
| Exchange differences arising on translation of foreign operations | - | - | - | 1,386 | - | - | 1,386 |
| Net loss | - | - | - | - | - | (988,619) | (988,619) |
| Balance as at April 30, 2018 | 16,470,967 | 2,717,983 | - | (3,279) | 231,929 | (2,412,161) | 534,472 |
| Balance as at October 31, 2018 | 18,836,077 | 3,533,775 | 19,980 | 3,687 | 304,423 | (3,233,802) | 628,063 |
| Private placement | 1,955,986 | 723,715 | (19,980) | - | - | - | 703,735 |
| Financing cost incurred – Cash | - | (13,228) | - | - | - | - | (13,228) |
| Financing cost incurred – Warrants | - | (2,500) | - | - | 2,500 | - | - |
| Share subscriptions received in advance | - | - | 55,500 | - | - | - | 55,500 |
| Exercise of warrants | 40,000 | 14,000 | - | - | - | - | 14,000 |
| Share based payments | - | - | - | - | 183,522 | - | 183,522 |
| Exchange differences arising on translation of foreign operations | - | - | - | 15,836 | - | - | 15,836 |
| Net loss | - | - | - | - | - | (1,093,865) | (1,093,865) |
| Balance as at April 30, 2019 | 20,832,063 | 4,255,762 | 55,500 | 19,523 | 490,445 | (4,327,667) | 493,563 |

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

Viva Gold Corp.

Interim Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

Unaudited – Prepared by Management

| | For the six months ended April 30, | |
|---|---------------------------------------|-----------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| OPERATING ACTIVITIES | | |
| Net income (loss) | (1,093,865) | (988,619) |
| Share based compensation | 183,522 | 356,929 |
| Changes in working capital | | |
| Receivable and prepayments | (160,158) | (26,345) |
| Accounts payable and accrued liabilities | (46,248) | (265,446) |
| Interest payable | 24,444 | 6,667 |
| Cash flow used in operating activities | <u>(1,092,305)</u> | <u>(916,814)</u> |
| FINANCING ACTIVITY | | |
| Proceeds from private placement, net of costs | 690,507 | 452,726 |
| Proceeds from exercise of warrants | 14,000 | |
| Share subscriptions received in advance | 55,500 | |
| Cash flow from financing activities | <u>760,007</u> | <u>452,726</u> |
| INVESTING ACTIVITY | | |
| Restricted cash | - | 54,677 |
| Cash flow from investing activities | <u>-</u> | <u>54,677</u> |
| DECREASE IN CASH FLOW | (332,298) | (409,411) |
| Impact of foreign exchange | 4,241 | 5,220 |
| CASH AND CASH EQUIVALENTS - Opening | <u>415,406</u> | <u>574,026</u> |
| CASH AND CASH EQUIVALENTS - Ending | <u>87,349</u> | <u>169,835</u> |
| Non-cash transactions: | | |
| Conversion of accounts payable into loan | - | 250,000 |
| Shares issued for accrued compensation | - | 375,000 |
| Finders' warrants issued | 2,500 | - |

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

VIVA GOLD CORP.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2019

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

1. Nature of Operations and Going Concern

Viva Gold Corp. (“Viva” or the “Company”) was incorporated under the Business Corporation Act (British Columbia) on September 24, 2009. The address of the Company’s corporate office and principal place of business is Suite 302, 8047 199 Street, Langley, British Columbia, Canada, V2Y 0E2.

The Company’s business is the acquisition, exploration and development of precious metal properties. It is currently advancing its 100% owned Tonopah Project, located in the Walker Lane Trend in Western Nevada.

These interim condensed consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of business. 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. Viva is an exploration stage company and as at April 30, 2019 had an accumulated deficit of \$4,327,667. Management of the Company does not expect that its current cash position will be sufficient to meet all of its operating requirements, financial commitments, and business development priorities during the next twelve months. Accordingly, the Company will need to obtain financing in the form of debt, equity, or a combination thereof for the next twelve months to continue to operate. 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. These conditions indicate the existence of material uncertainty that may give rise to significant doubt about Viva’s ability to continue as a going concern.

2. Basis of Presentation

Statement of Compliance

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting, and based on the principles of International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These financial statements should be read in conjunction with the Company’s annual audited consolidated financial statements for the year ended October 31, 2018, which include all of the Company’s significant accounting policies, and have been prepared in accordance with the same methods of application.

These interim condensed consolidated financial statements were authorized for issue by the Board of Directors of the Company on June 25, 2019.

Basis of Measurement

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

Significant Accounting Estimates and Judgments

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

VIVA GOLD CORP.**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

April 30, 2019

*(Expressed in Canadian dollars)**(Unaudited – Prepared by Management)*

In preparing these interim condensed consolidated financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual audited consolidated financial statements for the year ended October 31, 2018.

3. Cash and Cash Equivalents

| | April 30, 2019 | October 31, 2018 |
|------------------------------------|----------------|------------------|
| | \$ | \$ |
| Cash at bank | 76,351 | 404,413 |
| Guaranteed investment certificates | 10,750 | 10,750 |
| Deposits | 248 | 243 |
| | 87,349 | 415,406 |

4. Restricted Cash

The Company has reclamation bonds with the Bureau of Land Management in the State of Nevada to insure the completion of future Asset Retirement Obligations (Note 7) as estimated utilizing a standardized reclamation cost estimating system for the State of Nevada. During the year ended October 31, 2018, the Company replaced 50% of its cash backed reclamation bonds with reclamation surety bonds through Lexon Insurance. The Company pays an annual surety premium for this insurance. These cash deposits are not releasable until such time that sufficient reclamation has been completed.

| | April 30, 2019 | October 31, 2018 |
|----------------------------|----------------|------------------|
| | \$ | \$ |
| Opening balance | 81,667 | 159,860 |
| Refund | - | (76,198) |
| Impact of foreign exchange | 1,746 | (1,995) |
| | 83,413 | 81,667 |

VIVA GOLD CORP.**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

April 30, 2019

*(Expressed in Canadian dollars)**(Unaudited – Prepared by Management)***5. Exploration and Evaluation Assets**

The Company acquired the Tonopah Project in March 2017. The Tonopah Project is an advanced stage exploration/evaluation project located on the Walter Lake Trend of Western Nevada.

A continuity of the Company's exploration and evaluation assets is as follows:

| | April 30, 2019 | October 31, 2018 |
|----------------------------|-----------------------|-------------------------|
| | \$ | \$ |
| Opening balance | 749,409 | 735,210 |
| Impact of foreign exchange | 16,024 | 14,199 |
| | 765,433 | 749,409 |

The following is a summary of exploration expenditures incurred by the Company on the Tonopah Project:

| | For the three months ended | | For the six months ended | |
|------------------------|----------------------------|---------|--------------------------|---------|
| | April 30 | | April 30 | |
| | 2019 | 2018 | 2019 | 2018 |
| | \$ | \$ | \$ | \$ |
| Bond Premium | 5,003 | 4,773 | 5,003 | 4,773 |
| Consulting | 10,141 | 38,581 | 54,165 | 49,711 |
| Drilling | 82,554 | 49,611 | 320,469 | 176,093 |
| Environmental | 3,624 | 4,377 | 4,553 | 14,453 |
| Metallurgical Testwork | 21,502 | - | 21,502 | - |
| Permits | 884 | 650 | 1,815 | 650 |
| Salaries | 16,654 | 23,906 | 38,833 | 45,646 |
| Samples | 15,680 | 35,756 | 61,398 | 35,756 |
| Supplies/General | 1 | 5,844 | 3,372 | 10,296 |
| Technical Reports | 6 | 29,747 | 12,066 | 84,830 |
| Travel | 2,420 | 9,536 | 19,284 | 16,429 |
| | 158,469 | 202,781 | 542,460 | 438,637 |

6. Related Party Transactions

- a) The Company is party to a consulting service agreement, dated April 10, 2017, with Kalex LLC ("Kalex"), an entity owned by James Hesketh, the Company's director, president and CEO. During the period ended April 30, 2019, the Company incurred \$77,666 (2018 - \$91,292) in management fees/salaries. The Compensation of Mr. Hesketh is equally divided between management fees in the statement of loss and as salaries within exploration expenditures. As at April 30, 2019, \$92,851 (October 31, 2018 - \$116,944), included in accounts payable and accrued liabilities, was the balance due to Kalex. As of January 1, 2019 monthly management fees/salaries payable under this agreement were reduced to US\$8,333.33 from US\$12,500.
- b) Avisar Chartered Professional Accountants, ("Avisar") a firm where the CFO is a founder and principal, provides bookkeeping, treasury, and financial reporting services to the Company. During the period ended April 30, 2019, the Company incurred accounting fees of \$38,503 (2018 - \$27,980) to Avisar. As at April 30, 2019, \$16,380 (October 31, 2018 - \$23,740), included in accounts payable and accrued liabilities, was the balance due to Avisar.

VIVA GOLD CORP.**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

April 30, 2019

*(Expressed in Canadian dollars)**(Unaudited – Prepared by Management)*

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- c) The Company is a party to a loan agreement for a principal amount of \$250,000 with a Company affiliated with a director of the Company. The loan bears interest at 8% per annum and was payable on December 21, 2018. The agreement allowed for the maturity date of the loan to be extended for a further one year for a fee of 5% of the principal amount. The Company exercised the extension option and as a result, the loan is now due on December 21, 2019. During the period ended April 30, 2019, the Company recognized interest expense, including the loan extension fee, of \$24,444 (2018 - \$6,667). As at April 30, 2019, total interest accumulated on the loan amounted to \$28,611.
- d) During the period ended April 30, 2019, share based payments related to the incentive stock options (Note 8) granted to related parties amounted to \$161,764 (2018 - \$198,797).
-

7. Asset Retirement Obligation

A continuity of the Company's Asset Retirement Obligation is as follows:

| | April 30, 2019 | October 31, 2018 |
|----------------------------|----------------|------------------|
| | \$ | \$ |
| Opening balance | 162,948 | 159,860 |
| Impact of foreign exchange | 3,484 | 3,088 |
| | 166,432 | 162,948 |

8. Share Capital**Common Shares**

The Company is authorized to issue an unlimited number of common shares without par value.

On November 13, 2018, the Company closed the second tranche of its non-brokered private placement of 1,955,986 units for total proceeds of \$723,715. Each subscriber received a unit at a price of \$0.37 consisting of one common share and one share purchase warrant exercisable at \$0.47 per share until November 13, 2020. An officer of the Company acquired 54,000 units in the private placement for gross proceeds of \$19,980, which the Company had received during the year ended October 31, 2018. In conjunction with the private placement, the Company paid cash commissions of \$13,228, and also issued 12,000 warrants to the finders on the same terms as the other subscribers. The fair value of these warrants issued to the finders amounted to \$2,500 and was determined using the Black-Scholes option pricing model using the following assumptions: expected dividend yield: 0%; expected life: 2 years; expected stock price volatility: 110%; risk-free rate: 2.31%.

As at April 30, 2019, the Company had received advance subscriptions of \$55,500, under a private placement announced on April 3, 2019. Each subscriber will receive a unit at a price of \$0.30 consisting of one common share and one share purchase warrant exercisable at a price of \$0.40 per share for a period of 24 months from the date of issuance.

Escrow Shares

As of April 30, 2019, there were 1,315,000 common shares of the Company held in escrow.

VIVA GOLD CORP.**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

April 30, 2019

*(Expressed in Canadian dollars)**(Unaudited – Prepared by Management)***Stock Options**

On March 20, 2019, the Company issued 100,000 stock options to a director. The options are exercisable at \$0.30 per share and have a term of three years with 50% vesting immediately and 25% for each year following the award date. The fair value of these stock options was determined using the Black-Scholes option pricing model using the following assumptions: expected dividend yield: 0%; expected life: 3 years; expected stock price volatility: 110%; risk-free rate: 1.61%. During the period ended April 30, 2019, total share based payments expense related to these stock options amounted to \$11,750.

On December 13, 2018, the Company issued 1,025,000 stock options to its directors, officers, employees, and consultants. The options are exercisable at \$0.29 per share and have a term of three years with 50% vesting immediately and 25% for each year following the award date. The fair value of these stock options was determined using the Black-Scholes option pricing model using the following assumptions: expected dividend yield: 0%; expected life: 3 years; expected stock price volatility: 110%; risk-free rate: 2.06%. During the period ended April 30, 2019, total share based payments expense related to these stock options amounted to \$133,092.

On January 18, 2018, the Company granted a total of 1,050,000 stock options to directors, officers, employees, and consultants. The options are exercisable at \$0.50 per share and have a term of three years with 50% vesting immediately and 25% for each year following the award date. The fair value of these stock options was determined using the Black-Scholes option pricing model using the following assumptions: expected dividend yield: 0%; expected life: 3 years; expected stock price volatility: 105%; risk-free rate: 1.87%. During the period ended January 31, 2019, total share based payments expense related to these stock options amounted to \$38,680.

A continuity of the Company's incentive stock options is as follows:

| | April 30, 2019 | Weighted average |
|--------------------------------------|-----------------------|-------------------------|
| | # of Options | exercise price |
| | | \$ |
| Outstanding, beginning of the period | 1,050,000 | 0.50 |
| Granted | 1,125,000 | 0.29 |
| Terminated | (100,000) | 0.50 |
| Outstanding, end of the period | 2,075,000 | 0.39 |
| Vested, end of the period | 1,275,000 | 0.41 |

The details of stock options outstanding as at April 30, 2019 are as follows:

| Number of Options | Exercise Price (\$) | Expiry Date | Remaining Life (Years) |
|--------------------------|----------------------------|--------------------|-------------------------------|
| 950,000 | 0.50 | January 18, 2021 | 1.72 |
| 1,025,000 | 0.29 | December 13, 2021 | 2.62 |
| 100,000 | 0.30 | March 20, 2022 | 2.89 |
| 2,075,000 | 0.39 | | 2.22 |

VIVA GOLD CORP.**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

April 30, 2019

*(Expressed in Canadian dollars)**(Unaudited – Prepared by Management)*

Warrants

A continuity of the Company's warrants is as follows:

| | April 30, 2019 | Weighted average |
|--------------------------------------|-----------------------|-------------------------|
| | # of Warrants | exercise price |
| | | \$ |
| Outstanding, beginning of the period | 3,931,350 | 0.38 |
| Granted | 1,967,986 | 0.47 |
| Exercised | (40,000) | 0.35 |
| Outstanding, end of the period | 5,859,336 | 0.41 |

Details of share purchase warrants outstanding as at April 30, 2019 are as follows:

| Number of Warrants | Exercise | Expiry Date | Remaining |
|---------------------------|-------------------|--------------------|---------------------|
| | Price (\$) | | Life (Years) |
| 2,856,800 | 0.35 | November 7, 2019 | 0.52 |
| 1,034,550 | 0.47 | October 26, 2020 | 1.49 |
| 1,967,986 | 0.47 | November 13, 2020 | 1.54 |
| 5,859,336 | 0.41 | | 1.04 |
