

Osino Resources Corp. (An exploration stage company)
Unaudited Interim Condensed Consolidated Financial Statements
for the three months ended March 31, 2020

Osino Resources Corp. (An exploration stage company)

Interim Condensed Consolidated Financial Statements for the three months ended March 31, 2020

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Osino Resources Corp. (An exploration stage company)

Interim Condensed Consolidated Financial Statements for the three months ended March 31, 2020

Directors' Responsibilities and Approval

The directors are required in terms of the British Columbia Business Corporations Act to maintain adequate accounting records and are responsible for the content and integrity of the unaudited interim condensed consolidated financial statements and related financial information included in this report. It is their responsibility to ensure that the unaudited interim condensed consolidated financial statements fairly present the state of affairs of the Company as at the end of the financial period and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standards.

The unaudited interim condensed consolidated financial statements are prepared in accordance with the International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Company and all employees are required to maintain the highest ethical standards in ensuring the Company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Company is on identifying, assessing, managing and monitoring all known forms of risk across the Company. While operating risk cannot be fully eliminated, the Company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the unaudited interim condensed consolidated financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The independent reviewer is responsible for independently auditing and reporting on the Company's unaudited interim condensed consolidated financial statements. The unaudited interim condensed consolidated financial statements have been examined by the Company's independent reviewer.

The unaudited interim condensed consolidated financial statements set out on pages 3 to 21, which have been prepared on the going concern basis, were approved by the board of directors on June 1, 2020 and were signed on their behalf by:

/s/ "Heye Daun"

Director

/s/ "Eugene Beukman"

Director

Osino Resources Corp. (An exploration stage company)

Interim Condensed Consolidated Financial Statements for the three months ended March 31, 2020

Interim Condensed Consolidated Statements of Financial Position

Figures in Canadian Dollar	Note(s)	March 31, 2020	(Audited) December 31, 2019
Assets			
Non-Current Assets			
Property, plant and equipment	2	165,196	203,805
Right of use asset	3	9,599	14,173
		174,795	217,978
Current Assets			
Other receivables and prepaid expenses	4	842,163	781,621
Cash and cash equivalents	5	12,530,467	1,252,375
		13,372,630	2,033,996
Total Assets		13,547,425	2,251,974
Equity and Liabilities			
Equity			
Equity Attributable to Equity Holders of Parent			
Share capital	6	27,266,256	17,773,663
Reserves		6,353,487	2,811,907
Accumulated deficit		(20,317,228)	(18,808,575)
		13,302,515	1,776,995
Non-controlling interest		(378,181)	(346,772)
		12,924,334	1,430,223
Liabilities			
Non-Current Liabilities			
Other financial liabilities	7	45,159	60,216
Lease liability	8	-	4,324
		45,159	64,540
Current Liabilities			
Trade and other payables	9/15	542,504	716,864
Other financial liabilities	7	24,291	28,695
Lease liability	8	11,137	11,652
		577,932	757,211
Total Liabilities		623,091	821,751
Total Equity and Liabilities		13,547,425	2,251,974

Nature of business (note 1)

Events after the reporting period (note 13)

The notes are an integral part of the unaudited interim condensed consolidated financial statements.

/s/ "Heye Daun"

Director

/s/ "Eugene Beukman"

Director

Osino Resources Corp. (An exploration stage company)

Interim Condensed Consolidated Financial Statements for the three months ended March 31, 2020

Interim Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income for the period ended:

Figures in Canadian Dollar	Note(s)	3 months ended March 31, 2020	3 months ended March 31, 2019
Amortisation and depreciation	2/3	(10,831)	(17,079)
Consulting and professional fees		(252,567)	(180,791)
Exploration and evaluation		(396,939)	(664,836)
Management fees	15	(90,000)	(94,500)
Office and administration		(210,159)	(95,836)
Salaries and benefits		(170,249)	(172,426)
Stock option expense		(396,753)	(98,410)
Travel		(37,597)	(53,778)
Operating loss		(1,565,095)	(1,377,656)
Investment income		27,707	23,878
Finance charges	7/8	(2,674)	(1,079)
Loss for the period		(1,540,062)	(1,354,857)
Other comprehensive income:			
Foreign currency translation		(202,943)	(42,838)
Total comprehensive loss for the period		(1,743,005)	(1,397,695)
Loss attributable to:			
Owners of the parent		(1,508,653)	(1,322,590)
Non-controlling interest		(31,409)	(32,267)
		(1,540,062)	(1,354,857)
Total comprehensive loss attributable to:			
Owners of the parent		(1,711,596)	(1,365,428)
Non-controlling interest		(31,409)	(32,267)
		(1,743,005)	(1,397,695)
Loss per share			
Weighted number of shares outstanding	16	79,241,330	56,382,271
Loss per share - Basic and diluted	16	\$0.02	\$0.02

The notes are an integral part of the unaudited interim condensed consolidated financial statements.

Osino Resources Corp. (An exploration stage company)

Interim Condensed Consolidated Financial Statements for the three months ended March 31, 2020

Interim Condensed Consolidated Statements of Changes in Equity

	Number of Shares	Share Capital	Share-based Payment Reserve	Warrant Reserve	Cumulative Translation Reserve	Deficit	Shareholders Equity	Non-controlling Interest
Figures in Canadian Dollar								
Balance at December 31, 2018	56,297,976	14,832,727	1,534,305	34,650	162,374	(11,881,298)	4,682,758	(159,283)
Shares issued for licence acquisition	775,520	228,302	-	-	-	-	228,302	-
Share issue costs	-	(7,888)	-	-	-	-	(7,888)	-
IFRS 16 Adjustment - prior period	-	-	-	-	-	(3,595)	(3,595)	-
Stock options issued	-	-	98,410	-	-	-	98,410	-
Comprehensive loss adjustment	-	-	-	-	(42,838)	-	(42,838)	-
Loss for the period	-	-	-	-	-	(1,322,590)	(1,322,590)	(32,267)
Balance at March 31, 2019	57,073,496	15,053,141	1,632,715	34,650	119,536	(13,207,483)	3,632,559	(191,550)
Private placement	10,252,142	3,588,250	-	-	-	-	3,588,250	-
Share issue costs	-	(144,060)	-	-	-	-	(144,060)	-
Issue of warrants	-	(738,667)	-	738,667	-	-	-	-
Private placement - Finders' Shares	42,857	15,000	-	-	-	-	-	-
Movement in value of share options	-	-	275,722	-	-	-	275,722	-
Comprehensive income adjustment	-	-	-	-	10,617	-	10,617	-
Loss for the period	-	-	-	-	-	(5,601,092)	(5,601,092)	(155,222)
Balance at December 31, 2019	67,368,495	17,773,663	1,908,437	773,317	130,153	(18,808,575)	1,776,995	(346,772)

The notes are an integral part of the unaudited interim condensed consolidated financial statements.

Osino Resources Corp. (An exploration stage company)

Interim Condensed Consolidated Financial Statements for the three months ended March 31, 2020

Interim Condensed Consolidated Statements of Changes in Equity

	Number of Shares	Share Capital	Share-based Payment Reserve	Warrant Reserve	Cumulative Translation Reserve	Deficit	Shareholders Equity	Non-controlling Interest
Figures in Canadian Dollar								
Balance at December 31, 2019	67,368,495	17,773,663	1,908,437	773,317	130,153	(18,808,575)	1,776,995	(346,772)
Share issue costs	-	(1,199,024)	-	-	-	-	(1,199,024)	-
Prospectus offering	17,949,150	14,000,337	-	-	-	-	14,000,337	-
Exercise of warrants	71,000	49,281	-	(10,231)	-	-	39,050	-
Comprehensive loss adjustment	-	-	-	-	(202,943)	-	(202,943)	-
Loss for the year	-	-	-	-	-	(1,508,653)	(1,508,653)	(31,409)
Movement in value of share options	-	-	396,753	-	-	-	396,753	-
Issue of warrants	-	(2,953,533)	-	2,953,533	-	-	-	-
Issue of broker warrants	-	(404,468)	-	404,468	-	-	-	-
Balance at March 31, 2020	85,388,645	27,266,256	2,305,190	4,121,087	(72,790)	(20,317,228)	13,302,515	(378,181)

The notes are an integral part of the unaudited interim condensed consolidated financial statements.

Osino Resources Corp. (An exploration stage company)

Interim Condensed Consolidated Financial Statements for the three months ended March 31, 2020

Interim Condensed Consolidated Statements of Cash Flows for the period ended:

Figures in Canadian Dollar	Note(s)	3 months ended March 31, 2020	3 months ended March 31, 2019
Cash flows from operating activities			
Cash used in operations*	10	(1,550,471)	(1,387,144)
Cash flows from investing activities			
Purchase of property, plant and equipment	2	-	(10,203)
Deposit paid on property, plant and equipment	2	-	(3,215)
Net cash from investing activities		-	(13,418)
Cash flows from financing activities			
Proceeds from common shares and warrants, net of issuance costs	6	12,840,363	220,414
Repayment of loan	7	(8,727)	(8,560)
Lease payments	8	(3,073)	(11,015)
Net cash from financing activities		12,828,563	200,839
Total cash movement for the period		11,278,092	(1,199,723)
Cash at the beginning of the period		1,252,375	4,199,104
Total cash at end of the period	5	12,530,467	2,999,381

*Cash utilised in operating activities includes:

Interest income	27,707	23,878
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The notes are an integral part of the unaudited interim condensed consolidated financial statements.

Osino Resources Corp. (An exploration stage company)

Interim Condensed Consolidated Financial Statements for the three months ended March 31, 2020

Accounting Policies

1. Nature of business and significant accounting policies

Nature of Business

Osino Resources Corp. (the Company or the Group) was incorporated on June 5, 2012 in the province of British Columbia, Canada, under the British Columbia Business Corporations Act. The principal activity of the Company is the acquisition, exploration and development of gold mining properties in Namibia. The Company's head office is located at Suite 810, 789 West Pender Street, Vancouver, BC, V6C1H2, Canada.

The business of exploring for and mining of minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations.

On June 22, 2018, the Company, then Romulus Resources Ltd. ("Romulus"), completed an amalgamation with Osino Resources Corp. ("ORC"), a private company focused on the acquisition and development of gold properties in Namibia, and 1152372 B.C. Ltd. ("1152372"), a wholly-owned subsidiary of the Company (the "RTO Transaction"). Under the RTO Transaction, each of the issued and outstanding common shares in the capital of ORC were cancelled and exchanged for common shares of the Company. Concurrent with the amalgamation, ORC and 1152372 were amalgamated and the Company changed its name to "Osino Resources Corp."

During the first quarter of 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian and Namibian governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

While the extent of the impact is unknown, we anticipate this outbreak may cause reduced customer demand, supply chain disruptions and staff shortages, all of which may negatively impact the Company's business and financial condition. Due to the COVID-19 pandemic, all exploration operations including our site camps were demobilized and shutdown on March 27, 2020 in accordance with the "lockdown" procedures enacted in Namibia to combat the spread of the virus. This was done on the order of the President of the Republic of Namibia for certain regions of Namibia, which includes those in which Osino operates.

On April 30, 2020, the Government of Namibia announced that some restrictions would be lifted to allow exploration activities to resume, with certain limitations and adherence to COVID-19 related precautions. The Company recommenced field work on May 8, 2020.

a) Statement of compliance with IFRS

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations issued by the IFRS Interpretations Committee ("IFRIC"). These unaudited interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB. The policies applied in these unaudited interim condensed consolidated financial statements are based on IFRSs issued and outstanding as of June 1, 2020, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited interim condensed consolidated financial statements as compared with the most recent annual consolidated financial statements as at and for the year ended December 31, 2019, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's consolidated annual financial statements for the year ending December 31, 2020 could result in restatement of these unaudited interim condensed consolidated financial statements.

b) Functional currency translation

i) Functional and presentation currency

Items included in the interim condensed consolidated financial statements of each consolidated entity in the group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The interim condensed consolidated financial statements are presented in Canadian dollars, which is the reporting parent's functional currency. The functional currency of the reporting parent's subsidiaries is the Namibian dollar ("N\$").

Osino Resources Corp. (An exploration stage company)

Interim Condensed Consolidated Financial Statements for the three months ended March 31, 2020

Accounting Policies

c) Basis of presentation

These interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

These interim condensed consolidated financial statements include the accounts of Osino Resources Corp. and its wholly-owned subsidiaries, Osino BVI Limited (formerly Kailondo Capital Limited), Osino Namibia Holdings (Pty) Ltd ("Osino Holdings"), Osino Prospect Holdings (Pty) Ltd and Osino Otavi Holdings (Pty) Ltd as well as the accounts of 95% owned subsidiary, Osino Gold Exploration (Pty) Ltd, formerly, "Bafex Exploration (Pty) Ltd ("Osino Gold"), the accounts of 90% owned subsidiary, Osino Namibia Minerals Exploration (Pty) Ltd ("Osino Namibia"), the accounts of 80% owned Richwing Exploration (Pty) Ltd, the accounts of 80% owned Fairview Minerals Exploration (Pty) Ltd, the accounts of 70% owned Vavali Mining Exploration (Pty) Ltd, the accounts of 60% owned Mitten Minerals Exploration (Pty) Ltd, the accounts of 80% owned Terrace Minerals Exploration (Pty) Ltd and the accounts of 70% owned Toroa Minerals Exploration (Pty) Ltd. All intercompany transactions, balances, and unrealized gains and losses on intercompany transactions have been eliminated.

Osino Resources Corp. (An exploration stage company)

Interim Condensed Consolidated Financial Statements for the three months ended March 31, 2020

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

2. Property, plant and equipment

	Three Months ended March 31, 2020			Year ended December 31, 2019		
	Cost \$	Accumulated depreciation \$	Carrying value \$	Cost \$	Accumulated depreciation \$	Carrying value \$
Plant and machinery	47,944	(26,454)	21,490	56,634	(27,719)	28,915
Furniture and fixtures	9,558	(3,940)	5,618	11,290	(4,141)	7,149
Motor vehicles	176,019	(52,309)	123,710	207,925	(58,207)	149,718
Office equipment	6,247	(2,684)	3,563	7,379	(2,864)	4,515
IT equipment	6,995	(2,510)	4,485	8,263	(2,622)	5,641
Leasehold improvements	7,934	(1,604)	6,330	9,372	(1,505)	7,867
Total	254,697	(89,501)	165,196	300,863	(97,058)	203,805

Reconciliation of property, plant and equipment - three months ended March 31, 2020

	Opening balance \$	Foreign exchange movements \$	Depreciation \$	Total \$
Plant and machinery	28,915	(4,101)	(3,324)	21,490
Furniture and fixtures	7,149	(1,047)	(484)	5,618
Motor vehicles	149,718	(22,633)	(3,375)	123,710
Office equipment	4,515	(663)	(289)	3,563
IT equipment	5,641	(833)	(323)	4,485
Leasehold improvements	7,867	(1,170)	(367)	6,330
	203,805	(30,447)	(8,162)	165,196

Reconciliation of property, plant and equipment - year ended December 31, 2019

	Opening balance \$	Additions \$	Foreign exchange movements \$	Depreciation \$	Total \$
Plant and machinery	33,851	9,628	(573)	(13,991)	28,915
Furniture and fixtures	8,066	1,011	(134)	(1,794)	7,149
Motor vehicles	147,228	18,606	(2,206)	(13,910)	149,718
Office equipment	5,835	-	(104)	(1,216)	4,515
IT equipment	3,963	2,990	(42)	(1,270)	5,641
Leasehold improvements	2,123	6,986	36	(1,278)	7,867
	201,066	39,221	(3,023)	(33,459)	203,805

Osino Resources Corp. (An exploration stage company)

Interim Condensed Consolidated Financial Statements for the three months ended March 31, 2020

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

3. Right of use asset

	Three months ended March 31, 2020 \$	Year ended December 31, 2019 \$
Balance at beginning of period/year	14,173	-
Adoption of IFRS - January 1, 2019	-	86,010
Modified retrospective adjustment for accumulated amortisation - January 1, 2019	-	(37,914)
	14,173	48,096
Depreciation	(2,669)	(33,023)
Effect of exchange rate movement	(1,905)	(900)
Balance at end of period/year	9,599	14,173

The right of use asset consisted of two properties used for office space in Feld Street, Windhoek, Namibia and Walter Sisulu Avenue, Cape Town, South Africa. The right of use asset is depreciated over the period of the lease term. The remaining lease term has 12 months left. The undiscounted future payments for settlement by March 31, 2021 amount to \$14,221.

4. Other receivables and prepaid expenses

	Three months ended March 31, 2020 \$	Year ended December 31, 2019 \$
Other receivable	55,375	-
Non-financial instruments:		
Value Added Taxation	696,521	703,478
Prepayments	90,267	78,143
Total other receivables and prepaid expenses	842,163	781,621

5. Cash and cash equivalents

Cash and cash equivalents consist of:

	Three months ended March 31, 2020 \$	Year ended December 31, 2019 \$
Cash in bank and on hand	12,530,467	1,252,375

The Company's cash, by currency, at March 31, 2020 and December 31, 2019 was as follows:

Cash at bank and in hand- Canada	11,338,450	753,988
Cash at bank and in hand- Namibia	1,192,017	498,387
	12,530,467	1,252,375

Osino Resources Corp. (An exploration stage company)

Interim Condensed Consolidated Financial Statements for the three months ended March 31, 2020

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

6. Share capital

	Three months ended March 31, 2020 \$	Year ended December 31, 2019 \$
Issued and outstanding		
Issued common shares	\$27,266,256	\$17,773,663

Issued and common shares are as follows:

	Number of Shares	Value
Balance as at December 31, 2018	56,297,976	\$14,832,727
Acquisition of exploration licences - March 2019	775,520	228,302
Finders' fee shares issued - July 2019	42,857	15,000
Share issuance costs	-	(151,949)
Private placement - July 2019	10,252,142	3,588,250
Share purchase warrants issued	-	(738,667)
Balance as at December 31, 2019	67,368,495	\$17,773,663
Prospectus Offering	17,949,150	14,000,337
Share issuance costs	-	(1,199,024)
Exercise of warrants	71,000	49,281
Share purchase warrants issued	-	(2,953,533)
Broker warrants issued	-	(404,468)
Balance as at March 31, 2020	85,388,645	\$27,266,256

Effective March 21, 2019, in line with commitments entered into between the Company and certain EPL owners, 775,520 common shares with a fair value of \$228,302 was issued. The amount of \$228,302 was expensed and was included in the interim condensed consolidated statements of profit or loss and other comprehensive income.

Effective July 15, 2019, the Company completed and closed an oversubscribed non-brokered private placement (the "Offering") for gross proceeds of \$3,588,250 at a price of \$0.35 per Unit. The Company has issued 10,252,142 Units, consisting of one common share in the capital of the Company (a "Share") and one-half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant"). Each whole Warrant is exercisable for the acquisition of one Share at an exercise price of \$0.55 per share for a period of 24 months from the date of issuance. The Company has paid finder's fees in the amount of \$35,490 and issued a further 42,857 common shares valued at \$15,000 to Canaccord Genuity Corporation who acted as a financial advisor in connection with the Offering. The securities issued under this Offering are subject to a statutory hold period of four months and one day from the date of closing.

Osino Resources Corp. (An exploration stage company)

Interim Condensed Consolidated Financial Statements for the three months ended March 31, 2020

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

6. Share capital (continued)

On January 30, 2020, the Company completed its overnight marketed offering of units of the Company (the "Units"). ⁽¹⁾ An aggregate of 17,949,150 units were sold pursuant to the Offering, at a price of \$0.78 per Unit (the "Offering Price") for aggregate gross proceeds of \$14,000,337. Pursuant to the Underwriting Agreement, the Underwriters received a cash commission of \$815,740. A further \$383,284 in share issuance costs were incurred by the Company. The Company also issued to the Underwriters non-transferable common share purchase warrants entitling the Underwriters to acquire 1,045,820 Common Shares at an exercise price of \$0.78 per Common Share for a period of 24 months from the closing of the Offering. The Units were issued pursuant to a short form prospectus dated January 23, 2020.

On February 10, 2020, 71,000 warrants issued effective July 15, 2019 were exercised at a price of \$0.55 per common share. The exercise of the warrants by the warrant holders raised proceeds equivalent to \$39,050. The warrants were valued at \$10,231 using the Black Scholes pricing model

Stock options and share-based payment

On April 26, 2019, the TSX-V approved the issuance of 100,000 stock options by the Company at an exercise price of \$0.40 and an expiry date of April 26, 2024. The stock options were valued at \$32,770 using the Black-Scholes pricing model with the following assumptions: share price - \$0.37; risk free rate - 1.59%; expected volatility- 141%; dividend yield - nil; and expected life - 5 years. 33,333 stock options vested on the grant date, 33,333 stock options will vest on April 26, 2020, the remaining 33,334 stock options will vest on April 26, 2021.

On February 27, 2020, the Company issued 1,835,000 stock options at an exercise price of \$0.80 and an expiry date of February 27, 2025. The stock options were valued at \$997,139 using the Black-Scholes pricing model with the following assumptions:

share price - \$0.75; risk free rate - 0.46%; expected volatility - 99%; dividend yield - nil; and expected life - 5 years.

The stock options are subject to the following vesting conditions: 611,667 stock options vested on the grant date, 611,667 stock options will vest on February 27, 2021, the remaining 611,666 stock options will vest on February 27, 2022.

During the period ended March 31, 2020, the Company recorded \$396,753 (March 31, 2019: \$98,410) in share-based compensation related to the vesting of stock options.

The following table summarizes information about the Company's stock options outstanding as at March 31, 2020 and December 31, 2019:

Options outstanding	Expiration Date	Exercise price	Exercisable March 31, 2020	Exercisable December 31, 2019
3,866,122	November 28, 2022	\$0.38	3,866,122	3,866,122
1,574,101	October 10, 2023	\$0.30	1,049,400	1,049,400
100,000	April 26, 2024	\$0.40	33,333	33,333
1,835,000	February 27, 2025	\$0.80	611,667	-
			<hr/> 5,560,522	<hr/> 4,948,855

(1) Each Unit consists of one (1) common share (each, a "Unit Share") in the capital of Osino Resources Corp. ("Osino" or the "Company") and one-half (1/2) of one transferable common share purchase warrant (each whole warrant, a "Warrant"). Each warrant is exercisable for the acquisition of one common share in the Company at an exercise price of \$1.05 per share for a period of 24 months from the date of issuance.

Osino Resources Corp. (An exploration stage company)

Interim Condensed Consolidated Financial Statements for the three months ended March 31, 2020

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

6. Share capital (continued)

As of March 31, 2020, there were 7,375,223 stock options outstanding (December 31, 2019 - 5,540,223) with a weighted average exercise price of \$0.47 (December 31, 2019 - \$0.36).

Warrants reserve

As of March 31, 2020, there were 14,029,647 common share purchase warrants (December 31, 2019 - 5,126,072) and 1,045,820 (December 31, 2019 - nil) broker warrants outstanding with a weighted average exercise price of \$0.86 (December 31, 2019 - \$0.55).

The following table summarizes information about the Company's common share purchase warrants outstanding as at March 31, 2020 and December 31, 2019:

Grant Date	Expiration Date	Exercise Price	Balance Outstanding March 31, 2020	Balance outstanding December 31, 2019
July 15, 2019	July 15, 2021	\$0.55	5,055,072	5,126,072
January 30, 2020	January 30, 2022	\$1.05	8,974,575	-
January 30, 2020	January 30, 2022	\$0.78	1,045,820	-
Total outstanding			15,075,467	5,126,072

Effective July 15, 2019 as part of the oversubscribed non-brokered private placement, the Company issued 5,126,072 warrants, exercisable for the acquisition of one share at an exercise price of \$0.55 per share for a period of 24 months from the date of issuance. There were no finders' warrants issued. The warrants were valued at \$738,667 using the Black-Scholes pricing model with the following assumptions:

share price - \$0.34; risk free rate - 1.56%; expected volatility - 102%; dividend yield - nil; and expected life - 2 years.

On January 30, 2020, the Company closed its overnight marketed offering of units of the Company. Effective January 31, 2020 as part of the units issued, the Company issued 8,974,575 warrants, each warrant exercisable for the acquisition of one common share in the Company at an exercise price of \$1.05 per share for a period of 24 months from the date of issuance. Subject to the Warrant Indenture, if, prior to the date that is nine months following the Closing Date, if the closing price of the Common Shares for a period of five consecutive trading days is greater than \$1.09 per Common Share, the Company may, within fifteen days and subject to the approval of the TSX-V or such other applicable stock exchange on which the Common Shares are then listed, accelerate the expiry date of the Warrants by notice in writing to the holders of Warrants and the Underwriters (the "Acceleration Notice"). The Warrants will expire on the date that is thirty calendar days immediately following the date of the Acceleration Notice.

The warrants were valued at \$2,953,533 using the Black-Scholes pricing model with the following assumptions:

share price - \$0.77; risk free rate - 1.47%; expected volatility - 95%; dividend yield - nil; and expected life - 2 years.

Osino Resources Corp. (An exploration stage company)

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Notes to the Unaudited Interim Condensed Consolidated Financial Statements

6. Share capital (continued)

Effective January 31, 2020 the Company issued 1,045,820 broker warrants, exercisable for the acquisition of one share at an exercise price of \$0.78 per share for a period of 24 months from the date of issuance. The holders of the Brokers' Warrants are not subject to the Acceleration Notice. The Warrants will expire on January 30, 2022.

The warrants were valued at \$404,468 using the Black-Scholes pricing model with the following assumptions:

share price - \$0.77; risk free rate - 1.47%; expected volatility - 95%; dividend yield - nil; and expected life - 2 years.

7. Other financial liabilities

	Three months ended March 31, 2020 \$	Year ended December 31, 2019 \$
Held at amortised cost		
First National Bank Leases	69,450	88,911
The finance leases are subject to interest at a rate between 9.5% and 10% per annum and are repayable in 54 equal monthly instalments.		
Reconciliation of other financial liabilities		
Balance at beginning of period/year	88,911	102,304
Additions	-	12,836
Finance charges	2,257	11,052
Finance lease instalments	(8,727)	(33,494)
Effect of exchange rate movement	(12,991)	(3,787)
Balance at end of period/year	69,450	88,911
Split between non-current and current portions		
Non-current liabilities	45,159	60,216
Current liabilities	24,291	28,695
	69,450	88,911

Osino Resources Corp. (An exploration stage company)

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Notes to the Unaudited Interim Condensed Consolidated Financial Statements

8. Lease liability

Reconciliation of other financial liabilities

	Three months ended March 31, 2020 \$	Year ended December 31, 2019 \$
Balance at beginning of period/year	15,976	-
Adoption of IFRS 16	-	51,689
	15,976	51,689
Finance charges	417	3,186
Lease instalments	(3,073)	(32,754)
Effect of exchange rate movement	(2,183)	(6,145)
Balance at end of period/year	11,137	15,976
Split between non-current and current portions		
Non-current liabilities	-	4,324
Current liabilities	11,137	11,652
	11,137	15,976

The lease liability is unsecured, bears interest at 10.5% per annum and is repayable over the following 12 months. Refer to note 3 for the right of use asset. The repayment terms applicable to the lease liability are in terms of signed lease agreements.

9. Trade and other payables

	Three months ended March 31, 2020 \$	Year ended December 31, 2019 \$
Financial instruments:		
Trade payables	211,661	386,902
Other payables	26,343	34,462
Accrued expense	304,500	295,500
	542,504	716,864

Osino Resources Corp. (An exploration stage company)

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Notes to the Unaudited Interim Condensed Consolidated Financial Statements

10. Cash used in operations

	Three Months ended March 31, 2020 \$	Three Months ended March 31, 2019 \$
Loss before taxation	(1,540,062)	(1,363,330)
Adjustments for:		
Depreciation and amortisation	10,831	17,079
Leave pay provision	6,316	9,347
Stock options expense	396,753	98,410
Foreign exchange	(185,765)	(37,466)
Accretion on lease	2,674	1,079
Changes in working capital:		
Other receivables and prepaid expenses	(60,542)	(62,738)
Trade and other payables	(180,676)	(52,372)
	(1,550,471)	(1,387,144)

Osino Resources Corp. (An exploration stage company)

Interim Condensed Consolidated Financial Statements for the three months ended March 31, 2020

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

11. Commitments

As at March 31, 2020, the Company had the following contractual arrangements and commitments in place for the provision of certain services:

a) Effective January 1, 2020, the Company adopted a new consulting agreement with Sparenberg Consulting CC at a monthly fee of \$20,000 with no pre-determined termination dates or period. The agreement is subject to renegotiation and acceptance by the Remuneration Committee on an ad-hoc basis.

b) Effective January 1, 2020, the Company adopted a new consulting agreement with Rivonia Capital Inc. at a monthly fee of \$8,500 with no pre-determined termination dates or period. The agreement is subject to renegotiation and acceptance by the Remuneration Committee on an ad-hoc basis.

c) On August 23, 2019, the Company entered into an earn-in agreement with Flocked Consultancy Services (Proprietary) Limited ("Flocked"), a third-party license holder of exclusive prospecting license 5641. Under the terms of the earn-in agreement, the license will be transferred to a new company and Osino Namibia will hold a 51% interest in the new company ("Newco"). (i) Osino Namibia is obligated to spend \$21,822 (250,000 Namibian Dollars) within 6 months of the commencement date which will commence within 30 days of receiving the licence renewal by the Minister ("the Exploration Period"). As consideration, Osino Namibia made a cash payment of \$873 (10,000 Namibian Dollars). On April 21, 2020, Osino signed an addendum to the agreement to extend the Exploration Period by an estimated 2 calendar months from the original anniversary date of April 21, 2020 in order to complete the technical specifications of the Exploration Period. (ii) Osino is further obligated to incur another \$43,644 (500,000 Namibian Dollars) within 6 months of the later of receiving regulatory approval for the transfer of the licence by the Minister or the end of the extended Exploration Period ("the Second Exploration Period"). (iii) Osino Namibia is entitled to a further 19% stake in Newco on the incurrence of a further \$87,290 (1,000,000 Namibian Dollars) of exploration expenditure within 18 months after the end of the Second Exploration Period. This will increase Osino Namibia's interest in Newco to 70%; (iv) On completion of exploration programs and other conditions in the letter agreement, Osino Namibia has the right to a further 20% holding in Newco if the licence holder is unable to provide its proportionate share of funding to Newco going forward. Osino Namibia's interest in the new company will therefore then be increased to 90%.

d) On August 26, 2019, the Company entered into an earn-in agreement with Alston Minerals Investment Close Corporation ("Alston"), a third-party license holder of exclusive prospecting license's 7426, 7427 and 7439. Under the terms of the earn-in agreement, the licenses were transferred to Osino Minerals, a 90% held subsidiary of Osino Namibia effective December 18, 2019. The Company has also agreed to issue on behalf of the Vendor 31,250 common shares (the "Payment Shares") equivalent to the market price on the date which the share issuance is approved by the TSX-V. In terms of the Letter Agreement (i) Osino Minerals made a cash payment of \$2,182 (25,000 Namibian Dollars) within 3 days of signature, (ii) an additional payment of \$10,911 (125,000 Namibian Dollars) was settled on the transfer of the licences by the Minister and the receipt of regulatory approval from the Ministry (iii) In addition, upon the transfer of the abovementioned exclusive prospecting license's to Osino Minerals and therefore the Closing of the terms of the Letter Agreement, the vendor acknowledges that exclusive prospecting license 7511 shall also be transferred to Osino Minerals as part of this transaction. The transfer of exclusive prospecting license 7511 in order to meet the Closing terms of the Letter Agreement is pending, therefore the Payment Shares have not yet been issued.

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Notes to the Unaudited Interim Condensed Consolidated Financial Statements

11. Commitments (continued)

e) On October 23, 2019, the Company entered into an earn-in agreement with Logan Exploration and Investments Close Corporation ("Logan"), a third-party license holder of exclusive prospecting license's 7344 and 7370. Under the terms of the earn-in agreement, the licenses were transferred to Osino Minerals, a 90% held subsidiary of Osino Namibia effective December 18, 2019. The Company has also agreed to issue on behalf of the Vendor 31,250 common shares (the "Payment Shares") equivalent to the market price on the date which the share issuance is approved by the TSX-V. In terms of the Letter Agreement (i) Osino Minerals made a cash payment of \$2,182 (25,000 Namibian Dollars) within 3 days of signature, (ii) an additional payment of \$10,911 (125,000 Namibian Dollars) was payable on the transfer of all the licences by the Minister and the receipt of regulatory approval from the Ministry (iii) Upon the transfer of the abovementioned exclusive prospecting license's to Osino Minerals and the meeting of all the Closing Terms of the Letter Agreement including the transfer of exclusive prospecting license 7511, the vendor acknowledges that exclusive prospecting license 7511 has not yet been transferred to Osino Minerals as part of this transaction. The additional payment referred to in (ii) above has therefore not yet been settled nor the issuance of any Payment Shares.

f) On May 1, 2020, the Company entered into an agreement with S N Ndokosho ("Ndokosho") by signing an addendum to the Letter Agreement ("Addendum") of October 11, 2017 for exclusive prospecting license 5271. Through Toroa Minerals Exploration (Pty) Ltd ("Toroa"), a company in which a wholly owned subsidiary of the Company owns a 70% interest, Toroa is committed to spending a further C\$39,335 (500,000 Namibian Dollars) on exploration ("Additional Expenditure") within the next 24 months. In consideration thereof, the ownership of the Company in Toroa will be increased to 85%. The Company will pay Ndokosho C\$3,933 (50,000 Namibian Dollars) within 7 days of signing the Addendum, and a further C\$3,933 (50,000 Namibian Dollars) within 7 days of receipt of the transfer of exclusive prospecting license 5271 to Toroa. On completion of the Additional Expenditure, the license transfer to Toroa and settlement of the capital commitments above, the ownership of the Company in Toroa will be increased to 90%.

The Company, through its wholly owned subsidiary, Osino Prospect, made a payment of \$3,933 (50,000 Namibia Dollars) to Ndokosho, effective May 5, 2020.

12. Capital management

As at March 31, 2020, the capital structure of the Company consists of equity attributable to common shareholders and includes share capital of \$27,266,256 (December 31, 2019 - \$17,773,663), share-based payment reserve of \$2,305,190 (December 31, 2019 - \$1,908,437), warrant reserve of \$4,121,087 (December 31, 2019 - \$773,317), cumulative translation reserve of \$(72,790) (December 31, 2019 - \$130,153) and deficit of \$(20,317,228) (December 31, 2019 - \$(18,808,575)).

The Company's objective when managing the capital structure is to ensure sufficient financial resources exist to meet the Company's strategic exploration and business development activities.

The Company is not subject to any externally imposed capital requirements.

13. Events after the reporting period

a) Company registration: The Company has met the conditions of the commitment with respect to EPL4885 ("Dawids") and is in the process of registering a Newco, Tolo Minerals Exploration (Pty) Ltd ("Tolo") that will own the respective licence. Osino has secured an 80% interest in Tolo.

Osino Resources Corp. (An exploration stage company)

Interim Condensed Consolidated Financial Statements for the three months ended March 31, 2020

Notes to the Unaudited Interim Condensed Consolidated Financial Statements

13. Events after the reporting period (continued)

b) Warrant exercise: Between May 1, 2020 and May 28, 2020, 214,287 warrants issued effective July 15, 2019 were exercised at a price of \$0.55 per common share. The exercise of the warrants by the warrant holders raised proceeds equivalent to \$117,858.

c) On May 6, 2020, 18,410 stock options issued by the Company, effective November 28, 2017 were exercised at a price of \$0.38 per common share. The exercise of the stock options by the option holder raised proceeds equivalent to \$6,996.

14. Mineral rights

The Company has various early stage gold exploration projects ("Osino Gold Project") in the Republic of Namibia ("Namibia") The Osino Gold Project is located in central Namibia in the area known as the Central Plateau. The project area extends from approximately 150 km northwest to 300km north-northeast of the capital city of Namibia, Windhoek. The Company currently holds the controlling share in the rights to 22 exclusive prospecting licenses in the area and has applied for an additional exclusive prospecting license after the period end.

15. Related parties

The Company considers its Board of Directors and certain consultants which, by virtue of the contracts in place and the functions performed, to be key management. The Company has no compensation arrangements with its Board of Directors. Compensation accrued to the key management and its related entities is listed below:

	Three Months ended March 31, 2020	Three Months ended March 31, 2019
Management fees expensed	\$90,000	\$94,500
Share-based payments, non-cash	\$109,413	\$31,217
Executive remuneration adjustments and provisions	-	-
Total	\$199,413	\$125,717

Key management compensation – Management Fees

Key management are those personnel having the authority and responsibility for planning, directing and controlling the Company and include the President, Chief Executive Officer, Chief Financial Officer and Directors. For the three months ended March 31, 2020, total key management compensation was \$199,413 (March 31, 2019 - \$125,717), which includes management fees and salaries of \$90,000 (March 31, 2019 - \$94,500) and share-based compensation of \$109,413 (March 31, 2019 - \$31,217)

As at March 31, 2020, \$272,500 (December 31, 2019 – \$272,500) of related party payments due was included in trade and other payables.

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Notes to the Unaudited Interim Condensed Consolidated Financial Statements

16. Loss per share

The calculation of basic and diluted loss per common share attributable to the owners of the Company is based on the following data:

	Three Months ended March 31, 2020	Three Months ended March 31, 2019
Net loss attributable to owners of the company	\$1,508,653	\$1,322,590
Weighted average number of common shares outstanding (basic and diluted)	79,241,330	56,382,271
Loss per share - basic and diluted	\$0.02	\$0.02

Net loss per share

The calculation of basic and diluted loss per share for the period ended March 31, 2020 was based on the loss attributable to common shareholders of \$1,508,653 (March 31, 2019 – \$1,322,590) and the weighted average number of common shares outstanding of 79,241,330 (March 31, 2019 – 56,382,271). Diluted loss per share did not include the effect of stock options and warrants as they are anti-dilutive.