SOMA GOLD CORP.

(formerly Para Resources Inc.)

Condensed Interim Consolidated Financial Statements
(Unaudited - expressed in Canadian Dollars)

For the Three Months Ended March 31, 2020 and 2019

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

The accompanying unaudited condensed interim consolidated financial statements have been prepared by and are the responsibility of the management.

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

Soma Gold Corp.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - expressed in Canadian Dollars)

	Notes	March 31, 2020 $	December 31, 2019 $
ASSETS			
Current assets			
Cash		36,815	45,149
Receivables	7	207,211	378,085
Inventory		116,958	136,090
Prepaids and deposits	9	157,145	232,249
Assets held for sale	6	-	27,912,639
Total current assets		518,129	28,704,212
Non-current assets			
Mineral properties	10	144,209	1
Exploration and evaluation assets	11	2,215,290	2,566,391
Plant and equipment	12	5,920,912	5,550,421
Total non-current assets		8,280,411	8,116,813
TOTAL ASSETS		8,798,540	36,821,025
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		2,813,830	2,894,005
Due to related parties	14	9,184,682	6,071,241
Loans		66,270	-
Liabilities directly associated with the assets held for sale	6	-	27,782,758
Total current liabilities		12,064,782	36,748,004
Deferred income tax liability		-	-
Due to related parties	14	9,846,825	9,282,829
Total non-current liabilities		9,846,825	9,282,829
TOTAL LIABILITIES		21,911,607	46,030,833
SHAREHOLDERS' EQUITY			
Share capital	15	42,220,241	42,168,633
Share option and warrant reserve	15	3,002,316	3,023,507
Contributed surplus		11,196,272	11,196,272
Deficit		(67,485,078)	(64,556,604)
Accumulated other comprehensive income (loss)		(1,378,190)	(947,487)
Equity attributable to shareholders		(12,444,439)	(9,115,679)
Non-controlling interests		(668,628)	(94,129)
		(13,113,067)	(9,209,808)
TOTAL LIABILITIES AND EQUITY		8,798,540	36,821,025

Nature of operations and going concern (Note 1)
Subsequent events (Note 18)

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

Soma Gold Corp.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
For the Three Months Ended March 31, 2020 and 2019
(Unaudited - expressed in Canadian Dollars)

	Notes	**March 31, 2020 $**	**March 31, 2019 $**
Continuing operations			
Expenses			
Business investigation		-	28,495
Consulting	13	130,455	172,467
Depreciation	12	6,789	9,083
Investor relations		25,000	25,000
Office and miscellaneous	13	(118,647)	(385,760)
Professional fees		7,672	60,207
Regulatory and other filing fees		6,707	16,024
Repairs and maintenance		-	-
Salaries and wages		398,195	373,107
Share-based compensation	16	417	60,005
Loss before other items		(456,588)	(358,628)
Gain on debt forgiveness		2,097	-
Interest expense	14	(574,891)	(385,663)
Loss on revaluation of derivative	6	(4,248,239)	(818,414)
Loss from disposal of subsidiaries	6	(1,236,049)	-
Realized gain on accumulated currency translation for disposed subsidiaries	6	3,962,115	-
Other expenses	17	(12,045)	(45,326)
Other income		160	44,767
Loss for the year before tax		(2,563,440)	(1,563,264)
Deferred income tax recovery		-	-
Loss for the year from continuing operations		(2,563,440)	(1,563,264)
Discontinued operations			
Loss after tax for the year from discontinued operations		(458,222)	(486,225)
Loss for the year		(3,021,662)	(2,049,489)
Other Comprehensive Income (Loss)			
Items that may be reclassified subsequently to profit or loss:			
Gain (loss) on translating foreign operations		3,880,553	(823,233)
Realized gain on accumulated currency translation for disposed subsidiary		(3,962,115)	-
Total Comprehensive Loss for the year		**(3,103,224)**	**(2,872,722)**
Loss for the period attributable to:			
Owners of the parent		(2,928,474)	(1,921,030)
Non-controlling interests		(93,188)	(128,459)
		(3,021,662)	**(2,049,489)**
Comprehensive loss for the period attributable to:			
Owners of the parent		(3,359,177)	(2,659,202)
Non-controlling interests		255,953	(213,520)
		(3,103,224)	**(2,872,722)**
Basic and Diluted Loss per Common Share		(0.01)	(0.01)
Weighted Average Number of Common Shares Outstanding		303,437,596	164,218,240

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

Soma Gold Corp.
Condensed Interim Consolidated Statements of Changes in Equity
For the Three Months Ended March 31, 2020 and 2019
(Unaudited - expressed in Canadian Dollars)

	Share Capital	Share option and warrant reserve	Shares to be issued	Contributed surplus	Deficit	AOCI	NCI	Total
	$	$	$		$	$	$	$
Balance as at December 31, 2018	**26,128,752**	**2,893,560**	**-**	**11,196,272**	**(26,893,508)**	**835,486**	**792,796**	**14,953,358**
Shares issued pursuant to private placement	-	-	5,105,070	-	-	-	-	5,105,070
Share issue costs	(2,781)	-	-	-	-	-	-	(2,781)
Share-based payments	-	60,005	-	-	-	-	-	60,005
Loss for the period	-	-	-	-	(1,091,030)	-	(128,459)	(2,049,489)
Other comprehensive loss for the period	-	-	-	-	-	(738,172)	(85,061)	(823,233)
Balance as at March 31, 2019	**26,125,971**	**2,953,565**	**5,105,070**	**11,196,272**	**(28,814,538)**	**97,314**	**579,276**	**17,242,930**
Balance as at December 31, 2019	**42,168,633**	**3,023,507**	**-**	**11,196,272**	**(64,556,604)**	**(947,487)**	**(94,129)**	**(9,209,808)**
Share-based payments	-	417	-	-	-	-	-	417
Exercise of stock options	51,608	(21,608)	-	-	-	-	-	30,000
Loss for the year	-	-	-	-	(6,890,589)	-	(93,188)	(6,983,777)
Other comprehensive loss for the year	-	-	-	-	-	3,531,412	349,141	3,880,553
Transfer of realized gain from re-translation of subsidiaries	-	-	-	-	3,962,115	(3,962,115)	-	-
Elimination of non-controlling interest at disposal of subsidiaries	-	-	-	-	-	-	(830,452)	(830,452)
Balance as at March 31, 2020	**$42,220,241**	**$3,002,316**	**$ -**	**$ 11,196,272**	**($67,485,078)**	**($1,378,190)**	**($668,628)**	**($13,113,067)**

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

Soma Gold Corp.
Condensed Interim Consolidated Statements of Cash Flows
For the Three Months Ended March 31, 2020 and 2019
(Unaudited - expressed in Canadian Dollars)

	2020 $	**2019** $
OPERATING ACTIVITES		
Loss before tax from continuing operations	(2,563,440)	(1,563,264)
Loss before tax from discontinued operations	(458,222)	(486,225)
Loss before tax	(3,021,662)	(2,049,489)
Non-cash items:		
Loss from revaluation of derivative	4,248,239	818,414
Gain on fair value of loan	-	(46,114)
Gain from debt forgiveness	(2,097)	-
Depreciation	6,789	9,083
Interest expense	574,891	374,611
Share-based payments	417	60,005
Foreign currency exchange loss (gain)	8,991	(754,156)
Changes in non-cash working capital items:		
Short-term investment	-	3,383,216
Receivables	237,271	(220,573)
Prepaids and deposits	82,058	(256,323)
Advance royalties	-	(6,115)
Inventory	30,046	(53,029)
Accounts payable and accrued liabilities	(286,157)	160,622
	(847,280)	1,466,266
INVESTING ACTIVITIES		
Expenditures on exploration and evaluation assets	(34,000)	(72,810)
Mineral property costs	(79,359)	(6,386,376)
Purchase of equipment	-	(192,072)
	(113,359)	(6,651,258)
FINANCING ACTIVITIES		
Proceeds from issuance of common shares, net of share issuance costs	-	5,102,289
Proceeds from exercise of stock options, net of share issuance costs	30,000	-
Advances from (repayments to) related parties	963,058	-
	993,058	5,102,289
Foreign exchange effect on cash	(40,753)	-
INCREASE (DECREASE) IN CASH DURING THE YEAR	32,419	(82,703)
CASH, BEGINNING OF THE YEAR	45,149	389,446
CASH, END OF THE YEAR	**36,815**	**306,743**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Soma Gold Corp. (the "Company"), formerly Para Resources Inc., is the parent company of its consolidated group and was incorporated on April 13, 2010 under the Business Corporations Act (British Columbia). The Company was a capital pool company pursuant to the policies of the TSX Venture Exchange ("Exchange"). On April 30, 2012 the Company completed its Qualifying Transaction by acquiring all of the issued and outstanding shares of Angra Metals Mineração Ltda. ("ANGRA") from Goldsource Mines Inc. (formerly Eagle Mountain Gold Corp.) ("Goldsource") after obtaining approval from the Exchange. Effective May 2, 2012, the Company was classified as a Mineral Exploration and Development company and is currently listed on the Exchange under the trading symbol "PBR". On May 8, 2020, Para Resources Inc. changed its name to Soma Gold Corp.

The Company's principal business activity is the acquisition, exploration and development of mineral properties.

The registered office of the Company is 1000-840 Howe Street, Vancouver, British Columbia, Canada, V6Z 2M1 and its head office is 450-1090 Georgia Street, Vancouver, British Columbia, V6C 3V7.

The consolidated financial statements were prepared on a going concern basis which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development and to place these properties into production, renewal of underlying titles to the mining properties and/or future proceeds from the disposition thereof.

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, twelve months from the end of the reporting year. Management is aware in making its assessment, of material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern, as explained in the following paragraph.

The Company has not yet generated income or cash flows from operations. As at March 31, 2020, the Company had an accumulated deficit of $67,485,078 (2019 – $28,814,538). For the three months ended March 31, 2020, the Company incurred a loss of $3,021,662 (2019 – $2,049,489), had a negative cash flow from operations amounting to $847,280 (2019 – positive cash flow of $1,466,266) and had a working capital deficit of $11,547,070 (2019 - $4,997,823). The Company will require additional financing, through various means including but not limited to equity financing and cash flow generated from operations, to continue the exploration program and to meet its future option payment obligations and all of its general and administrative costs. There is no assurance that the Company will be successful in raising the additional required funds. In addition, the outbreak of COVID-19 since March 31, 2020 resulted in a challenging global economic climate that may lead to further adverse changes in cash flows, working capital levels and/or debt balances, which may also have a direct impact on the Company's operating results and financial position, and ability to raise financing. The magnitude of the impact of the COVID-19 outbreak on the Company's business is not known at this time.

Although these consolidated financial statements have been prepared using International Financial Reporting Standards applicable to a going concern, the above noted conditions raise significant doubt regarding the Company's ability to continue as a going concern.

These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, to the reported expenses and to the financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

2. BASIS OF PRESENTATION

Statement of compliance
The Company's consolidated financial statements, including comparatives, have been prepared in accordance with and using accounting policies in compliance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee, effective for the Company's reporting for the year ended December 31, 2019.

These consolidated financial statements were approved by the board of directors for use on June 23, 2020.

Basis of measurement
These consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value.

Basis of consolidation
These consolidated financial statements include the financial statements of the Company and its controlled subsidiaries.

Name of subsidiary	Place of incorporation	Ownership interest at March 31, 2020	Principal activity
Angra Metals Mineracao Ltda ("Angra")	Brazil	100%	Operating exploration company
Colombia Milling Ltd. ("CML")	Belize	100%	Holding company

The financial statements of CML contain the results of Four Points Mining SAS ("Four Points"), a Colombian entity that CML has 89% ownership of. The consolidated financial statements attribute an amount to NCI related to Four Points and Gold Road.

Control is achieved when the Company is exposed or has the rights to variable returns from its involvement with an entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is obtained and continue to be consolidated until the date that such control ceases. All intercompany transactions and balances are eliminated upon consolidation.

The Company attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

Functional and presentation currency
The financial statements for the Company and each of its subsidiaries are prepared using their functional currencies. Functional currency is the currency of the primary economic environment in which the entity operates. The functional currency of the Company is the Canadian dollar. The functional currency of ANGRA is the Brazilian Real. The functional currency of CML, Four Points, Gold Road Mining and Tr-Ue Vein is the US dollar. The presentation currency of the Company is the Canadian dollar.

Entities whose functional currencies differ from the presentation currency are translated into Canadian dollars as follows: assets and liabilities at the closing rate as at the reporting date and income and expenses at the average rate of the period. All resulting changes are recognized in other comprehensive income or loss as cumulative translation differences.

On disposal of a foreign operation the cumulative translation differences recognized in equity are reclassified to profit or loss and recognized as part of the gain or loss on disposal.

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary assets and liabilities that are stated at fair value are translated using the historical rate on the date that the fair value was determined. All gains and losses on translation of these foreign currency transactions are charged to the statement of loss.

3. SIGNIFICANT ACCOUNTING POLICIES

Except as described below, the accounting policies applied in these interim financial statements are the same as those applied in the last annual financial statements. The changes in accounting policies are also expected to be reflected in the Company's consolidated financial statements as at and for the period ended March 31, 2020.

Conceptual Framework

In March 2018, the IASB issued the revised Conceptual Framework for Financial Reporting which assists entities in developing accounting policies when no IFRS Standard applies to a particular transaction and helps stakeholders to more fully understand the standards. The revised conceptual framework includes the following clarifications and updates: (a) a new chapter on measurement; (b) guidance on reporting financial performance; (c) improved definitions and guidance, particularly for the definition of a liability; and, (d) clarifications on important items such as the role of stewardship, prudence and measurement uncertainty in financial reporting. The revised conceptual framework is effective for annual reporting periods beginning on or after January 1, 2020 and is applicable to the Company starting January 1, 2020. The adoption of this new standard has not had any impact on the amounts recognized in the Company's interim financial statements.

Definition of Material

In October 2018, the IASB issued Definition of Material (Amendments to IAS 1 and 8) to clarify the definition of 'material' and to align the definition used in the Conceptual Framework and the standards themselves. The amendments are effective for annual reporting periods beginning on or after January 1, 2020 and are applicable to the Company starting January 1, 2020. The adoption of this new standard does not have any impact on the amounts recognized in the Company's interim financial statements.

Amendments to IFRS 3 Business Combination

In October 2018, the IASB issued Definition of a Business (Amendments to IFRS 3) which: (a) clarifies that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs; (b) narrows the definition of a business and of outputs by focusing on goods and services provided to customers; and (c) removes certain assessments and adds guidance and illustrative examples. The amendment is effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020 and to asset acquisitions that occur on or after the beginning of that period.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical judgments and estimates in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below.

Estimates

Fair value measurements
The Company measures financial instruments, such as provisionally priced trade receivables, at fair value at each reporting date. Also, from time to time, the fair values of non-financial assets and liabilities are required to be determined, e.g., when the entity acquires a business, or where an entity measures the recoverable amount of an asset or CGU at FVLCD. Fair values of financial instruments measured at amortized cost are disclosed in Note 21.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

Useful life of depreciable assets
Management reviews its estimate of useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

Mineral resource estimate
The life of the El Limon and Gold Road mines is determined from the ore reserves that are available to be extracted at the end of each reporting period. The Company initially estimates the ore reserve available based on the findings of qualified, independent, mining professionals. These estimates are updated from time to time as additional technical and economic information becomes available. Factors that impact the computation of reserves available include the geological data on the size, depth and shape of the ore body, the prevailing and expected market price for the underlying metals to be extracted and the expected costs to extract and process the mined material. Changes in the mineable ore reserve available may impact the carrying value of mine property, exploration and evaluation properties, plant and equipment, site closure and reclamation provision and changes in the recognition of deferred tax amounts in addition to changes in the recognition of depreciation and depletion.

Income taxes
Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

Share-based payment transactions
The Company measures the cost of equity-settled transactions with employees and consultants by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Derivatives
The Company measures derivatives at the fair value. The determination of fair value is based on widely acceptable valuation models, including but not limited to a discounted cash flow model, Black Scholes, etc. The Company uses observable inputs in the valuation where practically possible.

Judgments

The preparation of these interim financial statements in accordance with IAS 34 requires management to use judgement and make estimates and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities at the date of the interim financial statements, and the reported amounts of revenue and expenses during the reporting periods. The judgements, estimates and associated assumptions are based on historical experience and other factors that management considers to be relevant and are subject to uncertainty. Judgements, estimates and underlying assumptions are reviewed on an ongoing basis, and revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Actual results could differ from these estimates due to changes in interest rates, foreign exchange rates, inflation, and economic conditions. The areas of significant judgement and estimation were identified in the Company's annual financial statements for the year ended December 31, 2019, except for judgements pertaining to the adoption of new accounting policies effective on January 1, 2020 (note 3).

5. NON-CONTROLLING INTERESTS

On December 31, 2016 the Company increased its ownership of Four Points to 77%. The increase in ownership was based on the cash payments made by the Company to fund operations of Four Points. The Company recorded a decrease in non-controlling interest of $1,021,856, as there was no consideration paid to the non-controlling interest the amount was recorded against the equity of the parent. On July 1, 2017 the Company increased its ownership to 80% and recorded a decrease to non-controlling interest of $204,372.

(Unaudited - expressed in Canadian Dollars)

On December 31, 2018 the Company increased its ownership in Four Points to 84%. The increase in ownership was based on the cash payments made by the Company to fund operations of Four Points. There were no changes to ownership in Four Points during the three-month period ended March 31, 2020.

6. DISPOSAL OF SUBSIDIARIES

On December 31, 2019, the Company made the decision to sell Z79, a wholly owned subsidiary; the plan to sell was approved by the shareholders on the same day. The sale was completed in March 2020. At December 31, 2019, Z79 was classified as a disposal group held for sale and as a discontinued operation. The business of Gold Road represented the entirety of the Company's Gold Road operating segment until December 31, 2019. With Z79 being classified as discontinued operations, the Gold Road operating segment is no longer presented in the segment note. The results of Z79's operations for the period are presented below:

	2020	**2019**
	$	**$**
Expenses	458,222	486,225
Operating loss	458,222	486,225
Finance costs	-	-
Other expenses	-	-
Loss before tax from discontinued operations	458,222	486,225
Tax benefit/(expense)	-	-
Loss for the period from discontinued operations	**458,222**	**486,225**

On March 27, 2020, the Company completed a sale of Z79 and its partially owned subsidiaries – Gold Road Mining Corp. and TRVE for the consideration of US$1 to Aura Minerals. The Company de-recognized assets, liabilities associated with these liabilities and non-controlling interests. Soma recognized a loss from disposal of subsidiaries of $1,236,049 and realized gain from transfer of cumulative currency translation adjustments of net assets of subsidiaries disposed of in the amount of $3,962,115.

The gold forward sale derivative liability that was included in liabilities directly associated with the assets held for sale at December 31, 2019 was revalued at March 27, 2020. The resulting loss of $4,248,239 from revaluation was included in the results from operations

7. RECEIVABLES

The Company's receivables consist of the following:

	March 31, 2020	**December 31, 2019**
	$	**$**
Value-added tax receivable	-	-
GST receivable	16,812	9,843
Other	190,399	368,242
	207,211	**378,085**

$nil (December 31, 2019 – $544,196) of value-added tax receivable was written off during the three-month period ended March 31, 2020.

(Unaudited - expressed in Canadian Dollars)

8. INVENTORY

The Company's inventory consists of supplies and parts and is valued at the lower of average cost and net realizable value. Costs include acquisition, freight and other directly attributable costs.

9. PREPAIDS AND DEPOSITS

As at March 31, 2020 the Company's prepaid amounts consist of the following:

	March 31, 2020	December 31, 2019
	$	$
Investor relations	41,667	66,667
Advances to suppliers	93,896	141,109
Advances to mine contractor	-	-
Reclamation deposit	-	-
Other advances	17,582	14,473
Insurance	4,000	10,000
	157,145	**232,249**

10. MINERAL PROPERTIES

The Company's mineral property balance consists solely of mines under construction.

As at March 31, 2020 the Company's mineral properties balance consisted of the following:

	El Limon	North Otu	Gold Road	Total
	$	$	$	$
Balance, December 31, 2018	**23,005,424**	**1,460,220**	**6,504,972**	**30,970,616**
Development costs	4,300,538	-	22,102,336	26,402,874
Incidental revenues	(2,793,976)	-	(2,441,699)	(5,235,675)
Impairment (note 6)	(23,647,352)	(1,374,130)	(3,680,220)	(28,701,702)
Foreign exchange translation	(864,633)	(86,090)	(728,207)	(1,678,930)
Transfer to Assets held for sale (note 6)	-	-	(21,757,182)	(21,757,182)
Balance, December 31, 2019	**1**	**-**	**-**	**1**
Development costs	326,618	-	-	326,618
Incidental revenues	(141,776)	-	-	(144,776)
Foreign exchange translation	(40,634)	-	-	(40,634)
Balance, March 31, 2020	**144,209**	**-**	**-**	**144,209**

El Limon

As part of the acquisition of CML the Company acquired the El Limon gold mine held in Four Points. The mine is subject to a 3% NSR payable quarterly on gold production of at least 100 ton per day for 30 consecutive days, to a maximum of US$2,000,000. Upon reaching the US$2,000,000 NSR threshold, the NSR decreases to 0.05% payable to a maximum of US$1,000,000.

(Unaudited - expressed in Canadian Dollars)

North Otu Properties
On July 7, 2016 the Company announced through its newly incorporated 100% Colombian subsidiary, Zara Holdings S.A.S. ("Zara"), that it had entered into a Definitive Agreement (the "Agreement") with OTU Gold Ltd ("OTU") to acquire certain mining titles, as well as several mining applications, which are located within the Republic of Colombia, (collectively the "North Otu Properties"). The acquisition of the mining titles was recorded as an asset acquisition at cost. The mining titles and application of the North Otu Properties are the only assets of Zara.

The purchase of the North Otu Properties and the assignment and transfer to Zara of these properties includes all the rights and interests of OTU except for the rights pertaining to non-metallic minerals on the North Otu Properties. The purchase price is US$1,000,000 (the "Purchase Price") and will be paid to OTU as follows:

- US$500,000 non-refundable deposit (paid)
- US$250,000 payable July 7, 2017 (paid - $312,000)
- The issuance of 1,270,000 common shares of the Company. The shares were issued on September 9, 2016 and fair valued at $317,500

Additionally, Zara will pay a 2% NSR royalty from the sale of minerals produced from the North Otu Properties. The NSR will be calculated from the results of direct exploitation, through formalization contracts or subcontracts of operations or any figure that allows economic benefit as a result of the exploitation of minerals in these areas. Zara may, at its discretion at any time until June 28, 2021, reduce the NSR from 2% to 1%, paying the amount of US$1,000,000 to OTU. This amount will be constituted by US$750,000 in cash and US$250,000 by the issuance of that number of common shares of the Company calculated based on the volume weighted average closing price of the Company's shares on the Exchange for the five trading days immediately before reduction of the NSR.

Gold Road
The Company reclassified Gold Road mineral property as assets held for sale effective December 31, 2019.

11. EXPLORATION AND EVALUATION ASSETS

	March 31, 2020	December 31, 2019
	$	$
Acquisition Cost		
Balance, beginning of period	1	1
Addition, during the period	-	-
Impairment charge	-	-
Balance, end of the period:	**1**	**1**
Deferred Exploration Costs		
Balance, beginning of the period	2,566,390	2,241,833
Addition during the year	44,124	804,634
Foreign exchange on mineral property	(395,225)	212,151
Transfer to Assets held for sale	-	(692,228)
Balance, end of the period:	**2,215,290**	**2,566,391**

Tucumã gold project
The Company owns a 100% interest in the Tucumã copper/gold exploration project, located in the Carajas metallogenic province in the State of Pará, Brazil. The annual fees for the concessions are approximately $16,500. Prior to a concession expiring, the Company must present to the authority a technical report on the concession, which serves a basis for determining a renewal.

(Unaudited - expressed in Canadian Dollars)

Gold Road Project
On April 4, 2018, the Company entered into option agreements to acquire parcels of land adjacent to the Gold Road mine. The terms of option agreements are shown below:

Agreement	Max Term (Years)	License Fee Year 1, US$	License Fee Year 2, US$	License Fee Year 3, US$	License Fee Year 4, US$	Termination Date	Purchase Price US$
United Western to Telluride	4	50,000	75,000	100,000	200,000	4/3/2022	4,179,535
Blue Ridge	3	5,000	5,000	5,000	n/a	4/3/2021	347,490
United Western Extension	3	5,000	5,000	5,000	n/a	4/3/2021	365,910
Gold Ore	3	5,000	5,000	5,000	n/a	4/3/2021	375,000
Gold Road	3	5,000	5,000	5,000	n/a	4/3/2021	240,000
Silver Creek	2	5,000	5,000	n/a	n/a	4/3/2020	327,000
United Western	15	10,000	10,000	10,000	10,000	8/22/2032	900,000
		85,000	**110,000**	**130,000**	**210,000**		**6,734,935**

The part of the option agreements cost includes up to 2,500,000 share purchase warrants of the Company, exercisable at the Company's discretion under a particular option agreement. No costs associated with the share purchase warrants were recognized in the consolidated financial statements because it is conditional upon exercise of option agreement(s) and the management cannot reliably estimate whether such options will be exercised and, if exercised, a number of share purchase warrants exercised.

The Company paid the license fees of $102,315 (US$75,000 equivalent) on April 4, 2018.

On May 15, 2019, Z79 formed TRVE, a new entity, with intent to transfer certain titles from Gold Road to it. At December 31, 2019 none of the legal titles have been transferred. Any assets and associated liabilities were transferred assets and liabilities held for sale, refer to note 6 for details.

12. PLANT AND EQUIPMENT

	Buildings	Machinery	Office equipment	Vehicles	Construction in progress	Total
Cost	**$**	**$**	**$**	**$**	**$**	**$**
December 31, 2018	**4,255,142**	**6,537,395**	**103,904**	**610,964**	**199,459**	**11,706,865**
Additions	13,269	142,030	3,993	27,140	590,544	776,977
Transfers	-	230,901	-	19,043	(230,901)	-
Foreign exchange	(199,078)	(311,591)	(4,954)	(29,273)	(25,646)	(570,542)
Transfer to Assets held for sale (note 6)	(3,211,645)	(1,099,724)	(11,020)	(384,856)	(368,772)	(5,076,017)
December 31, 2019	**857,688**	**5,499,010**	**91,925**	**223,976**	**164,685**	**6,837,284**
Additions	-	-	-	-	-	-
Foreign exchange	79,484	481,736	8,486	20,677	15,203	603,929
March 31, 2020	**937,172**	**5,980,746**	**100,411**	**244,653**	**179,888**	**7,441,213**

(Unaudited - expressed in Canadian Dollars)

	Buildings	Machinery	Office equipment	Vehicles	Construction in progress	Total
Accumulated Depreciation	**$**	**$**	**$**	**$**	**$**	**$**
December 31, 2018	**101,461**	**866,155**	**40,759**	**48,895**	**-**	**1,057,269**
Depreciation	337,282	647,758	17,729	176,756	-	1,179,525
Foreign exchange	(34,356)	(246,010)	(9,828)	(17,795)	-	(307,990)
Transfer to Assets held for sale (note 6)	(292,068)	(194,990)	(5,466)	(149,418)	-	(641,942)
December 31, 2019	**112,319**	**1,072,913**	**43,194**	**58,438**	**-**	**1,286,863**
Depreciation	8,014	95,445	2,244	4,545	-	110,248
Foreign exchange	10,753	104,406	4,060	5,628	-	124,847
March 31, 2020	**131,086**	**1,272,763**	**49,498**	**68,611**	**-**	**1,521,958**
Net Book Value						
December 31, 2019	**745,370**	**4,426,098**	**48,731**	**165,538**	**164,685**	**5,550,421**
March 31, 2020	**806,086**	**4,707,983**	**50,913**	**176,042**	**179,888**	**5,920,912**

*The Company made the assessment of the acquired assets pursuant to the Gold Road acquisition; refer to Note 6 for more details. As a result, some assets were reclassified from machinery to other categories (buildings, office equipment and vehicles).

During the three months ended March 31, 2020, $103,459 (2019 - $125,075) of depreciation was capitalized to mineral properties and $6,789 (2019 - $8,978) was recorded as depreciation expense.

13. RELATED PARTY TRANSACTIONS

All amounts due to related parties are unsecured, non-interest bearing, and have no specific terms of repayment unless otherwise stated. Transactions with related parties are measured at the exchange amount of consideration established and agreed to by the related parties. The Company paid or accrued remunerations to its directors and officers during the three months ended March 31, 2020 and March 31, 2019 are as follows

	March 31, 2020 $	March 31, 2019 $
Consulting fees	76,626	78,140
Share-based payments	417	9,373
Salaries and benefits	153,970	184,150
	231,013	271,663

As at March 31, 2020 the Company had $17,609,102 (2019 - $15,354,070) in amounts owing to related parties These amounts were loaned to the Company and consisted of the following:

- $183,399 (2019 - $183,399) was owing to a private company controlled by the executive, the amount owing bear interest at 1% per month, compounded monthly and due on demand. During the three months ended March 31, 2020 the Company also paid $8,190 of office rent to a Company controlled by CEO (2019 - $11,775).
- $nil (2019 - $nil) was owing to Goldsource Mines Inc., a company with common directors and officers.
- $89,702 (2019 - $23,252) was owing to a private company which is controlled by the director of the Company.

(Unaudited - expressed in Canadian Dollars)

- $nil (2019 - $nil) owed to the Company by a private entity controlled by CEO.
- $16,985,370 (2019 - $15,147,419) owed to the company controlled by the director and shareholder.

$350,631(2019 - $294,449) was due to the executives of the Company, the amounts owing are non-interest bearing and due on demand. This amount is included in accounts payable and accrued liabilities.

14. DUE TO RELATED PARTIES

a) Convertible Subordinated Note

On August 3, 2018, the Company restructured the Conex loans, Conterra loan and Gold secured loan, whereby all outstanding loans and accrued interest, previously made to the Company and to its subsidiary Gold Road were converted into a five-year Convertible Subordinated Note, convertible into common shares of the Company. The face value of the convertible subordinated note is $11,996,078. The interest is compounded monthly at 12% and principal and compounded interest are repayable at the end of the term to Conex Services Inc., a related party. The principal may be converted into common shares of the Company at the following conversion prices:

- Between months 1-36 at $0.30 per common share
- Between months 37-60 at $0.40 per common share

On December 21, 2018, the Company restructured the remaining balance of the Conex loans.
The Company recognized a loss of $242,745 from debt extinguishment, which is included in loss from debt settlement in the statement of loss, due to transaction costs of $37,880 incurred and difference in value of loan extinguished and value of loan assumed.

	Conex Loans	Conterra Loan	Gold Secured Loan	Total
	$	$	$	$
Balance, December 31, 2017	**4,367,781**	**3,930,699**	**1,254,500**	**9,552,980**
Additions	1,101,460	-	-	1,101,460
Interest and accretion	654,505	297,750	-	952,255
Foreign exchange on translation	-	140,718	43,800	184,518
Fair value of the convertible subordinated note	(6,328,611)	(4,369,167)	(1,298,300)	(11,996,078)
Loss from debt extinguishment	204,865	-	-	204,865
Balance, December 31, 2018	**-**	**-**	**-**	**-**

Management used an effective interest rate of 24% to estimate the present value of a liability component ($6,715,636) of the convertible subordinated note, the residual value of $5,280,442 was classified as a contributed surplus on the statement of financial position. The tax impact of $1,425,719 was recorded against the contributed surplus, see Note 19 for more details. The loan balances and changes up to March 31, 2020 were as follows:

	$

Balance, December 31, 2018	**7,297,780**
Interest	1,985,049
Balance, December 31, 2019	**9,282,829**
Interest	563,996
Balance, March 31, 2020	**9,846,825**

Conex credit facility

The Company received funding from a related party. The funds received pursuant to the credit facility bear no interest and are due on demand.

Balance, December 31, 2019	**$5,864,590**
Additions	914,255
Balance, March 31, 2020	**$6,778,845**

15. SHARE CAPITAL

Authorized

Unlimited common shares without par value.

Issued and outstanding	Number of Shares	Amount ($)
Balance, December 31, 2018	**164,218,240**	**26,128,752**
Common shares issued pursuant to private placement, net of share issue costs (i,ii)	134,749,288	15,408,694
Common shares issued to settle liabilities (i,ii)	4,366,121	495,245
Preferred shares issued (iii)	-	135,942
Balance, December 31, 2019	**303,333,649**	**42,168,633**
Common shares issued on exercise of stock options	600,000	51,608
Balance, March 31, 2020	**303,933,649**	**42,220,241**

(i) On May 3, 2019, the Company closed a non-brokered private placement consisting of 29,025,667 units at $0.18 per PP Unit for gross proceeds of $5,224,620. Each PP Unit consists of one common share of the Company and one-half share purchase warrant. Each warrant is exercisable for a period 1.5 years from the date of issuance at an exercise price of $0.25, subject to certain acceleration clauses. The Company estimated fair value of the warrants to be $Nil using the residual method, first allocating value to the common shares. The Company incurred cash share issue costs of $45,132. On the same date, the Company issued 566,121 PP Units to settle liabilities of $101,902.

(ii) On September 27, 2019, the Company closed a non-brokered private placement consisting of 105,723,621 units at $0.10 per PP Unit for gross proceeds of $10,572,362. Each PP Unit consists of one common share of the Company and one share purchase warrant. Each warrant is exercisable for a period two (2) years from the date of issuance at an exercise price of $0.15, subject to certain acceleration clauses. The Company estimated fair value of the broker warrants to be $Nil using the residual method, first allocating value to the common shares. The Company incurred cash share issue costs of $207,646 and non-cash share issue costs of $40,509 (667,450 broker warrants). On the same date, the Company issued 3,800,000 PP Units to settle liabilities of $380,000.

(iii) In June 2019, the Company issued 408,000 preferred shares at a par value of US$0.25 for gross proceeds of US$102,000 ($135,942 equivalent in Canadian dollars).

Stock options

The Company's stock options outstanding as at March 31, 2020 and December 31, 2019 and the changes for the periods then ended are as follows:

	Number of Options	Weighted Average Exercise Price $	Weighted Average Remaining Contractual Life (years)
Balance, December 31, 2018	**11,240,000**	**0.21**	**2.97**
Granted	210,000	0.15	4.22
Forfeited	(200,000)	0.15	4.22
Expired	(2,940,000)	0.18	-
Balance, December 31, 2019	**8,310,000**	**0.21**	**2.71**
Granted	-	-	-
Exercised	(600,000)	0.05	0.01
Expired	-	-	-
Balance, March 31, 2020	**7,710,000**	**0.23**	**2.92**

During the three months ended March 31, 2020 the Company issued nil (the three months ended 2019 – 210,000) options to employees with various vesting terms. The Company fair valued the options at using the Black-Scholes option pricing model using the following inputs for various grants:

	March 22, 2019	February 23, 2018
Risk free rate	1.48%	2.04%
Expected life	5 years	5 years
Expected volatility	104.8%	131.0%
Forfeiture rate	Nil	Nil
Expected dividends	Nil	Nil

Stock options outstanding and exercisable at March 31, 2020 are as follows:

Expiry Date	Exercise Price $	Options Outstanding	Options Exercisable
July 1, 2020	0.25	300,000	300,000
January 28, 2021	0.90	925,000	925,000
October 28, 2021	0.22	800,000	800,000
January 10, 2022	0.18	300,000	300,000
December 14, 2022	0.15	1,725,000	1,191,667
February 23, 2023	0.23	2,000,000	2,000,000
May 10, 2023	0.23	250,000	250,000
July 3, 2023	0.30	1,000,000	1,000,000
July 3, 2023	0.40	1,000,000	1,000,000
March 22, 2024	0.19	10,000	10,000
	0.22	**8,310,000**	**7,776,667**

(Unaudited - expressed in Canadian Dollars)

Stock options outstanding and exercisable at December 31, 2019 are as follows:

Expiry Date	Exercise Price $	Options Outstanding	Options Exercisable
July 1, 2020	0.25	300,000	300,000
January 28, 2021	0.09	925,000	925,000
October 28, 2021	0.22	800,000	800,000
January 10, 2022	0.18	300,000	300,000
December 14, 2022	0.15	1,725,000	1,191,667
February 23, 2023	0.23	2,000,000	2,000,000
May 10, 2023	0.23	250,000	250,000
July 3, 2023	0.30 / 0.40	2,000,000	500,000
March 22, 2024	0.19	10,000	10,000
	0.21	**8,310,000**	**6,276,667**

Warrants

The Company’s warrants outstanding as at March 31, 2020 and December 31, 2019 and the changes for the three months ended March 31, 2020 are as follows:

	Number of Warrants	Exercise Price $
Balance, December 31, 2018	**25,055,900**	**0.29**
Issued	125,162,178	0.16
Expired	(3,892,899)	0.30
Balance, December 31, 2019	**146,325,179**	**0.18**
Issued	-	-
Expired	-	-
Balance, March 31, 2020	**146,325,179**	**0.18**

Warrants outstanding as at March 31, 2020 were as follows:

Expiry Date	Exercise Price $	Outstanding Warrants
November 2, 2020	0.25	14,795,894
June 5, 2021	0.30	14,049,000
June 28, 2021	0.30	3,025,000
July 11, 2021	0.30	1,764,214
September 27, 2021	0.25	74,690,706
October 8, 2021	0.25	15,742,000
October 25, 2021	0.25	5,418,500
November 1, 2021	0.25	14,339,865
April 4, 2023	0.20	2,500,000
		146,325,179

Weighted average remaining contractual life is 1.41 years.

(Unaudited - expressed in Canadian Dollars)

Warrants outstanding as at December 31, 2019 were as follows:

Expiry Date	Exercise Price $	Outstanding Warrants
November 2, 2020	0.25	14,795,894
June 5, 2021	0.30	14,049,000
June 28, 2021	0.30	3,025,000
July 11, 2021	0.30	1,764,214
September 27, 2021	0.25	74,690,706
October 8, 2021	0.25	15,742,000
October 25, 2021	0.25	5,418,500
November 1, 2021	0.25	14,339,865
April 4, 2023	0.20	2,500,000
		146,325,179

Weighted average remaining contractual life is 1.66 years.

16. FINANCIAL INSTRUMENTS

Fair values

The carrying value of cash, receivables, accounts payable and accrued liabilities, loans and due to related parties approximate their fair values due to the immediate or short-term nature of these instruments.

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Capital and Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders, and to bring its mineral properties to commercial production.

To date, the Company has depended on external financing to fund its activities. The capital structure of the Company currently consists of equity attributable to shareholders of ($12,444,439) (December 31, 2019 – $(9,115,679)). The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets, being mineral properties. In order to maintain or adjust the capital structure, the Company may issue new shares through equity offerings or sell assets to fund operations. Management reviews its capital management approach on a regular basis and there have been no changes to the Company's approach during the three months ended March 31, 2020. The Company is not subject to externally imposed capital requirements.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is subject to interest rate risk with respect to its cash; however the risk is minimal because of their short-term maturity. All of the Company's interest-bearing debt instruments have fixed interest rates and are not subject to interest rate cash flow risk.

(Unaudited - expressed in Canadian Dollars)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations are they fall due. The Company generally relies on funds generated from external financing or key management to provide sufficient liquidity to meet budgeted operating requirements. Taking into consideration the Company's current cash position, volatile equity markets, global uncertainty in the capital markets and increasing cost pressures, the Company is continuing to review its needs to seek financing opportunities in accordance to its capital risk management strategy. The Company had cash of $36,815 and $45,149 as at March 31, 2020 and December 31, 2019, respectively.

Foreign currency risk

Foreign currency risk is defined as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company maintains financial instruments and enters into transactions denominated in foreign currencies, principally in USD, which exposes the Company to fluctuating balances and cash flows due to various foreign exchange rates. As at March 31, 2020, the CAD equivalent carrying amounts of the Company's USD denominated monetary assets and liabilities was $23,115 ($37,707 as at December 31, 2019) and $345,094 ($235,685 as at December 31, 2019), respectively.

17. SEGMENT REPORTING

The Company's non-current assets by country are as follows:

	March 31, 2020	December 31, 2019
Brazil	$2,218,243	$2,569,883
Colombia	6,062,168	5,546,930
Total	**$8,280,411**	**$8,116,813**

18. SUBSEQUENT EVENTS

On April 9th the company announced that it would be delayed in issuing and filing its Annual Financial Statements by April 29, 2020 and would be relying on the blanket extension that was issued and would issue by June 16th, 2020.

On April 16th, 2020 announced it has entered into Definitive Agreements ("Agreement") with Mineros, S.A. ("Mineros") to acquire 100% of its wholly owned subsidiary Operadora Minera S.A.S. ("Operadora") for US$5.5 million. The Company proposes to complete a consolidation of its issued and outstanding shares on the basis of 10 old shares for every one new share, and change its name to "Soma Gold Corp." as part of its overall reorganization and restructuring plans. Para's outstanding 303,933,649 common shares will be consolidated into approximately 30,393,365 common shares (subject to adjustments from rounding). All outstanding share purchase warrants, stock options and other convertible securities will be adjusted accordingly. The Company also announced that it will complete a private placement of convertible debentures for gross proceeds of C$3,000,000. US$1,000,000 of such proceeds will be used to pay the first installment payment to Mineros described above. The remaining proceeds will be for general working capital and to pay various accounts payable.

The company announced on May 9th, 2020 that the Definitive Agreements ("Agreement") executed on March 25th, 2020, with Mineros, S.A. ("Mineros"), the Seller of certain shares ("Shares") of Operadora Minera S.A.S. ("Operadora"), a simplified stock corporation (sociedad por acciones simplificada), organized and existing under the Laws of Colombia and the Mining Title of Nechi, the portion of the Mining Title of R57011 and certain other Assets (the "Assets") has been amended as follows:

1. Mineros shall transfer to Para 100% of the Shares and the Assets to the Company and the Company shall pay to Mineros, US $1 million, at Closing, and a deferred payment of US $4.5 million within ninety (90) days after Closing.

2. Mineros will be released from the obligation to fulfill the Post Closing Condition and therefore from all the obligations derived from it.

The company on June 4th, 2020 announced that it closed the acquisition of 100% of the shares of Operadora Mineras S.A.S ("Operadora") from Mineros, effective May 31, 2020. The payment of the first of US $1 million of the US $5.5 million purchase price, was made on May 29th. The second payment of US $4.5 million is due by September 4, 2020. Soma has now assumed full operational control of Operadora.