

RNS Number : 9516J  
 AEX Gold Inc  
 27 August 2021

("AEX" or the "Corporation")

### **AEX Gold Inc. Reports Second Quarter Financial Results, Operational Update and Board Changes**

TORONTO, ONTARIO - AUGUST 27, 2021 - AEX Gold Inc. (AIM: AEXG; TSXV: AEX), an independent gold Corporation with a portfolio of exploration licences in Greenland, announces its unaudited condensed interim consolidated financial statements ("Financial Statements") for the quarter ended June 30, 2021. All figures are in Canadian dollars unless otherwise noted.

The Financial Statements and the accompanying Management Discussion and Analysis are available on the Corporation's website at [www.aexgold.com](http://www.aexgold.com) and will be filed under the Corporation's SEDAR profile at [www.sedar.com](http://www.sedar.com) later today.

As previously communicated, the Nalunaq Project was put on hold in February 2021 due to unforeseen cost increases associated with the impacts of the COVID-19 global pandemic and as per the April 2021 announcement, the Corporation was focussing on four elements to continue advancing and de-risking the Nalunaq Project:

- Conducting a third-party engineering study to optimize the Project costs and de-risk the Project schedule that will enable AEX to re-assess the execution methodology (self-execution vs. EPC) post completion;
- Conducting fully funded 'early works' infrastructure and a 20,000-30,000m exploration program to expand the Nalunaq Resource;
- Continue to advance the EIA and SIA to obtain all permits;
- Regional exploration targeting both gold and Green/Strategic minerals through technical research, sampling and geophysical surveys.

#### **Corporate and Operational Update**

- The Corporation completed a tender process for the third-party engineering study and have appointed Halyard Inc. ('Halyard') a boutique engineering consulting firm based out of Toronto, Canada. Halyard was involved in the engineering and design of most of the components in the Nalunaq processing plant and comes with Greenlandic, project execution experience. The engineering study on the process plant and associated infrastructure are progressing according to plan and we still expect completion by Q4 2021. The study will advance engineering and significantly de-risk project cost and schedule.
- Legacy procurement and contracting commitments have been reviewed and orders that were placed for the Process Plant and Site Mobile fleet prior to the February 2021 announcement are ready for delivery, and a strategy for logistics/storage is being considered.
- The third-party review of the Nalunaq Resource Model by InnovExplo, a specialist in a wide range of exploration and technical services in the metals and mining industry, has been completed and has concluded that the existing resource model contains no fatal flaws. The results of the review and recommendations formed the framework of the 2021 exploration program at Nalunaq. The drilling program will also leverage the latest findings from the drilling campaigns of 2019 and 2020 to test the down-dip extension of Main Vein in the Kirkspir Valley, nearby the South and Valley Blocks. The drilling campaign has got off to a slow start given the influence of COVID-19 and the high demand placed on drilling contractors which has been caused by high Commodity prices. Negotiations are currently underway with additional international drilling companies to support our exploration efforts this year, which will extend to our 2022 campaign.
- A condition assessment of the Bulkhead will be conducted in October 2021 to confirm the design parameters and the quality of construction after which a remediation plan will be developed. The assessment will include non-destructive pile integrity and ultrasound tests to determine the Bulkhead thickness as well as an unconfined compressive strength test of cored concrete samples.
- In June 2021, site preparation for the 50-person exploration camp commenced. Construction of the camp is progressing according to plan with estimated completion by September 2021. The camp will support continuing exploration activities at Nalunaq as the weather conditions turn towards winter in the coming months. Following the camp construction, the bridge crossing the Kirkspir River will be upgraded to provide reliable access between the exploration camp and historical mine site.
- The Environmental Impact Assessment ("EIA") and Social Impact Assessment ("SIA") are being advanced with no material update at this stage.
- In parallel to the exploration being conducted at Nalunaq, regional exploration is predominately focused on the Vagar and Nanoq gold targets as well as other evolving targets in licences around Nalunaq. Furthermore, we are exploring for copper/base metals and rare earth elements ("REE") in the Sava licence, platinum group elements ("PGEs") in the Sagga dyke, graphite at Norrearm and base metals across the Tartoq licences.

#### **Strengthening of the Board**

The Corporation is pleased to announce the further strengthening of its Board of Directors with the appointment of two additional Non-Executive Directors, Liane Kelly and Warwick Morley-Jepson.

Liane brings a wealth of ESG experience to the Board having enjoyed a successful career focused on advising companies on sustainability and CSR initiatives. She currently sits on the Board of B2Gold Corporation and acts as a CSR Advisor to Middle Ground Consulting. Liane specialises in advising companies on community engagement and social impact, both of which will be vital for AEX as the Corporation continues to build on its strong engagement with its Greenlandic stakeholders. Liane replaces George Fowlie, who steps down from the Board, but will continue to provide his invaluable expertise in corporate and business development to the Corporation as well as supporting our Investor Relations in Canada.

Warwick has significant experience in mining having spent just under 40 years' in the industry, holding various managerial and executive positions including his current roles as Chairman and Independent Director of Wesdome Gold Mines and Karora Minerals respectively. Warwick was previously the Executive Vice President and Chief Operating Officer at Ivanhoe Mines and before that held the same positions at Kinross Gold Corporation. His experience in mine development and operations at global mining firms is highly relevant to AEX as the Corporation continues to progress both the Nalunaq mine and its various exploration targets.

**Q2 2021 Financial Highlights**

- The Corporation had a strong cash balance of \$49.6 million at June 30, 2021 (\$61.9 million at December 31, 2020), with no debt, and total working capital of \$48.5 million (\$61.4 million at December 31, 2020).
- Capital asset purchase commitments, net of deposits on order as at June 30, 2021 was \$6.0 million. These commitments, as previously reported, relate predominantly to the purchase of components of the process plant and surface mobile vehicles. Available liquidity, net of commitments as at June 30, 2021 was \$43.6 million.
- Construction in progress increased by \$2.1 million in H1 2021 (zero at December 31, 2020), as a result of capitalized engineering costs on the Nalunaq Project prior to suspension on February 10, 2021.
- Exploration and evaluation expenses during the quarter was \$2.0 million (Q2 2020: \$0.9 million), predominantly on the Nalunaq Property.
- General and administrative expenses during the period were \$2.1 million (Q2 2020: \$0.5 million), the result of increased headcount, consulting and professional fees associated with right-sizing the organizational structure to develop Nalunaq.

**Selected Financial Information**

The following selected financial data is extracted from the Financial Statements for the three and six months ended June 30, 2021.

**Financial Results**

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
	\$	\$	\$	\$
Exploration and evaluation expenses	1,998,049	912,676	3,245,196	1,524,451
General and administrative	2,093,578	498,639	3,678,649	881,550
Net loss and comprehensive loss	(4,576,963)	(2,442,132)	(7,866,015)	(3,408,569)
Basic and diluted loss per common share	(0.03)	(0.03)	(0.04)	(0.04)

**Financial Position**

	As at June 30, 2021	As at December 31, 2020
	\$	\$
Cash on hand	49,593,636	61,874,999
Total assets	58,772,695	65,944,682
Total current liabilities	1,248,048	897,799
Shareholders' equity	56,776,955	64,282,970
Working capital	48,500,792	61,411,208

**Eldur Olafsson, CEO of AEX, commented:**

*"I am pleased to report a strong set of results, with the Company currently well capitalised and advancing on all our key workstreams. In addition to the considerable progress made in the de-risking and development of the Nalunaq project, we are very excited to report on the wider scale exploration efforts that are ongoing alongside the work on our gold targets, targeting green and strategic minerals.*

*We believe that the current efforts to expand the Nalunaq resource, in addition to the focus on our exploration portfolio presents a unique opportunity to investors and we look forward to updating the market in due course.*

*I would also like to welcome Liane and Warwick onto the AEX Board. On behalf of the Corporation, we look forward to leveraging their experience as we continue to execute our development strategy.*

*Warwick's experience across the mining value chain will be essential as the Corporation advances the engineering study and evaluates the Nalunaq Project execution methodology in the near future.*

*Liane's appointment together with the promotion of Joan Plant to Vice President - Environmental, Social & Governance is a strong recognition of AEX's commitment to being a responsible corporate citizen of Greenland. I would also like to thank George for the incredible work he has done throughout the years as a Board member and I look forward to continuing working with him as AEX develops"*

**AIM Rule Disclosures**

In relation to the appointment to the board, there is no further information required to be disclosed pursuant to paragraph (g) of Schedule 2 of the AIM Rules for Companies save what is disclosed below.

Liane Catherine Kelly, aged 57, has held the following directorships and/or partnerships in the past five years:

**Current Directorships/Partnerships****Previous Directorships/Partnerships****B2Gold Corporation****Geosoft Inc now Seequent Ltd****Cheetah Conservation Fund**

Warwick Peter Morley-Jepson, aged 63, has held the following directorships and/or partnerships in the past five years:

**Current Directorships/Partnerships****Previous Directorships/Partnerships****Wesdome Gold Mines Limited****Karora Resources Inc (formally RNC Minerals)**

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**AEX Gold Inc: Unaudited Condensed Interim Consolidated Financial Statements for the three and six Months Ended June 30, 2021****AEX Gold Inc.****Consolidated Statements of Financial Position**

(Unaudited, in Canadian Dollars)

		As at June 30,	As at December 31,
	Notes	2021	2020
		\$	\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash		49,593,636	61,874,999
Sales tax receivable		64,482	62,750
Prepaid expenses and others		90,722	371,258
<b>Total current assets</b>		<b>49,748,840</b>	<b>62,309,007</b>
<b>Non-current assets</b>			
Deposit on order	4	5,186,000	1,711,970
Escrow account for environmental monitoring		434,159	460,447
Mineral properties	3	62,244	62,244
Capital assets	4	3,341,452	1,401,014
<b>Total non-current assets</b>		<b>9,023,855</b>	<b>3,635,675</b>
<b>TOTAL ASSETS</b>		<b>58,772,695</b>	<b>65,944,682</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Trade and other payables		1,198,466	831,899
Lease liabilities - current portion	5	49,582	65,900
<b>Total current liabilities</b>		<b>1,248,048</b>	<b>897,799</b>
<b>Non-current liabilities</b>			

Lease liabilities	5	747,692	763,913
<b>Total non-current liabilities</b>		747,692	763,913
<b>Total liabilities</b>		<b>1,995,740</b>	<b>1,661,712</b>
<b>Equity</b>			
Capital stock		88,500,205	88,500,205
Contributed surplus		3,285,952	2,925,952
Accumulated other comprehensive loss		(36,772)	(36,772)
Deficit		(34,972,430)	(27,106,415)
<b>Total equity</b>		<b>56,776,955</b>	<b>64,282,970</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>58,772,695</b>	<b>65,944,682</b>

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

### AEX Gold Inc. Consolidated Statements of Comprehensive Loss

(Unaudited, in Canadian Dollars)

	Notes	Three months ended June 30,		Six months ended June 30,	
		2021	2020	2021	2020
		\$	\$	\$	\$
<b>Expenses</b>					
Exploration and evaluation expenses	7	1,998,049	912,676	3,245,196	1,524,451
General and administrative	8	2,093,578	498,639	3,678,649	881,550
Stock-based compensation	6	360,000	1,031,650	360,000	1,031,650
Foreign exchange loss (gain)		157,092	3,830	647,691	(21,567)
Operating loss		4,608,719	2,446,795	7,931,536	3,416,084
<b>Other expenses (income)</b>					
Interest income		(41,859)	(4,873)	(85,929)	(9,915)
Finance costs		10,103	210	20,408	2,400
<b>Net loss and comprehensive loss</b>		<b>(4,576,963)</b>	<b>(2,442,132)</b>	<b>(7,866,015)</b>	<b>(3,408,569)</b>

Weighted average number of common shares outstanding - basic and diluted	177,098,737	81,176,725	177,098,737	77,307,646
Basic and diluted loss per common share	(0.03)	(0.03)	(0.04)	(0.04)

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

### AEX Gold Inc. Consolidated Statements of Changes in Equity

(Unaudited, in Canadian Dollars)

	Notes	Number of common shares outstanding	Capital Stock	Warrants	Contributed surplus	Accumulated other comprehensive loss	Deficit	Total Equity
			\$	\$	\$	\$	\$	\$
<b>Balance at January 1, 2020</b>		<b>70,946,394</b>	<b>13,883,611</b>	<b>1,459,604</b>	<b>1,535,400</b>	<b>(36,772)</b>	<b>(14,767,303)</b>	<b>2,074,540</b>
Net loss and comprehensive loss		-	-	-	-	-	(3,408,569)	(3,408,569)
Warrants exercised		11,387,626	6,140,518	(1,010,418)	-	-	-	5,130,100

Warrants expired	-	-	(210,437)	210,437	-	-	-
Options exercised	100,000	60,000	-	(22,000)	-	-	38,000
Stock-based compensation	-	-	-	1,031,650	-	-	1,031,650
<b>Balance at June 30, 2020</b>	<b>82,434,020</b>	<b>20,084,129</b>	<b>238,749</b>	<b>2,755,487</b>	<b>(36,772)</b>	<b>(18,175,872)</b>	<b>4,865,721</b>
<b>Balance at January 1, 2021</b>	<b>177,098,737</b>	<b>88,500,205</b>	-	<b>2,925,952</b>	<b>(36,772)</b>	<b>(27,106,415)</b>	<b>64,282,970</b>
Net loss and comprehensive loss	-	-	-	-	-	(7,866,015)	(7,866,015)
Stock-based compensation	6	-	-	360,000	-	-	360,000
<b>Balance at June 30, 2021</b>	<b>177,098,737</b>	<b>88,500,205</b>	-	<b>3,285,952</b>	<b>(36,772)</b>	<b>(34,972,430)</b>	<b>56,776,955</b>

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

## AEX Gold Inc.

### Consolidated Statements of Cash Flows

(Unaudited, in Canadian Dollars)

	Notes	Six months ended June 30,	
		2021	2020
		\$	\$
<b>Operating activities</b>			
Net loss for the period		(7,866,015)	(3,408,569)
Adjustments for:			
Depreciation	4	143,723	114,317
Stock-based compensation	6	360,000	1,031,650
Finance costs		-	2,400
Foreign exchange loss (gain)		644,430	(19,112)
		(6,717,862)	(2,279,314)
Changes in non-cash working capital items:			
Sales tax receivable		(1,732)	(14,067)
Prepaid expenses and others		280,536	93,561
Trade and other payables		231,188	293,916
		509,992	373,410
<b>Cash flow used in operating activities</b>		<b>(6,207,870)</b>	<b>(1,905,904)</b>
<b>Investing activities</b>			
Acquisition of mineral properties	3	-	(13,737)
Acquisition of capital assets	4	(2,084,161)	-
Deposit on order	4	(3,474,030)	-
<b>Cash flow used in investing activities</b>		<b>(5,558,191)</b>	<b>(13,737)</b>
<b>Financing activities</b>			
Principal repayment - lease liabilities	5	(32,539)	-
Exercise of warrants		-	5,130,100
Exercise of stock options		-	38,000
Deferred share issuance costs		-	(324,293)
<b>Cash flow from (used in) financing activities</b>		<b>(32,539)</b>	<b>4,843,807</b>
Net change in cash before effects of exchange rate changes on cash during the period		(11,798,600)	2,924,166
Effects of exchange rate changes on cash		(482,763)	1,517
Net change in cash during the period		(12,281,363)	2,925,683
Cash, beginning of period		61,874,999	1,515,406
<b>Cash, end of period</b>		<b>49,593,636</b>	<b>4,441,089</b>
<b>Supplemental cash flow information</b>			
Interest received		85,929	9,915
Exercise of warrants credited to capital stock		-	1,010,418
Exercise of stock options credited to capital stock		-	22,000
Deferred share issuance costs included in trade and other payables		-	851,228

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

## AEX Gold Inc.

### Condensed Notes to the interim Consolidated Financial Statements

Three and six months ended June 30, 2021 and 2020

(Unaudited, in Canadian Dollars)

#### 1. NATURE OF OPERATIONS, BASIS OF PRESENTATION

AEX Gold Inc. (the "Corporation") was incorporated on February 22, 2017 under the *Canada Business Corporations Act*. The Corporation's head office is situated at 3400, One First Canadian Place, P.O. Box 130, Toronto, Ontario, M5X 1A4, Canada. The Corporation operates in one industry segment, being the acquisition, exploration and development of mineral properties. It owns interests in properties located in Greenland. The Corporation's financial year ends on December 31. Since July 2017, the Corporation's shares are listed on the TSX

Venture Exchange (the "TSX-V") under the AEX ticker and since July 2020, the Corporation's shares are also listed on the AIM market of the London Stock Exchange ("AIM") under the AEXG ticker.

These unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2021 ("Financial Statements") were approved by the Board of Directors on August 26, 2021.

### 1.1 Basis of presentation

The Financial Statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") including International Accounting Standard ("IAS") 34, Interim Financial Reporting. The Financial Statements have been prepared under the historical cost convention.

The Financial Statements should be read in conjunction with the annual financial statements for the year ended December 31, 2020 which have been prepared in accordance with IFRS. The accounting policies, methods of computation and presentation applied in these Financial Statements are consistent with those of the previous financial year ended December 31, 2020.

### 2. CRITICAL ACCOUNTING JUDGMENTS AND ASSUMPTIONS

The preparation of the Financial Statements requires Management to make judgments and form assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and reported amounts of expenses during the reporting period. On an ongoing basis, Management evaluates its judgments in relation to assets, liabilities and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments. Actual outcomes may differ from these estimates under different assumptions and conditions.

In preparing the Financial Statements, the significant judgements made by Management in applying the Corporation accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Corporation's audited annual financial statements for the year ended December 31, 2020. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### 3. MINERAL PROPERTIES

	As at December 31, 2020	Additions	As at June 30, 2021
	\$	\$	\$
Nalunaq	1	-	1
Tartoq	18,431	-	18,431
Vagar	11,103	-	11,103
Naalagaaffiup Portornga	6,334	-	6,334
Nuna Nutaq	6,076	-	6,076
Saarloq	7,348	-	7,348
Anoritoq	6,389	-	6,389
Sava (previously called Kangerluarsuk)	6,562	-	6,562
<b>Total mineral properties</b>	<b>62,244</b>	<b>-</b>	<b>62,244</b>

	As at December 31, 2019	Additions	As at December 31, 2020
	\$	\$	\$
Nalunaq	1	-	1
Tartoq	18,431	-	18,431
Vagar	11,103	-	11,103
Naalagaaffiup Portornga	6,334	-	6,334
Nuna Nutaq	6,076	-	6,076
Saarloq	-	7,348	7,348
Anoritoq	-	6,389	6,389
Sava (previously called Kangerluarsuk)	-	6,562	6,562
<b>Total mineral properties</b>	<b>41,945</b>	<b>20,299</b>	<b>62,244</b>

### 4. CAPITAL ASSETS

	Field equipment and infrastruc- ture	Vehicles and rolling stock	Equipment (including intangible)	Construc- tion in Progress	Right-of- use assets	Total
	\$	\$	\$	\$	\$	\$
<b>Six months ended June 30, 2021</b>						
Opening net book value	146,203	256,865	177,052	-	820,894	1,401,014
Additions	-	-	-	2,084,161	-	2,084,161
Depreciation	(61,220)	(31,610)	(10,521)	-	(40,372)	(143,723)
Closing net book value	84,983	225,255	166,531	2,084,161	780,522	3,341,452
<b>As at June 30, 2021</b>						
<b>Cost</b>	<b>387,323</b>	<b>533,800</b>	<b>185,878</b>	<b>2,084,161</b>	<b>841,080</b>	<b>4,032,242</b>
<b>Accumulated depreciation</b>	<b>(302,340)</b>	<b>(308,545)</b>	<b>(19,347)</b>	<b>-</b>	<b>(60,558)</b>	<b>(690,790)</b>
<b>Closing net book value</b>	<b>84,983</b>	<b>225,255</b>	<b>166,531</b>	<b>2,084,161</b>	<b>780,522</b>	<b>3,341,452</b>

### 4. CAPITAL ASSETS (CONT'D)

Depreciation of capital assets related to exploration and evaluation properties is being recorded in exploration and evaluation expenses in the consolidated statement of comprehensive loss, under depreciation. Depreciation of \$98,632 (\$114,317 for the six months ended June 30, 2020) was expensed as exploration and evaluation expenses during the six months ended June 30, 2021.

As at June 30, 2021, the Corporation had capital asset purchase commitments, net of deposit on order, of \$6,030,167. These commitments relate to purchases of equipment, infrastructure and vehicles.

### 5. LEASE LIABILITIES

As at

	June 30, 2021
	\$
Balance beginning	829,813
Principal repayment	(32,539)
Balance ending	797,274
Non-current portion - lease liabilities	(747,692)
<b>Current portion - lease liabilities</b>	<b>49,582</b>

## 6. STOCK OPTIONS

An incentive stock option plan (the "Plan") was approved initially in 2017 and renewed by shareholders on June 9, 2021. The Plan is a "rolling" plan whereby a maximum of 10% of the issued shares at the time of the grant are reserved for issue under the Plan to executive officers and directors, employees and consultants. The Board of directors attributes the stock options and the exercise price of the options shall not be less than the closing price on the last trading day preceding the grant date. The options have a maximum term of ten years. Options granted pursuant to the Plan shall vest and become exercisable at such time or times as may be determined by the Board, except options granted to consultants providing investor relations activities shall vest in stages over a 12 month period with a maximum of one-quarter of the options vesting in any three-month period. The Corporation has no legal or constructive obligation to repurchase or settle the options in cash.

On June 9, 2021, the Corporation granted to the CFO 900,000 stock options exercisable at an exercise price of \$0.59, with an expiry date of December 31, 2027. The stock options vested 100% at the grant date. Those options were granted at an exercise price equal the closing market value of the shares the previous day of the grant. Total stock-based compensation costs amount to \$360,000 for an estimated fair value of \$0.40 per option. The fair value of the options granted was estimated using the Black-Scholes model with no expected dividend yield, 75.85% expected volatility, 1.07% risk-free interest rate and 6.6 years options expected life. The expected life and expected volatility were estimated by benchmarking comparable companies to the Corporation.

## 6. STOCK OPTIONS (CONT'D)

Changes in stock options are as follows:

	Six months ended June 30, 2021		Year ended December 31, 2020	
	Number of options	Weighted average exercise price \$	Number of options	Weighted average exercise price \$
Balance, beginning	7,745,000	0.51	5,650,000	0.43
Granted	900,000	0.59	2,195,000	0.70
Exercised	-	-	(100,000)	0.38
Expired	(10,000)	0.38	-	-
<b>Balance, end</b>	<b>8,635,000</b>	<b>0.52</b>	<b>7,745,000</b>	<b>0.51</b>

Stock options outstanding and exercisable as at June 30, 2021 are as follows:

Number of options outstanding and exercisable	Exercise price \$	Expiry date
1,360,000	0.50	July 13, 2022
1,660,000	0.45	August 22, 2023
2,520,000	0.38	December 31, 2025
2,195,000	0.70	December 31, 2026
900,000	0.59	December 31, 2027
<b>8,635,000</b>		

## 7. EXPLORATION AND EVALUATION EXPENSES

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
	\$	\$	\$	\$
Geology	562,416	524,863	705,954	795,423
Lodging and on-site support	64,523	3,663	64,523	3,663
Underground work	18,588	23,040	18,589	45,847
Drilling	287,760	33,950	287,760	33,315
Safety and environment	-	6,568	-	6,568
Analysis	5,362	43,205	84,581	67,068
Transport	21,455	9,923	22,413	70,656
Helicopter charter	109,024	-	109,024	-
Logistic support	64,913	84,223	86,114	162,710
Insurance	45	3,287	8,707	4,513
Project Engineering costs	804,267	102,442	1,736,133	187,297
Government fees	10,380	20,353	22,766	33,074
Depreciation	49,316	57,159	98,632	114,317
<b>Exploration and evaluation expenses</b>	<b>1,998,049</b>	<b>912,676</b>	<b>3,245,196</b>	<b>1,524,451</b>

## 8. GENERAL AND ADMINISTRATION

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
	\$	\$	\$	\$
Salaries and benefits	667,453	-	1,054,961	-
Management and consulting fees	-	166,369	-	282,441
Director's fees	116,879	25,000	236,379	50,000
Professional fees	690,594	194,349	1,246,949	318,104
Marketing and industry involvement	190,609	60,606	356,332	146,981
Insurance	148,377	10,561	266,342	21,122
Travel and other expenses	172,156	16,606	302,365	31,180
Regulatory fees	84,965	25,148	170,230	31,722
Depreciation	22,545	-	45,091	-
<b>General and administration</b>	<b>2,093,578</b>	<b>498,639</b>	<b>3,678,649</b>	<b>881,550</b>

**Further Information:****About AEX**

AEX's principal business objectives are the identification, acquisition, exploration and development of gold properties in Greenland. The Corporation's principal asset is a 100% interest in the Nalunaq Project, an advanced exploration stage property with an exploitation license including the previously operating Nalunaq gold mine. The Corporation has a portfolio of gold assets covering 3,870km<sup>2</sup>, the largest portfolio of gold assets in Southern Greenland covering the two known gold belts in the region. AEX is incorporated under the *Canada Business Corporations Act* and wholly owns Nalunaq A/S, incorporated under the *Greenland Public Companies Act*.

**Forward-Looking Information**

This press release contains forward-looking information within the meaning of applicable securities legislation, which reflects the Corporation's current expectations regarding future events and the future growth of the Corporation's business. In this press release there is forward-looking information based on a number of assumptions and subject to a number of risks and uncertainties, many of which are beyond the Corporation's control, that could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information. Such risks and uncertainties include, but are not limited to the factors discussed under "Risk Factors" in the Final Prospectus available under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com). Any forward-looking information included in this press release is based only on information currently available to the Corporation and speaks only as of the date on which it is made. Except as required by applicable securities laws, the Corporation assumes no obligation to update or revise any forward-looking information to reflect new circumstances or events. No securities regulatory authority has either approved or disapproved of the contents of this press release. Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

**Inside Information**

This announcement contains inside information for the purposes of Article 7 of the UK version of Regulation (EU) No. 596/2014 on Market Abuse ("UK MAR"), as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, and Regulation (EU) No. 596/2014 on Market Abuse ("EU MAR").

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