

**TRADING:** OTCMARKETS.COM  
**SYMBOL:** MDMN

**COMPANY INFORMATION AND DISCLOSURE STATEMENT**

**MEDINAH MINERALS, INC.**

**QUARTERLY REPORT**

For the Period Ending September 30, 2017

8725 S. Eastern Avenue  
Suite 200-52  
Las Vegas, NV 89123

This Information Statement has been prepared in accordance with OTC Markets-OTC Pink® Basic Disclosure Guidelines-Qualifications for the OTC Pink-Current Information Tier. All financial data has been prepared as of September 30, 2017.

## **QUARTERLY REPORT**

### **1) Name of the issuer and its predecessors (if any) in the past five years**

Medinah Minerals, Inc. (referred to as Medinah or the Company throughout the report)

### **2) Address of the issuer's principal executive offices**

#### Company Headquarters

Address: 8725 S. Eastern Avenue  
Suite 200-52  
Las Vegas, NV 89123

Telephone: 702-605-4715

Email: [info@medinah-minerals.com](mailto:info@medinah-minerals.com)

Website: medinah-minerals.com

#### IR Contact

Investor relations are handled directly by company management.

### **3) Security Information**

Trading Symbol: MDMN

Exact title and class of securities outstanding: Common Stock

CUSIP: 58489M 10 9

Par or Stated value: \$.001 per share

Total shares authorized: 3,000,000,000 as of September 30, 2017

Total shares outstanding: 2,881,282,073 as of September 30, 2017

Additional class of securities:

Trading Symbol: N/A

Exact title and class of securities outstanding: Preferred Non-Voting Stock

CUSIP: N/A

Par or Stated Value: \$.001 per share.

Total shares authorized: 100,000,000 as of September 30, 2017

Total shares outstanding: 50,000 as of September 30, 2017

#### Transfer Agent

American Registrar & Transfer Co.  
342 East 900 South  
Salt Lake City, UT 84111  
801-363-9065

The Transfer Agent is registered with the Securities & Exchange Commission under the Exchange Act of 1934.

There are no restrictions on the transfer of any security, other than those imposed by the Federal and State securities laws.

No trading suspension orders have been issued by the SEC in the past 12 months.

There has been no stock split, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months.

#### **4) Issuance History**

##### ***Stock Issuance Changes 2017***

###### **Common Stock**

- 03/13/2017 – 57,000,000 shares cancelled by agreement with a private investor.
- 03/13/2017 – 37,364,063 shares cancelled by gift from a former director.
- 03/13/2017 – 75,157,222 shares cancelled by gift from a former director.
- 03/13/2017 – 3,600,000 shares issued to a private investor by a conversion of 25,200 preferred shares.
- 06/21/2017 – 50,000,000 shares issued with legend to Okanadian Management Corp. in settlement of legal dispute.
- 09/20/2017 – 2,635,640 shares cancelled by settlement agreement with Leslie Price.
- 09/20/2017 – 11,225,000 shares cancelled by settlement agreement with Pamela Fitzpatrick.
- 09/20/2017 – 4,884,500 shares cancelled by gift from the estate of Larry Regis.
- 09/20/2017 – 500,000 shares cancelled by gift from a former director.
- 09/20/2017 – 20,000,000 shares issued to Juan Jose Quijano Fernandez by conversion of 20,000 preferred shares.

###### **Preferred Non-Voting Stock**

- 03/13/2017 – 227,000 shares cancelled by agreement with a private investor.
- 03/13/2017 – 1,600,000 shares cancelled by gift from a former director.
- 03/13/2017 – 25,200 shares converted to common stock.
- 06/06/2017 – 580,000 shares cancelled by agreement with a private investor.
- 09/20/2017 – 920,000 shares cancelled by settlement agreement with Leslie Price.
- 09/20/2017 – 100,000 shares cancelled by settlement agreement with Pamela Fitzpatrick.
- 09/20/2017 – 100,000 shares cancelled by settlement agreement with Okanadian Management Corp.
- 09/20/2017 – 500,000 shares cancelled by gift from the estate of Larry Regis.
- 09/20/2017 – 20,000 shares converted to common stock.

## ***Stock Issuance Changes 2016***

### **Common Stock**

- 01/15/2016 – 5,000,000 shares issued to an individual investor without legend in exchange for the conversion of free-trading preferred shares.
- 01/15/2016 – 300,000 shares issued with legend for corporate address and mailbox services.
- 04/22/2016 – 6,600,000 shares issued with legend as Directors' compensation for Greg Chapin, Vittal Karra, and Gary Goodin.
- 05/09/2016 – 2,090,000 shares cancelled in a return of shares from a private investor.
- 05/19/2016 – 5,000,000 shares issued with legend to a private investor at \$0.01 per share.
- 06/02/2016 – 1,000,000 shares issued with legend to Michael Thomas for compensation as Advisor to the BOD.

### **Preferred Non-Voting Stock**

- 01/11/2016 – 100,000 shares issued with legend to Okanadian Management Corp at \$1.00 per share.
- 01/15/2016 – 15,000 shares cancelled for conversion to common stock.
- 02/22/2016 – 25,200 shares issued with legend to a private investor at \$1.00 per share.
- 03/24/2016 – 20,000 shares issued with legend to a private investor at \$1.00 per share.
- 04/11/2016 – 100,000 shares issued with legend to a private investor at \$1.00 per share.
- 04/13/2016 – 20,000 shares issued with legend to a private investor at \$1.00 per share.
- 04/19/2016 – 10,000 shares issued with legend to a private investor at \$1.00 per share.
- 05/09/2016 – 20,000 shares issued with legend to a private investor at \$1.00 per share.
- 06/06/2016 – 20,000 shares issued with legend to a private investor at \$1.00 per share.

## ***Stock Issuance Changes 2015***

### **Common Stock**

- 01/06/2015 – 46,350,000 shares issued without legend to five investors for redemption of convertible preference shares purchased on 09/01/2006 for \$0.02 per share.
- 01/16/2015 – 25,000,000 shares issued without legend to one investors for redemption of convertible preference shares purchased on 09/01/2006 for \$0.02 per share.
- 02/04/2015 – 2,200,000 shares cancelled from return of Greg Chapin Directors' compensation.
- 02/18/2015 – 20,000,000 issued without legend to one investor for redemption of convertible preference shares purchased on 09/01/2006 for \$0.02 per share.
- 03/16/2015 – 10,000,000 shares cancelled for improper issuance.
- 03/25/2015 – 20,000,000 shares issued without legend to one investor for redemption of convertible preference shares purchased on 09/01/2006 for \$0.02 per share.
- 05/08/2015 – 5,000,000 shares cancelled for improper issuance.
- 05/29/2015 – 19,000,000 issued without legend to one investor for redemption of convertible preference shares purchased on 09/01/2006 for \$0.02 per share.
- 11/05/2015 – 32,000,000 shares returned and cancelled in conversion to preferred shares.
- 11/09/2015 – 10,000,000 shares issued without legend as employee service award at \$0.02 per share.
- 11/20/2015 – 2,200,000 shares issued without legend as Directors' compensation to Vittal Karra.
- 11/20/2015 – 1,000,000 shares issued with legend as Directors' compensation to Gary Goodin.

## Preferred Non-Voting Stock

- 08/04/2015 – 50,000 shares issued without legend for to a private investor at \$1.00 per share for a subscription to shares in September 2012.
- 09/25/2015 – 20,000 shares issued without legend for to a private investor at \$2.50 per share for a subscription to shares in September 2012.
- 09/25/2015 – 20,000 shares issued without legend for to a private investor at \$2.50 per share for a subscription to shares in September 2012.
- 11/05/2015 – 32,000 shares issued without legend to a private investor in exchange for common stock.

## **5) Financial Statements**

The unaudited balance sheet of Medinah as of September 30, 2017, and the related statements of income and expense, and cash flows, along with financial notes (the “Financial Statements”) are included at the end of this document. In addition, please see the “Disclosure Warnings” in section 6A, below.

## **6) Describe the Issuer's Business, Products and Services**

### ***A. Business Operations & Legal Proceedings.***

#### Business Operations

Medinah is essentially a company that holds stock in different companies.

Medinah has no business operations other than owning a 26.469% equity stake in AURYN Mining Chile SpA (AURYN) and smaller stakes in two additional public companies. AURYN is a private Chilean mining company that owns 100% of the Altos de Lipangue Mining District. Further information about AURYN can be found on their website, [aurynmining.com](http://aurynmining.com). As a minority shareholder in AURYN, Medinah’s rights are limited. Medinah is responsible for its pro-rata share of AURYN’s capital costs and Medinah’s ownership in AURYN is subject to dilution should Medinah not be able to meet any cash calls.

In addition to shares in AURYN, Medinah owns 9,950,000 shares of American Sierra Gold Corp (AMNP) and 9,600,000 shares of Cerro Dorado Inc. (CDCH). Through a settlement with Leslie Price, Medinah will own an additional 1,700,000 shares of AMNP and 19,550,000 shares of CDCH which are expected to be converted to Medinah’s name in the Q4 2017.

Once converted, Medinah will own 11,650,000 shares of AMNP and 29,150,000 shares of CDCH.

The Company’s shares in AMNP and CDCH are relatively illiquid given the trading volume of each of the stocks. Investing in specific mining companies is filled with company risk and

geological risk. There is no guarantee that AURYN, American Sierra, or Cerro Dorado will be successful in their endeavors.

The Company has no plans for any future business operations, nor does it plan to acquire any other assets.

### Disclosure Warnings

On August 23, 2016, the Company discovered share issuance discrepancies with what the Company's prior officers and directors were reporting through its public disclosures and what the Company's transfer agent had on its books. New management self-reported these findings to the SEC and FINRA.

These discrepancies resulted in several legal disputes and raised questions regarding the validity of many of the board resolutions and share issuances by the Company from inception through June 2016. Many of the questionable share issuances were conducted with "good faith" investors who subsequently sold their stock. Rather than spend resources on a dubious recovery effort, management focused on negotiating mutual agreements for some of the larger blocks of stock. In addition, some shareholders who were also victims of the questionable share issuances voluntarily returned stock. Current management also brought legal action against the parties it felt were primarily responsible for the discrepancies.

The questionable share issuances and litigation has significantly damaged the Company's capital structure. However, current management believes expending further resources in recovery of shares or damages will not provide a commensurate return. Therefore, it has settled its legal actions and accepts the current capital structure as reported.

### Legal Proceedings

The Company has settled its legal disputes filed in Vancouver, BC with Les Price, Pamela Fitzpatrick, GXK Ventures Inc., and MMC Mines Inc. The following lawsuits have been dismissed with prejudice:

- *Medinah Minerals, Inc. vs. Les Price, Pamela Fitzpatrick, GXK Ventures Inc., MMC Mines Inc., et al.*
- *Leslie Price vs. Medinah Minerals, Inc.*
- *GXK Ventures Inc. vs. Medinah Minerals, Inc.*

As part of the settlement, Leslie Price turned over the stock he owns in the following companies to the benefit of Medinah Minerals, Inc.:

- Medinah Minerals, Inc.,
- American Sierra Gold Corp.,
- Cerro Dorado, Inc.,
- AURYN Mining Chile SpA, and

Pamela Fitzpatrick has turned over all of the stock she owns in Medinah Minerals, Inc. for the Company's benefit.

Furthermore, Price is prohibited from communicating with the shareholders of any of the aforementioned companies regarding any of the companies' business affairs without authorization.

The Company has settled its legal dispute with Okanadian Management Corp. As a result, Okanadian has dismissed with prejudice:

- *Okanadian Management Corp. vs. Medinah Minerals, Inc., Leslie Price, MMC Mines, et al.*

As part of the settlement, the Company has issued 50,000,000 shares of restricted common stock to Okanadian Management Corp. Okanadian Management Corp has returned its 100,000 shares of preferred stock in Medinah Minerals, Inc. to the Company.

In the Okanadian litigation matter, Medinah Minerals, Inc. filed cross claims against Les Price and MMC Mines, Inc. On October 2, 2017, the District Court for Clark County, Nevada, ordered judgement in favor of Medinah, and against Les Price and MMC Mines, Inc., jointly and severally, in the amounts of \$217,094.95 for damages and \$190,902.00 for legal fees, for a total amount of \$407,996.95, plus pre and post judgment interest.

The Company remains as a party to a legal dispute with former officer and director, Russell Godwin.

## **B. Date and State of Incorporation**

The issuer was organized under the corporate laws of the State of Nevada on October 6, 1989.

## **C. The Issuers Primary and Secondary SIC Codes:**

The Company's primary and secondary SIC Codes are as follows: 1061; 1021; 1044; 1041.

## **D. The Issuer's Fiscal Year End Date**

The Issuer's Fiscal Year End Date is December 31.

## **E. Principal Products or Services and Their Markets**

Medinah's only business is holding shares in AURYN, and smaller stakes in two other public companies.

## **7) Describe the Issuer's facilities.**

The Company has no facilities. It operates through a virtual office in Nevada.

## **8) Officers, Directors, and Control Persons**

## **A. Names of Officers, Directors and Control Persons**

### Gary Goodin, Director, Board Chair

Mr. Goodin is a long time Medinah Minerals shareholder. He is a practicing Attorney with over 25 years of experience. Mr. Goodin is the founding Principal of the Law Firm Goodin Meyer, P.C., located in Indianapolis, Indiana. Mr. Goodin's primary practice is in the representation of national and international corporations. Additionally, Mr. Goodin has vast experience in civil litigation. He is also fully legalized to represent and conduct corporate business actions in the Country of Chile. Mr. Goodin possesses Bachelor of Science, Master of Public Affairs and Juris Doctorate Degrees from Indiana University, Bloomington, Indiana.

### Italo Volante, Director

Italo Volante Gomez is an accomplished attorney based in Santiago, Chile specializing in Environmental, Corporate Safety, and Mining law. He has held several positions in governmental entities such as the Chilean Health and Environmental Agency. Additionally, he has served as Latin American Legal Director for French Carbon Credit Company, with responsibility for the expansion and development of environmental projects over most of Latin America. Mr. Volante is the President of AURYN Mining Chile S.p.A and CEO of SIGAL Chile, a subsidiary of SIGAL Peru that provides software and management services to mining, oil, and gas companies.

### Raul Del Solar, Director

Raul Del Solar is the founder of One Family Office S.A., an international financial consulting firm specializing in equity, bond, and portfolio management, institutional consulting, and trust planning. Mr. Del Solar holds a Bachelor degree in Business Administration from the University of Notre Dame in South Bend, Indiana, and an MBA from the Thunderbird School of Global Management in Glendale, Arizona. Mr. Del Solar was born and raised in Lima, Peru. He began his 25 year career at Vestcorp Partners in 1990. After receiving his MBA he held different advisory positions with firms such as the The Americas Trust Bank, Prudential Securities and UBS International.

There are no family relationships among the Company's Officers, Directors or beneficial owners of more than 5% of any class of the issuer's equity securities.

## **B. Legal/Disciplinary History**

In the last 5 years no Officer, Director or control person has been the subject of any legal or disciplinary action as specified in Item 8, Section B of the OTC Pink Basic Disclosure Guidelines.



### C. Beneficial Shareholders

Other. The ownership or management or anyone known to the issuer who beneficially owns more than 5% of the outstanding shares as of the date hereof:

<u>Name</u>	<u># Of Shares Beneficially Owned</u>	<u>% Owned</u>
Cede & Co.	2,146,416,778	74.5%
Masglas Limited	218,783,318	7.6%
<u>Control Person</u> Maurizio Cordova Av. San Francisco de Asis 150 Of 228 Santiago, Chile 7630000		

### 9) Third Party Providers

#### Securities Counsel

Matheau J.W. Stout Esq.  
400 E. Pratt St.  
8<sup>th</sup> Floor  
Baltimore, MD 21202  
[mstout@otclawyers.com](mailto:mstout@otclawyers.com)  
410-429-7076

### 10) Issuer's Certifications

I, Gary Goodin, certify that:

1. I have reviewed this Quarterly Disclosure Statement of Medinah Minerals, Inc.;
2. Based on my knowledge, this Disclosure Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Disclosure Statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this Disclosure Statement, fairly present in all

material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this Disclosure Statement.

Dated this 14<sup>th</sup> day of November 2017.

/s/ Gary Goodin  
Gary Goodin  
President & CEO  
Medinah Minerals, Inc.

**MEDINAH MINERALS, INC.**  
**UNAUDITED BALANCE SHEET**  
**AS OF THE DATES INDICATED**

	<u>SEPTEMBER 30, 2017</u>	<u>DECEMBER 31, 2016</u>
<b><u>ASSETS</u></b>		
Current Assets:		
Cash in Bank	\$ 8,520	\$ 62,352
Prepaid Expenses	40,000	43,562
Total Current Assets	<u>48,520</u>	<u>105,914</u>
Other Assets - Investments (Note 3):		
AURYN Mining	3,236,280	1,609,440
Other Investments	286,945	226,270
Total Other Assets - Investments	<u>3,523,225</u>	<u>1,835,710</u>
<b>Total Assets</b>	<u><u>\$ 3,571,745</u></u>	<u><u>\$ 1,941,624</u></u>
<b><u>LIABILITIES AND CAPITAL</u></b>		
Current Liabilities:		
Accounts Payable	\$ 235,782	\$ 116,889
Payroll Taxes Payable	-	
Total Current Assets	<u>235,782</u>	<u>116,889</u>
Long-Term Debt (Note 4)		
Note Payable AURYN Holding	1,648,140	
Loans from Stockholders	135,000	135,000
Total Long-Term Debt	<u>1,783,140</u>	<u>135,000</u>
<b>Total Liabilities</b>	<u>2,018,922</u>	<u>251,889</u>
Capital:		
Common Stock-Par Value \$.001;		
Authorized shares 3,000,000,000;		
Issued: 2,996,448,498 at 12/31/2016,		
and 2,881,282,073 at 9/30/2017	2,881,282	2,996,448
Preferred Stock-Par Value \$.001; Authorized		
shares 1,000,000,000 (Note 5)	50	4,122
Additional Paid-In Capital	49,778,577	49,611,137
Retained Deficit	(51,107,086)	(50,921,972)
<b>Total Capital</b>	<u>1,552,823</u>	<u>1,689,735</u>
<b>Total Liabilities and Capital</b>	<u><u>\$ 3,571,745</u></u>	<u><u>\$ 1,941,624</u></u>

**MEDINAH MINERALS, INC.**  
**UNAUDITED STATEMENT OF INCOME AND EXPENSE**  
**AS OF THE PERIODS INDICATED**

	YEAR TO DATE FOR THE PERIOD ENDING <u>SEPTEMBER 30, 2017</u>	FOR THE YEAR ENDING <u>DECEMBER 31, 2016</u>
<b>Sales</b>	\$ -	\$ 105,716
<b>Operating Expenses</b>		
Director Fees (Note 6)	\$ 60,000	\$ 138,000
Travel	2,239	53,563
Legal and Professional (Note 7)	164,825	190,159
Trust and Transfer		27,950
Management Fees		18,000
Salaries and Wages	6,000	13,217
Accounting		11,812
Rents		8,972
Office	1,957	12,679
News Services		5,908
Repairs and Maintenance		4,164
Telephone		3,373
Computer Repairs		2,641
Taxes and Licenses	945	2,450
Postage	203	2,361
Automobile		1,371
General Meeting		500
Bank Charges	118	(835)
Total Operating Expenses	<u>236,287</u>	<u>496,285</u>
<b>Net Income (Loss) From Operations</b>	(236,287)	(390,569)
<b>Legal Settlement</b>	(49,115)	
<b>Gain (Loss) on Investments</b>	<u>99,375</u>	<u>(59,355)</u>
<b>Net Income (Loss)</b>	<u>(186,027)</u>	<u>(449,924)</u>
<b>Beginning Retained (Deficit)</b>	(50,921,059)	(4,330,967)
<b>Prior Period Adjustments</b>		
Change of Accounting Principal		(43,454,278)
Prior Period Adjustments - Other		(2,685,890)
Adjusted Beginning Retained (Deficit)	<u>-</u>	<u>(50,471,135)</u>
<b>Ending Retained (Deficit)</b>	<u>\$ (51,107,086)</u>	<u>\$ (50,921,059)</u>

**MEDINAH MINERALS, INC.**  
**UNAUDITED STATEMENT OF CASH FLOW**  
**AS OF THE PERIODS INDICATED**

	YEAR TO DATE FOR THE PERIOD ENDING <u>SEPTEMBER 30, 2017</u>	FOR THE YEAR ENDING <u>DECEMBER 31, 2016</u>
<b>Cash Flows From Operations:</b>		
Net Income (Loss)	\$ (186,027)	\$ (449,924)
<b>Adjustments to Reconcile with Net Cash:</b>		
Expenses Paid with Stock	60,000	158,160
Change in Market Value of Investments	(99,375)	59,355
Accounts Receivable		(28,843)
Legal Settlement	49,115	
Prepaid Expenses	3,562	(29,028)
Accounts and Payroll Taxes Payable	118,893	116,889
Net Adjustments to Income	132,195	276,533
Total Cash Flow from Operations	(53,832)	(173,391)
<b>Cash Flow from Investing Activities:</b>		
Cash Payments for Investments		(217,948)
Purchase of Property and Equipment		(6,395)
Cash Invested in Mining Properties		(68,611)
Total Cash Flows from Investing Activities	-	(292,954)
<b>Cash Flow from Financing Activities:</b>		
Advances (Repayments) of Stockholder Loans		415,607
Sale of Preferred Stock		95,000
Total Cash Flows from Financing Activities	-	510,607
<b>Total Cash Flows</b>	(53,832)	44,262
<b>Misappropriated Cash</b>		(6,177)
<b>Cash Balance at the Beginning of the Period</b>	\$ 62,352	24,267
<b>Cash Balance at the End of the Period</b>	\$ 8,520	\$ 62,352

**During the year ending December 31, 2016 the Company had the following non-cash transactions:**

The Company issued 7,900,000 shares of its common stock in exchange for services	\$160,990
The Company exchanged its claims in Chilean mining properties to AURYN (See Note 3 and 8) (Valued after a change in accounting principal)	\$1,609,440
The Company issued five million of its common shares in repayment of stockholder loans	\$50,000

**Through the period ending September 30, 2017 the Company had the following non-cash transactions:**

The Company exchanged a 15% ownership interest in NUOCO for additional shares of AURYN	\$38,700
The Company had 165,921,285 shares of Common Stock and 1,852,200 shares of Preferred Stock returned	\$167,773
The Company issued 50,000,000 shares of common stock in settlement of a legal dispute	\$50,000
The Company had 1,852,200 shares of Preferred Stock returned	\$580

**MEDINAH MINERALS, INC.**  
**NOTES TO UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDING SEPTEMBER 30, 2017**

**Note 1 – Business and History**

The Company was incorporated October 6, 1989 under the laws of the State of Nevada as Medinah Energy, Inc. In 2001, it changed its name to Medinah Mining, Inc. and in 2008 to Medinah Minerals, Inc. (Medinah). The Company was previously in the business of acquiring, exploring and developing mining properties. On May 16, 2016 Medinah completed an agreement for the sale of substantially all its mining properties to AURYN Mining Chile SpA (AURYN) in exchange for 25,000,000 shares of AURYN. Medinah has ceased its mining operations and is essentially a company holding stock in private or public companies.

**Note 2 – Accounting Policies**

- The Company uses the accrual accounting method as required by Generally Accepted Accounting Principles.
- The Company has no depreciable assets, so there is no depreciation or depreciation policy.
- The Company considers that "cash and cash equivalents" is composed of cash on hand, demand deposits, and time deposits with less than ninety days to maturity.
- The Company has significant operating loss carry-forwards available to apply against future taxable earnings. However, there is no deferred tax asset because any future benefit is considered to be impaired by the Company's history of unprofitability.
- The Company rarely has bad debts. Consequently, there is no allowance for doubtful accounts, and any bad debts expense is the result of specific accounts being written off.
- The Company has recorded its investment in AURYN at the lower of cost or market. See Note 3 below.

**Note 3 – Investments**

Medinah is essentially a company that holds stock in different companies.

Medinah has no business operations other than owning a 26.469% equity stake in AURYN Mining Chile SpA (AURYN) and smaller stakes in two additional public companies. AURYN is a private Chilean mining company that owns 100% of the Altos de Lipangue Mining District. Further information about AURYN can be found on their website, [aurynmining.com](http://aurynmining.com). As a minority shareholder in AURYN, Medinah's rights are limited. Medinah is responsible for its pro-rata share of AURYN's capital costs and Medinah's ownership in AURYN is subject to dilution should Medinah not be able to meet any cash calls.

In addition to shares in AURYN, Medinah owns 9,950,000 shares of American Sierra Gold Corp (AMNP) and 9,600,000 shares of Cerro Dorado Inc. (CDCH). Through a settlement with Leslie Price, Medinah will own an additional 1,700,000 shares of AMNP and 19,550,000 shares of CDCH which are expected to be converted to Medinah's name in the Q4 2017.

Once converted, Medinah will own 11,650,000 shares of AMNP and 29,150,000 shares of CDCH.

#### **Note 4 – Long-Term Debt**

Loans from Stockholders represents funds advanced by a previous Board of Director member to assist in funding litigation the Company is involved with. The loan has no specific repayment terms.

On February 15, 2017 AURYN informed its shareholders of AURYN's plan to capitalize its debt by issuing a capital call to its shareholders. Any shareholders unable to meet the capital call would retain their current shares but be diluted in their overall position.

On April 15, 2017, Medinah signed an agreement to finance Medinah's portion of the raised capital. The basic terms of the agreement are as follows.

- AURYN Holdings Corporation will cover the payment of \$1,648,140 that Medinah owes to AURYN.
- Medinah will pledge its newly issued shares in AURYN as collateral against the loan.
- The loan will be a 0% interest loan payable in full on December 31, 2021.
- The loan payment date can be extended upon the agreement of both parties.
- Should the shares held as collateral become publicly traded, the loan will convert to an interest only balloon note with a four-year term and a simple interest rate of 4% annually.
- Until the loan is paid in full, the shares remain as collateral securing the debt.
- If AURYN sells or transfers its rights to any other party and Medinah receives shares in another entity because of the sale or transference, the new shares that Medinah receives will serve as the collateral for the term of the loan, effectively replacing the shares in AURYN.

#### **Note 5 – Preferred Stock**

In 2012, the company created a class of preferred stock with preferential terms. As of September 30, 2017, 50,000 shares of this class remain outstanding.

#### **Note 6 – Directors Fees**

The Board of Directors passed a resolution on March 1, 2017, to compensate Board Members and Corporate Officers with a total of 1,000,000 shares of AURYN stock. That compensation is for corporate governance through the anticipated existence of the Corporation. The entire amount has been expensed (at the reported value) in Q1-2017 even though a portion is for future services.

#### **Note 7 – Commitments and Contingencies**

The Company was involved in several legal disputes which have now been resolved. It still remains party to one. In addition, the length and nature of the share issuance discrepancies mentioned above in "Disclosure Warnings" leaves the Company open to further litigation. As such, the Company is at risk of expending a significant portion of its resources on litigation.

The Company has no other commitments or contingencies of which it is aware.

#### **Note 8 – Change in Accounting Principal**

Previously, exploration expenditures related to mining properties were capitalized and deferred to be recovered from future operations. Now the Company is electing to expense those costs in the period incurred until there is persuasive evidence that the exploration costs are economical and will contribute

to the Companies planned operations. In previous financial statements those capitalized costs contributed to the carrying value of the AURYN stock in valuing a non-cash exchange. Now that stock valuation is assigned a value equal to Medinah's debt for the shares (See note 3). Prior financial statements have not been restated to reflect this change in accounting principal.

#### **Note 9 – Prior Period Adjustments**

As disclosed in Note 7 above, the Company was involved in litigation with a previous Company executive who violated a subsequent fiduciary responsibility. The Company is unable to access prior financial records and is unable to account for the existence or proper disposition of Company assets held under that individual's care. Additionally, the carrying value of investments held by the Company were not reflected at their market value in previous financial presentations.

The value of these assets has been reduced, along with a purported debt obligation to that individual. The Company cannot determine the timing of when these issues arose but is confident most of the financial impact was in a prior period. These matters and disputes have been reflected to the best of management's ability, as a prior period adjustment in the current financial statements. The previous financial statements have not been restated.