



AVRUPA MINERALS LTD.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
MARTCH 31, 2018 AND 2017

(Unaudited)

AVRUPA MINERALS LTD.

Contents

	<u>Page</u>
Notice of No Auditor Review of Interim Financial Statements	3
Condensed Consolidated Interim Statements of Financial Position	4
Condensed Consolidated Interim Statements of Comprehensive Loss	5
Condensed Consolidated Interim Statements of Changes in Equity	6
Condensed Consolidated Interim Statements of Cash Flows	7
Notes to the Condensed Consolidated Interim Financial Statements	8 – 23

**NOTICE OF NO AUDITOR REVIEW OF
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 an auditor has not reviewed the financial statements.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

AVRUPA MINERALS LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Presented in Canadian Dollars)

	Note	March 31, 2018	December 31, 2017
Assets			
Current assets			
Cash		\$ 597,360	\$ 182,794
Restricted cash	5	39,325	167,910
Prepaid expenses and advances		24,263	41,974
Due from optionees	5	36,960	28,557
VAT receivables		20,651	36,666
Other receivables		32,499	30,559
		<u>751,058</u>	<u>488,460</u>
Non-current assets			
Property deposits	6	187,231	177,613
Exploration and evaluation assets	5	1,407,915	1,407,915
Equipment	4	53,612	56,117
		<u>1,648,758</u>	<u>1,641,645</u>
Total assets		\$ 2,399,816	\$ 2,130,105
Liabilities			
Current liabilities			
Funds held for optionees	5	\$ 39,325	\$ 167,910
Accounts payable and accrued liabilities		191,366	138,845
Accounts payable owed by optionees		78,589	88,687
Due to related parties	8	78,712	59,523
Current portion of long-term loan	9	6,839	6,393
		<u>394,831</u>	<u>461,358</u>
Non-current liabilities			
Long-term loan	9	23,613	24,058
		<u>23,613</u>	<u>24,058</u>
Equity			
Share capital	7	9,148,614	8,786,896
Reserves	7	6,446,173	6,119,842
Deficit		(13,613,415)	(13,262,049)
		<u>1,981,372</u>	<u>1,644,689</u>
Total equity and liabilities		\$ 2,399,816	\$ 2,130,105

These condensed consolidated interim financial statements are authorized for issue by the Board of Directors on May 25, 2018. They are signed on the Company's behalf by:

/s/Paul W. Kuhn
Director

/s/Mark T. Brown
Director

AVRUPA MINERALS LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
FOR THE THREE MONTHS ENDED MARCH 31
(Unaudited, Presented in Canadian Dollars)

	Note	Three months ended March 31	
		2018	2017
Mineral exploration expenses			
Mineral exploration expenses	5	\$ 279,382	\$ 289,493
Reimbursements from optionees	5	(214,391)	(6,730)
		<u>(64,991)</u>	<u>(282,763)</u>
General administrative expenses			
Bank charges		839	540
Consulting		44,889	32,238
Depreciation		-	1,448
Investor relations		28,951	44,673
Listing and filing fees		6,979	7,480
Office and administrative fees		2,125	20,051
Professional fees		48,601	51,778
Rent		2,250	2,250
Share-based payment		141,124	-
Transfer agent fees		1,845	1,080
Travel		8,520	21,729
		<u>(286,123)</u>	<u>(183,267)</u>
Other items			
Foreign exchange (loss)		(446)	(1,384)
Interest income		194	361
Other income		-	77
		<u>(252)</u>	<u>(946)</u>
Net loss for the period		(351,366)	(466,976)
Exchange difference arising on the translation of foreign subsidiaries		13,070	14,265
Comprehensive loss for the period		\$ (338,296)	\$ (452,711)
Basic and diluted loss per share	10	\$ (0.00)	\$ (0.01)

AVRUPA MINERALS LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Presented in Canadian Dollars)

	Share capital		Reserves						Total equity
	Number of shares	Amount	Warrants	Finder's options	Equity-settled employee benefits	Exchange	Subtotal	Deficit	
Balance as at December 31, 2016 (Audited)	74,248,797	\$ 7,994,373	\$ 4,282,938	\$ 277,893	\$ 1,037,415	\$ (6,898)	\$ 5,591,348	\$ (11,355,752)	\$ 2,229,969
Comprehensive loss	-	-	-	-	-	14,265	14,265	(466,976)	(452,711)
Balance as at March 31, 2017 (Unaudited)	74,248,797	7,994,373	4,282,938	277,893	1,037,415	7,367	5,605,613	-11,822,728	1,777,258
Share issues:									
Shares issued for private placements	12,670,000	850,846	391,154	-	-	-	391,154	-	1,242,000
Share issue costs	-	(58,323)	-	-	-	-	-	-	(58,323)
Share-based payment	-	-	-	-	110,564	-	110,564	-	110,564
Comprehensive loss	-	-	-	-	-	12,511	12,511	(1,439,321)	(1,426,810)
Balance as at December 31, 2017 (Audited)	86,918,797	8,786,896	4,674,092	277,893	1,147,979	19,878	6,119,842	(13,262,049)	1,644,689
Share issues:									
Shares issued for private placements	6,875,000	377,863	172,137	-	-	-	172,137	-	550,000
Share issue costs	-	(16,145)	-	-	-	-	-	-	(16,145)
Share-based payment	-	-	-	-	141,124	-	141,124	-	141,124
Comprehensive loss	-	-	-	-	-	13,070	13,070	(351,366)	(338,296)
Balance as at March 31, 2018 (Unaudited)	93,793,797	\$ 9,148,614	\$ 4,846,229	\$ 277,893	\$ 1,289,103	\$ 32,948	\$ 6,446,173	\$ (13,613,415)	\$ 1,981,372

AVRUPA MINERALS LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31
(Unaudited, Presented in Canadian Dollars)

	Three months ended March 31	
Note	2018	2017
Cash flows from operating activities		
Net loss for the period	\$ (351,366)	\$ (466,976)
Items not involving cash:		
Depreciation	-	1,448
Mineral exploration expenses	5,607	5,419
Share-based payment	141,124	-
Changes in non-cash working capital items:		
VAT receivables	16,015	9,033
Due from optionee	(8,403)	1
Prepaid expenses and advances	17,711	(1,346)
Other receivables	(1,940)	(12,562)
Accounts payable and accrued liabilities	79,255	61,241
Accounts payable owed by optionees	(10,098)	(119,811)
Due from/to related parties	(23,645)	(9,477)
Funds held for optionees	(128,585)	271
Exchange difference arising on the translation of foreign subsidiaries	11,798	14,141
Net cash (used in) operating activities	<u>(252,527)</u>	<u>(518,618)</u>
Cash flows from investing activities		
Net proceeds from investments - available for sale	-	84,862
Property deposits	(9,618)	50,383
Purchase of equipment	(1,829)	(5,492)
Net cash provided by (used in) investing activities	<u>(11,447)</u>	<u>129,753</u>
Cash flows from financing activities		
Proceeds from issuance of common shares	550,000	-
Share issue costs	(45)	-
Net cash provided by financing activities	<u>549,955</u>	<u>-</u>
Change in cash for the period	285,981	(388,865)
Cash, beginning of the period	<u>350,704</u>	<u>522,371</u>
Cash, end of the period	\$ 636,685	\$ 133,506
Cash comprised of:		
Cash	\$ 597,360	\$ 129,060
Restricted Cash	39,325	4,446
	<u>\$ 636,685</u>	<u>\$ 133,506</u>
Supplementary information:		
Interest received	\$ 194	\$ 361

Supplemental disclosure with respect to cash flows (Note 12)

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Avrupa Minerals Ltd. (the "Company") was incorporated on January 23, 2008 under the Business Corporations Act of British Columbia and its registered office is Suite 2610 – 1066 West Hastings Street, Vancouver, BC, Canada, V6E 3X1. The Company changed its name on July 7, 2010 and began trading under the symbol "AVU" on the TSX Venture Exchange (the "Exchange") on July 14, 2010. On September 20, 2012, the Company listed in Europe on the Frankfurt Stock Exchange under the trading symbol "8AM". The Company is primarily engaged in the acquisition and exploration of mineral properties in Europe.

These consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations and realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. There are material uncertainties that cast significant doubt about the appropriateness of the going concern assumption.

If the Company is to advance or develop its mineral properties further, it will be necessary to obtain additional financing and while it has been successful in the past, there can be no assurance that it will be able to do so in the future. Failure to raise sufficient funds would result in the Company's inability to make future required property payments, which would result in the loss of those property options.

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

2. BASIS OF PREPARATION

a) Statement of compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

b) Basis of preparation

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for marketable securities classified as available-for-sale, which are stated at fair value through other comprehensive income (loss). In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The preparation of these condensed consolidated interim financial statements in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. These condensed consolidated interim financial statements do not include all of the information required for full annual financial statements.

These condensed consolidated interim financial statements, including comparatives, have been prepared on the basis of IFRS standards that are published at the time of preparation.

AVRUPA MINERALS LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2018 AND 2017
(Unaudited, Presented in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES

These unaudited condensed consolidated interim financial statements have been prepared in accordance with IFRS as issued by the IASB on a basis consistent with those followed in the Company's most recent annual financial statements for the year ended December 31, 2017.

These unaudited condensed consolidated interim financial statements do not include all note disclosures required by IFRS for annual financial statements, and therefore should be read in conjunction with the annual financial statements for the year ended December 31, 2017. In the opinion of management, all adjustments considered necessary for fair presentation of the Company's financial position, results of operations and cash flows have been included. Operating results for the three month period ended March 31, 2018 are not necessarily indicative of the results that may be expected for the current fiscal year ending December 31, 2018.

4. EQUIPMENT

	Furniture and other equipment				Vehicles	Other assets	Total
Cost							
As at January 1, 2017	\$	120,250	\$	172,564	\$	21,147	\$ 313,961
Additions during the year		3,591		40,490		-	44,081
Disposal during the year		(11,706)		(116,314)		-	(128,020)
Exchange adjustment		7,494		10,754		1,318	19,566
As at December 31, 2017		119,629		107,494		22,465	249,588
Additions during the period		181		-		-	181
Exchange adjustment		6,477		5,820		1,216	13,513
As at March 31, 2018	\$	126,287	\$	113,314	\$	23,681	\$ 263,282
Accumulated depreciation							
As at January 1, 2017	\$	90,040	\$	157,971	\$	17,813	\$ 265,824
Depreciation for the year		13,608		9,352		1,149	24,109
Depreciation for the year related to disposals		(11,706)		(101,985)		-	(113,691)
Exchange adjustment		5,985		10,102		1,142	17,229
As at December 31, 2017		97,927		75,440		20,104	193,471
Depreciation for the period		3,125		2,177		305	5,607
Exchange adjustment		5,367		4,130		1,095	10,592
As at March 31, 2018	\$	106,419	\$	81,747	\$	21,504	\$ 209,670
Net book value							
As at January 1, 2017	\$	30,210	\$	14,593	\$	3,334	\$ 48,137
As at December 31, 2017	\$	21,702	\$	32,054	\$	2,361	\$ 56,117
As at March 31, 2018	\$	19,868	\$	31,567	\$	2,177	\$ 53,612

AVRUPA MINERALS LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2018 AND 2017
(Unaudited, Presented in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES

	Portugal				Kosovo		Germany	Others	Total
	Alvito	Alvalade	Covas	Others	Slivovo	Others			
Exploration and evaluation assets									
Acquisition costs									
As of January 1, 2018	\$ -	\$ 167,920	\$ -	\$ 1,096,840	\$ 143,155	\$ -	\$ -	\$ -	\$ 1,407,915
Addition during the period	-	-	-	-	-	-	-	-	-
As of March 31, 2018	\$ -	\$ 167,920	\$ -	\$ 1,096,840	\$ 143,155	\$ -	\$ -	\$ -	\$ 1,407,915
Mineral exploration expenses for the period ended March 31, 2018									
Concession fees and taxes	\$ 4,891	\$ 85	\$ -	\$ 170	\$ -	\$ 93	\$ -	\$ -	\$ 5,239
Depreciation	-	1,869	-	3,738	-	-	-	-	5,607
Geological salaries and consulting	73,154	28,364	1,903	55,882	-	17,675	-	-	176,978
Geology work	-	-	-	-	-	-	-	3,776	3,776
Insurance	1,259	525	-	1,051	-	-	-	-	2,835
Legal and accounting	-	-	-	1	-	55	-	-	56
Office and administrative fees	1,727	4,160	6,559	6,206	-	4,613	-	1,057	24,322
Rent	13,636	14,032	2,378	15,390	-	3,587	-	138	49,161
Site costs	4,558	869	-	1,216	-	-	-	-	6,643
Travel	3,225	719	-	820	-	1	-	-	4,765
Reimbursements from optionee	(102,450)	(37,244)	-	(74,697)	-	-	-	-	(214,391)
	\$ -	\$ 13,379	\$ 10,840	\$ 9,777	\$ -	\$ 26,024	\$ -	\$ 4,971	\$ 64,991
Cumulative mineral exploration expenses since acquisition									
Assaying	\$ -	\$ -	\$ -	\$ -	\$ 297,975	\$ 65,936	\$ 10,846	\$ -	\$ 374,757
Concession fees and taxes	106,944	265,351	197,339	347,668	9,998	201,882	4	-	1,129,186
Depreciation	5,515	1,869	-	79,331	-	-	-	-	86,715
Drilling	-	-	-	-	1,180,217	-	-	-	1,180,217
Geological salaries and consulting	1,179,379	6,233,169	2,091,623	2,531,888	119,801	625,266	12,359	-	12,793,485
Geology work	-	-	-	32,377	891,582	402,515	223,619	129,090	1,679,183
Insurance	5,580	19,132	10,550	31,466	14,604	14,790	-	-	96,122
Legal and accounting	158	296	130	699	58,158	13,555	-	-	72,996
Office and administrative fees	33,647	204,333	31,880	190,905	80,149	103,305	5,255	59,935	709,409
Rent	126,725	444,311	51,446	307,566	28,694	70,826	-	20,560	1,050,128
Report	-	-	-	-	24,232	-	-	-	24,232
Site costs	49,076	161,996	57,655	98,787	185,074	193,600	-	8,865	755,053
Travel	60,323	226,439	56,738	108,416	60,107	21,374	-	14,771	548,168
Trenching and road work	-	-	-	-	34,339	-	-	-	34,339
Reimbursements from optionee	(1,172,315)	(7,407,033)	(2,420,199)	(318,178)	(2,834,986)	(45,158)	-	-	(14,197,869)
	\$ 395,032	\$ 149,863	\$ 77,162	\$ 3,410,925	\$ 149,944	\$ 1,667,891	\$ 252,083	\$ 233,221	\$ 6,336,121

AVRUPA MINERALS LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2018 AND 2017
(Unaudited, Presented in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES

	Portugal				Kosovo		Germany	Others	Total
	Alvalade	Covas	Alvito	Others	Slivovo	Others			
Exploration and evaluation assets									
Acquisition costs									
As of January 1, 2017	\$ 167,920	\$ 71,289	\$ -	\$ 1,096,840	\$ 143,155	\$ -	\$ -	\$ -	\$ 1,479,204
Write-down of property during the year	-	(71,289)	-	-	-	-	-	-	(71,289)
As of December 31, 2017	\$ 167,920	\$ -	\$ -	\$ 1,096,840	\$ 143,155	\$ -	\$ -	\$ -	\$ 1,407,915
Mineral exploration expenses for the year ended December 31, 2017									
Assaying	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,110	\$ -	\$ -	\$ 34,110
Concession fees and taxes	44,290	-	18,574	11,839	-	3,088	-	-	77,791
Depreciation	-	-	-	21,520	-	-	-	-	21,520
Geological salaries and consulting	98,544	98,520	527,082	278,198	-	73,176	-	-	1,075,520
Geology work	-	-	-	-	-	-	29,621	42,664	72,285
Insurance	347	-	814	5,090	-	-	-	-	6,251
Legal and accounting	-	-	16	155	-	13,500	-	-	13,671
Office and administrative fees	6,333	1,170	6,397	25,524	-	82,182	-	16,717	138,323
Rent	68,617	8,790	56,798	61,410	-	18,906	-	5,764	220,285
Site costs	2,474	552	19,811	8,848	-	3,625	-	1,392	36,702
Travel	2,067	450	25,606	5,692	-	6,976	-	5,564	46,355
Reimbursements from optionee	(5,259)	(109,482)	(655,098)	(10,356)	-	-	-	-	(780,195)
	\$ 217,413	\$ -	\$ -	\$ 407,920	\$ -	\$ 235,563	\$ 29,621	\$ 72,101	\$ 962,618
Cumulative mineral exploration expenses since acquisition									
Assaying	\$ -	\$ -	\$ -	\$ -	\$ 297,975	\$ 65,936	\$ 10,846	\$ -	\$ 374,757
Concession fees and taxes	265,266	197,339	102,053	347,498	9,998	201,789	4	-	1,123,947
Depreciation	-	-	5,515	75,593	-	-	-	-	81,108
Drilling	-	-	-	-	1,180,217	-	-	-	1,180,217
Geological salaries and consulting	6,204,805	2,089,720	1,106,225	2,476,006	119,801	607,591	12,359	-	12,616,507
Geology work	-	-	-	32,377	891,582	402,515	223,619	125,314	1,675,407
Insurance	18,607	10,550	4,321	30,415	14,604	14,790	-	-	93,287
Legal and accounting	296	130	158	698	58,158	13,500	-	-	72,940
Office and administrative fees	200,173	25,321	31,920	184,699	80,149	98,692	5,255	58,878	685,087
Rent	430,279	49,068	113,089	292,176	28,694	67,239	-	20,422	1,000,967
Report	-	-	-	-	24,232	-	-	-	24,232
Site costs	161,127	57,655	44,518	97,571	185,074	193,600	-	8,865	748,410
Travel	225,720	56,738	57,098	107,596	60,107	21,373	-	14,771	543,403
Trenching and road work	-	-	-	-	34,339	-	-	-	34,339
Reimbursements from optionee	(7,369,789)	(2,420,199)	(1,069,865)	(243,481)	(2,834,986)	(45,158)	-	-	(13,983,478)
	\$ 136,484	\$ 66,322	\$ 395,032	\$ 3,401,148	\$ 149,944	\$ 1,641,867	\$ 252,083	\$ 228,250	\$ 6,271,130

5. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES

(Continued)

Portugal

The Company, through its 100% holding in MAEPA Empreendimentos Mineiros e Participacoes Lda (“MAEPA”), holds five exploration licenses in Portugal, spread from the north to the south in the country. The licenses have been issued to MAEPA by the government of Portugal, and relate to the following named properties:

- Alvito
- Alvalade
- Marateca
- Mertola
- Covas

Licenses have varying required work commitments and carry a 3% Net Smelter Return (“NSR”) payable to the government of Portugal.

Alvito:

Callinan Royalties Corporation (“Callinan”) (now Altius Minerals Corporation) has a 1.5% NSR royalty on the Alvito property.

On April 5, 2017, the Company signed an earn-in option agreement with Australia-based OZ Exploration Pty. Ltd. (“OZE”), a wholly-owned subsidiary of OZ Minerals Limited (“OZM”), to explore on the Alvito iron oxide, copper-gold (“IOCG”) project located in southern Portugal. The agreement allows for OZE to earn up to a total 75% interest in the project by spending AUS \$4,000,000 over approximately 2½ years under the following terms:

- For OZE to earn a 51% interest in year 1: Fund AUS\$1,000,000 in exploration expenditures (amended to OZE must spend a minimum of AUS\$1,000,000 on or before July 5, 2018);
- For OZE to earn a further 24% interest (total of 75% interest) by September 30, 2019: Fund a further AUS\$3,000,000 in exploration expenditures; and
- The Company will be the operator during the first earn-in stage with active technical support and oversight from OZE’s experienced IOCG team.

Since inception of the agreement and to March 31, 2018, OZE had forwarded a total of \$796,874 (€530,000) for the Alvito property. The Company held \$39,325 (€24,784) on behalf of OZE to be spent on the Alvito property, which is recorded as restricted cash.

Subsequently, OZE forwarded \$739,005 (€475,000) for the Alvito property.

Alvalade:

In June 2017, the Company recovered 100% ownership of the Alvalade project by forgiving certain debts, assuming a deposit on the project and making future payments to its initial partner Antofagasta Minerals S.A. upon meeting certain milestones.

On December 7, 2017, the Company signed an exclusivity agreement with a subsidiary of an international mining company (the “Funding Partner”), allowing the Funding Partner a right to negotiate the acquisition of an interest in the Alvalade property, the Marateca property and the Mertola property for non-refundable payments of €25,000 in respect of each property for a total of €75,000. Should a transaction be reached on these properties, these exclusivity payments shall be applied as a credit in favour of the Funding Partner.

5. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES

(Continued)

On March 5, 2018, the Company signed a non-binding Letter of Intent (“LOI”) with the Funding Partner to option out three exploration projects located in the Pyrite Belt of south Portugal. The Funding Partner will provide a first stage earn-in amount of €13 million (approximately \$20.3 million) for exploration programs over the next three years to acquire a 51% interest in the projects. The partners are currently finalizing a definitive agreement for each of the licenses.

Alvalade: *(Continued)*

The LOI includes the following earn-in terms:

- **Alvalade**
 - For 51% of the license, spend €10 million over the next 3 years (including 30,000 meters of drilling); and
 - For an additional 24%, for a total of 75%, produce a feasibility study on any one particular project within the license area by the end of the pre-exploitation license period, or by the end of 2023, whichever is earliest.
- **Marateca**
 - For 51% of the license, spend €2 million over the next 2 years, including 10,000 meters of drilling;
 - For an additional 9%, for a total of 60%, spend €4 million over the following 2 years, including a minimum of 10,000 meters of drilling; and
 - For a further 10%, for a total of 70%, produce a pre-feasibility study on any one particular project within the license area by the end of 2023.
- **Mertola**
 - For 51% of the license, spend €1 million by the end of the exploration license period in 2019, including at least 2,000 meters of drilling;
 - For an additional 9%, for a total of 60%, spend €2 million within two years of the start of the pre-exploitation license, including a minimum of 6,000 meters of drilling; and
 - For a further 10%, for a total of 70%, produce a pre-feasibility study, within three years of the 60% earn-in, or by the end of the pre-exploitation license period, on any one particular project within the license area.

As of March 31, 2018, the Company incurred an additional amount of \$14,666 (€9,243) which will be reimbursed by the Funding Partner.

5. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES

(Continued)

Covas:

Blackheath Resources Inc. (“Blackheath”) has earned a 75% interest in the Covas property by spending a cumulative €1,320,000 and per the May 7, 2014 amended Joint Venture agreement, Blackheath can earn further interests, as noted below:

- To earn a further 5% of the JV (for an aggregate total of 80%), Blackheath must fund €498,000 on exploration by March 20, 2016. [Not completed.]
- To earn a further 5% of the JV (for an aggregate total of 85%), Blackheath must fund €833,000 on exploration by March 20, 2017. [Not completed.]

Since inception of the agreement and to December 31, 2017, Blackheath had forwarded a total of \$2,391,642 (€1,728,680) for the Covas property. The Company incurred an additional amount of \$22,294 (€14,051) as of March 31, 2018 which will be reimbursed by Blackheath.

In March 2018, Blackheath terminated the agreement and the Company wrote off \$71,289 as of December 31, 2017.

Others including Marateca and Mertola:

On December 7, 2017, the Company signed an exclusivity agreement with the Funding Partner and On March 5, 2018, the Company signed a LOI with the Funding Partner. See Note 5 under “Alvalade”.

Kosovo

The Company, through its 100% holding in Innomatik, holds one exploration license in Kosovo:

- Metovit

The Metovit license was issued in 2015 and carries certain work commitments and a 5% NSR payable to the government of Kosovo.

Slivovo license:

Byrnekut International Limited (“Byrnekut”) has earned an 85% interest in the Slivovo property after forwarding \$2,834,986 (€2,000,000) for the Slivovo property to the Company and completing a Preliminary Feasibility Study (“PFS”) by April 10, 2017. Byrnekut and the Company had set up a joint venture entity known as Peshter Mining J.S.C. (“Peshter Mining”) to reflect the 85:15 ownership and transferred the Slivovo license into Peshter Mining with Byrnekut being the operator. If a party’s interest in Peshter Mining has been diluted to 10% or less, the diluted party’s interest in Peshter Mining will be converted into a 2% Net Smelter Return.

As of March 31, 2018, Byrnekut spent over €3,429,500 in Peshter Mining, diluting the Company’s interest in Peshter Mining to 10.94%.

5. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES

(Continued)

Germany

The Company has earned an 85% interest in the Oelsnitz property under its agreement with Beak Consultants GmbH ("Beak") by spending €140,000. There is no royalty attached to the property. The Company is working with Beak to set up a joint-venture entity. As of December 31, 2017, the Company had spent \$252,083 (€192,576) on the Oelsnitz property.

	March 31, 2018	December 31, 2017
Restricted cash & Funds held for optionees		
Alvito - OZE	\$ 39,325	\$ 70,635
Alvalade, Marateca and Mertola - Funding Partner	-	97,275
	<u>\$ 39,325</u>	<u>\$ 167,910</u>
Due from optionees		
Covas - Blackheath	\$ 22,294	\$ 28,557
Alvalade, Marateca and Mertola - Funding Partner	14,666	-
	<u>\$ 36,960</u>	<u>\$ 28,557</u>

6. PROPERTY DEPOSITS

As of March 31, 2018, the Company had a total of \$187,231 (€118,000) (December 31, 2017: \$177,613 (€118,000)) of cash pledged for its exploration licenses in Portugal. The advances to the Portuguese regulatory authorities are refundable to the Company, subject to completion of the work obligations described in the exploration license applications.

7. CAPITAL AND RESERVES

(a) Authorized:

At March 31, 2018, the authorized share capital was comprised of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

(b) Share issuances:

- i. On April 20, 2017, the Company completed a non-brokered private placement by issuing 2,500,000 common shares at a price of \$0.09 per share for gross proceeds of \$225,000. In connection with the financing, a total of \$11,975 share issue costs was paid.
- ii. On July 12, 2017, the Company completed a non-brokered private placement by issuing 10,170,000 units ("Unit") at a price of \$0.10 per Unit for gross proceeds of \$1,017,000. Each Unit consists of one common share and one non-transferrable warrant. Each warrant entitles the holder to purchase one additional common share for a 3-year period at a price of \$0.15. The warrants were ascribed a value of \$391,154.

In connection with the financing, a total of \$46,348 share issue costs was paid.

AVRUPA MINERALS LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2018 AND 2017
(Unaudited, Presented in Canadian Dollars)

7. CAPITAL AND RESERVES (Continued)

(b) Share issuances: (Continued)

- iii. On March 26, 2018, the Company completed a non-brokered private placement by issuing 6,875,000 units ("Unit") at a price of \$0.08 per Unit for gross proceeds of \$550,000. Each Unit consists of one common share and one non-transferable warrant. Each warrant entitles the holder to purchase one additional common share for a 2-year period at a price of \$0.12. The warrants were ascribed a value of \$172,137.

In connection with the financing, a total of \$16,145 share issue costs was paid.

(c) Share Purchase Option Compensation Plan:

The Company has established a stock option plan whereby the Company may grant options to directors, officers, employees and consultants of up to 10% of the common shares outstanding at the time of grant. The exercise price, term and vesting period of each option are determined by the board of directors within regulatory guidelines.

Stock option transactions and the number of stock options for the three months ended March 31, 2018 are summarized as follows:

Expiry date	Exercise price	December 31, 2017	Granted	Exercised	Expired/cancelled	March 31, 2018
October 16, 2018	\$0.10	1,145,000	-	-	-	1,145,000
March 3, 2019	\$0.165	200,000	-	-	-	200,000
July 15, 2020	\$0.10	2,015,000	-	-	-	2,015,000
September 26, 2021	\$0.18	1,575,000	-	-	-	1,575,000
April 26, 2022	\$0.10	1,310,000	-	-	-	1,310,000
March 14, 2023	\$0.10	-	1,800,000	-	-	1,800,000
March 26, 2023	\$0.10	-	40,000	-	-	40,000
Options outstanding		6,245,000	1,840,000	-	-	8,085,000
Options exercisable		6,245,000	1,840,000	-	-	8,085,000
Weighted average exercise price		\$0.12	\$0.10	\$Nil	\$Nil	\$0.12

As of March 31, 2018, the weighted average contractual remaining life is 3.14 years (December 31, 2017 – 2.85 years).

Stock option transactions and the number of stock options for the year ended December 31, 2017 are summarized as follows:

Expiry date	Exercise price	December 31, 2016	Granted	Exercised	Expired/cancelled	December 31, 2017
January 27, 2017	\$0.30	100,000	-	-	(100,000)	-
April 10, 2017	\$0.30	720,000	-	-	(720,000)	-
July 15, 2017	\$0.10	300,000	-	-	(300,000)	-
October 16, 2018	\$0.10	1,145,000	-	-	-	1,145,000
March 3, 2019	\$0.165	200,000	-	-	-	200,000
July 15, 2020	\$0.10	2,015,000	-	-	-	2,015,000
September 26, 2021	\$0.18	1,575,000	-	-	-	1,575,000
April 26, 2022	\$0.10	-	1,310,000	-	-	1,310,000
Options outstanding		6,055,000	1,310,000	-	(1,120,000)	6,245,000
Options exercisable		6,055,000	1,310,000	-	(1,120,000)	6,245,000
Weighted average exercise price		\$0.15	\$0.10	\$Nil	\$0.25	\$0.12

AVRUPA MINERALS LTD.
 NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE THREE MONTHS ENDED MARCH 31, 2018 AND 2017
 (Unaudited, Presented in Canadian Dollars)

7. CAPITAL AND RESERVES (Continued)

(c) Share Purchase Option Compensation Plan: (Continued)

The weighted average assumptions used to estimate the fair value of options for the three months ended March 31, 2018 and 2017 were:

	2018	2017
Risk-free interest rate	1.25%	Nil
Expected life	5 years	Nil
Expected volatility	130.43%	Nil
Expected dividend yield	Nil	Nil

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable measure of the fair value of the Company's share purchase options.

(d) Finder's Options:

The continuity of finder's options for the three months ended March 31, 2018 is as follows:

Expiry date	Exercise price	December 31, 2017	Issued	Exercised	Expired	March 31, 2018
July 14, 2018	\$0.10	99,000	-	-	-	99,000
July 4, 2019 ⁽²⁾	\$0.10	411,250	-	-	-	411,250
Outstanding		510,250	-	-	-	510,250
Weighted average exercise price		\$0.10	\$Nil	\$Nil	\$Nil	\$0.10

As of March 31, 2018, the weighted average contractual remaining life is 1.07 years (December 31, 2017 – 1.32 years).

The continuity of finder's options for the year ended December 31, 2017 is as follows:

Expiry date	Exercise price	December 31, 2016	Issued	Exercised	Expired	December 31, 2017
August 22, 2017 ⁽¹⁾	\$0.25	152,600	-	-	(152,600)	-
July 14, 2018	\$0.10	99,000	-	-	-	99,000
July 4, 2019 ⁽²⁾	\$0.10	411,250	-	-	-	411,250
Outstanding		662,850	-	-	(152,600)	510,250
Weighted average exercise price		\$0.13	\$Nil	\$Nil	\$0.25	\$0.10

(1) The finder's options are exercisable into units, with each unit consisting of one common share and one warrant exercisable until August 22, 2017 at \$0.40. These finder's options expired unexercised.

(2) The finder's options are exercisable into units, with each unit consisting of one common share and one warrant exercisable until July 4, 2019 at \$0.15.

AVRUPA MINERALS LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2018 AND 2017
(Unaudited, Presented in Canadian Dollars)

7. CAPITAL AND RESERVES (Continued)

(d) Finder's Options: (Continued)

The weighted average assumptions used to estimate the fair value of finder's options for the three months ended March 31, 2018 and 2017 were:

	2018	2017
Risk-free interest rate	Nil	Nil
Expected life	Nil	Nil
Expected volatility	Nil	Nil
Expected dividend yield	Nil	Nil

(e) Warrants:

The continuity of warrants for the three months ended March 31, 2018 is as follows:

Expiry date	Exercise price	December 31, 2017	Issued	Exercised	Expired	March 31, 2018
July 14, 2018	\$0.15	10,920,000	-	-	-	10,920,000
July 4, 2019	\$0.15	13,547,000	-	-	-	13,547,000
July 12, 2020	\$0.15	10,170,000	-	-	-	10,170,000
March 26, 2020	\$0.12	-	6,875,000	-	-	6,875,000
Outstanding		34,637,000	6,875,000	-	-	41,512,000
Weighted average exercise price		\$0.15	\$0.12	\$Nil	\$Nil	\$0.15

As of March 31, 2018, the weighted average contractual life is 1.38 years (December 31, 2017 – 1.50 years).

The continuity of warrants for the year ended December 31, 2017 is as follows:

Expiry date	Exercise price	December 31, 2016	Issued	Exercised	Expired	December 31, 2017
March 28, 2017	\$0.40	4,000,000	-	-	(4,000,000)	-
August 22, 2017	\$0.40	4,400,000	-	-	(4,400,000)	-
October 4, 2017	\$0.25	7,990,000	-	-	(7,990,000)	-
July 14, 2018	\$0.15	10,920,000	-	-	-	10,920,000
July 4, 2019	\$0.15	13,547,000	-	-	-	13,547,000
July 12, 2020	\$0.15	-	10,170,000	-	-	10,170,000
Outstanding		40,857,000	10,170,000	-	(16,390,000)	34,637,000
Weighted average exercise price		\$0.22	\$0.15	\$Nil	\$0.33	\$0.15

The weighted average assumptions used to estimate the fair value of warrants for the three months ended March 31, 2018 and 2017 were:

	2018	2017
Risk-free interest rate	0.98%	Nil
Expected life	2 years	Nil
Expected volatility	99.84%	Nil
Expected dividend yield	Nil	Nil

AVRUPA MINERALS LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2018 AND 2017
(Unaudited, Presented in Canadian Dollars)

8. RELATED PARTY TRANSACTIONS AND BALANCES

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

For the three months ended March 31, 2018

	Short-term employee benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Other expenses	Share-based payments	Total
Paul W. Kuhn Chief Executive Officer, Director	\$64,520	\$Nil	\$Nil	\$Nil	\$14,128	\$11,505	\$90,153
Winnie Wong, Chief Financial Officer	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$9,588	\$9,588

For the three months ended March 31, 2017

	Short-term employee benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Other expenses	Share-based payments	Total
Paul W. Kuhn Chief Executive Officer, Director	\$58,483	\$Nil	\$Nil	\$Nil	\$12,822	\$Nil	\$71,305
Winnie Wong, Chief Financial Officer	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil

Related party liabilities

	Services	Three months ended		As at March 31, 2018	As at December 31, 2017
		March 31, 2018	March 31, 2017		
Amounts due to:					
Pacific Opportunity Capital Ltd. ^(a)	Rent, management and accounting services	\$ 51,270	\$ 58,200	\$ 23,444	\$ 21,134
Paul W. Kuhn	Consulting and housing allowance and share-based payment	\$ 90,153	\$ 71,305	\$ 20,334	\$ 16,776
Paul L. Nelles ^(b)	Salaries and share-based payment	\$ 12,736	\$ 4,598	\$ Nil	\$ Nil
Mineralia ^(c)	Consulting	\$ 54,203	\$ 47,543	\$ 34,934	\$ 17,496
B&B Renting and Consulting Lda. ^(d)	Rent	\$ -	\$ -	\$ -	\$ 4,117
Adriano Barros ^(c)	Share-based payment	\$ 5,369	\$ -	\$ Nil	\$ Nil
TOTAL:		\$ 213,731	\$ 181,646	\$ 78,712	\$ 59,523

(a) Pacific Opportunity Capital Ltd., a company controlled by a director of the Company.

(b) Paul L. Nelles is a director of Innomatik while Michael Diehl was the former exploration manager of Innomatik. In February 2015, Mr. Diehl ceased to be the exploration manager of Innomatik.

(c) Mineralia, a private company partially owned by Adriano Barros, the general manager of MAEPA.

(d) B&B Renting and Consulting Lda., a private company partially owned by Adriano Barros, the general manager of MAEPA.

AVRUPA MINERALS LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2018 AND 2017
(Unaudited, Presented in Canadian Dollars)

9. LONG-TERM LOAN

In March 2017, the Company entered into a long-term loan to purchase a used vehicle. The long-term loan is repayable in monthly payments totaling \$34,569 (€21,787) as of March 31, 2018, including interest calculated at 5.635%, and maturing on April 5, 2022.

	March 31, 2018		December 31, 2017	
Long-term loan	\$ 30,452	€ 19,192	\$ 30,451	€ 20,230
Less: current portion of long-term loan	6,839	4,310	6,393	4,248
	<u>\$ 23,613</u>	<u>€ 14,882</u>	<u>\$ 24,058</u>	<u>€ 15,982</u>
Payment schedule of long-term loan				
Year 1	\$ 8,509	€ 5,363	\$ 8,072	€ 5,363
Year 2	8,509	5,363	8,072	5,363
Year 3	8,509	5,363	8,072	5,363
Year 4	8,509	5,363	8,072	5,363
Year 5	533	335	2,524	1,675
	<u>\$ 34,569</u>	<u>€ 21,787</u>	<u>\$ 34,812</u>	<u>€ 23,127</u>
Less: imputed interest	3,884	2,448	4,126	2,741
Other fees	233	147	235	156
	<u>\$ 30,452</u>	<u>€ 19,192</u>	<u>\$ 30,451</u>	<u>€ 20,230</u>

10. LOSS PER SHARE

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the three months ended March 31, 2018 was based on the loss attributable to common shareholders of \$351,366 (2017 – \$466,976) and a weighted average number of common shares outstanding of 87,300,741 (2017 – 74,248,797).

Diluted loss per share did not include the effect of 8,085,000 share purchase options, 510,250 finder's options and 41,512,000 warrants outstanding at three months end (2017 – 5,955,000 share purchase options, 662,850 finder's options and 36,857,000 warrants) as they are anti-dilutive.

11. FINANCIAL INSTRUMENTS

The fair values of the Company's cash, restricted cash, other receivables, due from optionee, property deposits, funds held for optionees, accounts payables and accrued liabilities, accounts payable owed by optionees, due to related parties and loans and other borrowings approximate their carrying values because of the short-term nature of these instruments.

The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk, interest risk, commodity price risk and currency risk.

(a) Credit risk

The Company's cash is held in financial institutions in Canada, Portugal, Kosovo and Barbados. Amounts are receivable from optionees.

11. FINANCIAL INSTRUMENTS *(Continued)*

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure.

As at March 31, 2018, the Company had cash of \$597,360 (December 31, 2017 - \$182,794), VAT receivables of \$20,651 (December 31, 2017 - \$36,666), and other receivables of \$32,499 (December 31, 2017 - \$30,559) to settle current liabilities, net of funds held for optionees and accounts payable owed by optionees, of \$276,917 (December 31, 2017 - \$204,761).

Accounts payable and accrued liabilities are due within the current operating period.

(c) Interest rate risk

Interest rate risk is not material as the Company does not have any significant financial assets or liabilities subject to fluctuation in interest rates.

(d) Equity market price risk

The Company is exposed to price risk with respect to equity market prices. Price risk as it relates to the Company is defined as the potential adverse impact on the Company's ability to finance due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

(e) Currency risk

The Company's property interests in Portugal and Kosovo make it subject to foreign currency fluctuations and inflationary pressures which may adversely affect the Company's financial position, results of operations and cash flows. The Company is affected by changes in exchange rates between the Canadian Dollar and foreign functional currencies. The Company does not invest in foreign currency contracts to mitigate the risks. The Company has net monetary liabilities of \$70,600 dominated in US dollars and Euros. A 1% change in the absolute rate of exchange in US dollars and Euros would affect its net loss by \$2,800.

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

11. FINANCIAL INSTRUMENTS *(Continued)*

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy as at March 31, 2018 and December 31, 2017.

As at March 31, 2018	Level 1	Level 2	Level 3	Total
Assets:				
Cash	\$ 597,360	\$ -	\$ -	\$ 597,360
Restricted cash	39,325	-	-	39,325
	\$ 636,685	\$ -	\$ -	\$ 636,685

As at December 31, 2017	Level 1	Level 2	Level 3	Total
Assets:				
Cash	\$ 182,794	\$ -	\$ -	\$ 182,794
Restricted cash	167,910	-	-	167,910
	\$ 350,704	\$ -	\$ -	\$ 350,704

12. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

The non-cash transactions during the three months ended March 31, 2018 and 2017 were as follows:

- \$5,607 (2017 - \$5,419) in mineral exploration expenses was related to depreciation;
- \$1,648 (2017 - \$Nil) in equipment was purchased and financed with a long term loan. See Note 9.

13. MANAGEMENT OF CAPITAL RISK

The Company manages its cash, common shares, warrants, finder's options and share purchase options as capital (see Note 7). The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets or adjust the amount of cash and cash equivalents held.

In order to maximize ongoing operating efforts, the Company does not pay out dividends. The Company's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with maturities of 90 days or less from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations.

The Company expects its current capital resources will be sufficient to carry out its exploration and operations in the near term.

AVRUPA MINERALS LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2018 AND 2017
(Unaudited, Presented in Canadian Dollars)

14. SEGMENTED FINANCIAL INFORMATION

The Company operates in one industry segment, being the acquisition and exploration of mineral properties. Geographic information is as follows:

	March 31, 2018		December 31, 2017
Non-current assets			
Portugal	\$ 1,505,603	\$	1,498,490
Kosovo	143,155		143,155
	<u>\$ 1,648,758</u>	<u>\$</u>	<u>1,641,645</u>

	Three months ended	
	March 31, 2018	March 31, 2017
Mineral exploration expenses		
Portugal	\$ 248,387	\$ 207,823
Kosovo	26,024	55,675
Others	4,971	25,995
	<u>\$ 279,382</u>	<u>\$ 289,493</u>