
**CONDENSED INTERIM FINANCIAL STATEMENTS OF
E2GOLD INC.
FOR THE THREE AND NINE MONTHS ENDED
APRIL 30, 2022
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)**

NOTICE TO READER

The accompanying unaudited condensed interim financial statements of E2Gold Inc. (the "Company") have been prepared by, and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Company's auditor.

E2Gold Inc.

Condensed Interim Statements of Financial Position (Expressed in Canadian Dollars) (Unaudited)

	As at April 30, 2022	As at July 31, 2021
ASSETS		
Current assets		
Cash	\$ 769,334	\$ 5,854,701
Short-term investments	60,000	40,000
HST receivable	124,558	124,582
Prepaid expenses	200,180	185,494
Total current assets	1,154,072	6,204,777
Non-current assets		
Property and equipment (note 3)	57,713	50,926
Total non-current assets	57,713	50,926
Total assets	\$ 1,211,785	\$ 6,255,703
LIABILITIES AND EQUITY		
Current liabilities		
Amounts payable and accrued liabilities	\$ 306,698	\$ 753,389
Flow-through share liability (note 4)	79,169	536,936
Total liabilities	385,867	1,290,325
Equity		
Share capital (note 5)	5,577,581	4,441,922
Warrants (note 6)	3,873,011	3,693,475
Stock options (note 7)	917,264	32,022
Accumulated deficit	(9,541,938)	(3,202,041)
Total equity	825,918	4,965,378
Total liabilities and equity	\$ 1,211,785	\$ 6,255,703

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

Nature of operations and going concern (note 1)
Commitments (note 11)
Subsequent events (note 13)

E2Gold Inc.

Condensed Interim Statements of Loss and Comprehensive Loss (Expressed in Canadian Dollars) (Unaudited)

	Three months ended April 30,		Nine months ended April 30,	
	2022	2021	2022	2021
Operating expenses				
Depreciation (note 3)	\$ 3,088	\$ 3,338	\$ 9,266	\$ 3,338
Exploration and evaluation expenditures (notes 9 and 10(d))	855,443	842,064	4,162,403	1,698,080
General and administrative expenses	36,622	17,437	150,045	42,225
Investor relations	222,056	79,085	713,431	93,748
Management, director fees and salaries (note 10(a))	204,275	139,281	712,529	265,750
Professional fees (note 10(d))	41,313	53,332	148,176	107,135
Shareholders' information	20,928	13,556	82,131	42,144
Share-based payments (notes 7 and 10(a))	25,303	5,624	885,242	26,759
Operating loss before interest income and premium on flow-through shares	(1,409,028)	(1,153,717)	(6,863,223)	(2,279,179)
Interest income	490	1,165	3,644	1,165
Premium on flow-through shares (note 4)	119,512	194,125	513,594	271,838
Loss and comprehensive loss for the period	\$ (1,289,026)	\$ (958,427)	\$ (6,345,985)	\$ (2,006,176)
Basic and diluted loss per share (note 8)	\$ (0.01)	\$ (0.02)	\$ (0.06)	\$ (0.05)
Weighted average number of common shares outstanding - basic and diluted	102,541,693	46,967,486	97,776,586	36,626,496

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

E2Gold Inc.

Condensed Interim Statements of Cash Flows (Expressed in Canadian Dollars) (Unaudited)

	Three months ended April 30,		Nine months ended April 30,	
	2022	2021	2022	2021
Operating activities:				
Net loss for the period	\$ (1,289,026)	\$ (958,427)	\$ (6,345,985)	\$ (2,006,176)
Adjustments for:				
Depreciation (notes 3 and 9)	5,527	3,338	16,583	3,338
Share-based payments (note 7)	25,303	5,624	885,242	26,759
Shares issued for acquisition of mineral property (note 9)	-	100,000	200,000	100,000
Shares issued for services provided (note 5)	-	-	5,000	18,520
Premium on flow-through shares (note 4)	(119,512)	(194,125)	(513,594)	(271,838)
Changes in non-cash working capital items:				
HST receivable	290,966	(41,395)	24	(145,514)
Prepaid expenses	(96,314)	14,784	(14,686)	(87,966)
Amounts payable and accrued liabilities	(177,558)	(103,134)	(446,691)	207,124
Net cash used in operating activities	(1,360,614)	(1,173,335)	(6,214,107)	(2,155,753)
Investing activities:				
Purchase of property and equipment (note 3)	-	(50,216)	(23,370)	(52,095)
Purchase of short-term investment	-	-	(20,000)	-
Net cash used in investing activities	-	(50,216)	(43,370)	(52,095)
Financing activities:				
Proceeds from private placements (note 5)	1,221,310	-	1,221,310	4,020,942
Share issue costs	(61,200)	-	(61,200)	(784,851)
Exercise of stock options (note 5)	-	-	12,000	-
Net cash provided by financing activities	1,160,110	-	1,172,110	3,236,091
Net change in cash	(200,504)	(1,223,551)	(5,085,367)	1,028,243
Cash, beginning of period	969,838	2,379,738	5,854,701	127,944
Cash, end of period	\$ 769,334	\$ 1,156,187	\$ 769,334	\$ 1,156,187

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

E2Gold Inc.

Condensed Interim Statements of Changes in Shareholders' Equity (Expressed in Canadian Dollars) (Unaudited)

	Share capital	Warrants	Stock options	Accumulated deficit	Total equity
Balance, July 31, 2020	\$ 439,890	\$ -	\$ -	\$ (359,004)	\$ 80,886
Private placements (note 5)	636,000	-	-	-	636,000
Initial Public Offering (note 5)	3,384,942	-	-	-	3,384,942
Shares issued for services provided (note 5)	18,520	-	-	-	18,520
Shares issued as repayment of loan (note 5)	46,650	-	-	-	46,650
Shares issued for acquisition of mineral property (note 9)	100,000	-	-	-	100,000
Flow-through share premium	(353,356)	-	-	-	(353,356)
Warrants (note 5)	(1,313,917)	1,313,917	-	-	-
Broker warrants (note 5)	(183,000)	183,000	-	-	-
Share issue costs	(784,851)	-	-	-	(784,851)
Share-based payments (note 7)	-	-	26,759	-	26,759
Loss and comprehensive loss	-	-	-	(2,006,176)	(2,006,176)
Balance, April 30, 2021	\$ 1,990,878	\$ 1,496,917	\$ 26,759	\$ (2,365,180)	\$ 1,149,374
Balance, July 31, 2021	\$ 4,441,922	\$ 3,693,475	\$ 32,022	\$ (3,202,041)	\$ 4,965,378
Private placements (note 5)	1,221,310	-	-	-	1,221,310
Shares issued for services provided (note 5)	5,000	-	-	-	5,000
Shares issued for acquisition of mineral property (note 9)	200,000	-	-	-	200,000
Flow-through share premium (note 4)	(55,827)	-	-	-	(55,827)
Warrants (note 5)	(180,488)	180,488	-	-	-
Compensation options (note 5)	(9,665)	9,665	-	-	-
Warrants exercised (note 5)	16,529	(4,529)	-	-	12,000
Warrants cancelled	-	(6,088)	-	6,088	-
Share issue costs	(61,200)	-	-	-	(61,200)
Share-based payments (note 7)	-	-	885,242	-	885,242
Loss and comprehensive loss	-	-	-	(6,345,985)	(6,345,985)
Balance, April 30, 2022	\$ 5,577,581	\$ 3,873,011	\$ 917,264	\$ (9,541,938)	\$ 825,918

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

E2Gold Inc.

Notes to Condensed Interim Financial Statements For the Three and Nine Months Ended April 30, 2022 (Expressed in Canadian Dollars) (Unaudited)

1. Nature of Operations and Going Concern

E2Gold Inc. (the "Company") was incorporated under the Business Corporations Act (Ontario) by articles of incorporation dated October 25, 2018 under the name "5003754 Ontario Ltd." On February 11, 2020, the Company filed articles of amendment to change the name of the Company to "E2Gold Inc." On October 14, 2020, the Company filed articles of amendment to remove the private company restrictions contained in its articles. The principal office of the Company is located at 8 King Street East, Suite 1700, Toronto, Ontario M5C 1B5. The financial year end of the Company is July 31.

On December 30, 2020, the Company completed its Initial Public Offering ("IPO") and its common shares commenced trading on the TSX Venture Exchange ("TSXV") at the opening of business on January 4, 2021. The common shares of the Company trades under the symbol "ETU". On February 23, 2022, the Company's common shares commenced trading in the United States on the OTCQB Market, under the symbol "ETUGF".

The Board of Directors of the Company approved these unaudited condensed interim financial statements on June 27, 2022.

The principal business of the Company is the acquisition, exploration and evaluation of mineral properties, and developing these properties further or disposing of them when evaluation is complete.

The Company had no commercial operations and incurred a net loss and comprehensive loss of \$6,345,985 for the nine months ended April 30, 2022, and as of April 30, 2022, the Company's accumulated deficit was \$9,541,938. These circumstances indicate that material uncertainties exist that may cast significant doubt about the Company's ability to continue as a going concern and, accordingly, the ultimate use of accounting principles applicable to a going concern. The Company's ability to continue as a going concern is dependent upon raising additional capital to meet its present and future commitments, the continued support of certain shareholders and trade creditors, and on achieving profitable commercial operations. If additional financing is arranged through the issuance of shares, control of the Company may change and shareholders may suffer significant dilution.

These unaudited condensed interim financial statements been prepared on a going concern basis which assumes that the Company will continue in operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. Realization values may be substantially different from carrying values as shown and the financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

E2Gold Inc.

Notes to Condensed Interim Financial Statements For the Three and Nine Months Ended April 30, 2022 (Expressed in Canadian Dollars) (Unaudited)

2. Significant Accounting Policies

Statement of Compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations issued by the IFRS Interpretations Committee. These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB.

The policies applied in these unaudited condensed interim financial statements are based on IFRSs issued and outstanding as of June 27, 2022, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended July 31, 2021. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending July 31, 2022 could result in restatement of these unaudited condensed interim financial statements.

New Standards Not Yet Adopted And Interpretations Issued But Not Yet Effective

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2022. Many are not applicable or do not have a significant impact to the Company and have been excluded. The Company is currently assessing the impact of these standards on the unaudited condensed interim financial statements.

IAS 16 - Property, Plant and Equipment was amended. The amendments introduce new guidance, such that the proceeds from selling items before the related property, plant and equipment is available for its intended use can no longer be deducted from the cost. Instead, such proceeds are to be recognized in profit or loss, together with the costs of producing those items. The amendments are effective for annual periods beginning on January 1, 2022.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or non-current is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2023.

IFRS 3 – Business Combinations ("IFRS 3") was amended. The amendments introduce new exceptions to the recognition and measurement principles in IFRS 3 to ensure that the update in references to the revised conceptual framework does not change which assets and liabilities qualify for recognition in a business combination. An acquirer should apply the definition of a liability in IAS 37 – rather than the definition in the Conceptual Framework – to determine whether a present obligation exists at the acquisition date as a result of past events. For a levy in the scope of IFRIC 21, the acquirer should apply the criteria in IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. In addition, the amendments clarify that the acquirer should not recognize a contingent asset at the acquisition date. The amendments are effective for annual periods beginning on January 1, 2022.

E2Gold Inc.

Notes to Condensed Interim Financial Statements For the Three and Nine Months Ended April 30, 2022 (Expressed in Canadian Dollars) (Unaudited)

3. Property and Equipment

Cost	Computer equipment	Exploration equipment	Total
Balance, July 31, 2021	\$ 29,526	\$ 29,266	\$ 58,792
Addition	23,370	-	23,370
Balance, April 30, 2022	\$ 52,896	\$ 29,266	\$ 82,162

Accumulated depreciation	Computer equipment	Exploration equipment	Total
Balance, July 31, 2021	\$ 2,988	\$ 4,878	\$ 7,866
Depreciation during the period	9,266	7,317	16,583
Balance, April 30, 2022	\$ 12,254	\$ 12,195	\$ 24,449

Carrying value	Computer equipment	Exploration equipment	Total
Balance, July 31, 2021	\$ 26,538	\$ 24,388	\$ 50,926
Balance, April 30, 2022	\$ 40,642	\$ 17,071	\$ 57,713

4. Flow-Through Share Liability

Flow-through share liability includes the liability portion of the flow-through shares issued. The following is a continuity schedule of the liability of the flow-through shares issuance:

Balance, July 31, 2021	\$ 536,936
Liability incurred on flow-through shares issued (ii)	55,827
Settlement of flow-through share liability on incurred expenditures (i)	(513,594)
Balance, April 30, 2022	\$ 79,169

(i) The flow-through common shares issued in the brokered private placement completed on July 16, 2021 were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be \$573,340 and will be derecognized through income as the eligible expenditures are incurred. For the period from July 16, 2021 to July 31, 2021, the Company incurred eligible expenditures of \$371,632 satisfying \$36,404 of such premium. For the nine months ended April 30, 2022, the Company incurred eligible expenditures of \$3,459,558 satisfying \$513,594 of such premium.

(ii) The flow-through common shares issued in the brokered private placement completed on March 16, 2022 were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be \$55,827 and will be derecognized through income as the eligible expenditures are incurred. For the period from March 16, 2022 to April 30, 2022, the Company incurred eligible expenditures of \$nil satisfying \$nil of such premium as the eligible expenditures were applied to the July 2021 premium in (i).

E2Gold Inc.

Notes to Condensed Interim Financial Statements For the Three and Nine Months Ended April 30, 2022 (Expressed in Canadian Dollars) (Unaudited)

5. Share Capital

a) Authorized share capital

The authorized share capital consists of an unlimited number of common shares and class "A" shares. The common shares and class "A" shares do not have a par value. All issued shares are fully paid. There is no class "A" shares outstanding.

b) Common shares issued

Changes in the share capital of the Company for the nine months ended April 30, 2022 and 2021 are as follows:

	Number of common shares	Amount
Balance, July 31, 2020	19,730,000	\$ 439,890
Private placement (i)	7,740,000	387,000
Flow-through private placement (ii)	1,659,998	249,000
Initial Public Offering (v)	16,382,600	3,384,942
Warrants (v)	-	(1,313,917)
Broker warrants (v)	-	(183,000)
Flow-through share premium	-	(353,356)
Shares issued for services provided (iii)	370,400	18,520
Shares issued as repayment of the loan payable (iv)	666,428	46,650
Shares issued for mineral properties (note 9)	543,478	100,000
Share issue costs	-	(784,851)
Balance, April 30, 2021	47,092,904	\$ 1,990,878
Balance, July 31, 2021	95,367,615	\$ 4,441,922
Private placements (viii)(ix)	6,042,700	604,270
Flow-through private placement (viii)	5,609,454	617,040
Warrants (viii)(ix)	-	(180,488)
Compensation options (viii)(ix)	-	(9,665)
Flow-through share premium (note 4)	-	(55,827)
Warrants exercised (vi)	50,000	16,529
Shares issued for services provided (vii)	29,070	5,000
Shares issued for mineral property (note 9)	1,459,854	200,000
Share issue costs	-	(61,200)
Balance, April 30, 2022	108,558,693	\$ 5,577,581

(i) In August 2020, the Company issued 7,740,000 common shares at a price of \$0.05 per common share for total gross proceeds of \$387,000.

(ii) On October 13, 2020, the Company closed a flow-through private placement of \$249,000 and issued 1,659,998 flow-through common shares at a price of \$0.15 per flow-through common share.

(iii) In August 2020, the Company issued 370,400 common shares valued at \$18,520 for services provided.

(iv) On September 8, 2020, the Company issued 666,428 common shares valued at \$46,650 as repayment of the loan payable as disclosed in note 10(b).

E2Gold Inc.

Notes to Condensed Interim Financial Statements For the Three and Nine Months Ended April 30, 2022 (Expressed in Canadian Dollars) (Unaudited)

5. Share Capital (Continued)

b) Common shares issued (continued)

(v) On December 30, 2020, the Company completed an IPO of 10,961,500 units at a price of \$0.20 per unit and 5,421,100 flow-through units at a price of \$0.22 per flow-through unit resulting in aggregate gross proceeds of \$3,384,942 all pursuant to the final prospectus of the Company dated December 21, 2020.

Each unit consisted of one common share of the Company and one share purchase warrant, with each warrant entitling the holder thereof to acquire one additional common share of the Company at an exercise price of \$0.24 until December 30, 2023. The fair value of these warrants was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.20; expected dividend yield of 0%; risk-free interest rate of 0.25%; volatility of 180% and an expected life of 3 years. The fair value assigned to these warrants was \$993,000.

Each flow-through unit consisted of one flow-through common share of the Company and one-half of one share purchase warrant, with each full warrant entitling the holder thereof to acquire one additional common share of the Company at an exercise price of \$0.28 until December 30, 2022. The fair value of these warrants was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.20; expected dividend yield of 0%; risk-free interest rate of 0.20%; volatility of 180% and an expected life of 2 years. The fair value assigned to these warrants was \$320,917.

In connection with the IPO, the agents received an aggregate of 1,146,782 compensation options, each such compensation option entitling the holder to acquire one common share of the Company at an exercise price of \$0.20 per share until December 30, 2022. The fair value of the compensation options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.20; expected dividend yield of 0%; risk-free interest rate of 0.20%; volatility of 180% and an expected life of 2 years. The fair value assigned to these warrants was \$183,000.

(vi) On November 8, 2021, 50,000 warrants with an exercise price of \$0.24 and expiry date of December 30, 2023 were exercised for gross proceeds of \$12,000.

(vii) On December 3, 2021, the Company issued 29,070 common shares with a deemed aggregate value of \$5,000 to a consultant in consideration for services rendered.

(viii) On March 16, 2022, the Company closed the first tranche of its private placement pursuant to which it issued an aggregate of 5,615,000 units at a price of \$0.10 per unit and 5,609,454 flow-through units at a price of \$0.11 per flow-through unit resulting in aggregate gross proceeds of \$1,178,540. Insiders of the Company purchased an aggregate of 2,000,000 units in connection with the offering.

Each unit included one-half share purchase warrant, with each full warrant entitling the holder thereof to acquire one additional common share of the Company at an exercise price of \$0.20 for a period of 24 months from the date of issuance. The fair value of these warrants was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.08; expected dividend yield of 0%; risk-free interest rate of 1.89%; volatility of 108% and an expected life of 2 years. The fair value assigned to these warrants was \$87,257.

Each flow-through unit included one-half share purchase warrant, with each full warrant entitling the holder thereof to acquire one additional common share of the Company at an exercise price of \$0.20 for a period of 24 months from the date of issuance. The fair value of these warrants was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.08; expected dividend yield of 0%; risk-free interest rate of 1.89%; volatility of 108% and an expected life of 2 years. The fair value assigned to these warrants was \$87,214.

E2Gold Inc.

Notes to Condensed Interim Financial Statements For the Three and Nine Months Ended April 30, 2022 (Expressed in Canadian Dollars) (Unaudited)

5. Share Capital (Continued)

b) Common shares issued (continued)

(viii) (continued) In connection with the first tranche, the agents received an aggregate of 277,200 compensation options, each such compensation option entitling the holder to acquire one common share of the Company at an exercise price of \$0.20 per share for a period of 24 months from the date of issuance. The fair value of the compensation options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.09; expected dividend yield of 0%; risk-free interest rate of 1.89%; volatility of 108% and an expected life of 2 years. The fair value assigned to these warrants was \$9,537.

All securities issued and issuable in connection with the first tranche closing of its private placement are subject to a statutory hold period expiring on July 17, 2022.

(ix) On April 12, 2022, the Company closed the second and final tranche of its private placement pursuant to which it issued an aggregate of 427,700 units at a price of \$0.10 per unit resulting in aggregate gross proceeds of \$42,770.

Each unit consisted of one common share of the Company and one-half share purchase warrant, with each warrant entitling the holder thereof to acquire one additional common share of the Company at an exercise price of \$0.20 for a period of 24 months from the date of issuance. The fair value of these warrants was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.10; expected dividend yield of 0%; risk-free interest rate of 2.34%; volatility of 99% and an expected life of 2 years. The fair value assigned to these warrants was \$6,017.

In connection with the second and final tranche, the agents received an aggregate of 7,662 compensation options, each such compensation option entitling the holder to acquire one common share of the Company at an exercise price of \$0.20 per share for a period of 24 months from the date of issuance. The fair value of the compensation options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.07; expected dividend yield of 0%; risk-free interest rate of 2.34%; volatility of 99% and an expected life of 2 years. The fair value assigned to these warrants was \$128.

6. Warrants

	Number of warrants	Grant date fair value
Balance, July 31, 2020	-	\$ -
Issued (note 5(b)(v))	14,818,832	1,496,917
Balance, April 30, 2021	14,818,832	\$ 1,496,917
Balance, July 31, 2021	61,490,534	\$ 3,693,475
Exercised (note 5(b)(vi))	(50,000)	(4,529)
Issued (note 5(b)(viii)(ix))	6,110,939	190,153
Cancelled	(80,000)	(6,088)
Balance, April 30, 2022	67,471,473	\$ 3,873,011

E2Gold Inc.

Notes to Condensed Interim Financial Statements
For the Three and Nine Months Ended April 30, 2022
(Expressed in Canadian Dollars)
(Unaudited)

6. Warrants (Continued)

The following table reflects the warrants and agent compensation options issued and outstanding as of April 30, 2022:

Expiry date	Exercise price (\$)	Warrants outstanding	Valuation (\$)
December 30, 2022	0.28	2,710,550	320,917
December 30, 2022 *	0.20	1,146,782	183,000
December 30, 2023	0.24	10,911,500	988,471
July 16, 2023	0.15	39,037,035	1,811,868
July 16, 2023 *	0.10	2,314,667	176,146
July 23, 2023	0.15	5,000,000	184,192
July 23, 2023 *	0.10	240,000	18,264
March 16, 2024	0.20	5,612,227	174,471
March 16, 2024 *	0.20	277,200	9,537
April 12, 2024	0.20	213,850	6,017
April 12, 2024 *	0.20	7,662	128
	0.17	67,471,473	3,873,011

* Agent compensation options.

7. Stock Options

	Number of stock options	Weighted average exercise price
Balance, July 31, 2020	- \$	-
Stock options granted (i)	1,000,000	0.05
Balance, April 30, 2021	1,000,000 \$	0.05
Balance, July 31, 2021	1,000,000 \$	0.05
Stock options granted (ii)(iii)(iv)(v)	8,320,000	0.14
Balance, April 30, 2022	9,320,000 \$	0.13

(i) On August 15, 2020, the Company granted 1,000,000 stock options to a consultant at an exercise price of \$0.05 expiring on August 15, 2025. Vesting provisions of the stock options are as follows: 10% the date of grant and 15% on each of the 6, 12, 18, 24, 30 and 36 months after date of grant. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.05; expected dividend yield of 0%; risk-free interest rate of 0.42%; volatility of 180% and an expected life of 5 years. The fair value assigned to these options was \$48,000. For the three and nine months ended April 30, 2022, the impact on the unaudited condensed interim statement of loss and comprehensive loss was \$2,343 and \$9,535, respectively (three and nine months ended April 30, 2021 - \$5,624 and \$26,759, respectively).

(ii) On August 17, 2021, the Company granted 6,850,000 stock options to directors, officers and consultants of the Company. The stock options are exercisable for a period of 3 years at a price of \$0.13 and vested immediately. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.13; expected dividend yield of 0%; risk-free interest rate of 0.55%; volatility of 157% and an expected life of 3 years. The fair value assigned to these options was \$739,800. For the three and nine months ended April 30, 2022, the impact on the unaudited condensed interim statement of loss and comprehensive loss was \$nil and \$739,800, respectively.

E2Gold Inc.

Notes to Condensed Interim Financial Statements For the Three and Nine Months Ended April 30, 2022 (Expressed in Canadian Dollars) (Unaudited)

7. Stock Options (Continued)

(iii) On November 17, 2021, the Company granted 250,000 stock options to a consultant at an exercise price of \$0.155 expiring on November 17, 2024 and vested immediately. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.155; expected dividend yield of 0%; risk-free interest rate of 1.13%; volatility of 131% and an expected life of 3 years. The fair value assigned to these options was \$29,000. For the three and nine months ended April 30, 2022, the impact on the unaudited condensed interim statement of loss and comprehensive loss was \$nil and \$29,000, respectively.

(iv) On December 6, 2021, the Company granted 1,000,000 stock options to a consultant at an exercise price of \$0.17 expiring on December 6, 2026. Vesting provisions of the stock options are as follows: 50% the date of grant and 50% on June 12, 2022. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.11; expected dividend yield of 0%; risk-free interest rate of 1.41%; volatility of 147% and an expected life of 5 years. The fair value assigned to these options was \$97,000. For the three and nine months ended April 30, 2022, the impact on the unaudited condensed interim statement of loss and comprehensive loss was \$22,960 and \$85,907, respectively.

(v) On January 20, 2022, the Company granted 220,000 stock options to employees at an exercise price of \$0.135 expiring on January 20, 2025 and vested immediately. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.13; expected dividend yield of 0%; risk-free interest rate of 1.46%; volatility of 128% and an expected life of 3 years. The fair value assigned to these options was \$21,000. For the three and nine months ended April 30, 2022, the impact on the unaudited condensed interim statement of loss and comprehensive loss was \$nil and \$21,000, respectively.

The following table reflects the stock options issued and outstanding as of April 30, 2022:

Expiry date	Exercise price (\$)	Options outstanding	Weighted average remaining contractual life (years)	Options exercisable	Fair Value (\$)
August 17, 2024	0.130	6,850,000	2.30	6,850,000	739,800
November 17, 2024	0.155	250,000	2.55	250,000	29,000
January 20, 2025	0.135	220,000	2.73	220,000	21,000
August 15, 2025	0.050	1,000,000	3.30	550,000	48,000
December 6, 2026	0.170	1,000,000	4.61	500,000	97,000
		9,320,000	2.67	8,370,000	934,800

8. Loss Per Share

The calculation of basic and diluted loss per share for the three and nine months ended April 30, 2022 was based on the loss attributable to common shareholders of \$1,289,026 and \$6,345,985, respectively (three and nine months ended April 30, 2021 - \$958,427 and \$2,006,176, respectively) and the weighted average number of common shares outstanding of 102,541,693 and 97,776,586, respectively (three and nine months ended April 30, 2021 - 46,967,486 and 36,626,496, respectively). Diluted loss per share did not include the effect of stock options and warrants as they are anti-dilutive.

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Notes to Condensed Interim Financial Statements
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9. Exploration and Evaluation Expenditures

	Three months ended April 30,		Nine months ended April 30,	
	2022	2021	2022	2021
Hawkins Gold Property (i)				
Community relations	\$ 17,248	\$ 3,727	\$ 21,170	\$ 15,387
Depreciation	2,439	-	7,317	-
Drilling	631,398	749,326	2,528,175	790,569
Geology	193,851	16,876	731,187	422,638
Geophysics	3,550	59,811	282,188	203,712
Mineral property / claims	-	12,324	88,225	12,324
Option payments	-	-	400,000	200,000
Resources estimate	-	-	-	50,550
	\$ 848,486	\$ 842,064	\$ 4,058,262	\$ 1,695,180
Band-Ore Property (ii)				
Geology	\$ 3,700	\$ -	\$ 44,071	\$ -
Mineral property / claims	-	-	1,213	-
Option payment	3,257	-	53,257	-
	\$ 6,957	\$ -	\$ 98,541	\$ -
Other				
General exploration	\$ -	\$ -	\$ 5,600	\$ 2,900
Exploration and evaluation expenditures	\$ 855,443	\$ 842,064	\$ 4,162,403	\$ 1,698,080

(i) On January 28, 2020, the Company entered into a definitive option agreement with Pavey Ark Mineral Inc., whereby the Company may earn 100% interest in the Hawkins Gold Property located in the Province of Ontario.

Consideration payable is summarized as follows:

	Cash payments	Common shares	Exploration expenditures
On signing of the agreement	\$ 20,000 ⁽¹⁾	\$ -	\$ -
On or before July 28, 2020	50,000 ⁽¹⁾	100,000 ⁽²⁾	-
On or before January 28, 2021	100,000 ⁽¹⁾	100,000 ⁽³⁾	500,000 ⁽⁶⁾
On or before January 28, 2022	200,000 ⁽¹⁾	200,000 ⁽⁴⁾	500,000 ⁽⁶⁾
On or before January 28, 2023	200,000	200,000 ⁽⁵⁾	500,000
On or before January 28, 2024	200,000	200,000 ⁽⁵⁾	500,000
On or before January 28, 2025	230,000	200,000 ⁽⁵⁾	500,000
	\$ 1,000,000	\$ 1,000,000	\$ 2,500,000

(1) Cash payment made.

(2) 2,000,000 common shares valued at \$100,000 were issued on July 27, 2020.

(3) 543,478 common shares valued at \$100,000 were issued on February 19, 2021 following TSXV approval.

(4) 1,459,854 common shares valued at \$200,000 were issued on January 28, 2022.

(5) The number of common shares to be issued in relation to the dollars amount will be based on the 20-day volume weighted average price of the common shares prior to the day of issuance.

(6) The Company met the minimum exploration expenditures.

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9. Exploration and Evaluation Expenditures (Continued)

(ii) On October 14, 2021, the Company announced that it entered into an agreement with Golden Share Resources Corporation ("Golden Share") who granted an option to the Company to earn a 100% interest in the Band-Ore property. The Band-Ore property is located west of Thunder Bay, Ontario. In order to acquire its interest in the property, the Company is required to make aggregate cash payments to Golden Share in the amount of \$2,000,000 as follows:

	Cash payments
On signing of the agreement	\$ 50,000 ⁽¹⁾
1 year anniversary	100,000
2 year anniversary	100,000
3 year anniversary	100,000
4 year anniversary	150,000
5 year anniversary	200,000
6 year anniversary	300,000
7 year anniversary	500,000
8 year anniversary	500,000
	\$ 2,000,000

(1) Cash payment made.

In addition, the Company agreed to reimburse the costs incurred by the optionor in connection with the preparation of a National Instrument 43-101 compliant technical report on the property, to a maximum amount of \$35,000 (actual amount of \$29,500 and paid in November 2021), and reimburse tax payments to be incurred by the optionor with respect to the 16 patented mining claims and the one leased mining claim. The optionor will retain a 2% net smelter return royalty, one-half of which may be purchased by the Company by making a cash payment to the optionor in the amount of (i) \$3,000,000 at any time up to the fifth anniversary of the date on which the Company earns its interest in the property (the "Acquisition Date"); (ii) \$5,000,000 at any time from the fifth anniversary of the Acquisition Date up to the 10th anniversary of the Acquisition Date; or (iii) \$10,000,000 at any time on or following the 10th anniversary of the Acquisition Date.

10. Related Party Balances and Transactions

a) Remuneration of directors and officers

	Three months ended April 30,		Nine months ended April 30,	
	2022	2021	2022	2021
Management fees	\$ 147,906	\$ 139,281	\$ 504,281	\$ 265,750
Director fees	12,000	-	74,000	-
Consulting fees	21,000	-	68,000	-
Share-based payments	-	5,624	599,400	26,759
	\$ 180,906	\$ 144,905	\$ 1,245,681	\$ 292,509

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Notes to Condensed Interim Financial Statements For the Three and Nine Months Ended April 30, 2022 (Expressed in Canadian Dollars) (Unaudited)

10. Related Party Balances and Transactions (Continued)

a) Remuneration of directors and officers (continued)

During the three and nine months ended April 30, 2022, the Company paid the following management fees:

- \$33,906 and \$114,781, respectively (three and nine months ended April 30, 2021 - \$25,281 and \$51,750, respectively) to Bractea Enterprises Ltd. ("Bractea"), a corporation owned by Erik H. Martin, for services of Mr. Martin as Chief Financial Officer (the "CFO") of the Company.
- \$30,000 and \$102,500, respectively (three and nine months ended April 30, 2021 - \$30,000 and \$40,000, respectively) to Invera Consulting, a business owned by Ellie Owens, for services of Ms. Owens as Vice-President (now President since February 22, 2022) of the Company, as well as \$nil (three and nine months ended April 30, 2021 - \$nil and \$32,000, respectively) to Ellie Owens.
- \$48,000 and \$169,000, respectively (three and nine months ended April 30, 2021 - \$48,000 and \$64,000, respectively) to Sheer Strategic Inc., a corporation owned by Eric Owens, for services of Mr. Owens as President and Chief Executive Officer (now CEO since February 22, 2022) of the Company, as well as \$nil (three and nine months ended April 30, 2021 - \$nil and \$30,000, respectively) to Eric Owens.
- \$36,000 and \$118,000, respectively (three and nine months ended April 30, 2021 - \$36,000 and \$48,000, respectively) to Renaud Geological Consulting Ltd. ("RGC"), a corporation owned by Natalie Pietrzak-Renaud, for services of Mrs. Pietrzak-Renaud as Vice-President Exploration of the Company.

As at April 30, 2022, Bractea was owed \$nil (July 31, 2021 - \$5,684), Invera Consulting was owed \$11,300 (July 31, 2021 - \$11,300), Sheer Strategic Inc. was owed \$36,966 (July 31, 2021 - \$18,080) and RGC was owed \$14,608 (July 31, 2021 - \$22,941) and all these amounts were included in amounts payable and accrued liabilities at such date.

As at April 30, 2022, directors were owed \$27,221 (July 31, 2021 - \$nil) and this amount was included in amounts payable and accrued liabilities at such date.

(b) Loan payable

On December 18, 2019, the Company signed a shareholder loan agreement with Laurel Duquette, an insider and the former President and a former director of the Company, pursuant to which a non-interest bearing loan in the aggregate principal amount of \$46,650 was advanced from Laurel Duquette to the Company. On September 8, 2020, the \$46,650 was fully repaid via the issuance of 666,428 common shares. Refer to note 5.

(c) Private placement

On March 16, 2022, Crescat Precious Metals Master Fund Ltd., and Crescat Global Macro Master Fund (collectively, "Crescat") subscribed for an aggregate of 2,000,000 units for gross proceeds of \$200,000. Crescat is an insider of the Company. As of March 16, 2022 immediately prior to the closing of the offering, Crescat held an aggregate of 10,300,00 common shares representing approximately 10.6% of the issued and outstanding common shares and 10,000,000 million warrants. Following the closing of the offering, Crescat held an aggregate of 12,300,000 common shares representing approximately 11.3% of the issued and outstanding common shares.

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10. Related Party Balances and Transactions (Continued)

(d) Services rendered

During the three and nine months ended April 30, 2022, the Company paid fees the following:

- \$8,658 and \$63,570, respectively (three and nine months ended April 30, 2021 - \$91,368 and \$95,716, respectively) to RGC, a corporation owned by Natalie Pietrzak-Renaud, the Vice-President Exploration of the Company, for fees and expense reimbursements which were included in exploration and evaluation expenditures.
- \$nil and \$5,000, respectively (three and nine months ended April 30, 2021 - \$nil) for consulting fees to Sheer Strategic Inc., a corporation owned by Eric Owens, which were included in professional fees.
- \$nil (three and nine months ended April 30, 2021 - \$nil and \$6,960, respectively) for consulting fees to Laurel Duquette.
- \$21,000 and \$63,000 in consulting fees (three and nine months ended April 30, 2021 - \$nil and \$42,000 recorded as issue costs, respectively) paid to 5044563 Ontario Ltd., a corporation controlled by Bereket Berhe, a director of the Company.

11. Commitments

Flow-Through Obligation

Pursuant to the terms of flow-through share agreements, the Company is in the process of complying with its flow-through contractual obligations to subscribers with respect to the Income Tax Act (Canada) requirements for flow-through shares. As of April 30, 2022, the Company is committed to incurring approximately \$163,000 in Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) by December 31, 2022 and \$617,000 by December 31, 2023 arising from the flow-through offerings.

Management and Other Contracts

The Company entered into consulting agreements for the services of its officers. For the CFO, the agreement was effective October 1, 2020 and for the President and Chief Executive Officer, the Vice-President and the Vice-President Exploration, the agreements were effective January 1, 2021. Under the agreements, additional payments totaling \$798,000 are to be made upon the occurrence of a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in these unaudited condensed interim financial statements. Also, on July 15, 2020, the Company entered into a service agreement with a party who subsequently became a member of the Board of Directors on October 5, 2020. The aggregate commitment upon termination of the agreements is \$129,000. The minimum commitment due within one year under the terms of the agreements is \$600,000, in aggregate.

COVID-19

The Company's operations could be significantly adversely affected by the effects of the global spread of the contagious coronavirus causing the outbreak of COVID-19 respiratory disease, which was declared a pandemic by the World Health Organization in March 2020. The Company has followed the instructions and advice of Federal and Provincial health authorities, as well as industry-wide best practice guidelines, and has been limiting travel and field activities whenever required to help control the spread of COVID-19 and protect local communities. Since March 2020, the impacts the COVID-19 pandemic on its operations were minimal and continues to be. The Company cannot predict other pandemic uncertainties, including the duration of the pandemic, the ultimate severity of the disease, if additional travel and quarantine restrictions will be imposed by governmental authorities, and if it will impact the schedules and timelines for planned operations or exploration programs. In addition, this widespread health crisis and related business lockdowns have adversely affected the economies and financial markets of many countries at

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Notes to Condensed Interim Financial Statements For the Three and Nine Months Ended April 30, 2022 (Expressed in Canadian Dollars) (Unaudited)

different levels that could eventually affect the Company's operations and ability to finance its planned operations.

12. Segmented Information

The Company's operations comprise a single reporting operating segment engaged in mineral exploration in Canada. As the operations comprise a single reporting segment, amounts disclosed in the unaudited condensed interim financial statements also represent segment amounts. In order to determine reportable operating segments, the chief operating decision maker reviews various factors including geographical location, quantitative thresholds and managerial structure.

13. Subsequent Events

(i) On May 4, 2022, the Company granted 100,000 stock options to an employee at an exercise price of \$0.065 expiring on May 4, 2025 and vested immediately.

(ii) On May 31, 2022, the Company announced a private placement whereby, the Company will issue Units at a price of C\$0.06 per Unit, special "flow-through" units at a price of C\$0.085 per Special FT Unit and "flow-through" units at a price of C\$0.07 per FT Unit in any combination to raise aggregate gross proceeds of up to C\$3,000,000. As part of the private placement, Kinross Gold Corporation ("Kinross") has expressed its intention to support the Company's exploration activities by acquiring such number of units of the Company's in connection with a proposed private placement by the Company which will result in Kinross holding approximately 9.9% of the issued and outstanding common shares of the Company immediately following the closing of the offering.