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**CONDENSED INTERIM FINANCIAL STATEMENTS OF  
E2GOLD INC.  
FOR THE THREE AND SIX MONTHS ENDED  
JANUARY 31, 2021  
(EXPRESSED IN CANADIAN DOLLARS)  
(UNAUDITED)**

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**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.

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**E2Gold Inc.****Condensed Interim Statements of Financial Position  
(Expressed in Canadian Dollars)  
(Unaudited)**

	As at January 31, 2021	As at July 31, 2020
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 2,379,738	\$ 127,944
HST receivable	118,834	14,715
Prepaid expenses	145,030	42,280
<b>Total current assets</b>	<b>2,643,602</b>	<b>184,939</b>
<b>Non-current assets</b>		
Property and equipment (note 3)	1,879	-
<b>Total non-current assets</b>	<b>1,879</b>	<b>-</b>
<b>Total assets</b>	<b>\$ 2,645,481</b>	<b>\$ 184,939</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Amounts payable and accrued liabilities	\$ 367,661	\$ 57,403
Loan payable (note 4)	-	46,650
Flow-through share liability (note 5)	275,643	-
<b>Total liabilities</b>	<b>643,304</b>	<b>104,053</b>
<b>Equity</b>		
Share capital (note 6)	1,890,878	439,890
Warrants (note 7)	1,496,917	-
Stock options (note 8)	21,135	-
Accumulated deficit	(1,406,753)	(359,004)
<b>Total equity</b>	<b>2,002,177</b>	<b>80,886</b>
<b>Total liabilities and equity</b>	<b>\$ 2,645,481</b>	<b>\$ 184,939</b>

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 12)

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**E2Gold Inc.****Condensed Interim Statements of Loss and Comprehensive Loss  
(Expressed in Canadian Dollars)  
(Unaudited)**

	Three months ended January 31,		Six months ended January 31,	
	2021	2020	2021	2020
<b>Operating expenses</b>				
Exploration and evaluation expenditures (note 9)	\$ 482,491	\$ 10,219	\$ 856,016	\$ 10,219
General and administrative expenses	13,306	1,610	24,788	1,610
Investor relations	14,663	-	14,663	-
Management fees (note 10(i))	101,469	-	126,469	-
Professional fees	22,331	1,000	53,803	1,000
Shareholders' information	21,858	-	28,588	-
Share-based payments (note 8)	16,511	-	21,135	-
<b>Operating loss before premium on flow-through shares</b>	<b>(672,629)</b>	<b>(12,829)</b>	<b>(1,125,462)</b>	<b>(12,829)</b>
Premium on flow-through shares (note 5)	77,713	-	77,713	-
<b>Loss and comprehensive loss for the period</b>	<b>\$ (594,916)</b>	<b>\$ (12,829)</b>	<b>\$ (1,047,749)</b>	<b>\$ (12,829)</b>
<b>Basic and diluted loss per share</b>	<b>\$ (0.02)</b>	<b>\$ (0.01)</b>	<b>\$ (0.02)</b>	<b>\$ (0.01)</b>
<b>Weighted average number of common shares outstanding - basic and diluted</b>	<b>35,927,740</b>	<b>1,250,000</b>	<b>43,957,115</b>	<b>1,250,000</b>

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 January 31,		Six months ended January 31,	
	2021	2020	2021	2020
<b>Operating activities:</b>				
Net loss for the period	\$ (594,916)	\$ (12,829)	\$ (1,047,749)	\$ (12,829)
Adjustments for:				
Share-based payments (note 8)	16,511	-	21,135	-
Shares issued for services provided (note 6(b)(iv))	-	-	18,520	-
Premium on flow-through shares (note 5)	(77,713)	-	(77,713)	-
Changes in non-cash working capital items:				
HST receivable	(47,412)	(13,882)	(104,119)	(13,882)
Prepaid expenses	(142,530)	-	(102,750)	-
Amounts payable and accrued liabilities	218,610	1,819	310,258	1,819
<b>Net cash used in operating activities</b>	<b>(627,450)</b>	<b>(24,892)</b>	<b>(982,418)</b>	<b>(24,892)</b>
<b>Investing activities:</b>				
Purchase of property and equipment (note 3)	(1,879)	-	(1,879)	-
<b>Net cash used in investing activities</b>	<b>(1,879)</b>	<b>-</b>	<b>(1,879)</b>	<b>-</b>
<b>Financing activities:</b>				
Proceeds from private placements (note 6(b)(i)(ii)(iii)(vi))	3,384,942	500	4,020,942	500
Share issue costs	(732,031)	-	(784,851)	-
Loan payable (note 4)	-	36,650	-	36,650
<b>Net cash provided by financing activities</b>	<b>2,652,911</b>	<b>37,150</b>	<b>3,236,091</b>	<b>37,150</b>
<b>Net change in cash</b>	<b>2,023,582</b>	<b>12,258</b>	<b>2,251,794</b>	<b>12,258</b>
<b>Cash, beginning of period</b>	<b>356,156</b>	<b>100</b>	<b>127,944</b>	<b>100</b>
<b>Cash, end of period</b>	<b>\$ 2,379,738</b>	<b>\$ 12,358</b>	<b>\$ 2,379,738</b>	<b>\$ 12,358</b>

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

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**E2Gold Inc.****Condensed Interim Statements of Changes in Shareholders' Equity****(Expressed in Canadian Dollars)****(Unaudited)**

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	Share capital	Warrants	Stock options	Accumulated deficit	Total equity
<b>Balance, July 31, 2019</b>	\$ 100	\$ -	\$ -	\$ -	\$ 100
Private placement (note 6(b)(i))	500	-	-	-	500
Loss and comprehensive loss	-	-	-	(12,829)	(12,829)
<b>Balance, January 31, 2020</b>	\$ 600	\$ -	\$ -	\$ (12,829)	\$ (12,229)
<b>Balance, July 31, 2020</b>	\$ 439,890	\$ -	\$ -	\$ (359,004)	\$ 80,886
Private placements (note 6(b)(ii)(iii))	636,000	-	-	-	636,000
Initial Public Offering (note 6(b)(vi))	3,384,942	-	-	-	3,384,942
Shares issued for services provided (note 6(b)(iv))	18,520	-	-	-	18,520
Shares issued as repayment of loan (notes 4 and 6(b)(v))	46,650	-	-	-	46,650
Flow-through share premium (note 5)	(353,356)	-	-	-	(353,356)
Warrants (note 6(b)(vi))	(1,313,917)	1,313,917	-	-	-
Broker warrants (note 6(b)(vi))	(183,000)	183,000	-	-	-
Share issue costs	(784,851)	-	-	-	(784,851)
Share-based payments (note 8)	-	-	21,135	-	21,135
Loss and comprehensive loss	-	-	-	(1,047,749)	(1,047,749)
<b>Balance, January 31, 2021</b>	\$ 1,890,878	\$ 1,496,917	\$ 21,135	\$ (1,406,753)	\$ 2,002,177

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

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## **E2Gold Inc.**

### **Notes to Condensed Interim Financial Statements For the Three and Six Months Ended January 31, 2021 (Expressed in Canadian Dollars) (Unaudited)**

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#### **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".

The Board of Directors of the Company approved the unaudited condensed interim financial statements on March 24, 2021.

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 \$1,047,749 for the six months ended January 31, 2021, and as of January 31, 2021, the Company's accumulated deficit was \$1,406,753. 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 unaudited condensed interim 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.

In March 2020, the World Health Organization declared coronavirus (COVID-19) a global pandemic. This contagious disease outbreak, which has continued to spread, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

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## **E2Gold Inc.**

### **Notes to Condensed Interim Financial Statements For the Three and Six Months Ended January 31, 2021 (Expressed in Canadian Dollars) (Unaudited)**

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## **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 March 24, 2021, 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, 2020, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending July 31, 2021 could result in restatement of these unaudited condensed interim financial statements.

### Adoption of New Accounting Standards

#### *Property and Equipment*

Property and equipment are carried at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is recognized based on the cost of an item of property and equipment, less its estimated residual value, over its estimated useful life at the following rates:

<b>Detail</b>	<b>Amortization rate</b>
Computer equipment	Straight line method over 3 years

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At each financial position reporting date the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

The recoverable amount is the higher of fair value less disposal costs and value in use. In assessing value in use, the estimated future cash flows are discounted at a rate that reflects current market assessments of the pre-tax time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the unaudited condensed interim statement of loss and comprehensive loss.

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## E2Gold Inc.

Notes to Condensed Interim Financial Statements  
For the Three and Six Months Ended January 31, 2021  
(Expressed in Canadian Dollars)  
(Unaudited)

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### 2. Significant Accounting Policies (Continued)

#### *Flow-through Shares*

From time to time, the Company issues flow-through common shares to finance a portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenditures being incurred, the Company derecognizes the liability and recognizes a premium on flow-through shares to the statement of loss and comprehensive loss.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resources property exploration expenditures. The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

#### *Share-based Payments*

The fair value of share options granted to directors, officers and consultants is recognized as an expense over the vesting period using the graded vesting method with a corresponding increase in equity.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Share-based payments incorporates an expected forfeiture rate of nil.

### 3. Property and Equipment

<b>Cost</b>	<b>Computer equipment</b>
<b>Balance, July 31, 2020</b>	\$ -
Addition	1,879
<b>Balance, January 31, 2021</b>	<b>\$ 1,879</b>

<b>Accumulated depreciation</b>	<b>Computer equipment</b>
<b>Balance, July 31, 2020 and January 31, 2021</b>	\$ -

<b>Carrying value</b>	<b>Computer equipment</b>
<b>Balance, July 31, 2020</b>	\$ -
<b>Balance, January 31, 2021</b>	<b>\$ 1,879</b>



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## E2Gold Inc.

### Notes to Condensed Interim Financial Statements For the Three and Six Months Ended January 31, 2021 (Expressed in Canadian Dollars) (Unaudited)

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#### 4. 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. Mrs. Duquette made a series of advances to the Company between December 2018 and February 2020, of which \$36,650 was due on January 31, 2020 (July 31, 2020 - \$46,650). On September 8, 2020, the \$46,650 was fully repaid via the issuance of 666,428 common shares. Refer to note 6(b)(v).

#### 5. 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:

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<b>Balance, July 31, 2020</b>	<b>\$</b>	<b>-</b>
Liability incurred on flow-through shares issued (i)(ii)		353,356
Settlement of flow-through share liability on incurred expenditures (i)(ii)		(77,713)
<b>Balance, January 31, 2021</b>	<b>\$</b>	<b>275,643</b>

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(i) The flow-through common shares issued in the brokered private placement completed on October 31, 2020 were issued at a premium to previous share issuance prices in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be \$74,700 and will be derecognized through income as the eligible expenditures are incurred. For the six months ended January 31, 2021, the Company incurred eligible exploration expenditures of \$249,000 and, as a result, the flow-through premium is \$nil as at January 31, 2021 in relation to this private placement.

(ii) The flow-through common shares issued as part of the IPO completed on December 30, 2020 were issued at a premium to the common shares issued also part of the IPO. The flow-through premium was calculated to be \$278,656. For the six months ended January 31, 2021, the Company incurred eligible expenditures of \$12,898 satisfying \$3,013 of such premium. The flow-through premium is \$275,643 as at January 31, 2021.

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## E2Gold Inc.

### Notes to Condensed Interim Financial Statements For the Three and Six Months Ended January 31, 2021 (Expressed in Canadian Dollars) (Unaudited)

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#### 6. 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 six months ended January 31, 2021 are as follows:

	Number of common shares	Amount
<b>Balance, July 31, 2019</b>	<b>1,250,000</b>	<b>\$ 100</b>
Private placements (i)	4,750,000	500
<b>Balance, January 31, 2020</b>	<b>6,000,000</b>	<b>\$ 600</b>
<b>Balance, July 31, 2020</b>	<b>19,730,000</b>	<b>\$ 439,890</b>
Private placements (ii)	7,740,000	387,000
Flow-through private placement (iii)	1,659,998	249,000
Initial Public Offering (vi)	16,382,600	3,384,942
Warrants (vi)	-	(1,313,917)
Broker warrants (vi)	-	(183,000)
Flow-through share premium (note 5)	-	(353,356)
Shares issued for services provided (iv)	370,400	18,520
Shares issued as repayment of the loan payable (v)	666,428	46,650
Share issue costs	-	(784,851)
<b>Balance, January 31, 2021</b>	<b>46,549,426</b>	<b>\$ 1,890,878</b>

(i) On January 31, 2020, the Company issued 4,750,000 common shares for total gross proceeds of \$500.

(ii) 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.

(iii) On October 31, 2020, the Company closed a flow-through private placement of \$249,000 and issued 1,659,998 flow-through common shares.

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

(v) 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 4.

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## E2Gold Inc.

### Notes to Condensed Interim Financial Statements For the Three and Six Months Ended January 31, 2021 (Expressed in Canadian Dollars) (Unaudited)

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#### 6. Share Capital (Continued)

##### b) Common shares issued (continued)

(vi) 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 consists 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.

#### 7. Warrants

	Number of Warrants *	Grant date fair value
<b>Balance, July 31, 2019 and January 31, 2020</b>	-	\$ -
<b>Balance, July 31, 2020</b>	-	\$ -
Issued (note 6(b)(vi))	14,818,832	1,496,917
<b>Balance, January 31, 2021</b>	<b>14,818,832</b>	<b>\$ 1,496,917</b>

The following table reflects the warrants issued and outstanding as of January 31, 2021:

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	10,961,500	993,000
	0.24	<b>14,818,832</b>	<b>1,496,917</b>

\* Includes the agent compensation options.

## E2Gold Inc.

Notes to Condensed Interim Financial Statements  
For the Three and Six Months Ended January 31, 2021  
(Expressed in Canadian Dollars)  
(Unaudited)

### 8. Stock Options

	Number of stock options	Weighted average exercise price
<b>Balance, July 31, 2019 and January 31, 2020</b>	-	\$ -
<b>Balance, July 31, 2020</b>	-	\$ -
Stock options granted (i)	1,000,000	0.05
<b>Balance, January 31, 2021</b>	<b>1,000,000</b>	<b>\$ 0.05</b>

(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 six months ended January 31, 2021, the impact on the unaudited condensed interim statement of loss and comprehensive loss was \$16,511 and \$21,135, respectively.

The following table reflects the stock options issued and outstanding as of January 31, 2021:

Expiry date	Exercise price (\$)	Options outstanding	Weighted average remaining contractual life (years)	Options exercisable	Fair Value (\$)
August 15, 2025	0.05	1,000,000	4.54	100,000	48,000

### 9. Exploration and Evaluation Expenditures

	Three months ended January 31,		Six months ended January 31,	
	2021	2020	2021	2020
<b>Hawkins Gold Property</b>				
Drilling	\$ 41,243	\$ -	\$ 41,243	\$ -
First nations	11,660	-	11,660	-
Geology	90,029	219	326,339	219
Geophysics	100,479	-	113,121	-
Line and grid cutting	30,780	-	30,780	-
Option payments	200,000	10,000	200,000	10,000
Resources estimate	5,400	-	50,550	-
Trenching / pitting	-	-	79,423	-
	<b>\$ 479,591</b>	<b>\$ 10,219</b>	<b>\$ 853,116</b>	<b>\$ 10,219</b>
<b>Other</b>				
General exploration	\$ 2,900	\$ -	\$ 2,900	\$ -
<b>Exploration and evaluation expenditures</b>	<b>\$ 482,491</b>	<b>\$ 10,219</b>	<b>\$ 856,016</b>	<b>\$ 10,219</b>

## E2Gold Inc.

### Notes to Condensed Interim Financial Statements For the Three and Six Months Ended January 31, 2021 (Expressed in Canadian Dollars) (Unaudited)

#### 9. Exploration and Evaluation Expenditures (Continued)

On January 28, 2020, the Company entered into a definitive option agreement (the "Agreement") with Pavey Ark Mineral Inc. ("Pavey Ark"), 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 <sup>(1)</sup>	\$ -	\$ -
On or before July 28, 2020	50,000 <sup>(1)</sup>	100,000 <sup>(2)</sup>	-
On or before January 28, 2021	100,000 <sup>(1)</sup>	100,000 <sup>(3)</sup>	500,000 <sup>(5)</sup>
On or before January 28, 2022	200,000	200,000 <sup>(4)</sup>	500,000
On or before January 28, 2023	200,000	200,000 <sup>(4)</sup>	500,000
On or before January 28, 2024	200,000	200,000 <sup>(4)</sup>	500,000
On or before January 28, 2025	230,000	200,000 <sup>(4)</sup>	500,000
	<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>	<b>\$ 2,500,000</b>

(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. Refer to note 12(i).

(4) 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.

(5) The Company met the minimum exploration expenditures.

#### 10. Related Party Balances and Transactions

##### a) Remuneration of directors and officers

	Three months ended January 31,		Six months ended January 31,	
	2021	2020	2021	2020
Management fees	\$ 89,469	\$ -	\$ 114,469	\$ -
Share-based payments	16,511	-	21,135	-
	<b>\$ 105,980</b>	<b>\$ -</b>	<b>\$ 135,604</b>	<b>\$ -</b>

During the three and six months ended January 31, 2021, the Company paid the following management fees:

- \$21,469 and \$26,469, respectively (2020 - \$nil and \$nil) to Bractea Enterprises Ltd. ("Bractea"), a corporation owned by Erik H. Martin, the Chief Financial Officer (the "CFO") of the Company.
- \$12,000 and \$32,000, respectively (2020 - \$nil and \$nil) to Ellie Owens, the Vice-President Corporate Development and in-house counsel of the Company as well as \$10,000 (2020 - \$nil) to Invera Consulting, a corporation owned by Ellie Owens.
- \$30,000 (2020 - \$nil) to Eric Owens, the President of the Company, as well as \$16,000 (2020 - \$nil) to Sheer Strategic Inc., a corporation owned by Eric Owens.
- \$12,000 (2020 - \$nil) to Renaud Geological Consulting Ltd. ("RGC"), a corporation owned by Natalie Pietrzak-Renaud, the Vice-President Exploration of the Company.

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## **E2Gold Inc.**

### **Notes to Condensed Interim Financial Statements For the Three and Six Months Ended January 31, 2021 (Expressed in Canadian Dollars) (Unaudited)**

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#### **10. Related Party Balances and Transactions (Continued)**

##### **(a) Remuneration of directors and officers (continued)**

As at January 31, 2021, Bractea was owed \$16,116 (July 31, 2020 - \$nil), Invera Consulting was owed \$11,300 (July 31, 2020 - \$nil), Eric Owens was owed \$33,900 (July 31, 2020 - \$nil), Sheer Strategic Inc. was owed \$18,080 (July 31, 2020 - \$nil) and RGC was owed \$17,931 and all these amounts were 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 4.

##### **(c) Private placements**

On January 31, 2020, Ellie Owens subscribed for 1,000,000 common shares for gross proceeds of \$50.

On January 31, 2020, Laurel Duquette subscribed for 3,750,000 common shares for gross proceeds of \$450.

##### **(d) Services rendered**

During the three and six months ended January 31, 2021, the Company paid fees the following:

- \$4,348 (2020 - \$nil) RGC for fees and expense reimbursements which were included in exploration and evaluation expenditures.
- \$6,960 (2020 - \$nil) for consulting fees to Laurel Duquette.
- \$42,000 (2020 - \$nil) for consulting fees related to the IPO to 5044563 Ontario Ltd., a company owned by Bereket Berhe, a director of the Company. This amount was included in share issue costs.

As at January 31, 2021, Laurel Duquette was owed \$7,865 and 5044563 Ontario Ltd. was owed \$47,460 and these amounts were included in amounts payable and accrued liabilities.

#### **11. Commitments**

##### Flow-Through Obligation

Pursuant to the terms of flow-through share agreement, 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 January 31, 2021, the Company is committed to incurring approximately \$1,180,000 in Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) by December 31, 2022 arising from the flow-through offerings.

##### Management Contracts

The Company entered into consulting agreements for the services of its officers. For the Chief Financial Officer, the agreement was effective October 1, 2020 and for the President and CEO, the Vice-President Corporate Development 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. 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 \$516,000, in aggregate.

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## **E2Gold Inc.**

**Notes to Condensed Interim Financial Statements  
For the Three and Six Months Ended January 31, 2021  
(Expressed in Canadian Dollars)  
(Unaudited)**

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### **12. Subsequent Events**

(i) On February 19, 2021, following TSXV approval, the Company issued 543,478 common shares valued at \$100,000 according to the Agreement for the Hawkins Gold Property. Refer to note 9.