CONDENSED INTERIM FINANCIAL STATEMENTS OF E2GOLD INC. FOR THE THREE AND NINE MONTHS ENDED APRIL 30, 2023 (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, 2023		As at July 31, 2022
ASSETS				
Current assets				
Cash	**$**	**145,671**	$	2,253,229
Short-term investments		**60,000**		60,000
HST receivable		**71,776**		82,509
Prepaid expenses		**292,082**		279,992
Total current assets		**569,529**		2,675,730
Non-current assets				
Property and equipment (note 3)		**34,311**		52,186
Total non-current assets		**34,311**		52,186
Total assets	**$**	**603,840**	$	2,727,916
LIABILITIES AND EQUITY				
Current liabilities				
Amounts payable and accrued liabilities	**$**	**435,834**	$	305,314
Loan payable (note 4)		**211,158**		-
Flow-through share liability (note 5)		**334,065**		450,699
Total liabilities		**981,057**		756,013
Equity (deficit)				
Share capital (note 6)		**7,680,045**		7,569,999
Shares to be issued (note 14(i))		**10,000**		-
Warrants (note 7)		**3,671,242**		4,115,123
Stock options (note 8)		**878,661**		935,595
Accumulated deficit		**(12,617,165)**		(10,648,814)
Total equity (deficit)		**(377,217)**		1,971,903
Total liabilities and equity (deficit)	**$**	**603,840**	$	2,727,916

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

Nature of operations and going concern (note 1)
Commitments (note 12)
Subsequent events (note 14)

E2Gold Inc.

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

	Three months ended April 30, 2023	Three months ended April 30, 2022	Nine months ended April 30, 2023	Nine months ended April 30, 2022
Operating expenses				
Depreciation (notes 3 and 10)	**$ 4,674**	$ 3,088	**$ 13,756**	$ 9,266
Exploration and evaluation expenditures (notes 10 and 11(b))	**521,689**	855,443	**1,770,688**	4,162,403
General and administrative expenses	**67,993**	36,622	**163,013**	150,045
Investor relations	**39,155**	222,056	**157,771**	713,431
Management, director fees and salaries (note 11(a))	**164,088**	204,275	**460,243**	712,529
Professional fees (note 11(b))	**61,817**	41,313	**164,824**	148,176
Shareholders' information	**16,035**	20,928	**39,861**	82,131
Share-based payments (notes 8 and 11(a))	**692**	25,303	**155,502**	885,242
Operating loss before interest income, interest expense and premium on flow-through shares	**(876,143)**	(1,409,028)	**(2,925,658)**	(6,863,223)
Interest income	**1,252**	490	**3,735**	3,644
Interest expense (note 4)	**(3,415)**	-	**(3,415)**	-
Premium on flow-through shares (note 5)	**70,518**	119,512	**240,634**	513,594
Loss and comprehensive loss for the period	**$ (807,788)**	$ (1,289,026)	**$ (2,684,704)**	$ (6,345,985)
Basic and diluted loss per share (note 9)	**$ (0.01)**	$ (0.01)	**$ (0.02)**	$ (0.06)
Weighted average number of common shares outstanding - basic and diluted	**149,183,397**	102,541,693	**147,772,769**	97,776,586

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)

Nine months ended April 30,	2023	2022
Operating activities:		
Net loss for the period	**$ (2,684,704)**	$ (6,345,985)
Adjustments for:		
Depreciation (notes 3 and 10)	**21,073**	16,583
Share-based payments (note 8)	**155,502**	885,242
Shares issued for acquisition of mineral property (note 10)	**-**	200,000
Shares issued for services provided (note 6)	**-**	5,000
Premium on flow-through shares (note 5)	**(240,634)**	(513,594)
Interest expense (note 4)	**3,415**	-
Changes in non-cash working capital items:		
HST receivable	**10,733**	24
Prepaid expenses	**(12,090)**	(14,686)
Amounts payable and accrued liabilities	**130,520**	(446,691)
Net cash used in operating activities	**(2,616,185)**	(6,214,107)
Investing activities:		
Purchase of property and equipment	**(3,198)**	(23,370)
Purchase of short-term investment	**-**	(20,000)
Net cash used in investing activities	**(3,198)**	(43,370)
Financing activities:		
Proceeds from private placements (note 6)	**310,000**	1,221,310
Share issue costs	**(15,918)**	(61,200)
Proceeds - advance for private placement	**10,000**	-
Exercise of stock options	**-**	12,000
Loan payable (note 4)	**207,743**	-
Net cash provided by financing activities	**511,825**	1,172,110
Net change in cash	**(2,107,558)**	(5,085,367)
Cash, beginning of period	**2,253,229**	5,854,701
Cash, end of period	**$ 145,671**	$ 769,334

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

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

	Share capital	Shares to be issued	Warrants	Stock options	Accumulated deficit	Total equity (deficit)
Balance, July 31, 2021	**$ 4,441,922**	**$ -**	**$ 3,693,475**	**$ 32,022**	**$ (3,202,041)**	**$ 4,965,378**
Private placements (note 6)	1,221,310	-	-	-	-	1,221,310
Shares issued for services provided (note 6)	5,000	-	-	-	-	5,000
Shares issued for acquisition of mineral property (note 10)	200,000	-	-	-	-	200,000
Flow-through share premium (note 5)	(55,827)	-	-	-	-	(55,827)
Warrants (note 6)	(180,488)	-	180,488	-	-	-
Compensation options (note 6)	(9,665)	-	9,665	-	-	-
Warrants exercised (note 6)	16,529	-	(4,529)	-	-	12,000
Warrants cancelled	-	-	(6,088)	-	6,088	-
Share issue costs	(61,200)	-	-	-	-	(61,200)
Share-based payments (note 8)	-	-	-	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**
Balance, July 31, 2022	**$ 7,569,999**	**$ -**	**$ 4,115,123**	**$ 935,595**	**$ (10,648,814)**	**$ 1,971,903**
Private placements (note 6)	310,000	-	-	-	-	310,000
Flow-through share premium (note 5)	(124,000)	-	-	-	-	(124,000)
Warrants (note 6)	(58,052)	-	58,052	-	-	-
Compensation options (note 6)	(1,984)	-	1,984	-	-	-
Share issue costs	(15,918)	-	-	-	-	(15,918)
Shares to be issued (note 14(i))	-	10,000	-	-	-	10,000
Warrants expired	-	-	(503,917)	-	503,917	-
Stock options cancelled	-	-	-	(212,436)	212,436	-
Share-based payments (note 8)	-	-	-	155,502	-	155,502
Loss and comprehensive loss	-	-	-	-	(2,684,704)	(2,684,704)
Balance, April 30, 2023	**$ 7,680,045**	**$ 10,000**	**$ 3,671,242**	**$ 878,661**	**$ (12,617,165)**	**$ (377,217)**

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

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 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 $2,684,704 for the nine months ended April 30, 2023, and as of April 30, 2023, the Company’s accumulated deficit was $12,617,165. 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. Such adjustments may be material.

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 29, 2023, 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, 2022, 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, 2023 could result in restatement of these unaudited condensed interim financial statements.

2. Significant Accounting Policies (Continued)

New Standards Adopted

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. The adoption of the amendments had no impact on the Company's unaudited condensed interim financial statements.

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. The adoption of the amendments had no impact on the Company's 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 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.

(Expressed in Canadian Dollars)

3. Property and Equipment

Cost	Computer equipment	Exploration equipment	Total
Balance, July 31, 2022	**$ 52,896**	**$ 29,266**	**$ 82,162**
Additions	3,198	-	3,198
Balance, April 30, 2023	**$ 56,094**	**$ 29,266**	**$ 85,360**

Accumulated depreciation	Computer equipment	Exploration equipment	Total
Balance, July 31, 2022	**$ 15,343**	**$ 14,633**	**$ 29,976**
Depreciation during the period	13,756	7,317	21,073
Balance, April 30, 2023	**$ 29,099**	**$ 21,950**	**$ 51,049**

Carrying value	Computer equipment	Exploration equipment	Total
Balance, July 31, 2022	**$ 37,553**	**$ 14,633**	**$ 52,186**
Balance, April 30, 2023	**$ 26,995**	**$ 7,316**	**$ 34,311**

4. Loan Payable

	As at April 30, 2023	As at July 31, 2022
Loan payable	**$ 207,743**	$ -
Accrued interest	**3,415**	-
	$ 211,158	$ -

On March 13, 2023, the Company entered into a demand promissory note with Laurel Duquette providing for a loan to the Company in the aggregate principal amount of US$153,000, and bearing interest at a rate of 12.5% per annum. The loan is unsecured and payable on demand.

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:

Balance, July 31, 2022	**$ 450,699**
Liability incurred on flow-through shares issued (iii)	124,000
Settlement of flow-through share liability on incurred expenditures (i)(ii)	(240,634)
Balance, April 30, 2023	**$ 334,065**

(i) 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 July 31, 2022, the Company incurred eligible expenditures of $282,679 satisfying $25,576 of such premium. For the nine months ended April 30, 2023, the Company incurred eligible expenditures of $334,361 satisfying $30,251 of such premium. The flow-through premium is $nil as at April 30, 2023.

(Expressed in Canadian Dollars)

5. Flow-Through Share Liability (Continued)

(ii) The flow-through common shares issued in the brokered private placement completed on July 7, 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 $420,448 and will be derecognized through income as the eligible expenditures are incurred. For the period from July 7, 2022 to July 31, 2022, the Company incurred eligible expenditures of $nil satisfying $nil of such premium. For the three and nine months ended April 30, 2023, the Company incurred eligible expenditures of $834,738 satisfying $210,383 of such premium. The flow-through premium is $210,065 as at April 30, 2023.

(iii) The flow-through common shares issued in the brokered private placement completed on March 30, 2023 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 $124,000 and will be derecognized through income as the eligible expenditures are incurred. For the period from March 30, 2023 to April 30, 2023, the Company incurred eligible expenditures of $nil satisfying $nil of such premium. For the three and nine months ended April 30, 2023, the Company incurred eligible expenditures of $nil satisfying $nil of such premium. The flow-through premium is $124,000 as at April 30, 2023.

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 nine months ended April 30, 2023 and 2022 are as follows:

	Number of common shares	Amount
Balance, July 31, 2021	**95,367,615**	**$ 4,441,922**
Private placements (iii)(iv)	6,042,700	604,270
Flow-through private placement (iii)	5,609,454	617,040
Warrants (iii)(iv)	-	(180,488)
Compensation options (iii)(iv)	-	(9,665)
Flow-through share premium (note 5)	-	(55,827)
Warrants exercised (i)	50,000	16,529
Shares issued for services provided (ii)	29,070	5,000
Shares issued for mineral properties (note 10)	1,459,854	200,000
Share issue costs	-	(61,200)
Balance, April 30, 2022	**108,558,693**	**$ 5,577,581**
Balance, July 31, 2022	**147,071,309**	**$ 7,569,999**
Flow-through private placement (v)	6,200,000	310,000
Warrants (v)	-	(58,052)
Compensation options (v)	-	(1,984)
Flow-through share premium (note 5)	-	(124,000)
Share issue costs	-	(15,918)
Balance, April 30, 2023	**153,271,309**	**$ 7,680,045**

6. Share Capital (Continued)

b) Common shares issued (continued)

(i) 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.

(ii) 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.

(iii) 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 consisted of one common share of the Company and 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 consisted of one flow-through shares and 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.

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.

(iv) 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.

(Expressed in Canadian Dollars)

6. Share Capital (Continued)

b) Common shares issued (continued)

(v) On March 30, 2023, the Company closed a private placement pursuant to which it issued an aggregate of 6,200,000 flow-through units at a price of $0.05 per flow-through unit for total proceeds of $310,000.

Each flow-through unit included one flow-through share and one common 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 $0.07 for a period of 36 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 $0.02; expected dividend yield of 0%; risk-free interest rate of 3.53%; volatility of 110% and an expected life of 3 years. The fair value assigned to these warrants was $58,052.

In connection with the private placement, the Company issued a finders fee consisting of cash and compensation options, totalling $6,300 and 126,000 compensation options. Each compensation options entitles the holder to acquire one common share at an exercise price of $0.07 for a period of three years. The fair value of these compensation options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of $0.03; expected dividend yield of 0%; risk-free interest rate of 3.53%; volatility of 110% and an expected life of 3 years. The fair value assigned to these warrants was $1,984.

All securities are subject to a statutory hold period expiring on July 31, 2023.

7. Warrants

	Number of warrants		Grant date fair value
Balance, July 31, 2021	**61,490,534**	**$**	**3,693,475**
Issued (note 5(b)(iii)(iv))	6,110,939		190,153
Exercised (note 6(b)(i))	(50,000)		(4,529)
Cancelled	(80,000)		(6,088)
Balance, April 30, 2022	**67,471,473**	**$**	**3,873,011**
Balance, July 31, 2022	**85,729,115**	**$**	**4,115,123**
Issued (note 6(b)(v))	6,326,000		60,036
Expired	(3,857,332)		(503,917)
Balance, April 30, 2023	**88,197,783**	**$**	**3,671,242**

(Expressed in Canadian Dollars)

7. Warrants (Continued)

The following table reflects the warrants and agent compensation options issued and outstanding as of April 30, 2023:

Expiry date	Exercise price ($)	Warrants outstanding	Valuation ($)
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
July 7, 2024	0.15	17,589,642	232,758
July 7, 2024 *	0.15	668,000	9,354
March 30, 2026	0.07	6,200,000	58,052
March 30, 2026 *	0.07	126,000	1,984
	0.16	**88,197,783**	**3,671,242**

* Agent compensation options.

8. Stock Options

	Number of stock options	Weighted average exercise price
Balance, July 31, 2021	**1,000,000**	**$ 0.05**
Stock options granted (i)(ii)(iii)(iv)	8,320,000	0.14
Balance, April 30, 2022	**9,320,000**	**$ 0.13**
Balance, July 31, 2022	**9,420,000**	**$ 0.13**
Stock options granted (v)(vi)	5,890,000	0.05
Stock options forfeited	(2,030,000)	0.13
Balance, April 30, 2023	**13,280,000**	**$ 0.09**

(i) 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.

(Expressed in Canadian Dollars)

8. Stock Options (Continued)

(ii) 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.

(iii) 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.

(iv) 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.

(v) On September 12, 2022, the Company granted 5,490,000 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 $0.05 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 $0.04; expected dividend yield of 0%; risk-free interest rate of 3.55%; volatility of 110.20% and an expected life of 3 years. The fair value assigned to these options was $141,000.

(vi) On January 13, 2023, the Company granted 400,000 stock options to a director of the Company. The stock options are exercisable for a period of 3 years at a price of $0.05 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 $0.05; expected dividend yield of 0%; risk-free interest rate of 3.49%; volatility of 110.91% and an expected life of 3 years. The fair value assigned to these options was $11,000.

(vii) The portion of the estimated fair value of options granted in the current and prior periods and vested during the three and nine months ended April 30, 2023, amounted to $692 and $155,502, respectively (three and nine months ended April 30, 2022 - $25,303 and $885,242, respectively).

The following table reflects the stock options issued and outstanding as of April 30, 2023:

Expiry date	Exercise price ($)	Options outstanding	Weighted average remaining contractual life (years)	Options exercisable	Fair Value ($)
August 17, 2024	0.130	5,000,000	1.30	5,000,000	540,000
November 17, 2024	0.155	250,000	1.55	250,000	29,000
January 20, 2025	0.135	140,000	1.73	140,000	13,364
August 15, 2025	0.050	1,000,000	2.30	850,000	48,000
September 12, 2025	0.050	5,490,000	2.37	5,490,000	141,000
January 13, 2026	0.050	400,000	2.71	400,000	11,000
December 6, 2026	0.170	1,000,000	3.61	1,000,000	97,000
		13,280,000	**2.04**	**13,130,000**	**879,364**

(Expressed in Canadian Dollars)

9. Loss Per Share

The calculation of basic and diluted loss per share for the three and nine months ended April 30, 2023 was based on the loss attributable to common shareholders of $807,788 and $2,684,704, respectively (three and nine months ended April 30, 2022 - $1,289,026 and $6,345,985, respectively) and the weighted average number of common shares outstanding of 149,183,397 and 147,772,769, respectively (three and nine months ended April 30, 2022 - 102,541,693 and 97,776,586, respectively). Diluted loss per share did not include the effect of stock options and warrants as they are anti-dilutive.

10. Exploration and Evaluation Expenditures

	Three months ended April 30,		Nine months ended April 30,	
	2023	**2022**	**2023**	**2022**
Hawkins Gold Property (i)				
Community relations	**$ -**	$ 17,248	**$ 6,649**	$ 21,170
Depreciation	**2,439**	2,439	**7,317**	7,317
Drilling	**8,344**	631,398	**27,045**	2,528,175
First nations	**19,944**	-	**38,096**	-
Geochemistry	**18,000**	-	**28,828**	-
Geology	**219,246**	193,851	**867,868**	731,187
Geophysics	**30,336**	3,550	**72,214**	282,188
Mineral property / claims	**5,489**	-	**14,489**	88,225
Option payments	**207,072**	-	**207,072**	400,000
	$ 510,870	$ 848,486	**$ 1,269,578**	$ 4,058,262
Band-Ore Property (ii)				
Community relations	**$ -**	$ -	**$ 762**	$ -
Drilling	**-**	-	**292,250**	-
First nations	**-**	-	**3,497**	-
Geology	**6,164**	3,700	**54,004**	44,071
Mineral property / claims	**-**	-	**8,400**	1,213
Option payment	**4,655**	3,257	**107,906**	53,257
	$ 10,819	$ 6,957	**$ 466,819**	$ 98,541
Other				
General exploration	**$ -**	$ -	**$ 34,291**	$ 5,600
Exploration and evaluation expenditures	**$ 521,689**	$ 855,443	**$ 1,770,688**	$ 4,162,403

(Expressed in Canadian Dollars)

10. Exploration and Evaluation Expenditures (Continued)

(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 [(7)]
On or before January 28, 2022	200,000 [(1)]	200,000 [(4)]	500,000 [(7)]
On or before January 28, 2023	200,000 [(1)]	200,000 [(5)]	500,000 [(7)]
On or before January 28, 2024	200,000	200,000 [(6)]	500,000
On or before January 28, 2025	230,000	200,000 [(6)]	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) 3,333,333 common shares valued at $200,000 were issued on July 7, 2022.

(6) 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.

(7) The Company met the minimum exploration expenditures.

(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 [(1)]
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.

(Expressed in Canadian Dollars)

10. Exploration and Evaluation Expenditures (Continued)

(ii) (continued) 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.

11. Related Party Balances and Transactions

a) Remuneration of directors and officers

	Three months ended April 30,		Nine months ended April 30,	
	2023	2022	**2023**	2022
Management fees	**$ 120,417**	$ 147,906	**$ 280,417**	$ 504,281
Director fees	**12,000**	12,000	**32,000**	74,000
Consulting fees	**-**	21,000	**42,000**	68,000
Share-based payments	**-**	-	**138,131**	599,400
	$ 132,417	$ 180,906	**$ 492,548**	$ 1,245,681

During the three and nine months ended April 30, 2023, the Company paid the following management fees:

- $nil (three and nine months ended April 30, 2022 - $33,906 and $114,781, respectively) to Bractea Enterprises Ltd. ("Bractea"), a corporation owned by Erik H. Martin, for services of Mr. Martin as former Chief Financial Officer (the "CFO") of the Company (terminated July 29, 2022).
- $40,000 and $120,000, respectively (three and nine months ended April 30, 2022 - $30,000 and $102,500, respectively) to Invera Consulting, a business owned by Ellie Owens, for services of Ms. Owens as President of the Company.
- $53,750 and $160,417, respectively (three and nine months ended April 30, 2022 - $48,000 and $169,000, respectively) to Sheer Strategic Inc., a corporation owned by Eric Owens, for services of Mr. Owens as Chief Executive Officer of the Company.
- $nil (three and nine months ended April 30, 2022 - $36,000 and $118,000, respectively) to Renaud Geological Consulting Ltd. ("RGC"), a corporation owned by Natalie Pietrzak-Renaud, for services of Mrs. Pietrzak-Renaud as former Vice-President Exploration of the Company (terminated July 29, 2022).

As at April 30, 2023, Invera Consulting was owed $41,733 (July 31, 2022 - $37,667), Sheer Strategic Inc. was owed $28,566 (July 31, 2022 - $21,188) and RGC was owed $nil (July 31, 2022 - $18,902) and all these amounts were included in amounts payable and accrued liabilities at such date.

As at April 30, 2023, directors were owed $11,119 (July 31, 2022 - $36,221) and this amount was included in amounts payable and accrued liabilities at such date.

11. Related Party Balances and Transactions (Continued)

(b) Services rendered

During the three and nine months ended April 30, 2023, the Company paid fees the following:

- $nil (three and nine months ended April 30, 2022 - $8,658 and $63,570, respectively) to RGC, a corporation owned by Natalie Pietrzak-Renaud, the former Vice-President Exploration of the Company, for fees and expense reimbursements which were included in exploration and evaluation expenditures.

- $nil (three and nine months ended April 30, 2022 - $nil and $5,000, respectively) for consulting fees to Sheer Strategic Inc., a corporation owned by Eric Owens, which were included in professional fees.

- $nil and $42,000, respectively in consulting fees (three and nine months ended April 30, 2022 - $21,000 and $63,000, respectively) paid to 5044563 Ontario Ltd., a corporation controlled by Bereket Berhe, a director of the Company, which were included in professional fees.

- $38,862 and $71,752, respectively in professional fees (three and nine months ended April 30, 2022 - $nil) to Marrelli Group of Companies (defined as Marrelli Support Services Inc., Marrelli Trust Company Limited, DSA Corporate Services Inc. and DSA Filing Services Limited) who is controlled by Carmelo Marrelli, CFO (since July 29, 2022) of the Company. As at April 30, 2023, Marrelli Group of Companies was owed $24,466 (July 31, 2022 - $16,414).

(c) Debt settlement

On February 13, 2023, the Company announced the issuance of an aggregate of 923,332 common shares of the Company at a deemed price of $0.04 per share to certain directors in full satisfaction of indebtedness owing to such directors in the amount of $36,933. As at April 30, 2023, the debt settlement has not been completed. Refer to note 14(ii).

12. 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, 2023, the Company is committed to incurring approximately $1,878,000 and $100,000, respectively in Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) by December 31, 2023 and December 31, 2024 arising from the flow-through offerings.

As of April 30, 2023, the actual spent towards the flow-through obligations is $835,000 and $nil, respectively for December 31, 2023, and December 31, 2024, with a remaining balance of $1,043,000 and $100,000, respectively to be spent by December 31, 2023, and December 31, 2024.

13. 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.

14. Subsequent Events

(i) On June 6, 2023, the Company closed a private placement pursuant to which it issued an aggregate of 2,896,271 units at a price of $0.035 per unit for total proceeds of $101,369. Each unit included one common share and 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 $0.07 for a period of 24 months from the date of issuance. David Good, Chairman of the Board of Directors, has subscribed for 1,428,571 units in connection with the offering. All securities are subject to a statutory hold period expiring on October 7, 2023. As at April 30, 2023, $10,000 was received and was included as at shares to be issued in the unaudited condensed interim statements of financial position.

(ii) On June 22, 2023, the Company announced that it proposes to issue an aggregate of 1,583,332 common shares of the Company at a deemed price of $0.04 per share to certain service providers in full satisfaction of indebtedness owing to such service providers in the aggregate amount of approximately $63,333. This proposed issuance is in lieu of the previously announced proposed share for debt issuance announced by the Company on February 13, 2023 (refer to note 11(c)).

(iii) On June 23, 2023, the Company closed a private placement pursuant to which it issued an aggregate of 5,714,286 units at a price of $0.035 per unit for total proceeds of $200,000. Each unit included one common share of the Company and one common share purchase warrant which each whole warrant exercisable to acquire one addition common share at a price of $0.07 for a period of 24 months from the date of issuance thereof. All securities are subject to a statutory hold period expiring on October 24, 2023.