



SNOWLINE GOLD CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended March 31, 2023 and March 31, 2022
(*Unaudited - Expressed in Canadian Dollars*)

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

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

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

Snowline Gold Corp.

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

	Notes	March 31, 2023	December 31, 2022
		\$	\$
Assets			
Current assets			
Cash		41,427,209	21,895,300
Accounts receivable		78,152	531,194
Prepaid expenses		495,284	496,091
		42,000,645	22,922,585
Property, plant, and equipment		563,862	411,581
Deposit		60,000	60,000
Right of use asset		82,128	87,156
Exploration and evaluation assets	3	8,501,675	8,501,675
Total Assets		51,208,310	31,982,997
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		364,508	548,591
Lease liability		20,672	22,684
Deferred acquisition payments	3	191,350	184,900
Flow through share premium	5	3,916,103	1,368,339
		4,492,633	2,124,514
Lease liability		63,565	57,824
Flow through share premium	5	6,258,811	-
Deferred acquisition payments	3	220,400	457,455
			2,639,793
Total Liabilities		11,035,409	
Equity (Deficiency) Attributable to Shareholders			
Share capital	6	56,216,842	43,640,371
Contributed surplus	6	6,846,285	5,710,033
Deficit		(22,890,226)	(20,007,200)
Total Shareholders' Equity		40,172,901	29,343,204
Total Liabilities and Shareholders' Equity		51,208,310	31,982,997

Nature of operations and going concern (Note 1 and 2)

Approved by the Board of Directors on May 29, 2023:

“*Gunther Roehlig*” Director
Gunther Roehlig

“*J. Scott Berdahl*” Director
J. Scott Berdahl

Snowline Gold Corp.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

For the three months ended March 31, 2023, and March 31, 2022

(Unaudited - Expressed in Canadian Dollars)

	Note	For the three months ended March 31, 2023	For the three months ended March 31, 2022
		\$	\$
Operating expenses			
Exploration expenditures	4	1,164,121	571,989
Depreciation		50,747	-
Office and miscellaneous		53,387	23,407
Consulting		28,375	941
Investor relations		113,766	82,006
Professional fees	8	54,161	23,968
Share-based payment expense	6 8	1,614,978	145,507
Wages and salaries		223,594	87,404
Transfer agent and regulatory fees		23,703	12,821
Total operating expenses		(3,326,832)	(948,043)
Loss before other expenses		(3,326,832)	(948,043)
Other income (expenses)			
Accretion expense	3	(23,124)	(25,078)
Foreign exchange (loss) gain		(1,357)	(32)
Finance income (cost)		196,455	(935)
Recovery on flow through share premium	5	271,831	105,872
Other expenses		-	(804)
Total other income		443,805	79,023
Net loss & comprehensive loss		(2,883,027)	(869,020)
Loss per share – basic and diluted		(0.02)	(0.01)
Weighted average number of shares outstanding – basic and diluted		138,540,130	103,436,180

Snowline Gold Corp.

Condensed Interim Consolidated Statements of Cash Flows
 For the three months ended March 31, 2023, and 2022
(Unaudited - Expressed in Canadian Dollars)

	For the three months ended March 31, 2023	For the three months ended March 31, 2022
	\$	\$
Cash Provided From (Used In)		
Operating Activities		
Loss for the period	(2,883,027)	(869,020)
Items not affecting cash:		
Depreciation	50,747	-
Accretion expense	23,124	25,078
Recovery on flow through share premium	(271,831)	(105,872)
Share-based payment expense	1,614,978	145,507
Cash used in operations before working capital items	(1,466,009)	(804,307)
Net change in working capital items		
Accounts receivable	453,042	(14,199)
Prepaid expenses	808	(361,804)
Accounts payable and accrued liabilities	(184,083)	(2,545)
	(1,196,243)	(1,182,855)
Investing Activity		
Acquisition of property, plant, and equipment	(198,000)	(23,832)
Deferred acquisition payment	(250,000)	(250,000)
	(448,000)	(273,832)
Financing Activities		
Proceeds from private placement, net of share issuance costs	19,100,694	-
Proceeds from warrant exercise	2,004,457	376,583
Proceeds from option exercise	71,000	225,000
	21,176,151	601,583
Change in cash	19,531,908	(855,104)
Cash – beginning of the period	21,895,300	8,741,162
Cash – end of the period	41,427,209	7,886,058

Snowline Gold Corp.

Condensed Interim Consolidated Statements of Changes in Equity

For the three months ended March 31, 2023, and 2022

(Unaudited - Expressed in Canadian Dollars)

	Common Shares #	Share Capital \$	Contributed Surplus \$	Deficit \$	Total \$
Balance – December 31, 2022	132,150,993	43,640,371	5,710,033	(20,007,199)	29,343,205
Issued during the period:					
Private placement, net of issuance costs	3,941,048	19,100,694	-	-	19,100,694
Flow through liability	-	(9,078,406)	-	-	(9,078,406)
Warrants exercised	3,508,915	2,449,904	(445,446)	-	2,004,458
Options exercised	220,000	104,280	(33,280)	70,000	
Share-based payment expense	-	-	1,614,978	-	1,614,978
Net loss for the period	-	-	-	(2,883,027)	(2,883,027)
Balance – March 31, 2023	139,820,956	56,216,842	6,846,285	(22,890,226)	40,172,901
 Balance – December 31, 2021					
	102,694,968	16,619,873	2,300,541	(7,189,034)	11,731,380
Issued during the period:					
Warrants exercised	753,165	414,241	(37,658)	-	376,583
Options exercised	750,000	318,750	(93,750)	225,000	
Share-based payment expense	-	-	145,507	-	145,507
Net loss for the period	-	-	-	(869,020)	(869,020)
Balance – March 31, 2022	104,198,133	17,352,864	2,314,640	(8,058,054)	11,609,449

Snowline Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2023, and March 31, 2022
(*Unaudited - Expressed in Canadian Dollars*)

1. Corporate Information

Snowline Gold Corp. (the "Company" or "Snowline") was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on November 29, 2017. The Company's corporate head office is located at 1012 – 1030 West Georgia Street, Vancouver, British Columbia, Canada.

Beginning in the third quarter of fiscal year 2020, the Company suspended its cryptocurrency mining operations. On December 1, 2020, the Company entered into a purchase and sale agreement (the "Purchase Agreement"), as amended, with 18526 Yukon Inc. ("18526") and Senoa Gold Corp. ("Senoa"), pursuant to which the Company acquired all of the issued and outstanding shares of Senoa from 18526 (the "Transaction"). On February 25, 2021, upon closing of the Transaction, the Company changed its name from Skylegger Tech Corp. to Snowline Gold Corp., and the Company's principal business has now become the acquisition and exploration of mineral properties. The Company's common shares are listed on the TSX Venture Exchange under the symbol "SGD".

2. Basis of Preparation

Statement of Compliance with International Financial Reporting Standards ("IFRS")

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2022, which have been prepared in accordance with IFRS.

The Company has used the same accounting policies and methods of computation in these condensed consolidated interim financial statements as in the annual financial statements for the year ended December 31, 2022.

The Company's interim results are not necessarily indicative of its results for a full year.

Basis of Measurement

These consolidated financial statements have been prepared on the historical cost basis, except for certain assets and liabilities measured at fair value.

The consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency.

The preparation of consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

Going Concern and Continuance of Operations

These consolidated interim financial statements have been presented on the basis that the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. Realization values may be substantially different from the carrying values shown and these consolidated 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. At March 31, 2023, the Company had an accumulated deficit of \$22,890,226 (December 31, 2022 \$20,007,200) since inception, and the Company's working capital was \$31,249,201 (December 31, 2022: \$20,798,071). The Company is expected to incur further losses in the development of its business.

Snowline Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2023, and March 31, 2022
(*Unaudited - Expressed in Canadian Dollars*)

The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary capital to meet its obligations and repay its liabilities arising from normal business operations when they come due. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future.

Basis of consolidation

These condensed interim consolidated financial statements include the results or financial information of Snowline Gold Corp. and its wholly owned subsidiary, Senoa Gold Corp.

3. Exploration and Evaluation Assets

The Company has capitalized the following acquisition costs of its exploration and evaluation assets during the year ended March 31, 2023:

Balance, August 31, 2021 (a)	\$	5,710,675
Share issuance – acquisition cost (b)		240,000
Cash component – acquisition cost (b)		50,000
Balance December 31, 2021	\$	6,000,675
Share issuance – acquisition cost (b,c)		1,951,000
Cash component – acquisition cost (b,c)		550,000
Balance March 31, 2023 and December 31, 2022	\$	8,501,675

a) Acquisition of Senoa Gold Corp.

On December 1, 2020, the Company entered into the Purchase Agreement, pursuant to which the Company agreed to acquire all of the issued and outstanding shares in the capital of Senoa then held by 18526 Yukon Inc. As a result of the Transaction, the Company now owns the Einarson (as to 70% with the balance owned by a third party), Rogue, Tosh, Cliff, Rainbow, Cynthia and Ursa claims located in the Yukon (the "Properties"). The consideration of the Transaction consists of:

(i) 25,650,000 common shares issued; and

(ii) cash payments to 18526 as follows:

- \$1,000,000 on closing of the Transaction (paid);
- \$250,000 on the first anniversary of closing of the Transaction (paid);
- \$250,000 on the second anniversary of closing of the Transaction (paid);
- \$250,000 on the third anniversary of the closing of the Transaction;
- \$250,000 on the fourth anniversary of closing of the Transaction; and
- a contingent \$1,000,000 resource bonus (to be paid on each of the seven Properties for an aggregate of up to \$7,000,000 (the "Resource Bonus") upon Snowline establishing a Measured Mineral Resource, an Indicated Mineral Resource or an Inferred Mineral Resource (or any combination thereof) of at least 1,000,000 ounces of gold on any of the seven Properties. The Resource Bonus is a one-time payment for each of the Properties.

18526 will retain a royalty equal to 2.0% of the net smelter returns in respect of each of the Properties, of which the Company may buy back one half (1.0%) at any time for 1,000 ounces of gold (.9999 fine) which

Snowline Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2023, and March 31, 2022
(Unaudited - Expressed in Canadian Dollars)

may be satisfied in cash or in kind. The Transaction received Canadian Securities Exchange approval on February 25, 2021.

The Transaction does not meet the definition of a business combination and has therefore been accounted for as an asset purchase of mineral property interests. The consideration for the acquisition has been allocated to the relative fair values of the assets acquired and liabilities assumed, based on management's best estimate and taking into account all available information on the acquisition date.

The acquisition price of the mineral property interests was determined to be \$5,710,675 and is comprised of the following consideration:

25,650,000 common shares issued	\$ 3,847,500
Cash payment	1,000,000
Deferred cash payments	713,690
Transaction costs	149,485
 Acquisition price allocated to mineral property interests	 \$ 5,710,675

The 25,650,000 common shares issued were determined to have a fair value of \$3,847,500 at a price of \$0.15 per share. The fair value of the deferred payments of \$1,000,000 over a four-year period was determined to be \$713,690 on the acquisition date using a discounted cash flow model. A discount rate of 15% was used. During the period ended March 31, 2023, the Company recorded accretion expense of \$19,395 related to the deferred cash payments. The Company has elected not to recognize a liability for the contingent consideration related to the Resource Bonus at the acquisition date. Any liability for the Resource Bonus will be recognized when it becomes probable that the precedent conditions will be met. The Company incurred costs of \$149,485 associated with the Transaction.

The changes in the deferred acquisition payments are as follows:

Balance, August 31, 2020	\$ -
Deferred acquisition payments pursuant to acquisition	713,690
Accretion	52,970
<u>Balance, August 31, 2021</u>	<u>\$ 766,660</u>
Accretion	36,437
<u>Balance, December 31, 2021</u>	<u>\$ 803,097</u>
Accretion	89,258
Payment	(250,000)
<u>Balance, December, 2022</u>	<u>\$ 642,355</u>
Accretion	19,395
Payment	(250,000)
Balance, March 31, 2023	\$ 411,750

	March 31, 2023	December 31, 2022
Current portion of deferred acquisition payments	\$191,350	\$184,900
Long-term portion of deferred acquisition payments	\$220,400	457,455
	\$411,750	\$ 642,355

Snowline Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2023, and March 31, 2022
(*Unaudited - Expressed in Canadian Dollars*)

b) Property option agreement

On September 1, 2021, the Company entered into a property option agreement with Epica Gold Inc., a wholly owned subsidiary of HighGold Mining Inc., and Carlin Gold Corporation (together the "Optionors"), pursuant to which the Company acquired the option (the "Option") to purchase a 100% interest in 812 mining claims surrounding the Cynthia project.

Under the terms of the Agreement, the Company can acquire the properties in exchange for payments to the Optionors of \$100,000 (\$50,000 which was paid on signing and \$50,000 which was paid on the first anniversary), and issuing 1,000,000 common shares to the optionors, (500,000 common shares which were issued on signing and 500,000 on the first anniversary).

The agreement is subject to a 2% net smelter returns royalty, with a 1% buy-back provision for \$2,000,000.

The acquisition price of the mineral property interests was determined to be \$290,000 and is comprised of the following consideration:

500,000 common shares issued	\$ 240,000
Cash payment	50,000
Acquisition price allocated to mineral property interests	\$ 290,000

The 500,000 common shares issued were determined to have a fair value of \$240,000 at a price of \$0.48 per share.

On August 31, 2022, option agreement was amended to allow for the optionee to extend the term of the option agreement by one year and to split the remaining option payment over two years as follows:

- a) On or before September 15, 2022 the Optionee will pay the Optionor \$50,000 cash and issue 200,000 common shares of Snowline Gold Corp. to the Optionor.
- b) On or before September 1, 2023, the Optionee will pay the Optionor 300,000 common shares of Snowline Gold Corp.

During the year ended December 31, 2022, the company made the \$50,000 payment, and issued the 200,000 common shares determined to have a fair value of \$576,000 at a price of \$2.88 per share.

c) Strikepoint claims acquisition

On September 13, 2022, the Company entered into an agreement with Strikepoint Gold, whereby the Company acquired 4,713 mineral claims from Strikepoint Gold, forming the Golden Oly project, in exchange for (i) the payment of \$500,000 in cash, and (ii) the issuance of 500,000 common shares of the Company. On October 20, 2022, the Company received the necessary approvals from the Canadian Securities Exchange, a necessary closing condition to complete the acquisition. The cash payment of \$500,000 was delivered, as well as the 500,000 common shares determined to have a fair value of \$1,375,000 at a price of \$2.75 per share.

Snowline Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
 For the three months ended March 31, 2023, and March 31, 2022
(Unaudited - Expressed in Canadian Dollars)

4. Exploration expenditures

During the three months ended March 31, 2023, the Company incurred exploration expenses on its properties, as follows:

Exploration expenses	Cliff	Cynthia	Einarson	Rainbow	Rogue	Tosh	Ursa	Golden Oly	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Consulting	-	464	4,639	-	86,456	4,550	1,856	-	97,965
Licenses and permits	-	23	22,117	-	20,102	-	92	-	42,334
Assaying	-	468	4,764	4,527	479,247	5,042	1,846	-	495,896
Field labour and lodging		2,175	21,749	-	184,866	-	8,700		217,489
Field equipment and supplies	-	2,420	12,780	-	108,630	-	3,970	-	127,800
Fixed wing air support	-	1,246	12,460	-	105,907	-	4,984	-	124,596
Helicopters		-	-	-	39,350	-	-		39,350
Travel	-	137	1,369	-	11,638	-	548	-	13,692
Other	-	50	500	-	4,250	-	200	-	5,000
Total	-	6,983	80,377	4,527	1,040,447	9,592	22,195	-	1,164,121

During the three months ended March 31, 2022, the Company incurred exploration expenses on its properties, as follows:

Exploration expenses	Cliff	Cynthia	Einarson	Rainbow	Rogue	Tosh	Ursa	Other	Total
Consulting	1,050	1,600	32,646	1,450	14,799	1,650	1,600	-	54,795
Licenses and permits	-	-	-	-	-	-	-	-	-
Staking	-	-	31,310	-	-	-	-	-	31,310
Assaying	-	-	32,489	-	11,346	-	-	-	43,835
Drilling	-	-	-	-	-	-	-	-	-
Field labour and lodging	-	-	29,990	1,231	15,191	1,650	5,825	1,337	55,224
Field equipment and supplies	-	-	200,809	-	66,936	-	-	-	267,745
Fixed wing air support	-	-	83,792	-	27,931	-	-	-	111,723
Other	-	-	4,728	-	829	-	-	1,800	7,357
Total	1,050	1,600	415,764	2,681	137,032	3,300	7,425	3,137	571,989

Snowline Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2023, and March 31, 2022
(Unaudited - Expressed in Canadian Dollars)

5. Flow Through Share Premium

Flow through share arrangements entitle the holder of the flow through share to a 100% tax deduction in respect of qualifying Canadian exploration expenses as defined in the Income Tax Act, Canada ("Qualifying CEE").

The flow through share premium liability does not represent a cash liability to the Company and is to be fully amortized to the statement of loss and comprehensive loss pro-rata with the amount of qualifying expenditures that will be incurred.

Flow-through share premium liabilities include the liability portion of the flow-through shares issued. The following is a continuity schedule of the liability portion of the flow-through shares issuance.

Balance at December 31, 2021	\$2,185,203
Liability incurred on flow-through shares	2,744,000
Settlement of flow-through share liability on incurring expenditures	(3,560,864)
Balance at December 31, 2022	\$1,368,339
Liability incurred on flow-through shares	9,078,406
Settlement of flow-through share liability on incurring expenditures	(271,831)
Balance at March 31, 2023	\$10,174,914

During the period ended March 31, 2023, the Company raised \$19,161,375 flow through dollars from the issuance of common shares and must spend \$19,161,375,694 of Qualifying CEE by December 31, 2024 to satisfy the flow through liability associated with the financing of \$9,078,406.

During the year ended December 31, 2022, the Company raised \$9,800,000 flow through dollars from the issuance of common shares and must spend \$9,800,000 of Qualifying CEE by December 31, 2023 to satisfy the flow through liability associated with the financing of \$2,744,000.

As of March 31, 2023, the company has incurred \$12,883,897 (December 31, 2022: \$11,913,073) of Qualifying CEE and must incur an additional \$3,916,103 of Qualifying CEE by December 31, 2023, and \$19,161,375 by December 31, 2024, to satisfy the remaining flow through liability of \$10,174,914.

6. Share capital and Reserves

Common Shares

The Company is authorized to issue an unlimited number of common shares without par value.

a) Current period ended March 31, 2023

- i. On February 8, 2023, the Company issued 20,000 common shares associated with stock options exercised with an exercise price of \$0.55 for total cash consideration of \$11,000.
- ii. In February 2023, the Company issued 2,508,915 common shares associated with warrant exercises with an exercise price of \$0.50 for total cash consideration of \$1,254,458.
- iii. On February 28, 2023, the Company issued 200,000 common shares associated with stock options exercised with an exercise price of \$0.30 for total cash consideration of \$60,000.
- iv. On March 28, 2023, the Company issued 1,000,000 common shares associated with warrant exercises with an exercise price of \$0.75 for total cash consideration of \$750,000.
- v. On March 28, 2023, the Company closed a non-brokered private placement of 3,941,048 flow-through common shares at a price of \$4.862 per flow through share for aggregate gross

Snowline Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2023, and March 31, 2022
(Unaudited - Expressed in Canadian Dollars)

proceeds of \$19,161,375. The Offering was structured as a charity donation arrangement pursuant to which B2Gold acquired 3,941,048 common shares of the Company.

b) For the year ended December 31, 2022

- i. The Company issued 7,659,096 common shares associated with warrants exercised with an exercise price of \$0.50 for total cash consideration of \$3,829,548.
- ii. The Company issued 704,636 common shares associated with warrants exercised with an exercise price of \$0.75 for total cash consideration of \$528,477.
- iii. The Company issued 750,000 common shares associated with stock options exercised with an exercise price of \$0.30 for total cash consideration of \$225,000.
- iv. The Company issued 20,000 common shares associated with stock options exercised with an exercise price of \$0.55 for total cash consideration of \$11,000.
- v. The Company issued 280,000 common shares associated with stock options exercised with an exercise price of \$0.35 for total cash consideration of \$98,000.
- vi. The Company issued 200,000 common shares per the terms of the Epica and Carlin Gold option agreement (note 3(b)).
- vii. The Company issued 500,000 common shares per the terms of the Strikepoint agreement (note 3(c)).
- viii. On July 22, 2022, the Company completed a non-brokered private placement of 10,000,000 Units (the "Units") at a price of \$1.25 per Unit for aggregate gross proceeds of \$12,500,000. Each unit consists of one common share and one-half of one common share purchase warrant. Each Warrant is exercisable for one common share of the Company at an exercise price of \$2.50 until July 22, 2024.

The company has allocated \$10,178,179 of the proceeds from the private placement to the shares, and \$2,321,821 to the fair value of the warrants: expected dividend yield 0%, expected volatility of 100%, risk free rate of return of 3.06%, expected life of 2 years, and share price of \$1.80.

- ix. On July 22, 2022, the Company completed a non-brokered private placement of 7,000,000 flow-through common shares ("FT Shares") at a price of \$1.40 per FT Share.
The Company has allocated \$7,056,000 of the proceeds from the private placement to the shares, and \$2,744,000 to the flow through share premium on a proportionate fair value basis.
- x. On August 2, 2022, the Company completed a non-brokered private placement of 2,342,293 Units (the "Units") at a price of \$1.25 per Unit for aggregate gross proceeds of \$2,927,866. Each unit consists of one common share and one-half of one common share purchase warrant. Each Warrant is exercisable for one common share of the Company at an exercise price of \$2.50 until August 2, 2024.

The company has allocated \$2,390,466 of the proceeds from the private placement to the shares, and \$537,400 to the fair value of the warrants: expected dividend yield 0%, expected volatility of 100%, risk free rate of return of 3.10%, expected life of 2 years, and share price of \$1.75.

b) Stock options

The Company has a stock option plan pursuant to which it may issue options to purchase common shares to directors, officers, and management company employees. Options issued under the stock option plan will have an exercise price not less than the market price of the Company's common shares on the grant date and expire no later than ten years from the grant date. The aggregate number of common shares reserved for issuance under the stock option plan is 10% of the number of issued and outstanding common shares.

Snowline Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2023, and March 31, 2022
(Unaudited - Expressed in Canadian Dollars)

During the three months ended March 31, 2023, the Company granted 500,000 stock options of the Company (December 31, 2022 – 5,021,950) and recorded share-based payment expense of \$1614,978 (December 31, 2022 – \$1,303,099). The fair value of the stock options granted during the three months ended March 31, 2023 was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

Risk free interest rate	3.45%
Expected life in years	5
Expected volatility	100%
Expected dividends	Nil

A summary of stock options outstanding as at March 31, 2023 and December 31, 2022 and the changes for the periods then ended is presented below:

	Number of stock options	Weighted average exercise price \$	Weighted average remaining life (Years)
Balance outstanding – December 31, 2022	7,871,950	1.36	4.04
Granted	500,000	2.17	
Exercised	(220,000)	0.32	
Balance outstanding – March 31, 2023	8,151,950	1.31	3.63

As at March 31, 2023, options enabling the holders to acquire common shares are as follows:

Expiry date	Number of options	Number of vested options	Weighted average remaining life in years	Weighted average exercise price
February 25, 2026	2,550,000	2,040,000	2.91	\$ 0.30
July 12, 2026	120,000	40,000	3.28	\$ 0.35
January 18, 2027	1,150,000	436,000	3.81	\$ 0.55
March 8, 2027	350,000	140,000	3.94	\$ 0.80
July 22, 2027	1,000,000	200,000	4.31	\$1.76
August 23, 2027	131,950	131,950	4.40	\$3.02
December 29, 2027	2,350,000	-	4.75	\$2.88
February 22, 2028	500,000	-	4.90	\$2.17
	8,151,950	2,987,950	3.63	\$1.31

c) Warrants:

A summary of warrants outstanding as at March 31, 2023 and December 31, 2022 and the changes for the periods then ended is presented below:

	Number of warrants	Weighted average exercise price \$	Weighted average remaining life (Years)
Balance outstanding – December 31, 2022	14,258,007	1.44	1.42
Exercised	(3,508,915)	0.50	
Expired	(83,333)	0.50	
Balance outstanding – March 31, 2023	10,665,759	1.73	1.01

Snowline Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2023, and March 31, 2022
(Unaudited - Expressed in Canadian Dollars)

As at March 31, 2023 warrants enabling the holders to acquire common shares are as follows:

Expiry date	Number of warrants	Weighted average remaining life in years	Weighted average exercise price
July 16, 2023	1,428,572	0.29	\$ 0.53
December 17, 2023	3,066,042	0.72	\$ 0.75
July 22, 2024	5,000,000	1.31	\$ 2.50
August 2, 2024	1,171,146	1.34	\$2.50
	10,665,759	1.01	\$ 1.73

f) Escrow shares:

On February 25, 2021, the Company entered into an escrow agreement with certain shareholders of the Company. 25,650,000 common shares of the Company were placed into escrow. These escrow shares will be released as follows:

Date of Automatic Timed Release	Amount of Escrow Shares Released
On the date that the Company's common shares were listed on the CSE under new Name and new ticker symbol, March 1, 2021	1/10 of the escrow shares
6 months after the listing date (September 1, 2021)	1/6 of the remainder of the escrow shares
12 months after the listing date (March 1, 2022)	1/5 of the remainder of the escrow shares
18 months after the listing date (September 1, 2022)	1/4 of the remainder of the escrow shares
24 months after the listing date (March 1, 2023)	1/3 of the remainder of the escrow shares
30 months after the listing date (September 1, 2023)	1/2 of the remainder of the escrow shares
36 months after the listing date (March 1, 2024)	The remainder of the escrow shares

As at March 31, 2023, a total of 7,695,000 (December 31, 2022 – 11,542,500) common shares remained in escrow.

8. Related party transactions

During the three months ended March 31, 2023, and March 31, 2022, the Company incurred the following expenditures charged by directors and officers of the Company and/or companies controlled or significantly influenced by directors and officers:

	Three months ended March 31, 2023	Three months ended March 31, 2022
	\$	\$
Wages and salaries	\$ 105,500	\$ -
Rent	6,752	-
Professional fees	43,750	24,375
Share-based payment expense	1,139,851	43,209
	\$1,295,853	\$ 67,584

Snowline Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2023, and March 31, 2022
(*Unaudited - Expressed in Canadian Dollars*)

At March 31, 2023, accounts payable and accrued liabilities included \$nil (December 31, 2022 - \$12,326) owing to directors and officers of the Company or companies controlled or significantly influenced by directors and officers. The amounts owing include amounts related to expenditures charged to the Company. The amounts are unsecured, non-interest bearing and are due on demand. The amounts have been recorded at their exchange amount, being the amount agreed to by the parties.