



## **SNOWLINE GOLD CORP.**

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
For the three and nine months ended September 30, 2023 and 2022  
(*Unaudited - Expressed in Canadian Dollars*)

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## **Snowline Gold Corp.**

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

		September 30, 2023	December 31, 2022
	Notes	\$	\$
<b>Assets</b>			
Current assets			
Cash and cash equivalents		39,851,404	21,895,300
Receivables		692,021	531,194
Prepays and deposits		622,067	496,091
		<b>41,165,492</b>	<b>22,922,585</b>
Property and equipment	4	592,190	411,581
Deposits		60,000	60,000
Right of use asset		72,071	87,156
Exploration and evaluation assets	3	<b>11,238,906</b>	<b>8,501,675</b>
<b>Total Assets</b>		<b>53,128,659</b>	<b>31,982,997</b>
<b>Liabilities</b>			
Current liabilities			
Accounts payable and accrued liabilities	8	3,861,769	548,591
Lease liability		20,958	22,684
Deferred acquisition payments	3	205,235	184,900
Flow through share premium	6	8,693,648	1,368,339
		<b>12,781,610</b>	<b>2,124,514</b>
Lease liability		42,927	57,824
Deferred acquisition payments	3	<b>236,392</b>	<b>457,455</b>
<b>Total Liabilities</b>		<b>13,060,929</b>	<b>2,639,793</b>
<b>Equity Attributable to Shareholders</b>			
Share capital	7	71,106,157	43,640,371
Contributed surplus	7	9,589,530	5,710,033
Deficit		<b>(40,627,957)</b>	<b>(20,007,200)</b>
<b>Total Shareholders' Equity</b>		<b>40,067,730</b>	<b>29,343,204</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>53,128,659</b>	<b>31,982,997</b>

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

Approved by the Board of Directors on November 28, 2023:

*"Gunther Roehlig"*  
Gunther Roehlig

*"C. Morrison"*  
Calum Morrison

## **Snowline Gold Corp.**

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

For the three and nine months ended September 30, 2023 and 2022

(Unaudited - Expressed in Canadian Dollars)

	Note	Three months ended September 30,		Nine months ended September 30,	
		2023 \$	2022 \$	2023 \$	2022 \$
<b>Operating expenses</b>					
Exploration expenditures	5	<b>12,873,596</b>	8,489,932	<b>20,254,445</b>	11,710,012
Share-based payment expense	7, 8	<b>1,130,783</b>	373,184	<b>4,357,713</b>	741,919
Wages and salaries	8	<b>314,304</b>	88,322	<b>768,809</b>	267,308
Professional fees	8	<b>121,572</b>	118,845	<b>399,326</b>	208,520
Investor relations		<b>360,553</b>	87,397	<b>604,460</b>	237,294
Office and miscellaneous	8	<b>102,384</b>	47,747	<b>230,049</b>	168,312
Depreciation	4	<b>53,044</b>	40,359	<b>160,727</b>	81,055
Transfer agent and regulatory fees		<b>39,528</b>	17,744	<b>142,108</b>	58,327
Consulting		<b>8,275</b>	8,138	<b>70,505</b>	22,543
Lease interest		<b>4,717</b>	-	<b>13,377</b>	-
<b>Total operating expenses</b>		<b>15,008,756</b>	9,271,668	<b>27,001,519</b>	13,495,290
<b>Loss before other expenses</b>		<b>(15,008,756)</b>	(9,271,668)	<b>(27,001,519)</b>	(13,495,290)
<b>Other income (expenses)</b>					
Accretion expense	3	<b>(15,280)</b>	(26,324)	<b>(49,272)</b>	(71,899)
Foreign exchange (loss) gain		<b>(3,192)</b>	(738)	<b>(6,356)</b>	(792)
Finance income (cost)		<b>380,073</b>	2,341	<b>920,368</b>	6
Recovery on flow through share premium	6	<b>3,756,566</b>	2,403,508	<b>5,516,022</b>	3,213,274
<b>Total other income</b>		<b>4,118,167</b>	2,378,787	<b>6,380,762</b>	3,140,589
<b>Net loss and comprehensive loss</b>		<b>(10,890,589)</b>	(6,892,881)	<b>(20,620,757)</b>	(10,354,701)
<b>Loss per share – basic and diluted</b>		<b>(0.08)</b>	(0.06)	<b>(0.15)</b>	(0.08)
<b>Weighted average number of shares outstanding – basic and diluted</b>		<b>142,373,905</b>	112,666,601	<b>138,643,333</b>	122,584,385

# **Snowline Gold Corp.**

Condensed Interim Consolidated Statements of Cash Flows  
 For the three and nine months ended September 30, 2023 and 2022  
*(Unaudited - Expressed in Canadian Dollars)*

	<b>Nine months ended September 30,</b>	
	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Cash Provided From (Used In)</b>		
<b>Operating Activities</b>		
Loss for the period	(20,620,757)	(10,354,701)
Items not affecting cash:		
Depreciation	160,727	81,055
Accretion expense	49,272	71,899
Recovery on flow through share premium	(5,516,022)	(3,213,274)
Share-based payment expense	4,357,713	741,919
Lease interest	13,377	-
Cash used in operations before working capital items	(21,555,690)	(12,676,102)
Net change in working capital items		
Accounts receivable	(160,827)	(494,582)
Prepaid expenses	(125,976)	(268,963)
Accounts payable and accrued liabilities	3,313,179	2,261,149
	<b>(18,529,314)</b>	<b>(11,175,498)</b>
<b>Investing Activity</b>		
Purchase of property and equipment	(326,252)	(507,733)
Acquisition of exploration and evaluation assets	(1,000,000)	-
Lease payment	(30,000)	-
Deferred acquisition payment	(250,000)	(250,000)
	<b>(1,606,252)</b>	<b>(753,733)</b>
<b>Financing Activities</b>		
Proceeds from private placement, net of share issuance costs	34,651,755	25,227,866
Proceeds from warrant exercise	3,285,115	4,055,873
Proceeds from option exercise	154,800	236,000
	<b>38,091,670</b>	<b>29,519,739</b>
<b>Change in cash and cash equivalents</b>	<b>17,956,104</b>	<b>17,590,509</b>
<b>Cash and cash equivalents – beginning of the period</b>	<b>21,895,300</b>	<b>8,741,162</b>
<b>Cash and cash equivalents – end of the period</b>	<b>39,851,404</b>	<b>26,331,670</b>
<b>Cash and cash equivalents consisted of</b>		
Cash deposited with a Canadian Senior Bank	3,327,881	7,331,660
Term deposits and guaranteed investment certificates issued	36,523,523	19,000,010
	<b>39,581,404</b>	<b>26,331,670</b>

**Snowline Gold Corp.**

Condensed Interim Consolidated Statements of Changes in Equity  
 For the three and nine months ended September 30, 2023 and 2022  
*(Unaudited - Expressed in Canadian Dollars)*

	Common Shares #	Share Capital \$	Contributed Surplus \$	Deficit \$	Total \$
<b>Balance – December 31, 2022</b>	132,150,993	43,640,371	5,710,033	(20,007,200)	29,343,204
<b>Issued during the period:</b>					
Private placement, net of issuance costs	6,141,048	34,651,755	-	-	34,651,755
Flow through liability	-	(12,841,331)	-	-	(12,841,331)
Warrants exercised	5,635,506	3,910,673	(625,558)	-	3,285,115
Options exercised	350,000	247,689	(92,889)	-	154,800
Shares issued for acquisition of exploration and evaluation assets	300,000	1,497,000	-	-	1,497,000
Warrants issued for acquisition of exploration and evaluation assets	-	-	240,231	-	240,231
Share-based payment expense	-	-	4,357,713	-	4,357,713
<b>Net loss for the period</b>	<b>-</b>	<b>-</b>	<b>- (20,620,757)</b>	<b>(20,620,757)</b>	
<b>Balance – September 30, 2023</b>	<b>144,577,547</b>	<b>71,106,157</b>	<b>9,589,530</b>	<b>(40,627,957)</b>	<b>40,067,730</b>
 <b>Balance – December 31, 2021</b>					
	102,694,968	16,619,873	2,300,541	(7,189,034)	11,731,380
<b>Issued during the period:</b>					
Private placement, net of issuance costs	19,342,293	22,368,645	2,859,221	-	25,227,866
Flow through liability	-	(2,744,000)	-	-	(2,744,000)
Warrants exercised	7,750,383	4,569,664	(513,791)	-	4,055,873
Options exercised	980,000	338,030	(102,030)	-	236,000
Share-based payment expense	-	-	741,919	-	741,919
<b>Net loss for the period</b>	<b>-</b>	<b>-</b>	<b>- (10,354,701)</b>	<b>(10,354,701)</b>	
<b>Balance – September 30, 2022</b>	<b>130,767,644</b>	<b>41,152,212</b>	<b>5,285,860</b>	<b>(17,543,735)</b>	<b>28,894,337</b>

## **Snowline Gold Corp.**

Notes to the Condensed Interim Consolidated Financial Statements  
For the three and nine months ended September 30, 2023 and 2022  
(Unaudited - Expressed in Canadian Dollars)

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### **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.

On February 25, 2021, the Company changed its name from Skyledger 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 interim consolidated 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 consolidated 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 interim consolidated financial statements as in the annual consolidated 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 condensed interim consolidated financial statements have been prepared on the historical cost basis, except for certain assets and liabilities measured at fair value.

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

The preparation of condensed interim 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.

#### ***New and Amended IFRS Standards that are Effective for the Current Period***

The amendments to IAS1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. These amendments are effective for reporting periods beginning on or after January 1, 2024. The adoption of this amendment is not expected to have a significant impact on the unaudited condensed interim consolidated financial statements.

Amendments to IAS 8 – Definition of Accounting Estimates. These amendments clarify how companies distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. The distinction between the two is important because changes in accounting policies are applied retrospectively, whereas changes in accounting estimates are applied prospectively. Further, the amendments clarify that accounting estimates are monetary amounts in the financial statements subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy. These

## **Snowline Gold Corp.**

Notes to the Condensed Interim Consolidated Financial Statements  
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(Unaudited - Expressed in Canadian Dollars)

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amendments are effective for reporting periods beginning on or after January 1, 2023. The adoption of this amendment did not have a significant impact on the unaudited condensed interim consolidated financial statements.

Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies. These amendments continue the IASB's clarifications on applying the concept of materiality. These amendments help companies provide useful accounting policy disclosures, and they include: requiring companies to disclose their material accounting policies instead of their significant accounting policies; clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and do not need to be disclosed; and clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material. The IASB also amended IFRS Practice Statement 2 to include guidance and examples on applying materiality to accounting policy disclosures. The amendments are effective for reporting periods beginning on or after January 1, 2023. The adoption of this amendment did not have a significant impact on the unaudited condensed interim consolidated financial statements.

### ***Going Concern and Continuance of Operations***

These condensed interim consolidated 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 September 30, 2023, the Company had an accumulated deficit of \$40,627,957 (December 31, 2022 \$20,007,200) since inception, and the Company's working capital was \$28,383,882 (December 31, 2022: \$20,798,071). The Company is expected to incur further losses in the development of its business. 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. These factors raise substantial doubt about the Company's ability to continue as a going concern.

### ***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. All intercompany transactions and balances have been eliminated upon consolidation.

### **3. Exploration and Evaluation Assets**

The Company has capitalized the following acquisition costs of its exploration and evaluation assets during the period ended September 30, 2023 and the year ended December 31, 2022:

<b>Balance, December 31, 2021</b>	<b>\$</b>	<b>6,000,675</b>
Share issuance – acquisition cost (b,c)		1,951,000
Cash component – acquisition cost (b,c)		550,000
<b>Balance, December 31, 2022</b>	<b>\$</b>	<b>8,501,675</b>
Warrant issuance – acquisition cost (d)		240,231
Cash component – acquisition cost (d)		1,000,000
Share issuance – acquisition cost of (b)		1,497,000
<b>Balance, September 30, 2023</b>	<b>\$</b>	<b>11,238,906</b>

## **Snowline Gold Corp.**

Notes to the Condensed Interim Consolidated Financial Statements  
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### **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. ("18526"). 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 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 September 30, 2023, the Company recorded accretion expense of \$49,272 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.

## **Snowline Gold Corp.**

Notes to the Condensed Interim Consolidated Financial Statements  
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The changes in the deferred acquisition payments are as follows:

Balance, December 31, 2021	\$ 803,097
Accretion	89,258
Payment	(250,000)
Balance, December, 2022	\$ 642,355
Accretion	49,272
Payment	(250,000)
<b>Balance, September 30, 2023</b>	<b>\$ 441,627</b>

	<b>September 30, 2023</b>	<b>December 31, 2022</b>
Current portion of deferred acquisition payments	\$205,235	\$184,900
Long-term portion of deferred acquisition payments	\$236,392	457,455
	<b>\$441,627</b>	<b>\$ 642,355</b>

### **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 cash payment of \$50,000 and 500,000 common shares valued at \$240,000 or \$0.48 per common 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 (issued) 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.

During the period ended September 30, 2023, the Company issued 300,000 common shares with a fair value of \$1,497,000 or \$4.99 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 Olympus 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

## **Snowline Gold Corp.**

Notes to the Condensed Interim Consolidated Financial Statements  
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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.

### **d) Botto claims acquisition**

On May 30, 2023, the Company entered into an agreement with arm's length parties RST Klondike Discoveries Ltd. and Whistler Minerals Corp. (the "Vendors"), whereby the Company acquired 92 mineral claims in exchange for (i) the payment of \$1,000,000 in cash and (ii) the issuance of 200,000 warrants, each for purchase of a single common share of the Company at a price of \$3.50 for a period of two years (the "Acquisition"). The value of warrants was estimated at \$240,231 using the Black-Scholes Model with the following assumptions:

Risk free interest rate	4.24%
Expected life in years	2
Expected volatility	89.49%
Expected dividends	Nil

The Vendors will retain a 1.0% NSR on the claims and will be entitled to up to two bonus payments of \$1,000,000 each if a measured or indicated mineral resource of >1 million ounces of gold is disclosed in compliance with NI 43-101 standards on certain claims.

## **4. Property and equipment**

The continuity of property, plant and equipment for the year ended December 31, 2022 and the nine months ended September 30, 2023 is as follows:

	<b>Camp</b>	<b>Equipment</b>	<b>Total</b>
	\$	\$	\$
<b>Cost</b>			
Balance, December 31, 2021	-	17,993	17,993
Additions	379,091	124,642	503,733
<b>Balance, December 31, 2022</b>	<b>379,091</b>	<b>142,635</b>	<b>521,726</b>
Additions	-	326,252	326,252
<b>Balance, September 30, 2023</b>	<b>379,091</b>	<b>468,887</b>	<b>847,978</b>

## **Accumulated depreciation**

## **Snowline Gold Corp.**

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Balance, December 31, 2021	-	-	-
Depreciation	79,058	31,087	110,145
<b>Balance, December 31, 2022</b>	<b>79,058</b>	<b>31,087</b>	<b>110,145</b>
Depreciation	62,571	83,072	145,643
<b>Balance, September 30, 2023</b>	<b>141,629</b>	<b>114,159</b>	<b>255,788</b>

### **Net book value**

December 31, 2022	300,033	111,548	411,581
<b>September 30, 2023</b>	<b>237,462</b>	<b>354,728</b>	<b>592,190</b>

In addition to the above depreciation, depreciation expense associated with the right of use asset for the three and the nine months September 30, 2023 was \$5,028 and \$15,084, respectively (2022 - \$5,028 and \$8,380).

### **5. Exploration expenditures**

During the nine months ended September 30, 2023, the Company incurred exploration expenses on its properties, as follows:

Exploration expenses	Cliff	Cynthia	Einarson	Rainbow	Rogue	Tosh	Ursa	Olympus	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Consulting	-	5,522	51,188	31,327	813,425	4,550	11,791	3,216	921,019
Licenses and permits	-	1,229	43,503	-	162,617	-	1,962	3,091	212,402
Staking	-	30,732	45,714	-	301,558	-	6,146	-	384,150
Assaying	43,774	4,245	15,278	4,749	1,187,716	139,492	8,928	8,696	1,412,878
Drilling	540,307	766	1,351	-	5,243,716	199,955	1,188	1,964	5,989,247
Field labour and lodging	57,575	29,305	73,724	17,269	3,319,700	110,670	49,831	77,170	3,735,244
Field equipment and supplies	63,806	11,129	40,622	-	1,252,853	32,922	21,194	18,446	1,440,972
Fixed wing air support	-	20,943	43,057	-	2,453,800	-	34,289	51,754	2,603,843
Helicopters	366,419	24,254	9,982	-	2,367,896	436,655	27,977	66,573	3,299,756
Surveying	-	-	-	1,532	8,064	-	-	9,196	18,792
Travel	219	1,916	5,203	-	220,059	56	3,513	4,403	235,369
Other Government assistance	8,475	183	734	-	12,617	7,600	406	341	30,356
Total	1,065,784	130,224	330,355	54,877	17,344,021	917,108	167,225	244,850	<b>20,254,445</b>
(14,791)	-	-	-	-	-	(14,792)	-	-	(29,583)

## **Snowline Gold Corp.**

Notes to the Condensed Interim Consolidated Financial Statements  
 For the three and nine months ended September 30, 2023 and 2022  
*(Unaudited - Expressed in Canadian Dollars)*

During the nine months ended September 30, 2022, the Company incurred exploration expenses on its properties, as follows:

Exploration expenses	Cliff	Cynthia	Einarson	Rainbow	Rogue	Tosh	Ursa	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Consulting	1,375	6,514	207,497	31,683	407,705	73,595	51,656	780,025
Staking	-	59,829	56,951	-	85,470	-	-	202,250
Assaying	-	86	4,537	-	153,918	-	342	158,883
Camp		2,963	282,666		343,656		12,784	642,069
Drilling	-	-	-	-	3,013,971	-	-	3,013,971
Field labour and lodging	-	10,476	490,338	1,231	1,132,226	1,650	48,076	1,683,997
Field equipment and supplies	-	5,389	342,809	14,484	544,031	-	21,321	928,034
Fixed wing air support	-	13,027	707,361	-	1,334,421	315	53,811	2,108,936
Helicopters	-	-	-	3,900	2,064,346	25,140	-	2,093,386
Other	358	3,546	20,702	358	108,093	-	5,403	138,460
Government assistance	-	-	-	-	-	-	(40,000)	(40,000)
<b>Total</b>	<b>1,733</b>	<b>101,830</b>	<b>2,112,862</b>	<b>51,657</b>	<b>9,187,837</b>	<b>100,701</b>	<b>153,393</b>	<b>11,710,012</b>

### **6. Flow Through Share Premium**

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.

<b>Balance at December 31, 2021</b>	<b>\$2,185,203</b>
Liability arising from issuance of flow-through shares	2,744,000
Recoveries on flow through premium liabilities	(3,560,864)
<b>Balance at December 31, 2022</b>	<b>\$1,368,339</b>
Liability arising from issuance of flow through shares	12,841,331
Recoveries on flow through premium liabilities	(5,516,022)
<b>Balance at September 30, 2023</b>	<b>\$8,693,648</b>

On September 5, 2023 the Company completed a “bought deal” private placement financing pursuant to which it issued 2,200,000 flow-through shares at a price of \$7.50 per flow-through share for gross proceeds of \$16,500,000. A flow-through liability of \$7,079,519 was recorded in connection with the bought deal private placement.

On March 28, 2023 the Company completed a non-brokered private placement financing pursuant to which it issued 3,941,048 flow-through shares at a price of \$4.862 per flow-through share for gross proceeds of \$19,161,375. A flow-through liability of \$5,761,812 was recorded in connection with the non-brokered private placement.

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 Canadian exploration expenses (“CEE”) by December 31, 2023 to satisfy the flow through liability associated with the financing of \$2,744,000.

## **Snowline Gold Corp.**

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As of September 30, 2023, the company has incurred \$18,680,383 (December 31, 2022: \$11,913,073) of Qualifying CEE and must incur an additional \$21,867,918 by December 31, 2024. The flow-through expenditure commitment due by December 31, 2023 has been satisfied as of September 30, 2023.

### **7. Share capital and Reserves**

#### **Common Shares**

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

a) For the period ended September 30, 2023

<b>Date</b>	<b>Details of Shares Issued</b>	<b>Price per Share</b>	<b>Gross Proceeds (Fair Value)</b>
Feb 8, 2023	20,000 common shares associated with a stock option exercise	\$0.55	\$11,000
Feb 2023	2,508,915 common shares associated with warrant exercises	\$0.50	\$1,254,458
Feb 28, 2023	200,000 common shares associated with a stock option exercise	\$0.30	\$60,000
Mar 28, 2023	1,000,000 common shares associated with warrant exercises	\$0.75	\$750,000
Mar 28, 2023	3,941,048 in connection with a non-brokered private placement flow-through common shares. The Offering was structured as a charity donation arrangement pursuant to which B2Gold acquired 3,941,048 common shares of the Company.	\$4.862	\$19,161,375
Apr 10, 2023	200,000 common shares associated with warrant exercises	\$0.75	\$150,000
Apr 24, 2023	20,000 common shares associated with a stock option exercise	\$0.80	\$16,000
Jun 22, 2023	140,000 common shares associated with warrant exercises	\$0.75	\$105,000
Jul 13, 2023	1,428,572 common shares associated with warrant exercises	\$0.53	\$757,143
Jul 21, 2023	20,000 common shares associated with warrant exercises	\$0.55	\$11,000
Jul 25, 2023	80,000 common shares associated with warrant exercises	\$0.35	\$28,000
Jul 31, 2023	283,019 common shares associated with warrant exercises	\$0.75	\$212,264
Aug 21, 2023	75,000 common shares associated with warrant exercises	\$0.75	\$56,250
Aug 31, 2023	300,000 common shares in connection with the property option agreement	\$4.99	\$1,497,000
Sep 6, 2023	2,200,000 in connection with a Bought Deal Charity Flow-Through private placement for total proceeds of \$16,500,000. The Company allocated \$8,631,445 to the shares; \$789,036 to share issue costs; and \$7,079,519 to the flow-through liability.	\$7.50	\$16,500,000
Sep 25, 2023	10,000 common shares associated with a stock option exercise	\$2.88	\$28,800

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b) For the year ended December 31, 2022

<b>Date</b>	<b>Details of Shares Issued</b>	<b>Price per Share</b>	<b>Gross Proceeds</b>
Sep 13, 2022	7,659,096 common shares associated with warrants exercises 704,636 common shares associated with warrants exercises 750,000 common shares associated with stock options exercises 20,000 common shares associated with a stock option exercise 280,000 common shares associated with stock options exercises 200,000 common shares per the terms of the Epica and Carlin Gold option agreement (note 3(b)) 500,000 common shares per the terms of the Strikepoint agreement (note 3(c)).	\$0.50 \$0.75 \$0.30 \$0.55 \$0.35 \$2.88 \$2.75	\$3,829,548 \$528,477 \$225,000 \$11,000 \$98,000 \$576,000 \$1,375,000
Jul 22, 2022	10,000,000 units, whereas 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.		
Jul 22, 2022	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. 7,000,000 flow-through common shares in connection with a non-brokered private placement.	\$1.25 per unit	\$12,500,000
Aug 2, 2022	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. 2,342,293 units in connection with a non-brokered private placement, whereas 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.	\$1.40	\$9,800,000
	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.	\$1.25 per unit	\$2,927,866

## **Snowline Gold Corp.**

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### **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.

During the nine months ended September 30, 2023, the Company granted 800,000 stock options of the Company (2022 – 1,590,000) and recorded share-based payment expense related to options granted and vested during the period of \$4,357,713 (2022 – \$714,919). The fair value of the stock options granted during the nine months ended September 30, 2023 was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

	<b>September 30, 2023</b>	<b>September 30, 2022</b>
Risk free interest rate	3.47%	2.67%
Expected life in years	5	4.85
Expected volatility	102%	100%
Expected dividends	Nil	Nil

A summary of stock options outstanding as at September 30, 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	800,000	2.54	5.00
Exercised	(350,000)	0.44	-
Expired/forfeited	(69,900)	2.49	-
<b>Balance outstanding – September 30, 2023</b>	<b>8,252,050</b>	<b>1.50</b>	<b>4.62</b>
<b>Balance vested – September 30, 2023</b>	<b>4,482,050</b>	<b>0.85</b>	<b>2.93</b>

As at September 30, 2023, options enabling the holders to acquire common shares are as follows:

<b>Expiry date</b>	<b>Number of options</b>	<b>Number of vested options</b>	<b>Weighted average remaining life in years</b>	<b>Weighted average exercise price</b>
February 25, 2026	2,550,000	2,550,000	2.41	\$ 0.30
July 12, 2026	40,000	-	2.78	\$ 0.35
January 18, 2027	1,115,000	665,000	3.30	\$ 0.55
March 8, 2027	330,000	230,000	3.44	\$ 0.80
July 22, 2027	1,000,000	400,000	3.81	\$1.76
August 23, 2024	77,050	77,050	0.90	\$3.02
December 29, 2027	2,340,000	460,000	4.25	\$2.88
February 22, 2028	500,000	100,000	4.40	\$2.17
May 30, 2028	300,000	-	4.67	\$3.15
	<b>8,252,050</b>	<b>4,482,050</b>	<b>3.45</b>	<b>\$1.50</b>

## **Snowline Gold Corp.**

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### **Warrants:**

A summary of warrants outstanding as at September 30, 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
Issued	200,000	3.50	2.00
Exercised	5,635,505	0.58	-
Expired	-	-	-
<b>Balance outstanding – September 30, 2023</b>	<b>8,739,169</b>	<b>2.05</b>	<b>0.67</b>

As at September 30, 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
December 17, 2023	2,368,023	0.21	\$ 0.75
July 22, 2024	5,000,000	0.81	\$ 2.50
August 2, 2024	1,171,146	0.84	\$2.50
May 30, 2025	200,000	1.67	\$3.50
	<b>8,739,169</b>	<b>0.67</b>	<b>\$2.05</b>

### **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

During the nine months ended September 30, 2023, 3,847,500 shares were released from escrow. As at September 30, 2023, a total of 3,847,500 (December 31, 2022 – 11,542,500) common shares remained in escrow.

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### **8. Related party transactions**

During the three and nine months ended September 30, 2023 and 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 September 30,		Nine months ended September 30,	
	2023 \$	2022 \$	2023 \$	2022 \$
Wages and salaries	<b>111,214</b>	66,250	<b>333,643</b>	197,250
Office and miscellaneous (rent)	<b>8,102</b>	-	<b>22,956</b>	-
Professional fees	<b>43,749</b>	24,375	<b>131,247</b>	73,125
Share-based payment expense	<b>546,665</b>	135,914	<b>2,167,621</b>	321,846
	<b>709,730</b>	226,539	<b>2,655,467</b>	592,221

At September 30, 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.

During the period ended September 30, 2023, the Company amended change of control clauses of its agreements with the CEO and CFO, whereby under the amended terms, CEO and CFO of the Company are entitled to 12 months payment in the event of a change of control.

### **9. Supplemental Cash Flow Information**

Other cash flow information relating to operating activities is presented below:

Investing and financing activities that do not have a direct impact on current cash flows are excluded from the statements of cash flows. As at, and during the nine months ended September 30, 2023 and 2022, the following transactions were excluded from the condensed interim consolidated statements of cash flows:

	September 30, 2023	September 30, 2022
	\$	\$
<b>Non-cash investing and financing transactions</b>		
Cash paid for interest	-	-
Cash received for interest	920,368	-
Cash paid for taxes	-	-
Shares issued for exploration and evaluation assets	1,497,000	-
Warrants issued for exploration and evaluation assets	240,231	-
Right-of-use asset recognized under a lease	-	90,494
Flow-through liability recognized	12,841,331	2,744,000