SNOWLINE GOLD CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended March 31, 2024 and 2023

(Unaudited - Expressed in Canadian Dollars)

Snowline Gold Corp.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	Note	March 31, 2024 $	December 31, 2023 $
Assets			
Current assets			
Cash and cash equivalents		**46,325,961**	35,794,481
Receivables		**70,470**	90,774
Prepaids and deposits		**1,023,951**	425,400
		47,420,382	36,310,655
Property and equipment	4	**1,602,094**	1,593,679
Deposits		**60,000**	60,000
Right of use asset		**92,372**	101,043
Resource properties	3	**11,238,906**	11,238,906
Total Assets		**60,413,754**	49,304,283
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**565,039**	530,563
Lease liability		**22,438**	21,698
Deferred acquisition payments	3	**220,400**	212,591
Flow-through premium liability	6	**7,818,204**	8,137,553
Share-based compensation liabilities	7	**86,237**	7,037
		8,712,318	8,909,442
Rehabilitation provision	11	**367,324**	364,364
Lease liability		**42,288**	40,459
Deferred acquisition payments	3	**-**	244,864
Total Liabilities		**9,121,930**	9,559,129
Equity Attributable to Shareholders			
Share capital	7	**88,597,845**	73,315,510
Contributed surplus	7	**10,764,304**	10,382,767
Deficit		**(48,070,325)**	(43,953,123)
Total Shareholders' Equity		**51,291,824**	39,745,154
Total Liabilities and Shareholders' Equity		**60,413,754**	49,304,283

Nature of operations and going concern (Note 1 and 2)
Contingency (Note 3)
Subsequent events (Note 15)

Approved by the Board of Directors on May 29, 2024:

"C. Hart" Director — Craig Hart

"C. Morrison" Director — Calum Morrison

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

Snowline Gold Corp.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
For the three months ended March 31, 2024 and 2023
(Unaudited - Expressed in Canadian Dollars)

	Note	Three months ended March 31, 2024 $	Three months ended March 31, 2023 $
Operating expenses			
Exploration expenditures	5	**1,040,057**	1,164,121
Share-based payment expense	7, 8	**2,959,760**	1,614,978
Wages and salaries	8	**292,374**	223,594
Professional fees	8	**152,053**	54,161
Investor relations		**115,334**	113,766
Office and miscellaneous	8	**105,011**	53,387
Depreciation	4	**69,457**	50,747
Consulting		**40,240**	28,375
Transfer agent and regulatory fees		**33,475**	23,703
Total operating expenses		**4,807,761**	3,326,832
Loss before other expenses		**(4,807,761)**	(3,326,832)
Other income (expenses)			
Accretion and lease interest expense	3, 11	**(18,474)**	(23,124)
Foreign exchange loss		**(3,307)**	(1,357)
Finance income		**394,998**	196,455
Recovery on flow-through share premium	6	**319,349**	271,831
Fair value adjustment on share-based compensation liability		**(15,159)**	-
Other income (expenses)		**13,152**	-
Total other income		**690,559**	443,805
Net loss and comprehensive loss		**(4,117,202)**	(2,883,027)
Loss per share – basic and diluted	10	**(0.03)**	(0.02)
Weighted average number of shares outstanding – basic and diluted		**147,181,745**	133,431,819

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

Snowline Gold Corp.
Condensed Interim Consolidated Statements of Cash Flows
For the three months ended March 31, 2024 and 2023
(Unaudited - Expressed in Canadian Dollars)

	2024 $	2023 $
Cash Provided From (Used In)		
Operating Activities		
Net loss	**(4,117,202)**	(2,883,027)
Items not affecting cash:		
Share-based payment expense	**2,959,760**	1,614,978
Depreciation	**69,457**	50,747
Accretion and lease interest expense	**18,474**	23,124
Fair value adjustment on share-based compensation liability	**15,159**	-
Recovery on flow-through share premium	**(319,349)**	(271,831)
Gain on sale of property and equipment	**(4,084)**	-
Cash used in operations before working capital items	**(1,377,785)**	(1,466,009)
Net change in working capital items		
Receivables	**20,304**	453,042
Prepaids and deposits	**(598,551)**	808
Accounts payable and accrued liabilities	**34,476**	(184,083)
	(1,921,556)	(1,196,242)
Investing Activity		
Purchase of property and equipment	**(78,117)**	(198,000)
Proceeds from sale of property and equipment	**13,000**	-
Deferred acquisition payment	**(250,000)**	(250,000)
	(315,117)	(448,000)
Financing Activities		
Proceeds from private placement, net of share issuance costs	**-**	19,100,694
Proceeds from warrants exercised	**12,500,000**	2,004,457
Proceeds from options exercised	**268,153**	71,000
	12,768,153	21,176,151
Change in cash and cash equivalents	**10,531,480**	19,531,909
Cash and cash equivalents – beginning	**35,794,481**	21,895,300
Cash and cash equivalents – end	**46,325,961**	41,427,209
Cash and cash equivalents consisted of:		
Cash deposited with a Canadian Senior Bank	$ 13,904,927	$ 21,985,192
Term deposits and guaranteed investment certificates issued	32,421,034	19,442,017
	$ 46,325,961	**$ 41,427,209**

Supplemental cash flow (Note 9)

Snowline Gold Corp.
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
For the three months ended March 31, 2024 and 2023
(Unaudited - Expressed in Canadian Dollars)

	Common Shares #	Share Capital $	Contributed Surplus $	Deficit $	Total $
Balance – December 31, 2023	146,897,470	73,315,510	10,382,767	(43,953,123)	39,745,154
Issued during the period:					
Warrants exercised	5,000,000	14,821,821	(2,321,821)	-	12,500,000
Options exercised	223,150	460,514	(192,361)	-	268,153
Share-based payment expense	-	-	2,895,719	-	2,895,719
Net loss for the period	-	-	-	(4,117,202)	(4,117,202)
Balance – March 31, 2024	**152,120,620**	**88,597,845**	**10,764,304**	**(48,070,325)**	**51,291,824**
Balance – December 31, 2022	132,150,993	43,640,371	5,710,033	(20,007,200)	29,343,204
Issued during the period:					
Pursuant to private placements	3,941,048	19,100,693	-	-	19,100,693
Flow through liability	-	(5,761,812)	-	-	(5,761,812)
Warrants exercised	3,508,915	2,329,219	(324,761)	-	2,004,458
Options exercised	220,000	104,280	(33,280)	-	71,000
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**	**59,412,751**	**6,966,970**	**(22,890,227)**	**43,489,494**

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

1. Corporate Information and nature of operations

Snowline Gold Corp. (the "Company" or "Snowline") is a Canadian publicly traded mineral exploration company headquartered in Vancouver, BC, that is listed on the TSX Venture Exchange ("TSX-V") under the symbol "SGD". The Company's registered office is 1012 – 1030 West Georgia Street, Vancouver, British Columbia, Canada.

The Company is in the process of exploring its resource properties and has not yet determined whether the resource properties contain reserves that are economically recoverable. The business of mining and exploring for resources involves a high degree of risk and there can be no assurance that planned exploration and development programs will result in profitable mining operations. The recoverability of amounts capitalized for the resource properties are dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of the properties and upon future profitable production or proceeds from the disposition thereof. Changes in future conditions could require material write-downs of the carrying values of resource properties.

2. Basis of Presentation

Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting 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 consolidated annual financial statements for the year ended December 31, 2023, 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 consolidated annual financial statements for the year ended December 31, 2023, with the exception of the mandatory adoption of certain amendments noted below:

New and Amended IFRS Standards that are not yet Effective for the Future Period

IFRS 18 - Presentation and Disclosure in Financial Statements

In April 2024, the IASB released IFRS 18 Presentation and Disclosure in Financial Statements. IFRS 18 replaces IAS 1 Presentation of Financial Statements while carrying forward many of the requirements in IAS 1. IFRS 18 introduces new requirements to: i) present specified categories and defined subtotals in the statement of earnings, ii) provide disclosures on management-defined performance measures ("MPMs") in the notes to the financial statements, iii) improve aggregation and disaggregation. Some of the requirements in IAS 1 are moved to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and IFRS 7 Financial Instruments: Disclosures. The IASB also made minor amendments to IAS 7 Statement of Cash Flows and IAS 33 Earnings per Share in connection with the new standard. IFRS 18 requires retrospective application with specific transition provisions. The Company is required to apply IFRS 18 for annual reporting periods beginning on or after January 1, 2027 with early adoption permitted.

The Company is currently evaluating the impact of IFRS 18 on its condensed interim consolidated financial statements.

New accounting standards and interpretations adopted during the period

The Company has adopted these accounting standards effective January 1, 2024.

Classification of Liabilities as Current and Non-Current (Amendments to IAS 1)

The amendments to IAS 1, clarify the presentation of liabilities. The classification of liabilities as current or non-current is based on contractual rights that are in existence at the end of the reporting period and is not affected by expectations about whether an entity will exercise its right to defer settlement. A liability not due over the next twelve months is classified as non-current even if management intends or expects to settle the liability within twelve months. The amendment introduced a definition of 'settlement' to make clear that settlement refers to the transfer of cash, equity instruments, other assets, or services to the counterparty. The amendments also clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. Covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date.

The adoption of the standards and amendments had no material impact on the Company's condensed interim consolidated financial statements.

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 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.

Going Concern and Continuance of Operations

These 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 condensed interim 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, 2024, the Company had an accumulated deficit of $48,070,325 (December 31, 2023 $43,953,123) since inception, and the Company's working capital was $38,708,064 (December 31, 2023: $27,401,213). 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 financing 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.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances.

Recent geopolitical events and potential economic global challenges such as the risk of higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

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.

(Unaudited - Expressed in Canadian Dollars)

3. Resource Properties

The Company has capitalized the following acquisition costs of its resource properties during the period ended March 31, 2024 and the year ended December 31, 2023:

Balance, December 31, 2022	**$**	**8,501,675**
Warrant issuance – acquisition cost (d)		240,231
Cash component – acquisition cost (d)		1,000,000
Share issuance – acquisition cost of (b)		1,497,000
Balance, December 31, 2023 and March 31, 2024	**$**	**11,238,906**

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 (paid);
- $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 did not meet the definition of a business combination and was therefore accounted for as an asset purchase of mineral property interests. The consideration for the acquisition was 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:

(Unaudited - Expressed in Canadian Dollars)

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 three months ended March 31, 2024, the Company recorded accretion expense of $12,945 (year ended December 31, 2023 - $65,100) 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, December, 2022	$ 642,355
Accretion	65,100
Payment	(250,000)
Balance, December 31, 2023	$ 457,455
Accretion	12,945
Payment	(250,000)
Balance, March 31, 2024	**$ 220,400**

	March 31, 2024	December 31, 2023
Current portion of deferred acquisition payments	$220,400	$212,591
Long-term portion of deferred acquisition payments	-	244,864
	$220,400	**$457,455**

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.

(Unaudited - Expressed in Canadian Dollars)

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 year ended December 31, 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 Inc., whereby the Company acquired 4,713 mineral claims from Strikepoint Gold Inc., 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 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 19, 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 greater than 1 million ounces of gold is disclosed in compliance with NI 43-101 standards on certain claims. The bonus payments are a contingent liability and have not been recognized.

(Unaudited - Expressed in Canadian Dollars)

4. Property and equipment

The continuity of property and equipment for as at March 31, 2024 and December 31, 2023 is as follows:

	Building	Camp	Equipment	Total
	$	$	$	$
Cost				
Balance, December 31, 2022	-	379,091	142,635	521,726
Additions	837,575	-	560,528	1,398,103
Balance, December 31, 2023	**837,575**	**379,091**	**703,163**	**1,919,829**
Additions	-	78,117	-	78,117
Dispositions	-	-	(8,916)	(8,916)
Balance, March 31, 2024	**837,575**	**457,208**	**694,247**	**1,989,030**
Accumulated depreciation				
Balance, December 31, 2022	-	79,058	31,087	110,145
Depreciation	8,376	80,380	127,249	216,005
Balance, December 31, 2023	**8,376**	**159,438**	**158,336**	**326,150**
Depreciation	8,376	16,474	35,936	60,786
Balance, March 31, 2024	**16,752**	**175,912**	**194,272**	**386,936**
Net book value				
December 31, 2023	829,199	219,653	544,827	1,593,679
March 31, 2024	**820,824**	**281,296**	**499,975**	**1,602,094**

In addition to the above depreciation, depreciation expense associated with the right of use asset for the three months ended March 31, 2024 was $8,671 (2023 - $5,028).

(Unaudited - Expressed in Canadian Dollars)

5. Exploration expenditures

During the three months ended March 31, 2024, the Company incurred exploration expenses on its properties, as follows:

Exploration expenses	Cliff	Cynthia	Einarson	Rainbow	Rogue	Valley	Tosh	Ursa	Olympus	Total
	$	$	$	$	$	$	$	$	$	$
Consulting	-	130	230	-	44,367	65,276	-	202	333	110,538
Staking	-	537	946	-	76,817	-	-	832	1,376	80,508
Assaying	2,870	-	9,379	-	118,270	-	4,937	-	-	135,456
Drilling	-	-	-	-	46,897	-	-	-	-	46,897
Field labour and lodging	6,907	4,552	18,441	2,177	355,369	-	5,750	3,755	21,201	418,152
Field equipment and supplies	-	108	2,162	-	14,707	-	-	166	278	17,421
Environmental	-	-	10,936	-	11,449	95,575	-	-	-	117,960
Travel	-	126	222	-	17,404	-	-	196	323	18,271
Other	-	635	10,780	-	80,826	-	-	985	1,628	94,854
Total	**9,777**	**6,088**	**53,096**	**2,177**	**766,106**	**160,851**	**10,687**	**6,136**	**25,139**	**1,040,057**

(Unaudited - Expressed in Canadian Dollars)

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	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**

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.

Balance at December 31, 2022	$1,368,339
Liability arising from issuance of flow through shares	12,841,331
Recoveries on flow through premium liabilities	(6,072,117)
Balance at December 31, 2023	**$8,137,553**
Recoveries on flow through premium liabilities	(319,349)
Balance at March 31, 2024	**$7,818,204**

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 three months ended March 31, 2024

During the three months ended March 31, 2024, 223,150 common shares were issued upon exercises of stock options for gross proceeds of $268,153 and 5,000,000 common shares were issued upon exercises of warrants for gross proceeds of $12,500,000.

(Unaudited - Expressed in Canadian Dollars)

b) For the year ended December 31, 2023

On March 28, 2023, the Company issued 3,941,048 flow-through common shares for gross proceeds of $19,161,375. The Company allocated $13,399,563 to the shares and $5,761,812 to the flow-through liability and incurred share issuance costs of $60,682.

Common Shares	Flow-through premium liability	Share issue costs	**Gross Proceeds**
$13,399,563	$5,761,812	$60,682	**$19,161,375**

On August 31, 2023, the Company issued 300,000 common shares with the fair value of $1,497,000 in connection with the mineral property agreement (Note 3(b)).

On September 6, 2023, the Company completed a “bought deal” private placement pursuant to which it issued 2,200,000 flow-through shares for gross proceeds of $16,500,000. The Company allocated $9,420,481 to the shares; $948,938 to share issue costs; and $7,079,519 to the flow-through liability.

Common Shares	Flow-through premium liability	Share issue costs	**Gross Proceeds**
$9,420,481	$7,079,519	$948,938	**$16,500,000**

During the year ended December 31, 2023, 351,900 common shares were issued upon exercises of stock options for gross proceeds of $160,538 and 7,953,529 common shares were issued upon exercises of warrants for gross proceeds of $5,023,632.

Stock options:

On August 14, 2023, the shareholders approved the Company’s Omnibus Incentive Plan, which includes and reserves for issuance up to a maximum of 10% of the issued and outstanding common shares of the Company. Within this 10% limit, a maximum of 3,500,000 can be allocated for awards other than stock options. Prior to the adoption of the Omnibus Incentive Plan the Company had a 10% “rolling” stock option plan, whereby the aggregate number of Common Shares reserved for issuance, shall not exceed 10% of the total number of issued and outstanding Common Shares at the time of the option grant. The Omnibus Incentive Plan replaced the 10% “rolling” stock option plan. The stock options granted under the old plan continue to be governed by the old plan.

During the three months ended March 31, 2024, the Company granted 150,000 stock options of the Company (2023 – 500,000) and recorded share-based payment expense related to options vested during the period of $2,872,354 (2023 – $1,614,978). The fair value of the stock options granted during the three months ended March 31, 2024 and 2023 was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

	March 31, 2024	**March 31, 2023**
Weighted average risk-free interest rate	3.34%	3.45%
Weighted average expected life in years	5	5
Weighted average expected volatility	100%	100%
Expected dividends	Nil	Nil
Weighted average exercise price	$5.38	$2.17

(Unaudited - Expressed in Canadian Dollars)

A summary of stock options outstanding as at March 31, 2024 and December 31, 2023 and the changes for the years 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	3,270,000	4.34	-
Exercised	(351,900)	0.46	-
Expired/forfeited	(69,900)	2.49	-
Balance outstanding – December 31, 2023	**10,720,150**	**2.29**	**3.61**
Granted	150,000	5.38	-
Exercised	(223,150)	1.20	-
Balance outstanding – March 31, 2024	**10,647,000**	**2.36**	**3.40**
Balance vested – March 31, 2024	**5,440,400**	**1.09**	**2.63**

As at March 31, 2024, 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	2,500,000	2,500,000	1.91	$ 0.30
July 12, 2026	20,000	20,000	2.28	$ 0.35
January 18, 2027	1,075,000	860,000	2.80	$ 0.55
March 8, 2027	300,000	234,000	2.94	$ 0.80
July 22, 2027	964,000	578,400	3.31	$1.76
August 23, 2024	68,000	68,000	0.40	$3.02
December 29, 2027	2,300,000	920,000	3.75	$2.88
February 22, 2028	500,000	200,000	3.90	$2.17
May 30, 2028	300,000	60,000	4.17	$3.15
December 21, 2028	2,470,000	-	4.73	$4.93
February 1, 2029	150,000	-	4.84	$5.38
	10,647,000	**5,440,400**	**3.40**	**$2.36**

Restricted Share Units

The Company has an Omnibus Incentive Plan pursuant to which it may issue RSUs to directors, officers, employees, and consultants.

During the three months ended March 31, 2024, the Company granted 50,000 RSUs of the Company (2023 – Nil) and recorded share-based payment expense related to RSUs $87,406 (2023 – $Nil). The Company also recorded a fair value adjustment of $15,159 in connection with the 51,825 RSUs granted on December 21, 2023, which are expected to be cash settled.

The Company has the option of settling the RSUs granted on February 1, 2024 in cash or common shares and is expecting to settle these RSUs in common shares. Total value of the RSUs granted on February 1, 2024 is $289,000 based on the closing share price of $5.78 on the date prior to the grant date. One-half of the RSUs is expected to vest on August 1, 2025, and one-half is expected to vest on February 1, 2027.

(Unaudited - Expressed in Canadian Dollars)

The RSUs granted on December 21, 2023 are expected to be settled in cash and vest on December 21, 2024. A continuity of the share-based compensation liabilities in connection with these RSUs is as follows:

Balance – December 31, 2023	**$ 7,037**
Fair value adjustment	15,159
Share-based compensation for the period	64,041
Balance – March 31, 2024	**$ 86,237**

A summary of RSUs outstanding as at March 31, 2024 and December 31, 2023 and the changes for the periods then ended is presented below:

Balance outstanding – December 31, 2023	**51,825**
Granted	50,000
Balance outstanding – March 31, 2024	**101,825**
Balance vested – March 31, 2024	**-**

As at March 31, 2024 outstanding RSUs are as follows:

Vesting date	Number of RSUs	Number of vested RSU
December 21, 2024	51,825	-
August 1, 2025	25,000	-
February 1, 2027	25,000	-
Balance – March 31, 2024	**101,825**	**-**

Warrants:

A summary of warrants outstanding as at March 31, 2024 and December 31, 2023 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	1.03
Issued	200,000	3.50	-
Exercised	(7,953,528)	0.63	-
Expired	(133,333)	0.59	-
Balance outstanding – December 31, 2023	**6,371,146**	**2.57**	**0.59**
Exercised	(5,000,000)	2.50	-
Balance outstanding – March 31, 2024	**1,371,146**	**2.65**	**0.46**

As at March 31, 2024 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
August 2, 2024	1,171,146	0.34	$2.50
May 30, 2025	200,000	1.16	$3.50
	1,371,146	**0.46**	**$2.65**

(Unaudited - Expressed in Canadian Dollars)

8. Related party transactions

During the three months ended March 31, 2024 and 2023, the Company incurred the following expenditures with key management personnel, being the Chief Executive Officer, Chief Financial Officer, Vice President Exploration, and Chief Geologist; as well as directors of the Company.

A summary of the Company's related party transaction is as follows:

	Three months ended March 31, 2024 $	Three months ended March 31, 2023 $
Director fees	**45,000**	44,486
Share-based compensation	**1,721,702**	856,057
Salaries and other compensation	**217,070**	199,228
Rent	**8,102**	6,752
	1,991,874	1,106,523

At March 31, 2024, amounts owed due to related parties comprised of amounts owing to key management and directors totaling $nil (December 31, 2023 - $nil). The amounts are unsecured, non-interest bearing with no specific repayment terms.

During the year ended December 31, 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 of their salaries paid 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 three months ended March 31, 2024 and 2023, the following transactions were excluded from the condensed interim consolidated statements of cash flows:

	Three months ended March 31, 2024	Three months ended March 31, 2023
	$	$
Cash paid for interest	-	-
Cash received for interest	394,998	196,455
Cash paid for taxes	52,917	-
Non-cash investing and financing transactions		
Fair value transferred from contributed surplus on exercise of warrants	(2,321,821)	(324,761)
Fair value transferred from contributed surplus on exercise of options	(192,361)	(33,280)
Flow-through liability recognized	-	5,761,812

(Unaudited - Expressed in Canadian Dollars)

10. Loss per Share

	Three months ended March 31, 2024	Three months ended March 31, 2023
Loss attributable to common shareholders ($)	**(4,117,202)**	(2,883,027)
Weighted average number of common shares outstanding	**147,181,745**	133,431,819
Loss per share attributed to common shareholders ($)	**(0.03)**	(0.02)

Diluted loss per share did not include the effect of 10,647,000 (2023 – 8,151,950) share purchase options, 1,371,146 (2023 – 10,665,759) common share purchase warrants and 101,825 RSUs (2023 – Nil) as they are anti-dilutive.

11. Rehabilitation Provision

On October 1, 2023, the Company recognized a rehabilitation provision in connection with its property and equipment. Reconciliation of the Company's carrying amount of the rehabilitation provision at March 31, 2024 and December 31, 2023 is as follows:

Balance – December 31, 2023	$	364,364
Accretion		2,960
Balance – March 31, 2024	**$**	**367,324**

The present value of the provision of $364,364 at December 31, 2023 was calculated using the risk-free rate of 3.25% and an average inflation rate of 2.38%. Rehabilitation activities are expected to begin at the end of 2027. The undiscounted value of the obligation is $334,563.

12. Segmented Information

The Company operates in a single reportable operating segment, being the exploration and development of mineral properties. For the three months ended March 31, 2024 and 2023, the mineral property interests are located in Canada, and all of the exploration expenditures are incurred in Canada. Please see Notes 3 and 5 for mineral property acquisition costs and related exploration expenses.

13. Commitments

During the three months ended March 31, 2024, the Company incurred $1,060,020 (2023 - $970,824) in Qualifying Canadian exploration expenses ("CEE") and amortized a total of $319,349 (2023 – $271,831) of its flow-through liabilities.

As of March 31, 2024, the Company must spend another $18,956,559 of Qualifying CEE by December 31, 2024 to satisfy its remaining current flow-through liability of $7,818,024.

As of December 31, 2023, the Company had to spend another $19,964,148 of Qualifying CEE by December 31, 2024 to satisfy its remaining currently flow-through liability of $8,137,553.

14. Financial instruments

a) Management of capital:

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, to pursue the development of its assets and to maintain a flexible capital structure that optimizes the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of amounts attributable to shareholders.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt, and or acquire or dispose of assets.

The Company is dependent on the capital markets as its primary source of operating capital and the Company's capital resources are largely determined by the investment appetite in the mineral resource market and its ability to compete for investor support in this market.

The Company is not subject to any capital requirements imposed by a regulator.

b) Classification of financial instruments:

The Company's financial instruments consist of cash, cash equivalents, amounts receivable, deposits, accounts payable and accrued liabilities, lease liabilities, RSU liabilities, and deferred acquisition payments. The Company's cash and cash equivalents are classified and measured at fair value. The Company's amounts receivable, deposits, accounts payable and accrued liabilities, lease liability and deferred acquisition payments are classified as and measured at amortized cost.

c) Fair Value of Financial Instruments:

The Company classified its fair value measures within a fair value hierarchy, which reflects the significance of inputs used in making the measurements as defined in IFRS 7 – Financial Instruments: Disclosures.

Level 1 – Unadjusted quoted prices at the measurement date for identical assets or liabilities in active markets.

Level 2 – Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Unobservable inputs which are supported by little or no market activity.

As at March 31, 2024 and December 31, 2023, the Company had measured cash and cash equivalents at fair value through profit and loss. The carrying amounts of accounts receivable, deposits, and accounts payable and accrued liabilities approximate their fair values due to the short-term maturities of these instruments.

d) Financial instruments risk exposure:

Credit Risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents held with banks and financial institutions as well as accounts receivable. The Company's cash and cash equivalents are held at a major Canadian financial institution. Accounts receivable consist of Goods and Services Tax receivable from the Government of Canada. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The Company has not provided an expected credit loss allowance as at March 31, 2024 and December 31, 2023.

Interest Rate Risk
Interest rate risk is the risk that the Company is exposed to the risk that the value of financial instruments will change due to movements in market interest rates. As at March 31, 2024, the Company did not have debt instruments exposed to variable interest rates. The risk is not significant.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining sufficient cash to enable settlement of transactions on the due date. Management monitors the Company's contractual obligations and other expenses to ensure adequate liquidity is maintained.

15. Subsequent events

i) On April 25, 2024, the Company completed a Bought Deal Flow-Through private placement. The Company issued 3,685,750 flow-through common shares at a price of $7.80 for total proceeds of $28,748,850. The Company also completed a concurrent non-brokered private placement of 405,000 flow through shares at a price of $7.80 for additional gross proceeds of $3,159,000.
ii) On May 15, 2024, the Company completed the consolidation of 100% ownership of its Einarson Project through purchase of a privately held 30% interest in 3,003 mineral claims. Total consideration for the acquisition was $1,200,000 and a one-time share payment of 1,012,000 common shares.