

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 2021

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 000-32919

PATRIOT GOLD CORP.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of
incorporation or organization)

86-0947048

(I.R.S. Employer
Identification No.)

401 Ryland St. Suite 180
Reno, Nevada, 89502

(Address of principal executive offices)

89502

(Zip Code)

(702) 456-9565

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
N/A	N/A	N/A

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐

Non-accelerated filer ☒

Emerging growth company ☐

Accelerated filer ☐

Smaller reporting company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 74,380,354 shares of common stock, \$0.001 par value, issued and outstanding as of May 14, 2021.

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PART I

FINANCIAL INFORMATION

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

THIS QUARTERLY REPORT ON FORM 10-Q, INCLUDING EXHIBITS HERETO, CONTAIN FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF SECTION 27A OF THE SECURITIES ACT OF 1933, AS AMENDED, AND SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. THESE FORWARD-LOOKING STATEMENTS ARE TYPICALLY IDENTIFIED BY THE WORDS “ANTICIPATES,” “BELIEVES,” “EXPECTS,” “INTENDS,” “FORECASTS,” “PLANS,” “ESTIMATES,” “MAY,” “FUTURE,” “STRATEGY,” OR WORDS OF SIMILAR MEANING. VARIOUS FACTORS COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE EXPRESSED IN THE FORWARD-LOOKING STATEMENTS, INCLUDING THOSE DESCRIBED IN “RISK FACTORS” IN OUR ANNUAL REPORT ON FORM 10-K. WE ASSUME NO OBLIGATIONS TO UPDATE THESE FORWARD-LOOKING STATEMENTS TO REFLECT NEW INFORMATION, ACTUAL RESULTS, CHANGES IN ASSUMPTIONS, OR CHANGES IN OTHER FACTORS, EXCEPT AS REQUIRED BY LAW.

Item 1. Financial Statements

PATRIOT GOLD CORP.
CONSOLIDATED BALANCE SHEETS
(unaudited)

	<u>March 31,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>
<u>ASSETS</u>		
Current assets:		
Cash	\$ 1,218,749	\$ 1,124,132
Marketable securities	167,812	221,580
Royalty receivables	955,858	1,076,130
Prepaid expenses	84,200	105,000
Total current assets	<u>2,426,619</u>	<u>2,526,842</u>
Long-term assets:		
Deferred tax asset, net of valuation allowance	1,165,000	1,165,000
Royalty interest (see Note 4)	—	—
Total long-term assets	<u>1,165,000</u>	<u>1,165,000</u>
Total assets	<u>\$ 3,591,619</u>	<u>\$ 3,691,842</u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 32,265	\$ 50,763
Accounts payable and accrued liabilities – related parties	110,390	182,618
Total current liabilities	<u>142,655</u>	<u>233,381</u>
Commitments and contingencies	—	—
Stockholders' equity:		
Preferred stock, par value \$.001; 6,500,000 shares authorized; no shares issued at March 31, 2021 and December 31, 2020, respectively	—	—
Series A Preferred stock, par value \$.001; 13,500,000 shares authorized; 290,000 shares issued at March 31, 2021 and December 31, 2020, respectively	290	290
Common stock, par value \$.001; 400,000,000 shares authorized; 74,380,354 shares issued and outstanding at March 31, 2021 and December 31, 2020, respectively	74,380	74,380
Treasury stock (100,000 shares)	(9,093)	(9,093)
Additional paid-in capital	29,476,587	29,476,587
Common shares to be issued	22,400	22,400
Accumulated other comprehensive income	(16,361)	(16,361)
Accumulated deficit	(26,099,239)	(26,089,742)
Total stockholders' equity	<u>3,448,964</u>	<u>3,458,461</u>
Total liabilities and stockholders' equity	<u>\$ 3,591,619</u>	<u>\$ 3,691,842</u>

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

PATRIOT GOLD CORP.
CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	For the Three Months Ended March 31,	
	2021	2020
Revenues	\$ 482,831	\$ 388,377
Expenses:		
Mineral costs	250,398	83,997
Consulting expense	108,050	64,340
Directors Fees	52,500	52,500
General and administrative	27,461	44,123
Total operating expense	438,409	244,960
Net income from operations	44,422	143,417
Other income (expense):		
Unrealized holding gain (loss) on marketable securities	(55,901)	(72,855)
Currency exchange gain (loss)	1,982	(8,932)
Total other income (expense)	(53,919)	(81,787)
Net income (loss)	\$ (9,497)	\$ 61,630
Earnings per share, basic and diluted:		
Income (loss) per common share - basic	\$ (0.00)	\$ 0.00
Income (loss) per common share - diluted	\$ (0.00)	\$ 0.00
Weighted average shares outstanding - basic	74,380,354	74,280,354
Weighted average shares outstanding - diluted	74,380,354	74,280,354

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

PATRIOT GOLD CORP.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(unaudited)

	Series A Preferred Stock		Common Stock		Treasury Stock	Additional Paid-In Capital	Common Shares To be issued	Accumulated Other Comprehensive Income	Retained Deficit	Total
	Shares	Par Value	Shares	Par Value						
For the 3 months ended March 31, 2020										
Balance December 31, 2019	290,000	\$ 290	74,280,354	\$ 74,280	\$ (9,093)	\$ 29,161,187	\$ –	\$ (16,361)	\$ (28,117,035)	\$ 1,093,268
Net Income	–	–	–	–	–	–	–	–	61,630	61,630
Balance March 31, 2020	290,000	\$ 290	74,280,354	\$ 74,280	\$ (9,093)	\$ 29,161,187	\$ –	\$ (16,361)	\$ (28,055,405)	\$ 1,154,898
For the 3 months ended March 31, 2021										
Balance December 31, 2020	290,000	\$ 290	74,380,354	\$ 74,380	\$ (9,093)	\$ 29,476,587	\$ 22,400	\$ (16,361)	\$ (26,089,742)	\$ 3,458,461
Net income	–	–	–	–	–	–	–	–	(9,497)	(9,497)
Balance March 31, 2021	290,000	\$ 290	74,380,354	\$ 74,380	\$ (9,093)	\$ 29,476,587	\$ 22,400	\$ (16,361)	\$ (26,099,239)	\$ 3,448,964

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

PATRIOT GOLD CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	For the Three Months Ended March 31,	
	2021	2020
Net Income (Loss)	\$ (9,497)	\$ 61,630
Adjustments to reconcile net income to net cash used in operating activities:		
Fair value adjustment for marketable securities	53,767	80,839
Change in operating assets and liabilities:		
Royalty receivables	120,272	(145,093)
Prepaid expenses	20,800	20,500
Accounts payable and accrued liabilities	(18,496)	23,693
Accounts payable and accrued liabilities – related parties	(72,229)	(14,557)
Net cash flows provided by operating activities	94,617	27,012
Net cash flows used in investing activities	—	—
Net cash flows from financing activities	—	—
Net increase in cash	94,617	27,012
Cash, beginning of period	1,124,132	228,250
Cash, end of period	\$ 1,218,749	\$ 255,262
Supplemental disclosure of cash paid for:		
Interest	\$ —	\$ —
Income taxes	\$ —	\$ —
Non-cash financing activities:	\$ —	\$ —

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

PATRIOT GOLD CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2021

NOTE 1 - NATURE OF BUSINESS AND OPERATIONS

Patriot Gold Corp. ("Company") was incorporated in the State of Nevada on November 30, 1998. The Company is engaged in natural resource exploration and anticipates acquiring, exploring, and developing natural resource properties. Currently the Company is undertaking programs in Arizona and Nevada. The Company's common stock trades on the Canadian Securities Exchange under the symbol PGOL, and also on the Over-The-Counter ("OTCQB") market under the symbol PGOL.

On May 23, 2017, the Company caused the incorporation of its wholly owned subsidiary, Patriot Gold Canada Corp ("Patriot Canada"), under the laws of British Columbia, Canada.

On April 16, 2010, the Company caused the incorporation of its wholly owned subsidiary, Provex Resources, Inc., ("Provex") under the laws of Nevada. Effective May 7, 2018, Provex's name was changed to Goldbase, Inc. ("Goldbase").

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") and pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Goldbase and Patriot Canada. Collectively, they are referred to herein as "the Company". Inter-company accounts and transactions have been eliminated.

Risks and Uncertainties

The Company is subject to additional risks and uncertainties due to the COVID-19 pandemic. The extent of the impact on the Company's business is uncertain and difficult to predict, as the response to the pandemic varies by jurisdiction and medical treatments are still uncertain. The Company considered the impact of COVID-19 on the assumptions and estimates used and determined that there has been no material impact on the Company's results of operations other than delays in exploration activity and project assessments. The Company cannot reasonably estimate with any degree of certainty the future impact COVID-19 may have on the Company's results of operations, financial position and liquidity.

Management's Estimates and Assumptions

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management believes that all applicable estimates and adjustments are appropriate. Actual results could differ from those estimates.

Going Concern

Management believes they will have sufficient funds to support their business based on the following: (a) revenues derived from the Moss royalty, given the Moss Mine is now in production; (b) the Company's marketable securities are relatively liquid; (c) current cash on hand is sufficient to cover estimated minimum operational costs for the next 12 months.

Exploration and Development Costs

Mineral exploration costs and payments related to the acquisition of the mineral rights are expensed as incurred. When it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, the costs incurred to acquire and develop such property will be capitalized. Such costs will be amortized using the units-of-production method over the estimated life of the probable reserve. No costs have been capitalized through March 31, 2021.

Cash and Cash Equivalents

The Company considers all investment instruments purchased with a maturity of three months or less to be cash equivalents to the extent the funds are not being held for investment purposes. The Company has no cash equivalents as of March 31, 2021 and December 31, 2020.

Marketable Securities

Equity investments with readily determinable fair values are measured at fair value. Equity investments without readily determinable fair values are measured using the equity method or measured at costs with adjustments for observable changes in price or impairments (referred to as the measurement alternative). We currently do not have investments without readily determinable fair values. We perform a qualitative assessment on a periodic basis and recognize an impairment if there are sufficient indicators that the fair value of the investment is less than carrying value. Changes in value are recorded in Other income (expense), net.

Royalties Receivables

Royalties Receivables consist of amounts due from Golden Vertex related to the net smelter return royalty on the Moss Mine in Arizona (see Note 4). An allowance for uncollectible receivables is based on historical collection trends and write-off history. As of March 31, 2021 and December 31, 2020, there was no allowance recorded.

Foreign Currency Translation

The Company's functional currency and reporting currency is the U.S. dollar. Monetary items denominated in foreign currency are translated to U.S. dollars at exchange rates in effect at the balance sheet date and non-monetary items are translated at rates in effect when the assets were acquired, or obligations incurred. Revenue and expenses are translated at rates in effect at the time of the transactions. Foreign exchange gains and losses are included in the consolidated statements of operations.

Concentration of Credit Risk

The Company has no off-balance-sheet concentrations of credit risk such as foreign exchange contracts, options contracts or other foreign hedging arrangements. Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash deposits. The Company maintains the majority of its cash balances with two financial institutions in the form of demand deposits. Accounts at banks in the United States are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000, while accounts at banks in Canada are insured by the Canada Deposit Insurance Corporation ("CDIC") up to \$100,000. At March 31, 2021, the Company had \$939,001 and \$0 in excess of the FDIC and CDIC insured limits, respectively.

Income/Loss per Share

Basic earnings per share is computed by dividing the net income (loss) by the weighted average number of shares outstanding during the period. Diluted earnings per share is computed by dividing net income (loss) by the weighted-average number of common shares plus dilutive potential common shares outstanding during the period.

As of March 31, 2021 and 2020, all of the outstanding stock options and warrants were excluded from the computation of diluted shares outstanding as they would have had an anti-dilutive impact on the Company's loss from continuing operations.

Comprehensive Income

Comprehensive income consists of net income and other gains and losses affecting shareholders' equity that, under generally accepted accounting principles, are excluded from net income. For the Company, such items consist primarily of foreign currency translation gains and losses.

Accumulated other comprehensive income at March 31, 2021 and December 31, 2020, consists of foreign currency adjustments related to the Company changing its functional currency from Canadian to U.S. dollar in 2003.

Stock Options

The Company measures all employee stock-based compensation awards using a fair value method on the date of grant and recognizes such expense in its consolidated financial statements over the requisite service period. The Company uses the Black-Scholes pricing model to determine the fair value of stock-based compensation awards on the date of grant. The Black-Scholes pricing model requires management to make assumptions regarding option lives, expected volatility, and risk-free interest rates.

The Company accounts for non-employee stock-based awards in accordance with the Accounting Standards Update (ASU) 2018-07, *Compensation—Stock Compensation (Topic 718)*: Under this standard, the Company values all equity classified awards at their grant-date under ASC 718.

The Company uses the Black-Scholes pricing model to determine the fair value of stock-based compensation awards. The Black-Scholes pricing model requires management to make assumptions regarding option lives, expected volatility, and risk-free interest rates.

Stock-based Compensation

The Company accounts for equity-based transactions with nonemployees awards in accordance with the Accounting Standards Update (ASU) 2018-07, *Compensation—Stock Compensation (Topic 718)*: ASU 2018-07 establishes that equity-based payment transactions with nonemployees shall be measured at the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable. The fair value of common stock issued for payments to nonemployees is measured at the market price on the date of grant. The fair value of equity instruments, other than common stock, is estimated using the Black-Scholes option valuation model. In general, we recognize the fair value of the equity instruments issued as deferred stock compensation and amortize the cost over the term of the contract.

The Company accounts for employee stock-based compensation in accordance with the guidance of FASB ASC Topic 718, *Compensation—Stock Compensation*, which requires all share-based payments to employees, including grants of employee stock options, to be recognized in the financial statements based on their fair values. The fair value of the equity instrument is charged directly to compensation expense and credited to additional paid-in capital over the period during which services are rendered.

The Company has granted Restricted Common Stock, where the Restricted Common Stock is restricted for a period of three years following the date of grant. During the three-year period the recipient may not sell or otherwise dispose of the shares. The Company has applied a discount for illiquidity to the price of the Company's stock when determining the amount of expense to be recorded for the Restricted Common Stock issuance. The discount for illiquidity for the Restricted Common Stock was estimated on the date of grant by taking the average close price of the freely traded common shares for the period in which the services were provided, and applying an illiquidity discount of 10% for each multiple that the total Restricted Common Stock is of the average daily volume for the period, to a maximum of 50%.

Fair Value of Financial Instruments

The carrying value of the Company's financial instruments, including prepaids, accounts payable and accrued liabilities, at March 31, 2021 and December 31, 2020 approximates their fair values due to the short-term nature of these financial instruments. Management is of the opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments. The Company carries other company's equity instruments at fair value as required by U.S. GAAP, which are valued using level 1 inputs under the fair value hierarchy.

In general, investments with original maturities of greater than 90 days and remaining maturities of less than one year are classified as short-term investments. Investments with maturities beyond one year may also be classified as short-term based on their highly liquid nature and can be sold to fund current operations.

Fair Value Hierarchy

Fair value is defined within the accounting rules as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The rules established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. As presented in the tables below, this hierarchy consists of three broad levels:

Level 1. Quoted prices in active markets for identical assets or liabilities.

Level 2. Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets with insufficient volume or infrequent transactions (less active markets), or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data for substantially the full term of the assets or liabilities. Level 2 inputs also include non-binding market consensus prices that can be corroborated with observable market data, as well as quoted prices that were adjusted for security-specific restrictions.

Level 3. Unobservable inputs to the valuation methodology are significant to the measurement of the fair value of assets or liabilities. These Level 3 inputs also include non-binding market consensus prices or non-binding broker quotes that we were unable to corroborate with observable market data.

Assets measured at fair value on a recurring basis by level within the fair value hierarchy are as follows:

	Fair Value Measurement at		Fair Value Measurement at	
	March 31, 2021		December 31, 2020	
	Using Level 1	Total	Using Level 1	Total
Assets:				
Marketable securities	\$ 167,812	\$ 167,812	\$ 221,580	\$ 221,580

Revenue Recognition

The Company has adopted Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 606, *Revenue from Contracts with Customers* ("ASC 606"), which provides a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The Company receives a royalty from Golden Vertex of 3% of net smelter returns (see Note 3) and recognizes revenue at the time minerals are produced and sold at the Moss Mine. The Company's revenue recognition policy standards include the following elements under ASU 606:

1. Identify the contract with the customer. The contract with Golden Vertex is documented in the Purchase and Sale Agreement dated 5/12/16 and the Royalty Deed dated 5/25/16.
2. Identify the performance obligations in the contract. The performance obligation in the contract required Patriot to relinquish its 30% interest in the Moss Mine. The Company conveyed all of its right, title and interest in those certain patented and unpatented lode mining claims situated in the Oatman Mining District, Mohave County, Arizona together with all extralateral and other associated rights, water rights, tenements, hereditaments and appurtenances belonging or appertaining thereto, and all rights-of-way, easements, rights of access and ingress to and egress from the claims appurtenant thereto, and in which the Company had any interest.
3. Determine the transaction price. The transaction price was C\$1,500,000 plus 3% of the Net Smelter Returns on the future production of the Moss Mine. See Note 3 for definition of Net Smelter Returns.
4. Allocate the transaction price to the performance obligations in the contract. The Company only has one performance obligation, the transfer of the rights to the Moss Mine, which has already been fulfilled.
5. Recognize revenue when (or as) the entity satisfies a performance obligation. The C\$1,500,000 was recognized as a sale of the mining rights in 2016, resulting in a gain from the disposition of the property. The 3% net smelter returns royalty are recognized as revenue in the period that Golden Vertex produces and sells minerals from the Moss Mine, which began in March 2018. The royalties that have been received to date have been highly variable, as the amounts are dependent upon the monthly production, the demand of the buyers, the spot price of gold and silver, the costs associated with refining and transporting the product, etc. As such, management has determined that the revenue recognition shall be treated as variable consideration as defined in ASC 606. Variable consideration should only be recognized to the extent that it is probable that a significant reversal of revenue will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Given the fact that royalties to date have been highly variable with a great degree of uncertainty, and any attempts to estimate future revenue would likely result in a significant reversal of revenue, royalty revenue will be recognized when payments and settlement statements are received from Golden Vertex, in the period for which the sales were made by Golden Vertex. It is at that time that any uncertainty related to royalty payments is resolved. The Company applied ASC 606 using the modified retrospective method applied to contracts not yet completed as of the date of adoption.

Related Party Transactions

A related party is generally defined as (i) any person who holds 10% or more of the Company's securities and their immediate families, (ii) the Company's management, (iii) an entity or person who directly or indirectly controls, is controlled by or is under common control with the Company, or (iv) anyone who can significantly influence the financial and operating decisions of the Company. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Income Taxes

The Company follows ASC 740-10-30, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are based on the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the fiscal year in which the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the fiscal years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Statements of Income in the period that includes the enactment date.

The Company adopted ASC 740-10-25 ("ASC 740-10-25") with regard to uncertainty of income tax positions. ASC 740-10-25 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under ASC 740-10-25, we may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. ASC 740-10-25 also provides guidance on derecognition, classification, interest and penalties on income taxes, and accounting in interim periods and requires increased disclosures.

New Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, “Measurement of Credit Losses on Financial Instruments.” The pronouncement revises the methodology for measuring credit losses on financial instruments and the timing of when such losses are recorded. The guidance is effective for the Company beginning in the first quarter of fiscal year 2021 with early adoption permitted. The Company is currently evaluating the potential impact of this guidance on its consolidated financial statements.

The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the financial statements unless otherwise disclosed, and the Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

NOTE 3 - MINERAL PROPERTIES

Vernal Property

The Vernal Property is located approximately 140 miles east-southeast of Reno, Nevada on the west side of the Shoshone Mountains. The Company holds the property via 12 unpatented mining claims (approximately 248 acres). The Company has a 100% interest in the Vernal property, subject to an existing royalty. As of March 31, 2021, the Company has incurred approximately \$89,616 of accumulated option and exploration expenses on the Vernal property. During the three months ended March 31, 2021 and 2020, the Company incurred no exploration expenses on the Vernal property.

Moss Mine Property

In 2004, the Company obtained a 100% interest in a number of patented and unpatented mining claims known as the Moss Mine property located in the Oatman Mining District of Mohave county Arizona. In 2011, the Company entered into an Exploration and Option to Enter Joint Venture Agreement (the “Moss Agreement”), with Idaho State Gold Company, LLC, (“ISGC”) whereby the Company granted the option and right to earn a vested seventy percent (70%) interest in the property and the right and option to form a joint venture for the management and ownership of the properties called the Moss Mine, Mohave County, Arizona. Subsequently, ISGC transferred its rights to Northern Vertex Mining Corp. (“Northern Vertex”). In 2016, it was determined that Northern Vertex had met the required conditions to earn an undivided 70% interest in the Moss Mine. As such, the Company entered into a material definitive Agreement for Purchase and Sale of Mining Claims and Escrow Instructions (the “Purchase and Sale Agreement”) with Golden Vertex Corp., an Arizona corporation (“Golden Vertex,” a wholly-owned Subsidiary of Northern Vertex) whereby Golden Vertex agreed to purchase the Company’s remaining 30% working interest in the Moss Mine for \$1,155,600 (C\$1,500,000) plus a 3% net smelter return royalty. See Note 4 for additional information regarding the royalty from the Moss Mine.

Windy Peak Property

The Windy Peak Property, (“Windy Peak”) consists of 114 unpatented mineral claims covering approximately 2,337 acres, 3 miles NNE of the Bell Mountain and 7 miles east of the Fairview mining district in southwest Nevada. Annual maintenance fees paid to the BLM and recording fees must be paid to the respective county on or before September 1 of each year to keep the claims in good standing, provided the filings are kept current these claims can be kept in perpetuity. As of March 31, 2021, the company has incurred approximately \$999,555 of exploration expenses on the Windy Peak Property, and \$182,626 and \$81,838 were spent for the three months ended March 31, 2021 and 2020, respectively.

Rainbow Mountain Property

The Rainbow Mountain gold project consists of 81 unpatented lode claims totaling approximately 1,620 contiguous acres, located approximately 23 km southeast of Fallon, in the state of Nevada. Access to the project area is by paved highway, followed by a short stretch of gravel road.

Annual maintenance fees paid to the BLM and recording fees must be paid to the respective county on or before September 1 of each year to keep the claims in good standing, provided the filings are kept current these claims can be kept in perpetuity. As of March 31, 2021, the company has incurred approximately \$297,128 of fees and exploration expenses on the Rainbow Mountain Property, and \$67,771 and \$2,160 were spent for the three months ended March 31, 2021 and 2020, respectively.

NOTE 4 – ROYALTY INTERESTS

Pursuant to the Purchase and Sale Agreement with Golden Vertex, the Company's has a 3% net smelter return royalty on the Moss Mine in Arizona. For the three months ended March 31, 2021 and 2020, the Company earned royalties of \$482,831 and \$388,377, respectively.

Pursuant to the Bruner Purchase and Sale Agreement with Canamex Resources dated April 25, 2017, the Company has a 2% net smelter return ("NSR") royalty on the Bruner Gold/Silver mine in Nevada, including any claims acquired within a two-mile area of interest around the existing claims. Canamex has the option to buy-down half of the NSR royalty retained by Patriot for \$5 million any time during a five-year period following closing of the purchase and sale agreement. As of March 31, 2021, no royalties have yet been earned.

In March 2019, the Company purchased a Vanadium Oxide royalty interest from a related party. In exchange for a non-refundable payment of \$300,000, the Company will receive royalties based on the gross production of Vanadium Oxide ("Vanadium") from a bitumen deposit covering oil sands leases in the Cadotte area of Peace River, Alberta. For each barrel of bitumen produced from the specified oil sands until March 21, 2039, or upon termination of mining, whichever is earlier, the Company will be paid a royalty equal to 25 grams of Vanadium per barrel of bitumen produced, multiplied by the price of Vanadium Pentoxide 98% min in-warehouse Rotterdam published on the last business day of the month in which the gross production of bitumen occurred. While management believes the royalty interest continues to have value, there is no defined timeline to begin production of Vanadium and as such, as of March 31, 2021, the Company has fully impaired the royalty asset.

NOTE 5 – COMMITMENTS AND CONTINGENCIES

In the ordinary course of business, we may be exposed to claims and threatened litigation, and use various methods to resolve these matters in a manner that we believe serves the best interest of our shareholders and other constituents. When a loss is probable, we disclose the amount of probable loss, or disclose a range of reasonably possible losses if they are material and we are able to estimate such a range. If we cannot provide an estimate, we explain the factors that prevent us from doing so. We believe the recorded reserves in our consolidated financial statements are adequate in light of the probable and estimable liabilities. We do not presently believe that any claims or litigation will be material to our results of operations, cash flows, or financial condition.

NOTE 6 - STOCK OPTIONS

The Company's Board of Directors adopted the 2019 Stock Option Plan (the "2019 Plan") in July 2019, the 2014 Stock Option Plan (the "2014 Plan") in June 2014, the 2012 Stock Option Plan (the "2012 Plan") in July 2012 and the 2005 Stock Option Plan (the "2005 Plan") in November 2005. There were no compensation costs charged against those plans for the three months ended March 31, 2021 and 2020, respectively.

The 2019 Plan, the 2014 Plan, the 2012 Plan and the 2005 Plan reserve and make available for grant common stock shares of up to 9,500,000, 5,000,000, 3,900,000 and 2,000,000, respectively. In November 2015, the 2005 Stock Option Plan expired so that no share may be granted pursuant to this Plan. No option can be granted under the plans 10 years after the plan inception date.

Options granted to officers or employees under the plans may be incentive stock options or non-qualified stock options. Options granted to directors, consultants, and independent contractors are limited to non-qualified stock options.

The plans are administered by the Board of Directors or a committee designated by the Board of Directors. Subject to specified limitations, the Board of Directors or the Committee has full authority to grant options and establish the terms and conditions for vesting and exercise thereof. However, the aggregate fair market value (determined at the time the option is granted) of the shares with respect to which incentive stock options are exercisable for the first time by an optionee during any calendar year cannot exceed \$100,000.

Options granted pursuant to the plans are exercisable no later than ten years after the date of grant. The exercise price per share of common stock for options granted shall be determined by the Board of Directors or the designated committee, except for incentive stock options granted to a holder of ten percent or more of Patriot's common stock, for whom the exercise price per share will not be less than 110% of the fair market value.

As of March 31, 2021, there were 9,500,000, 185,000 and 155,000 shares available for grant under the 2019 Plan, 2014 Plan and 2012 Stock Option Plan, respectively.

Stock Option Activity

The fair value of each stock option is estimated at the date of grant using the Black-Scholes option pricing model. No options were granted in the three months ended March 31, 2021. Assumptions regarding volatility, expected term, dividend yield and risk-free interest rate are required for the Black-Scholes model. The volatility assumption is based on the Company's historical experience. The risk-free interest rate is based on a U.S. treasury note with a maturity similar to the option award's expected life. The expected life represents the average period of time that options granted are expected to be outstanding. The assumptions for volatility, expected life, dividend yield and risk-free interest rate are presented in the table below:

	2021	2020
Risk-free interest rate	N/A	0.92%
Expected life in years	N/A	10 years
Volatility	N/A	356%
Expected dividend yield	N/A	0%
Exercise Price	N/A	\$0.10

The following table summarizes stock option activity and related information for the period ended March 31, 2021:

	Number of Stock Options Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Balance December 31, 2019	7,465,000	\$ 0.10	6.48	0.00
Option granted	2,875,000	0.10		
Options cancelled / expired	—			
Options exercised	—			
Balance December 31, 2020	10,340,000	\$ 0.10	6.72	0.00
Option granted	—			
Options cancelled / expired	—			
Options exercised	—			
Balance March 31, 2021	10,340,000	\$ 0.10	6.48	0.00
Exercisable at March 31, 2021	10,340,000	\$ 0.10	6.48	0.00

There are no unvested stock options at March 31, 2021.

The Company issues new stock when options are exercised.

NOTE 7 - COMMON STOCK

The Company may issue up to 400,000,000 shares of \$.001 par value common stock. As of March 31, 2021, the Company had 74,380,354 of common shares outstanding. Some of these outstanding shares were granted as payment for services provided to the Company and are restricted. The restricted common stock is restricted for a period of three years following the date of grant. During the three-year period the recipient may not sell or otherwise dispose of the shares. The Company has applied a discount for illiquidity to the price of the Company's stock when determining the amount of expense to be recorded for the Restricted Common Stock issuance. The discount for illiquidity for the Restricted Common Stock was estimated on the date of grant by taking the average close price of the freely traded common shares for the period in which the services were provided, and applying an illiquidity discount of 10% for each multiple that the total Restricted Common Stock is of the average daily volume for the period, to a maximum of 50%.

During 2020, 320,000 warrants were exercised for \$22,400 and are included in common shares to be issued at March 31, 2021 and December 31, 2020, respectively.

NOTE 8 - WARRANTS

The following table summarizes warrant activity during the period ended March 31, 2021. All outstanding warrants were exercisable during this period.

	Number of Warrants	Weighted Average Exercise Price
Outstanding December 31, 2019	11,660,000	\$ 0.12
Issued	—	—
Canceled / exercised	(320,000)	0.07
Expired	(1,500,000)	0.08
Outstanding December 31, 2020	9,840,000	\$ 0.12
Issued	—	—
Canceled / exercised	—	—
Expired	(200,000)	0.05
Outstanding March 31, 2021	9,640,000	\$ 0.13

The following tables summarizes outstanding warrants as of March 31, 2021, all of which are exercisable:

Range of Exercise Prices	Warrants Outstanding and Exercisable		
	Number of Warrants	Weighted Avg Exercise Price	Remaining Contractual Life (years)
\$0.06 - \$0.08	320,000	\$0.08	1.66
\$0.09 - \$0.14	6,320,000	\$0.11	3.14
\$0.15 - \$0.21	3,000,000	\$0.16	4.47
Total Outstanding March 31, 2021	9,640,000		

NOTE 9 - PREFERRED STOCK

As of March 31, 2021, there are 290,000 shares of Series A preferred stock outstanding, owned by a related party. The holders of the Series A Preferred stock shall be entitled to receive non-cumulative dividends in preference to the declaration or payments of dividends on the Common Stock. In the event of liquidation of the Company, the holders of the Series A Preferred Stock shall receive any accrued and unpaid dividends before distribution or payments to the holders of the Common Stock. Series A Preferred Stock carries the same right to vote and act as Common stock, except that it carries super-voting rights entitling it to One Hundred (100) votes per share.

NOTE 10 - RELATED PARTY TRANSACTIONS

Mr. Zachary Black, a Board Member, provides geological consulting services to the Company pursuant to a consulting agreement. He is paid on an hourly basis for his services and reimbursed for his out-of-pocket expenses in performing such consulting services. For the three months ended March 31, 2021 and 2020, Mr. Black was paid fees in the amount of \$49,086 and \$14,370, respectively.

Mr. Robert Coale, a Board Member, provides geological consulting services to the Company pursuant to a consulting agreement. He is paid on an hourly basis for his services and reimbursed for his out-of-pocket expenses in performing such consulting services. For the three months ended March 31, 2021 and 2020, there were no consulting expenses.

Mr. Trevor Newton, President, Chief Financial Officer, Secretary, Treasurer and Director of the Company, provides consulting services to the Company pursuant to a consulting agreement. He is paid on an hourly basis for his services and reimbursed for his out-of-pocket expenses in performing such consulting services. For the three months ended March 31, 2021 and 2020, Mr. Newton was paid fees in the amount of \$96,480 and \$55,617, respectively.

Board members are paid fees of \$70,000 per calendar year. Each director term is three years. In lieu of cash, Mr. Newton opted to receive his director fees in restricted shares of the Company, totaling 5,250,000 shares. The shares were valued at \$0.04 for total non-cash expense of \$17,500 for the three months ended March 31, 2021 and 2020, recorded as Directors Fees Expense. The remainder of the fees for 2021 are recorded as Prepaid Expenses as of March 31, 2021, in the amount of \$52,500.

The Company owns 2,760,260 shares of common stock of Strata Power Corporation ("Strata"), acquired through a series of private placements, as an investment in lithium mining extraction technologies. The purchase was accounted for as a marketable security in available for sale securities. Strata is a related party through Trevor Newton, who is President and a member the Board of Directors of both Patriot and Strata. Management has considered the guidance that is used to evaluate whether the Company has significant influence over Strata and has determined that no such significant influence exists.

NOTE 11 - SUBSEQUENT EVENTS

In accordance with SFAS 165 (ASC 855-10) management has performed an evaluation of subsequent events through the date that the financial statements were available to be issued and has determined that it does not have any material subsequent events to disclose in these financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking information. Forward-looking information includes statements relating to future actions, prospective products, future performance or results of current or anticipated products, sales and marketing efforts, costs and expenses, interest rates, outcome of contingencies, financial condition, results of operations, liquidity, business strategies, cost savings, objectives of management of Patriot Gold Corp. (hereinafter referred to as the "Company," "Patriot Gold" or "we") and other matters. Forward-looking information may be included in this Annual Report on Form 10-K or may be incorporated by reference from other documents filed with the Securities and Exchange Commission (the "SEC") by the Company. One can find many of these statements by looking for words including, for example, "believes," "expects," "anticipates," "estimates" or similar expressions in this Annual Report on Form 10-K or in documents incorporated by reference in this Annual Report on Form 10-K. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or future events.

The Company has based the forward-looking statements relating to the Company's operations on management's current expectations, estimates and projections about the Company and the industry in which it operates. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that we cannot predict. In particular, we have based many of these forward-looking statements on assumptions about future events that may prove to be inaccurate. Accordingly, the Company's actual results may differ materially from those contemplated by these forward-looking statements. Any differences could result from a variety of factors, including, but not limited to general economic and business conditions, competition, and other factors.

General Overview

As a natural resource exploration company, our focus is to acquire, explore and develop natural resource properties which may host mineral reserves which may be economical to extract commercially. With this in mind, we have identified and secured interests in mining claims with respect to properties in Nevada. Current cash on hand plus anticipated royalty revenue is sufficient to fund planned operations for 2021 after payment of accounts payable outstanding at March 31, 2021. Our officers and directors and advisors, attorneys and consultants will continue to be utilized to support all operations.

Results of Operations

Comparison of the Three Months Ended March 31, 2021 to the Three Months Ended March 31, 2020

During the three months ended March 31, 2021 and 2020, we had revenues of \$482,831 and \$388,377, respectively, resulting from the Moss Mine royalty. We are currently exploring and developing our properties and are actively reviewing new projects.

Net loss for the three months ended March 31, 2021 was \$9,497 compared to net profit of \$61,630 for the three months ended March 31, 2020. The change in profitability is primarily due to the \$94,453 of additional royalty revenue received from the Moss Mine, compared to the prior year. In addition, the change in net profit is comprised of an approximate \$166,000 increase in mineral and exploration expenses and a \$44,000 increase in consulting expenses. This was offset by an approximate \$16,000 decrease of general and administrative expense and \$17,000 increase in the unrealized holding loss on marketable securities.

For the three months ended March 31, 2021 and 2020, mineral and exploration expenses were \$250,398 and \$83,997, respectively. The increase in 2021 is primarily due to drilling and consulting expenditures on the Windy Peak project.

For the three months ended March 31, 2021 and 2020, general and administrative expenses were \$27,461 and \$44,123, respectively.

For the three months ended March 31, 2021 and 2020, other income (expenses) were (\$53,919) and (\$81,787), respectively. The change in other income/expense is due to an approximate \$17,000 increase in unrealized holding losses on marketable securities.

Liquidity and Capital Resources

We had total assets of \$3,591,619 at March 31, 2021 consisting primarily of \$1,218,749 of cash, \$167,812 of marketable securities, \$955,858 of royalty receivables, and \$84,200 of prepaid expenses. We had total liabilities of \$142,655 at March 31, 2021, consisting primarily of accounts payable and accrued expenses.

We anticipate that we will incur the following during the year ended December 31, 2021:

- \$1,000,000 for operating expenses, including exploration, working capital and general, legal, accounting and administrative expenses associated with reporting requirements under the Securities Exchange Act of 1934 and compliance with Canadian regulatory authorities.

Cash provided by operations was \$94,617 and \$27,012 for the three months ended March 31, 2021 and 2020, respectively. The \$67,605 increase in cash provided by operations was primarily due to the change in royalty receivables.

There were no investing or financing activities for the three months ended March 31, 2021 and 2020.

Management estimates that the Company will not need additional funding for the next twelve months.

We currently have no agreements, arrangements or understandings with any person to obtain funds through bank loans, lines of credit or any other sources.

Off Balance Sheet Arrangements

We have no off-balance sheet arrangements.

Critical Accounting Policies

Use of Estimates

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management believes that all applicable estimates and adjustments are appropriate. Actual results could differ from those estimates.

Revenue Recognition

On June 1, 2018, the Company adopted Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 606, *Revenue from Contracts with Customers* ("ASC 606"), which provides a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The Company receives a royalty from Golden Vertex of 3% of net smelter returns (see Note 3) and recognizes revenue at the time minerals are produced and sold at the Moss Mine. The Company's revenue recognition policy standards include the following elements under ASU 606:

1. Identify the contract with the customer. The contract with Golden Vertex is documented in the Purchase and Sale Agreement dated 5/12/16 and the Royalty Deed dated 5/25/16.
2. Identify the performance obligations in the contract. The performance obligation in the contract required Patriot to relinquish its 30% interest in the Moss Mine. The Company conveyed all of its right, title and interest in those certain patented and unpatented lode mining claims situated in the Oatman Mining District, Mohave County, Arizona together with all extralateral and other associated rights, water rights, tenements, hereditaments and appurtenances belonging or appertaining thereto, and all rights-of-way, easements, rights of access and ingress to and egress from the claims appurtenant thereto, and in which the Company had any interest.

3. Determine the transaction price. The transaction price was C\$1,500,000 plus 3% of the Net Smelter Returns on the future production of the Moss Mine. See Note 3 for definition of Net Smelter Returns.
4. Allocate the transaction price to the performance obligations in the contract. The Company only has one performance obligation, the transfer of the rights to the Moss Mine, which has already been fulfilled.
5. Recognize revenue when (or as) the entity satisfies a performance obligation. The C\$1,500,000 was recognized as a sale of the mining rights in 2016, resulting in a gain from the disposition of the property. The 3% net smelter returns royalty will be recognized as revenue in the period that Golden Vertex produces and sells minerals from the Moss Mine, which began in March 2018. The royalties that have been received to date have been highly variable, as the amounts are dependent upon the monthly production, the demand of the buyers, the spot price of gold and silver, the costs associated with refining and transporting the product, etc. As such, management has determined that the revenue recognition shall be treated as variable consideration as defined in ASC 606. Variable consideration should only be recognized to the extent that it is probable that a significant reversal of revenue will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Given the fact that royalties to date have been highly variable with a great degree of uncertainty, and any attempts to estimate future revenue would likely result in a significant reversal of revenue, royalty revenue will be recognized when payments and settlement statements are received from Golden Vertex, in the period for which the sales were made by Golden Vertex. It is at that time that any uncertainty related to royalty payments is resolved. The Company applied ASC 606 using the modified retrospective method applied to contracts not yet completed as of the date of adoption.

Mineral Property Acquisition and Exploration Costs

Mineral exploration costs and payments related to the acquisition of the mineral rights are expensed as incurred. When it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, the costs incurred to acquire and develop such property will be capitalized. Such costs will be amortized using the units-of-production method over the estimated life of the probable reserve. No costs have been capitalized through March 31, 2021.

Deferred Taxes

The Company follows ASC 740-10-30, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are based on the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the fiscal year in which the differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Statements of Income in the period that includes the enactment date. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the fiscal years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Statements of Income in the period that includes the enactment date.

The Company adopted ASC 740-10-25 ("ASC 740-10-25") with regard to uncertainty of income tax positions. ASC 740-10-25 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under ASC 740-10-25, we may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. ASC 740-10-25 also provides guidance on derecognition, classification, interest and penalties on income taxes, and accounting in interim periods and requires increased disclosures.

Stock-Based Compensation

We account for equity-based transactions with nonemployees awards in accordance with the Accounting Standards Update (ASU) 2018-07, *Compensation—Stock Compensation (Topic 718)*: ASU 2018-07 establishes that equity-based payment transactions with nonemployees shall be measured at the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable. The fair value of common stock issued for payments to nonemployees is measured at the market price on the date of grant. The fair value of equity instruments, other than common stock, is estimated using the Black-Scholes option valuation model. In general, we recognize the fair value of the equity instruments issued as deferred stock compensation and amortize the cost over the term of the contract.

We account for employee stock-based compensation in accordance with the guidance of FASB ASC Topic 718, *Compensation—Stock Compensation*, which requires all share-based payments to employees, including grants of employee stock options, to be recognized in the financial statements based on their fair values. The fair value of the equity instrument is charged directly to compensation expense and credited to additional paid-in capital over the period during which services are rendered.

The Company has granted Restricted Common Stock, where the Restricted Common Stock is restricted for a period of three years following the date of grant. During the three-year period the recipient may not sell or otherwise dispose of the shares. The Company has applied a discount for illiquidity to the price of the Company's stock when determining the amount of expense to be recorded for the Restricted Common Stock issuance. The discount for illiquidity for the Restricted Common Stock was estimated on the date of grant by taking the average close price of the freely traded common shares for the period in which the services were provided, and applying an illiquidity discount of 10% for each multiple that the total Restricted Common Stock is of the average daily volume for the period, to a maximum of 50%.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and, as such, are not required to provide the information under this Item.

Item 4. Controls and Procedures

Evaluation of disclosure controls and procedures

Under the supervision and with the participation of our management, including our principal executive, we conducted an evaluation of the effectiveness of the design and operations of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”), as of March 31, 2021. Based on this evaluation, the Company's Chief Executive Officer, who also serves as its Principal Financial Officer, concluded that our disclosure controls and procedures were effective.

Changes in internal controls

During the quarter covered by this report, there has been no change in our internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II
OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None

ITEM 1A. RISK FACTORS

N/A

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

N/A

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. MINE SAFETY DISCLOSURES

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”) and Item 104 of Regulation S-K require certain mine safety disclosures to be made by companies that operate mines regulated under the Federal Mine Safety and Health Act of 1977. However, the requirements of the Act and Item 104 of Regulation S-K do not apply as the Company does not engage in mining activities. Therefore, the Company is not required to make such disclosures.

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS

INDEX TO EXHIBITS

Exhibit No.	Description
31.1	<u>Certification of Principal Executive Officer and Principal Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act.</u>
32.1	<u>Certification of Principal Executive Officer and Principal Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act.</u>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: May 14, 2021

PATRIOT GOLD CORP.

By: /s/ Trevor Newton
Trevor Newton
Chief Executive Officer and President

EXHIBIT 31.1

**Certification of Chief Financial Officer
and Chief Executive Officer Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002-Rule 13a-14(a)/15d-14(a)**

I, Trevor Newton, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Patriot Gold Corp.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report.
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 14, 2021

By: /s/ Trevor Newton

Trevor Newton
Chief Executive Officer,
President, Treasurer and Secretary
(Principal Executive Officer and Principal Financial Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Section 1350 Certification

In connection with the Quarterly Report of Patriot Gold Corp. (the “Company”) on Form 10-Q for the fiscal quarter ended March 31, 2021, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Trevor Newton, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C 78m(a) or 78o(d)); and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Dated: May 14, 2021

By: /s/ Trevor Newton

Trevor Newton
Chief Executive Officer,
President, Treasurer and Secretary
(Principal Executive Officer and Principal Financial Officer)