



AurCrest Gold Inc.
CONSOLIDATED FINANCIAL STATEMENTS
For the years ended December 31, 2020 and 2019
(Expressed in Canadian Dollars)

Management's responsibility for financial reporting

The accompanying Consolidated Financial Statements of AurCrest Gold Inc. (the "Company" or "AurCrest") are the responsibility of management and the Board of Directors.

The Consolidated Financial Statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the Consolidated Financial Statements. Where necessary, management has made informed judgments and estimates in accounting for transactions, which were not complete at the date of the statements of financial position. In the opinion of management, the Consolidated Financial Statements have been prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Management has established processes which are in place to provide it sufficient knowledge to support management representations that it has exercised reasonable diligence that (i) the Consolidated Financial Statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the Consolidated Financial Statements and (ii) the Consolidated Financial Statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the Consolidated Financial Statements.

The Board of Directors is responsible for reviewing and approving the Consolidated Financial Statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the Consolidated Financial Statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the Consolidated Financial Statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

Wasserman Ramsay, Chartered Professional Accountants, Licensed Public Accountants, have audited the Consolidated Financial Statements. Their report outlines the scope of their audit and opinion on the Consolidated Financial Statements.

April 28, 2021

Per: (signed) "Chris Angeconeb"
Name: Chris Angeconeb
Title: Chief Executive Officer

Per: (signed) "Errol Farr"
Name: Errol Farr
Title: Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Aurcrest Gold Inc.:

Opinion

We have audited the consolidated financial statements of Aurcrest Gold Inc. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2020 and 2019, and the consolidated statements of loss and comprehensive loss, cash flows and changes in equity for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that as of December 31, 2020 the Company had incurred losses in the amount of \$406,528 resulting in an accumulated deficit of \$20,125,076. In addition, at December 31, 2020 the Company has a working capital deficit in the amount of \$249,536. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the consolidated Financial Statements

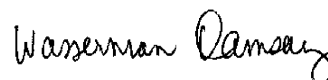
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Kevin Ramsay.



Chartered Professional Accountants
Licensed Public Accountants

Markham, Ontario
April 28, 2021

AurCrest Gold Inc.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

As at	December 31 2020 \$	December 31 2019 \$
ASSETS		
Current		
Cash and cash equivalents	666,766	20,139
Other receivables	11,588	14,457
Marketable securities (note 3)	196,800	58,530
	875,154	93,126
Non-current		
Exploration and evaluation assets (note 4)	66,350	12,750
Total assets	941,504	105,876
LIABILITIES		
Current		
Trade and other payables	285,335	264,793
Short-term loans (note 5)	-	102,147
Deferred royalty revenue (note 7)	155,000	-
Due to officers and directors (note 8)	684,355	617,894
Total current liabilities	1,124,690	984,834
SHAREHOLDERS' DEFICIENCY		
Common shares, equity component of share-based compensation and warrants (note 6)	19,941,890	18,839,590
Deficit	(20,125,076)	(19,718,548)
Total shareholders' deficiency	(183,186)	(878,958)
Total liabilities and shareholders' deficiency	941,504	105,876

Nature of operations and going concern (note 1)

Subsequent event (note 12)

Approved on behalf of the board:

(signed) "Frank van de Water"
Director

(signed) "Ian Brodie-Brown"
Director

The accompanying notes are an integral part of these Consolidated Financial Statements.

AurCrest Gold Inc.

Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

	Years ended December 31	
	2020	2019
	\$	\$
Expenses		
Exploration and project evaluation (note 4)	(130,641)	(51,781)
General and administrative (note 9)	264,173	230,602
Share based compensation	390,400	-
Interest and accretion of short-term loans and loans from related parties	6,924	11,498
Write-off of accounts payable and accrued liabilities	(51,123)	-
Unrealized loss(gain) on marketable securities	(63,550)	8,645
(Gain) loss on marketable securities	(9,655)	(195)
Loss and comprehensive loss for the year	(406,528)	(198,769)
Loss per share	(0.01)	(0.00)
Basic weighted average shares outstanding	81,798,958	79,687,334

The accompanying notes are an integral part of these Consolidated Financial Statements.

AurCrest Gold Inc.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

For the years ended December 31	2020	2019
	\$	\$
Operating activities		
Net loss for the year	(406,528)	(198,769)
Items not affecting cash		
Shares received on option of exploration & evaluation assets	(100,750)	(54,000)
Share based compensation	390,400	-
Interest expense	6,151	10,400
Unrealized loss (gain) on marketable securities	(63,550)	8,645
Realized loss (gain) on sale of marketable securities	(9,655)	(195)
Write-off of accounts payable and accrued liabilities	51,123	-
Net change in non-cash working capital balances related to operating activities:		
Other receivables	2,869	(8,649)
Trade and other payables	(30,581)	(1,478)
Due to officers and directors	66,461	108,193
Cash from (used in) operating activities	(94,060)	(135,853)
Investing activities		
Additions to exploration and evaluation assets	(48,950)	(1,800)
Proceeds from sale of mineral property	13,350	30,000
Cash provided (used in) from investing activities	(35,600)	28,200
Financing activities		
Issuance of common shares for cash, net of issuance expenses	643,900	108,250
Exercise of warrants	50,000	-
Proceeds from sale of marketable securities	35,685	23,770
Short-term loan re-payments	(108,298)	(4,310)
Deferred royalty revenue	155,000	-
Cash provided (used in) from financing activities	776,287	127,710
Net increase (decrease) in cash	646,627	20,058
Cash, beginning of the year	20,139	81
Cash, end of the year	666,766	20,139
Non-cash financing and investing activities:		
Shares issued for mineral property	18,000	-

The accompanying notes are an integral part of these Consolidated Financial Statements.

AurCrest Gold Inc.
Consolidated Statements of Equity
(Expressed in Canadian dollars)

	Share Capital		Equity component of			Sub-total	Deficit	Total
	#	\$	Convertible	Share Based	Warrants			
			Loan	Compensation				
			\$	\$	\$	\$	\$	
Balance, December 31, 2018	78,530,191	18,684,824	4,545	101,225	41,971	18,832,565	(19,621,004)	(788,439)
Private placement	2,200,000	110,000	-	-	-	110,000	-	110,000
Share issuance costs	-	(3,630)	-	-	1,880	(1,750)	-	(1,750)
Expiry of stock options	-	-	-	(101,225)	-	(101,225)	101,225	-
Equity portion of convertible loan	-	4,545	(4,545)	-	-	-	-	-
Expiry of warrants	-	32,257	-	-	(32,257)	-	-	-
Net loss for the year	-	-	-	-	-	-	(198,769)	(198,769)
Balance, December 31, 2019	80,730,191	18,827,996	-	-	11,594	18,839,590	(19,718,548)	(878,958)
Private placement	11,666,667	700,000	-	-	-	700,000	-	700,000
Share issuance costs	-	(128,550)	-	-	72,450	(56,100)	-	(56,100)
Common shares issues for exploration and project evaluation expenditures	300,000	18,000	-	-	-	18,000	-	18,000
Exercise of warrants	1,000,000	50,000	-	-	-	50,000	-	50,000
Expiry of warrants	-	784	-	-	(784)	-	-	-
Share based compensation	-	-	-	390,400	-	390,400	-	390,400
Net loss for the year	-	-	-	-	-	-	(406,528)	(406,528)
Balance, December 31, 2020	93,696,858	19,468,230	-	390,400	83,260	19,941,890	(20,125,076)	(183,186)

The accompanying notes are an integral part of these Consolidated Financial Statements

AurCrest Gold Inc.

Notes to the Consolidated Financial Statements

December 31, 2020

(Expressed in Canadian dollars)

1. Nature of operations, basis of presentation and going concern uncertainty

AurCrest Gold Inc. (the “Company” or “AurCrest”) is a publicly held company incorporated under the Business Corporations Act (Ontario). The Company is engaged in the investigation, acquisition, exploration and development of exploration and evaluation assets and energy assets in Ontario, Canada as well as building on the Company’s long-standing relations with First Nations in Northwestern Ontario to assist in financing future exploration activities by assessing the potential of forests within the traditional territories of these First Nations to capture and sequester carbon dioxide for the development of Greenhouse Gas offsets and other potential environmental attributes, and to explore the monetization of these offsets and attributes for the benefit of these First Nations and the Company.

The Consolidated Financial Statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Consolidated Financial Statements have been prepared by management and approved by the Board of Directors on April 28, 2021.

These Consolidated Financial Statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. AurCrest is at an early stage of development and as is common with many exploration companies, it raises financing for its exploration and acquisition activities. As at December 31, 2020, the Company had no sources of operating cash flows. The Company will therefore require additional funding which, if not raised, would result in the curtailment of activities and project delays. AurCrest had a working capital deficit of \$249,536 as at December 31, 2020 (working capital deficit of \$891,708 as at December 31, 2020), and has incurred losses since inception resulting in an accumulated operating deficit of \$20,125,076.

The Company’s ability to continue as a going concern is uncertain and is dependent upon its ability to continue to raise adequate financing. There can be no assurances that the Company will be successful in this regard, and therefore, there is substantial doubt regarding the Company’s ability to continue as a going concern, and accordingly, the use of accounting principles applicable to a going concern. These audited Consolidated Financial Statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern assumption were not appropriate for these Consolidated Financial Statements, then adjustments to the carrying values of the assets and liabilities, the expenses and the balance sheet classifications, which could be material, would be necessary.

2. Significant accounting policies

These Consolidated Financial Statements have been prepared in accordance with International Accounting Standards as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) in effect as of December 31, 2020.

The accounting policies set out below have been applied consistently to all periods presented in these Consolidated Financial Statements.

Basis of presentation and consolidation

These Consolidated Financial Statements have been prepared on a historical cost basis. In addition, these Consolidated Financial Statements have been prepared using the accrual basis of accounting except for cash flow information. The Consolidated Financial Statements include the accounts of the Company’s 97% owned subsidiary, Wiigwaasaatig Energy Inc. All inter-company accounts and transactions have been eliminated on consolidation.

AurCrest Gold Inc.

Notes to the Consolidated Financial Statements

December 31, 2020

(Expressed in Canadian dollars)

Significant accounting judgements and estimates

The preparation of these Consolidated Financial Statements requires management to make judgements and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the Consolidated Financial Statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgements and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgements and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. The most significant judgements the determination of the economic viability of a project as well as a determination of when a mineral property passes from the exploration and evaluation stage to the development stage.

Cash and cash equivalents

Cash and cash equivalents comprise cash on deposit at banks and other highly liquid short-term investments, which may be settled on demand or within a maximum 90 day period to maturity.

Financial instruments

Financial assets

Financial assets are classified as either financial assets at fair value through profit or loss ("FVTPL"), fair value through other comprehensive income ("FVTOCI") or amortized cost. The Company determines the classification of financial assets at initial recognition.

Financial assets at fair-value through profit or loss

Financial instruments classified as fair value through profit and loss are reported at fair value at each reporting date, and any change in fair value is recognized in the statement of operations in the period during which the change occurs. Realized and unrealized gains or losses from assets held at FVPTL are included in losses in the period in which they arise.

Financial assets at fair-value through other comprehensive income

Financial assets carried at FVTOCI are initially recorded at fair value plus transaction costs with all subsequent changes in fair value recognized in other comprehensive income (loss). For investments in equity instruments that are not held for trading, the Company can make an irrevocable election (on an instrument-by-instrument bases) at initial recognition to classify them as FVTOCI. On the disposal of the investment, the cumulative change in fair value remains in other comprehensive income (loss) and is not recycled to profit or loss.

Financial assets at amortized cost

Financial assets are classified at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. The Company's accounts receivable are recorded at amortized cost as they meet the required criteria. A provision is recorded based on the expected credit losses for the financial asset and reflects changes in the expected credit losses at each reporting period.

Financial liabilities

Financial liabilities are initially recorded at fair value and subsequently measured at amortized cost, unless they are required to be measured at FVTPL (such as derivatives) or the Company has elected to measure at FVTPL. The Company's financial liabilities include trade and other payables which are classified at amortized cost.

Impairment

IFRS 9 requires an 'expected credit loss' model to be applied which requires a loss allowance to be recognized based on expected credit losses. This applies to financial assets measured at amortized cost. The expected credit loss model requires an entity to account for expected credit losses and changes in

AurCrest Gold Inc.

Notes to the Consolidated Financial Statements

December 31, 2020

(Expressed in Canadian dollars)

those expected credit losses at each reporting date to reflect changes in initial recognition.

Fair value hierarchy

Financial instruments require disclosure about inputs to fair value measurements within fair value measurement hierarchy as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Inputs for the assets or liabilities that are not based on observable market data.

Income taxes

Income tax expense represents the sum of tax currently payable and deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of the statement of financial position.

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences at the date of the statement of financial position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Related-party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Share-based payment transactions

Employees (including directors and senior executives) of the Company receive a portion of their remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions"). In situations where equity instruments are issued and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment.

Equity-settled transactions

The costs of equity-settled transactions with employees are measured by reference to the fair value at the date on which they are granted.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("the vesting date"). The cumulative expense is recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in share option reserve. No expense is recognized for awards that do not ultimately vest.

AurCrest Gold Inc.

Notes to the Consolidated Financial Statements

December 31, 2020

(Expressed in Canadian dollars)

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based payment arrangement or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of outstanding options is reflected as additional dilution in the computation of earnings per share.

Warrants

The Company engages in equity financing transactions necessary to continue operations. These transactions may involve the issuance of common shares or units. A unit may consist of a certain number of common shares and a certain number of share purchase warrants ("Warrants"). Depending on the terms and conditions of each equity financing agreement, the Warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement.

When Warrants are issued as part of units, the Company uses the residual method where it first allocates the proceeds received on the units issued to the attached shares based on the closing trading price at the time of issuance and the residual is allocated to the value of warrant. Warrants that are issued as payment for an agency fee or other transaction cost may be accounted for as share-based payments, depending on the terms of the issuance.

When warrants expire, the ascribed value is transferred to deficit.

Loss per share and comprehensive loss per share

Loss per share and comprehensive loss per share is calculated based on the weighted average number of shares issued and outstanding during the quarter or year, as appropriate. In the years when the Company reports a net loss and comprehensive net loss, the effect of potential issuances of shares under options and warrants would be anti-dilutive and, therefore, basic and diluted loss per share is the same. For the years ended December 31, 2020 and 2019, all the outstanding options and warrants were anti-dilutive.

Exploration and evaluation assets

The Company's exploration and evaluation assets have not reached the development stage and as a result are considered exploration and evaluation assets. The Company capitalizes acquisition costs. Expenditures that result in the acquisition and retention of exploration and evaluation assets or an interest therein are capitalized. Exploration and evaluation expenditures are expensed in the period they are incurred. The amount shown for exploration and evaluation assets represents acquisition costs to date and does not necessarily reflect present or future values. If the properties are sold, allowed to lapse or are no longer of interest, accumulated capitalized costs are written off.

Expenditures on properties in which the Company does not have a registered or contractual interest are expensed as incurred.

Exploration and evaluation assets are reviewed on an annual basis and when changes in circumstances suggest their carrying value may become impaired. Management considers exploration and evaluation assets to be impaired if the carrying value exceeds the estimated undiscounted future projected cash flows from the use of the property and its related assets and their eventual disposition. If impairment is deemed to exist, the property and its related assets will be written down to fair value. Fair value is generally determined using a discounted cash flow analysis. Management determined that there was no impairment of carrying value on its properties at December 31, 2020.

Deferred revenues

Revenue received from the sale of gross revenue royalties have been deferred until such time as direct revenues and costs have been incurred in the execution of the Company's greenhouse gas initiatives.

AurCrest Gold Inc.

Notes to the Consolidated Financial Statements

December 31, 2020

(Expressed in Canadian dollars)

Restoration, rehabilitation and environmental obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation.

Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

The Company has no material restoration, rehabilitation and environmental costs as the disturbance to date is minimal.

3. Short term investments

As part of the option agreement with Pistol Bay Mining Inc. ("Pistol Bay") as described below in Note 4 for the Confederation Lake property, the Company on January 1, 2019 owned 500,000 common shares of Pistol Bay. On March 5 and 12, 2019 the Company received 500,000 common shares of Pistol Bay on each date. On October 1, 2019 the Company received an additional 300,000 shares of Pistol Bay. During the year ended December 31, 2019, the Company sold 524,000 shares of Pistol Bay for gross proceeds of \$23,770. On February 5, 2020, the Company received 2 million shares of Pistol Bay. During the year ended December 31, 2020, the Company sold 500,000 shares of Pistol Bay for gross proceeds of \$22,115. The Company currently holds 2,776,000 common shares of Pistol Bay with a market value of \$138,800.

On December 30, 2019, the Company received 150,000 common shares of Newrange Gold Corp. ("Newrange") as part of the option agreement with Newrange as described below in Note 4 for the Western Fold property. On December 23, 2020, the Company received an additional 350,000 common shares of Newrange. During the year ended December 31, 2020, the Company sold 100,000 shares of Newrange for gross proceeds of \$13,530. The Company currently holds 400,000 common shares of Newrange with a market value of \$58,000.

4. Exploration and evaluation assets

Property acquisition cost

The property acquisition costs at December 31, 2020 of \$12,750 relate to the acquisition of the Company's Western Fold property. Property acquisition costs during the year related to the staking of the Ranger East property and Richardson North property.

	\$
Balance, January 1, 2019	62,700
Staking	1,800
Property option payments	(51,750)
Balance, December 31, 2019	12,750
Property acquisition	6,950
Royalty acquisition	60,000
Property option payments	(13,350)
Balance December 31, 2020	66,350

AurCrest Gold Inc.

Notes to the Consolidated Financial Statements

December 31, 2020

(Expressed in Canadian dollars)

Exploration & project evaluation

	Cumulative expenditures as at January 1 2020 \$	Expenditures/ receipts for the period \$	Cumulative expenditures as at December 31 2020 \$
Ranger Lake	-	76,759	76,759
Richardson Lake	2,238,204	(120,750)	2,117,454
Confederation Lake	10,180,759	(86,650)	10,094,109
Other	4,341,319	-	4,341,319
Amount expended	16,760,282	(130,641)	16,629,641

	Cumulative expenditures as at January 1 2019 \$	Expenditures/ receipts for the period \$	Cumulative expenditures as at December 31 2019 \$
Richardson Lake	2,257,923	19,719	2,238,204
Confederation Lake	10,252,259	(71,500)	10,180,759
Other	4,341,319	-	4,341,319
Amount expended	16,851,501	(51,781)	16,760,282

“Other” includes exploration expenditures on projects with minor activity during the period and includes the Bridget Lake, McFaulds Lake and the Fredart Lake properties, all of which are in Northern Ontario.

Note: As disclosed in the Company’s significant accounting policies, exploration and project evaluation expenditures have been reflected in the statement of loss and comprehensive loss.

Richardson Lake area

The Richardson Lake area is a gold exploration prospect located in the Birch-Uchi belt of the Red Lake mining division, and originally consisted of six claims optioned 100% from prospector Perry English. The total area of the Richardson Lake area mineral claims for the property groupings described below is approximately 5,400 hectares. The original six claims plus an area of influence around those claims were subject to the Company’s obligation to pay a NSR royalty of 2%; the Company now holds this legacy claim coverage and all modern claim units 100% with no underlying NSR royalty obligations to third parties.

At the beginning of 2020, the Company defined the overall Richardson Lake area mineral claims as the Richardson Lake Gold Property and the Western Fold Gold Property. Following conversion to online staking, the Richardson Lake Gold Property mining claims covered 123 mining cells, with an area of approximately 2,220 hectares. The Western Fold Gold Property mining claims cover 110 cells, with an area of approximately 2,170 hectares.

The Company acquired a 5-cell mineral claim block contiguous to the Richardson Lake property from a prospector on January 25, 2020 with an area of approximately 56 hectares, with no underlying NSR royalty. On August 11, 2020, the Company acquired a further 50 claim cell units by staking, together representing approximately 1,010 hectares, named the Richardson North Extension Gold Property, adjacent and contiguous to its Richardson Lake Gold Property.

On December 8, 2020, the Company completed a royalty purchase agreement with the prospector to acquire the outstanding 2% NSR on the Richardson Lake claims and nullify the area of influence, paying \$60,000 for full transfer of title of the property.

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On December 30, 2019, the Company entered into an option agreement with Newrange for the Company's Western Fold property. Newrange has the option to acquire a 100% interest in the Western Fold property by paying AurCrest 1,000,000 Newrange common shares and \$200,000, with 150,000 shares and \$30,000 due on closing (received), 350,000 shares and \$70,000 on the first anniversary date (received) and an additional 500,000 shares and \$100,000 due on the second anniversary date.

Upon Newrange formally exercising its option AurCrest will receive a 2% NSR on the Western Fold property with Newrange having the right to purchase 1% of the 2% NSR by paying to the Company \$1 million at any time. There is also a potential 1% NSR payable to the Company arising out of claims acquired by Newrange within a 2 km area of interest around the Western Fold property.

Ranger Lake

The Ranger Lake area is a gold exploration prospect located approximately 10 km due east of the Red Lake and Campbell Gold Mines in the world-famous Red Lake mining district, with the first property component staked by the Company in 2018. The Company has expanded the property holdings through subsequent staking activities, and now refers to the overall mineral claims package as the Ranger Lake Gold Property. The Company holds this Property 100% with no underlying royalty to any third party.

The Ranger Lake Gold Property originally consisted of 50 unpatented mineral cell claims totaling approximately 1,010 hectares staked by the Company in October 2018. On June 30, 2020 the Company acquired a further 50 claim cell units by staking adjacent and contiguous to the original property. On September 2, 2020 the Company further expanded the Ranger Lake Gold Property through the staking of 27 additional unpatented mineral cell claims. The Company staked 31 and 50 unpatented mineral cell claims on February 12, 2021 and February 16, 2021 respectively. The combined acquisition of claims brings AurCrest's holdings in the area to 208 claim cell units encompassing approximately 4,220 hectares.

Confederation Lake

On October 28, 2016, the Company executed an option agreement with Pistol Bay for all the Company's mining claims (the "Claims") in the Confederation Lake greenstone belt southeast of Red Lake, Ontario. Pistol Bay has the option to acquire a 100% interest in the Claims by paying AurCrest an aggregate of \$250,000 and issuing an aggregate of 5 million common shares over four years with an initial payment of \$25,000 (received) and the issuance of 1 million common shares on closing (received), the payment of a further \$25,000 within 90 days following closing (received) and the payment of \$50,000 and the issuance of 500,000 common shares (after a 2:1 consolidation of Pistol Bay) on each of the four anniversaries following closing (received for January 2018). During the year ended December 31, 2019, the Company received 500,000 common shares and in lieu of the \$50,000 cash payment, received \$10,000 in cash and an additional 500,000 common shares of Pistol Bay with a further payment of \$15,000 in cash or shares of Pistol Bay by August 1, 2019. The final \$15,000 cash payment was settled through the issuance of 300,000 common shares of Pistol Bay (received on October 3, 2019) and the payment of \$7,500 in cash (received on October 21, 2019). Each of the Claims is subject to a 2% NSR royalty in favour of third parties. On January 21, 2020, Pistol Bay completed its option to acquire a 100% interest in the Company's Confederation Lake properties by paying AurCrest \$50,000 in cash and issuing 2 million common shares of Pistol Bay.

McFaulds Lake

The Company currently holds a 100% interest in a group of properties (450 hectares) within the area known as 'The Ring of Fire' located in the Lower James Bay region of Ontario, in the proximity of McFaulds Lake.

Bridget Lake

The Company holds a 35% interest in a group of properties (144 hectares) at Bridget Lake in Ball Township, Red Lake Mining Division. The 65% balance of interest in the Bridget Lake property is currently held by Evolution Mining Gold Operations Ltd.

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5. Short-term loans

On September 22, 2017, the Company completed a convertible loan financing of \$50,000 (the "September Loan"). The September Loan was repayable on September 22, 2018, with interest payable 10% per annum. During the year ended December 31, 2020, \$50,000 plus accrued interest to the date of payment was paid. The loan is fully paid.

On January 31, 2017, the Company's subsidiary, Wiigwaasaatig Energy Inc. ("WEI"), a private federal corporation, completed a convertible loan financing of \$31,500 (the "January Loan"). The January Loan was repayable on January 31, 2018, with interest payable at 10% per annum. As part of the loan agreement 300,000 common shares of WEI were transferred by the Company to the lender, representing 3% of the common share equity of WEI. During the year ended December 31, 2020 this loan plus accrued interest was paid.

	January Loan \$	September Loan \$	Total \$
Balance at December 31, 2018	37,610	56,387	98,307
Accrued interest	3,150	5,000	8,150
Interest paid	-	-	(4,310)
Balance, December 31, 2019	40,760	61,387	102,147
Accrued interest	2,391	3,760	6,151
Principal and interest paid	(43,151)	(65,147)	(108,298)
Balance, December 31, 2020	-	-	-

6. Shareholders' equity

The Company is authorized to issue an unlimited number of common shares and an unlimited number of preference shares. As at December 31, 2020, the Company had no preference shares issued and outstanding.

Share capital

Share capital comprises the following:

	Number of shares	Amount \$
Balance, December 31, 2018	78,530,191	18,684,824
Private placements	2,200,000	110,000
Share issue expense	-	(3,630)
Equity portion of convertible loan	-	4,545
Expiry of warrants	-	32,257
Balance, December 31, 2019	80,730,191	18,827,996
Private placement	11,666,667	700,000
Share issue expense	-	(128,560)
Common shares issued for exploration and evaluation expenditures	300,000	18,000
Exercise of warrants	1,000,000	50,000
Expiry of warrants	-	784
Balance, December 31, 2020	93,696,858	19,468,320

On December 4, 2020, the Company closed a private placement financing for gross proceeds of \$700,000. The financing consisted of the issuance of 11,666,667 Working Capital units at \$0.06 per unit. Each working capital unit consists of one common share and one half of one common share purchase warrant ("WC

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Warrant"). Each WC Warrant entitles the holder to purchase one common share at a price of \$0.10 until December 4, 2022. The Company paid a cash commission of \$49,000 and 1,166,666 broker units were issued in conjunction with this private placement, with each broker unit exercisable until December 4, 2022 entitling the holder to acquire one common share at a price of \$0.10 and a broker warrant exercisable at \$0.10 until December 4, 2022.

On November 18, 2020, 1,000,000 warrants were exercised for proceeds of \$50,000.

On September 15, 2020, the Company issued 300,000 common shares at deemed value of \$18,000 for exploration and project evaluation services.

On September 27, 2019, the Company closed a private placement financing for gross proceeds of \$25,000. The financing consisted of the issuance of 500,000 Working Capital units at \$0.05 per unit. Each working capital unit consists of one common share and one common share purchase warrant ("WC Warrant"). Each WC Warrant entitles the holder to purchase one common share at a price of \$0.05 until September 27, 2022.

On September 17, 2019, the Company closed a private placement financing for gross proceeds of \$25,000. The financing consisted of the issuance of 500,000 Working Capital units \$0.05 per unit. Each working capital unit consists of one common share and one common share purchase warrant ("WC Warrant"). Each WC Warrant entitles the holder to purchase one common share at a price of \$0.05 until September 17, 2022. A cash commission of \$1,750 was paid and 40,000 broker units were issued in conjunction with this private placement, with each broker unit exercisable until September 17, 2022 entitling the holder to acquire one common share at a price of \$0.05 and a broker warrant exercisable at \$0.05 until September 17, 2022.

On April 9, 2019, the Company closed a private placement financing for gross proceeds of \$60,000. The financing consisted of the issuance of 1,200,000 Working Capital units \$0.05 per unit. Each working capital unit consists of one common share and one common share purchase warrant ("WC Warrant"). Each WC Warrant entitles the holder to purchase one common share at a price of \$0.075 for thirty-six months following closing.

Stock options

As at December 31, 2020, 8,000,000 common shares were reserved for the exercise of common stock options ("options") granted to directors, officers, employees and service providers in connection with the Company's stock option plan (the "Plan").

On March 19, 2019, 750,000 common stock options with an exercise price of \$0.05 expired unexercised and on August 13, 2019, 1,370,000 common stock options with an exercise price of \$0.10 expired unexercised.

The following summary sets out the activity in the Plan:

	Options #	Weighted average exercise price \$
Outstanding and exercisable, December 31, 2018	2,120,000	0.09
Expired	(2,120,000)	0.09
Outstanding and exercisable, December 31, 2019	-	-
Granted	8,000,000	0.05
Outstanding and exercisable, December 31, 2020	8,000,000	0.05

On July 29, 2020, The Company granted 8,000,000 stock options at an exercise price of \$0.05 exercisable for a period of 5 years. The options vested immediately. The fair value of the options was estimated to be \$390,400 using the Black-Scholes option pricing model with the following weighted average assumptions

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share price - \$0.05, dividend yield - 0%; expected volatility – 201%; risk-free interest rate – 0.29%; and an expected life - 5 years.

Warrants

Certain issuances of common shares include warrants entitling the holder to acquire additional common shares of the Company. A summary of the warrant activity is as follows:

	Warrants #	Weighted average exercise price \$
Outstanding, December 31, 2018	22,289,512	0.054
Issued – private placement	2,280,000	0.05
Expired	(13,368,633)	(0.05)
Balance, December 31, 2019	11,200,879	0.055
Issued – private placement	7,583,331	0.10
Exercised	(1,000,000)	0.05
Expired	(1,804,879)	0.05
Balance, December 31, 2020	15,979,331	0.081

The composition of the outstanding warrants as at December 31, 2020 consists of the following:

	Expiry date	Number	Exercise Price
Warrants	April 27, 2021	1,500,000	\$0.050
Warrants	March 3, 2022	1,000,000	\$0.050
Warrants	May 26, 2022	500,000	\$0.050
Warrants	June 30, 2022	300,000	\$0.050
Warrants	May 25, 2021	300,000	\$0.075
Warrants	May 28, 2021	1,106,000	\$0.075
Warrants	May 30, 2021	200,000	\$0.075
Warrants	September 25, 2021	450,000	\$0.075
Warrants	December 14, 2021	100,000	\$0.075
Warrants	April 9, 2022	1,200,000	\$0.075
Warrants	September 17, 2022	500,000	\$0.050
Warrant	September 23, 2022	500,000	\$0.050
Warrants	December 4, 2022	5,833,332	\$0.100
Warrants – compensation units	April 27, 2021	150,000	\$0.050
Warrants – compensation warrants	April 27, 2021	150,000	\$0.050
Warrants – compensation warrants	March 3, 2022	100,000	\$0.050
Warrants – compensation units	March 3, 2022	100,000	\$0.050
Warrants – compensation warrants	May 26, 2022	50,000	\$0.050
Warrants – compensation units	May 26, 2022	50,000	\$0.050
Warrants – compensation warrants	June 30, 2022	30,000	\$0.050
Warrants – compensation units	June 30, 2022	30,000	\$0.050
Warrants – Broker units	September 17, 2022	40,000	\$0.050
Warrants – Broker warrants	September 17, 2022	40,000	\$0.050
Warrants – Broker units	December 4, 2022	1,166,666	\$0.100
Warrants – Broker warrants	December 4, 2022	583,333	\$0.100
		15,979,331	

On July 13, 2020, 1,000,000 warrants and 80,000 compensation units and 80,000 compensation warrants expired unexercised. On August 31, 2020, 644,879 warrants expired unexercised. On November 18, 2020, 1,000,000 warrants were exercised for proceeds of \$50,000.

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7. Greenhouse Gas initiatives

On May 8, 2020, the Company signed an Adoption Agreement, whereby the Company, the Lac Seul First Nation ("Lac Seul") and Blue Source Canada ULC ("Bluesource") will proceed to develop a forest-based Green House Gas emission sequestration project (the "Project") on the forested lands on the Lac Seul reserve northwest of Sioux Lookout, Ontario.

On May 15, 2020, the Company signed a Purchase Agreement and a Gross Revenue Royalty Agreement with Star Royalties Ltd. ("Star Royalties") to sell a 16% gross revenues royalty (the "Royalty") to Star Royalties. AurCrest was paid \$155,000 by Star Royalties pursuant to the Purchase Agreement whereby Star Royalties acquired the right to the Royalty on all funds received by the Company arising from the monetization of the Project.

8. Related party transactions

Compensation of key management and directors

Key management compensation expense includes the Chief Executive Officer, the Executive Vice-President, the Chief Financial Officer.

For the year ended December 31	2020	2019
	\$	\$
Management fees	118,000	118,000
Legal fees provided by a law firm related to William Johnstone	63,789	59,676
Interest expense	-	2,250
	181,789	179,926

Balances owing as at	December 31	December 31
	2020	2019
	\$	\$
Legal fees provided by a law firm related to William Johnstone	440,433	379,786
Management fees	219,389	211,358
Directors' loans	16,019	21,236
Accrued interest on directors' loans	10,213	8,513
	686,054	620,893

These amounts were expensed in the period incurred as administrative and general expenses. The amounts paid and owing are measured at the exchange amount, are non-interest bearing and due on demand.

Directors of the Company have loaned the Company working capital in the amount of \$16,020. The loans are in the form of demand promissory notes bearing interest at 10% per annum.

9. General and administrative expenses

For the year ended December 31	2020	2019
	\$	\$
Consulting and management fees	130,000	118,000
Professional fees (legal & audit)	79,789	67,676
Shareholder communications, advertising and promotion	30,014	22,234
Regulatory and filing fees	20,268	17,541
Office costs	4,102	5,151
	264,173	230,602

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9. Income taxes

Major items causing the Company's income tax rate to differ from the Canadian statutory rate of approximately 26.50% (2019 – 26.50%).

	2020 \$	2019 \$
Loss before income taxes	(251,528)	(198,769)
Expected income tax benefit based on statutory rate	(66,655)	(52,674)
Adjustments to benefit resulting from:		
Stock based compensation	103,456	-
Mineral properties	(34,620)	13,722
Other non-deductible items	(19,339)	2,240
Valuation allowance	17,158	41,192
	-	-

The components of the Company's deferred income tax assets are as follows:

	2020 \$	2019 \$
Non-capital losses	1,339,600	1,303,000
Capital losses	8,870	15,250
Resource related deductions	3,332,960	3,340,000
Deferred income tax assets	4,681,430	4,457,250
Less valuation allowance	(4,681,430)	(4,457,250)
Net deferred income tax asset	-	-

The Company has available approximately \$5,359,000 (2019 - \$5,208,000) in non-capital loss carry-forwards which can be used to reduce future taxable income until their expiry.

The loss carry-forwards expire, if unused, as follows:

	\$
2026	459,000
2027	530,000
2028	377,000
2029	410,000
2030	477,000
2031	370,000
2032	310,000
2033	165,000
2034	943,000
2035	150,000
2036	260,000
2037	297,000
2038	305,000
2039	241,000
2040	65,000
	5,359,000

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In addition to the above noted loss carry forwards the company has approximately \$13,400,000 (2019 - \$13,500,000) in Canadian Development Expenditures and Canadian Exploration Expenditures which can be used to reduce future taxable income without expiry.

10. Capital management

The mineral properties of the Company are in the exploration and development stage and, as a result, the Company currently has no source of operating cash flow. The Company intends to raise such funds as and when required to complete its projects. There is no assurance that the Company will be able to raise additional funds on reasonable terms. The only sources of future funds presently available to the Company are through the issuance of share and debt instruments. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of December 31, 2020, the Company may not be compliant with the policies of the TSXV. The impact of this violation is not known and is ultimately dependent on the discretion of the TSXV.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the years.

11. Financial instrument risk management

a) Fair value of financial instruments

The carrying value of cash, trade and other payables and due to related party approximates fair value due to the short-term nature of these financial instruments.

As of December 31, 2020, except for cash and short-term investments, none of the Company's financial instruments are recorded at fair value in the statements of financial position. Cash and short-term investments are classified as level 1 fair value.

b) Risk management

Credit risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The Company is exposed to credit risk with respect to its cash. To minimize this risk, cash has been placed with major Canadian financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet a demand for cash or fund its obligations as they come due. The Company ensures that there is sufficient capital in order to meet annual business requirements, after taking into account administrative, property holding and exploration budgets, against cash and short-term investments. As at December 31, 2020, the Company has \$666,766 in cash and current liabilities of \$1,124,690. As the Company does not have operating cash flow, the Company has and will continue to rely primarily on equity financing to meet its capital requirements.

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Market risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate because of changes in market prices. The Company is exposed to market risk in trading its short-term investments and unfavourable market conditions could result in dispositions of investments at less than favourable prices. In addition, most of the Company's investments are in the resource sector.

Title and rights

The Company has investigated title to all of its exploration properties and, to the best of its knowledge, title to all of its properties, and properties that it has the right to acquire or earn an interest in are in good standing; however, the Company's properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects. These defects could adversely affect the Company's title to such properties or delay or increase the cost of the development of such properties.

The Company's properties may also be subject to Indigenous/First Nations or other historical rights that may be claimed on Crown properties or other types of tenure with respect to which mineral rights have been conferred. The Company is not aware of any Indigenous land claims having been asserted or any legal actions relating to issues having been instituted with respect to any of the exploration & evaluation assets in which the Company has an interest. The Company is in ongoing communication with the Indigenous/First Nations communities associated with its properties and is aware of the mutual benefits afforded by co-operative relationships with indigenous people in conducting exploration activity and is supportive of measures established to achieve such co-operation.

COVID-19

Since March 2020, several governmental measures have been implemented in Canada and the rest of the world in response to the coronavirus (COVID-19) pandemic. While the impact of COVID-19 and these measures are expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on the Company's business operations cannot be reasonably estimated at this time. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows in 2020. The Company continues to operate its business, and in response to Federal and Provincial emergency measures, has requested that its employees and consultants work remotely wherever possible. These government measures, which could include government mandated closures of the Company or its contractors, along with restrictions on access which may be imposed by Aboriginal/First Nations communities associated with the Company's properties in response to COVID-19, could impact the Company's ability to access its exploration properties and conduct its exploration programs and business in a timely manner. The Company is evaluating the best way to move its exploration and other business activities forward during this pandemic and when the emergency measures are lifted.

12. Subsequent events

On March 24, 2021, the Company closed the first tranche of a brokered private placement (the "Offering") in the amount of \$1,000,000, with the issuance of 3,333,333 flow-through units (the "FT Units") of the Company at a price of \$0.30 per FT Unit. Each FT Unit consists of one flow-through common share of the Company and one common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to acquire one common share until March 24, 2023 at a price of \$0.40. A cash commission of \$70,000 was paid and issued 333,333 broker warrants ("Broker Warrants"). Each Broker Warrant is exercisable at a price of \$0.30 until March 24, 2023 to acquire a Unit comprising one common share and one Warrant.

On March 30, 2021, the Company closed the second tranche of the Offering in the amount of \$136,500, with the issuance of 455,000 FT Units. Each Warrant entitles the holder to acquire one common share until March 30, 2023 at a price of \$0.40. A cash commission of \$8,505 was paid and issued 40,500 broker

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warrants (“Broker Warrants”). Each Broker Warrant is exercisable at a price of \$0.30 until March 30, 2023 to acquire a Unit comprising one common share and one Warrant.

Subsequent to the year ended December 31, 2020, a total of 4,528,000 warrants and compensation units and compensation warrants were exercised for gross proceeds of \$282,100.

On April 7, 2021, 1,950,000 stock options were granted with an exercise price of \$0.24 per share exercisable for 5 years.

On April 8, 2021, 750,000 stock options were exercised at an exercise price of \$0.05 for proceeds of \$37,500.

Corporate Information

Officers

Chris Angecone - President, Chief Executive Officer

Ian Brodie-Brown – Director, Business Development

Errol Farr - Chief Financial Officer

William R. Johnstone - Corporate Secretary

Directors

Chris Angecone

Ian Brodie-Brown

Alex Carpenter

William R. Johnstone

Frank van de Water

Stan Beardy

Legal Counsel

Gardiner Roberts LLP

Toronto, Ontario

Auditors

Wasserman Ramsay

Markham, Ontario

Transfer Agent

TSX Trust Company

Toronto, Ontario

Exchange Listing

TSX Venture Exchange

Trading Symbol

TSX:V: AGO, FRANKFURT: TM8A, WKN: A0YG1K

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