Dynasty Gold Corp.

Condensed Interim Financial Statements

June 30, 2022 and 2021

(Expressed in Canadian Dollars)

DYNASTY GOLD CORP.

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor.

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

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

Dynasty Gold Corp.

Condensed Consolidated Interim Statement of Financial Position
(Expressed in Canadian dollars)

		June 30, 2022		December 31, 2021
Assets				
Current				
Cash and cash equivalents (Note 4)	$	763,860	$	514,528
Receivables (Note 5)		16,663		12,685
Prepaid expenses		9,785		-
		790,308		**527,213**
Exploration and evaluation assets (Note 6 and 9)		1,362,327		1,276,072
	$	**2,152,635**	$	**1,803,285**
Liabilities				
Current				
Accounts payable and accrued liabilities (Note 7)	$	17,922	$	20,464
		17,922		**20,464**
Shareholders' Equity				
Share capital (Note 8)		37,448,669		36,966,099
Subscription receipt		-		-
Share-based payment reserve (Note 8)		3,147,201		3,085,504
Deficit		(38,461,157)		(38,268,782)
		2,134,713		**1,782,821**
	$	**2,152,635**	$	**1,803,285**

Nature of Business and Continuance of Operations (Note 1)
Subsequent Event (Note 13)

See accompanying notes to the Condensed Consolidated Interim Financial Statements.

(Expressed in Canadian dollars)

	Common Shares					
	Number of Shares	Amount	Shares to be Issued	Share-based Payment Reserve	Deficit	Total Shareholders' Equity
Balance, December 31, 2020	29,025,975	$ 36,098,101	$ 36,098,101	$ 2,891,355	$ (37,863,351)	$ 1,126,105
Shares to be issued	-	-	250,510	-	-	250,510
Comprehensive loss	-	-	-	-	(50,326)	(50,326)
Balance, March 31, 2021	29,025,975	$ 36,098,101	$ 250,510	$ 2,891,355	$ (37,913,677)	$ 1,326,289
Private placement, net (Note 9)	3,126,233	517,998	(250,510)	-	-	267,488
Warrant exercise (Note 9)	3,500,000	350,000	-	-	-	350,000
Stock-based compensation (Note 9)	-	-	-	194,149	-	194,149
Comprehensive loss	-	-	-	-	(355,105)	(355,105)
Balance, December 31, 2021	35,652,208	$ 36,966,099	-	$ 3,085,504	$ (38,268,782)	$ 1,782,821
Private placement, net (Note 9)	2,974,765	482,570	-	-	-	482,570
Shares to be issued	-	-	-	-	-	-
Stock-based compensation (Note 9)	-	-	-	61,697	-	61,697
Comprehensive loss	-	-	-	-	(192,375)	(192,375)
Balance, June 30, 2022	38,626,973	$ 37,448,669	-	$ 3,147,201	$ (38,461,157)	$ 2,134,713

See accompanying notes to the Condensed Consolidated Interim Financial Statements.

Dynasty Gold Corp.

Consolidated Statements of Comprehensive Loss
(Expressed in Canadian dollars)

	For the three months ended June 30, 2022	2021	For the six months ended June 30, 2022	2021
Expenses				
Consulting fees	$ 23,287	$ 23,287	$ 46,575	$ 46,575
Foreign exchange loss	-	1,436	-	1,436
Office expenses	2,962	2,660	5,232	5,157
Rent	4,650	4,650	9,300	9,300
Professional fees	6,695	7,111	10,695	11,943
Project investigation costs	-	-	-	7,763
Regulatory and transfer agent fees	7,473	4,813	10,857	7,294
Shareholder communications	18,324	13,670	49,032	18,585
Stock-based compensation (Note 8 and 9)	34,857	-	61,697	-
Loss before other items	**98,248**	**57,627**	**193,388**	**108,053**
Other item				
Interest income	(951)	(12)	(1013)	(112)
	(951)	**(12)**	**(112)**	**(112)**
Comprehensive loss	**$ 97,297**	**$ 57,615**	**$ 192,375**	**$ 107,941**
Loss per share – basic and diluted	**$ (0.00)**	**$ (0.00)**	**$ (0.01)**	**$ (0.00)**
Weighted average number of common shares outstanding – basic and diluted	**38,414,756**	**31,602,541**	**37,270,054**	**29,668,352**

See accompanying notes to the Condensed Consolidated Interim Financial Statements.

Dynasty Gold Corp.

Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	For the three months ended June 30, 2022	2021	For the six months ended June 30, 2022	2021
Cash flows provided by (used in):				
Operating activities				
Net loss	$ (97,297)	$ (57,615)	$ (192,375)	$ (107,941)
Items not affecting cash:				
Stock-based compensation	34,857	-	61,697	-
Changes in non-cash working capital items:				
Receivables	(6,496)	(4,837)	(3,977)	(4,940)
Prepaid expenses	(5,660)	(3,700)	(9,785)	(7,600)
Accounts payable and accrued liabilities	(63,840)	(10,865)	2,542	(35,131)
	(138,436)	**(77,017)**	**(146,982)**	**(155,612)**
Financing activity				
Issuance of shares for cash, net issuance costs	163,007	517,998	482,570	517,998
Share subscription advances/Private placement	(29,570)	(50,510)	-	200,000
	133,437	**467,488**	**482,570**	**717,998**
Investing activity				
Exploration and evaluation asset costs and expenditures	(49,296)	(41,845)	(86,256)	(68,615)
	(49,296)	**(41,845)**	**(86,256)**	**(68,615)**
Change in cash and cash equivalents	**(54,295)**	**348,626**	**249,332**	**493,771**
Cash and cash equivalents, beginning	**818,155**	**460,868**	**514,528**	**315,723**
Cash and cash equivalents, ending	**$ 763,860**	**$ 809,494**	**$ 763,860**	**$ 809,494**

Cash and cash equivalents is represented by:				
Cash	**$ 140,860**	**$ 786,494**	**$ 140,860**	**$ 786,494**
Guaranteed Investment Certificates	**$ 623,000**	**$ 23,000**	**$ 623,000**	**$ 23,000**

See accompanying notes to the Condensed Consolidated Interim Financial Statements.

1. Nature of Business and Continuance of Operations

Dynasty Gold Corp. (the "Company") was incorporated under of the laws of the province of British Columbia on December 12, 1985. The Company's principal office is located at 610 Granville Street, Suite 1613, Vancouver, B.C. V6C 3T3. The Company is an exploration stage company engaged in the acquisition, exploration and development of mineral properties. The Company's shares are listed on the TSX-Venture Exchange (the "Exchange") under the symbol "DYG".

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. The continuing operations of the Company are dependent upon its ability to raise adequate financing to develop its mineral properties, and to commence profitable operations in the future. To date, the Company has not generated any revenues and is considered to be in the exploration stage. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management's plan includes continuing to pursue additional sources of financing through equity offerings, seeking joint venture partners to fund exploration, monitoring exploration activity and reducing overhead costs. As a result of its plans, management expects that the Company will have sufficient capital to fund operations and keep its mineral properties in good standing for the upcoming fiscal year. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

Since December 31, 2019, the outbreak of the COVID-19 has resulted in governments worldwide enacting emergency measures to inhibit its spread. These measures, which include travel bans, quarantine and gathering restriction, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize the economic conditions. The longer term impact and the efficacy of such interventions have yet to be ascertained. Although, the domestic COVID-19 restrictions have started to ease in 2021 to enable exploration, international travel restriction and quarantine remain. Management anticipates that the current situation may continue to affect the Company's ability to raise financing and to operate efficiently.

2. Significant Accounting Policies

a) Basis of presentation and statement of compliance

These consolidated financial statements have been prepared by management using International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The consolidated financial statements are presented in Canadian dollars unless otherwise noted.

The Company's board of directors approved these consolidated financial statements for issue on August 29, 2022.

b) Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Terrawest Minerals Inc.

(Expressed in Canadian dollars)

2. Significant Accounting Policies (continued)

b) Basis of consolidation (continued)

All intercompany balances and transactions have been eliminated on consolidation.

3. Accounting Standards Issued but Not Yet Applied

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4. Cash and Cash Equivalents

	June 30, 2022	December 31, 2021
Cash at bank	$ 140,860	$ 91,528
Bank term deposits	623,000	423,000
	$ 763,860	$ 514,528

5. Receivables

	June 30, 2022	December 31, 2021
GST receivable	$ 15,654	$ 12,615
Other receivables	1,009	70
	$ 16,663	$ 12,685

(Expressed in Canadian dollars)

6. Exploration and Evaluation Assets

		Golden Repeat Property		Thundercloud Gold Property		Total
Acquisition Costs						
Balance, December 31, 2020	$	127,000	$	157,500	$	284,500
Acquisition cost paid in cash		-		100,000		100,000
Balance, December 31, 2021	$	127,000	$	257,500	$	384,500
Balance, June 30, 2022	**$**	**127,000**	**$**	**257,500**	**$**	**384,500**
Deferred Exploration Costs						
Balance, December 31, 2020	$	304,151	$	376,170	$	680,321
Property expenditures		12,984		198,267		211,251
Balance, December 31, 2021	$	317,135	$	574,437	$	891,572
Property expenditures		1,639		84,616		86,255
Balance, June 30, 2022	**$**	**318,774**	**$**	**659,053**	**$**	**977,827**
Total as at December 31, 2021	$	444,135	$	831,937	$	1,276,072
Total as at June 30, 2022	**$**	**445,774**	**$**	**916,553**	**$**	**1,362,327**

Golden Repeat Property, Nevada, USA

The Company owns a 100% interest in the Golden Repeat property, subject to 2% Net Smelter Royalty (“NSR”). The Company has the option to buy back 75% of the NSR for $1 million within three years of commencing production.

Thundercloud Gold Property, Ontario, Canada

On February 1, 2018, the Company signed an option agreement with Teck Resources Limited (“Teck”) to acquire a 100% interest in the Thundercloud Gold Property, located in the Archean Manitou-Stormy Lakes Greenstone Belt in Ontario. Pursuant to the agreement, the Company had an option to earn up to a 100% interest in the property by spending $6,000,000 over five years and by issuing 1,000,000 common shares of the Company to Teck. The Company must spend $300,000 in mandatory expenditures in the first year. Teck retained a back-in right to earn back a 65% interest in the property by spending $15-million over a four-year period and by delivering a notice within 90 days following receipt of the Company’s expenditure notice. If the back-in right was not exercised, it would have retained a 2% NSR that could have been reduced to 1.5% at the option of the Company by making a cash payment of $1,000,000. In September, 2021, the Company signed and executed an Amending Agreement with Teck whereby the Company has been deemed to have exercised its option and upon completion of a cash payment of $100,000, which will result in the Company acquiring 100% of Teck’s interest in the property, subject to Teck retaining a 2% NSR and waiving the buy back provision. This transaction was completed in October 2021 and Teck has transferred 100% of its interest of the Thundercloud property to the Company.

(Expressed in Canadian dollars)

7. Accounts Payable and Accrued Liabilities

	June 30, 2022	December 31, 2021
Accounts payable	$ 17,922	$ 20,464
Amounts due to related parties (Note 9)	-	-
	$ 17,922	$ 20,464

8. Share Capital

Authorized

Unlimited number of common shares without par value.

Share Issuances

In April 2022, the Company closed a non-brokered private placement of 2,974,765 units (Note 13) for a gross proceed of $505,710. Each unit consists of one common share and one common share purchase warrant exercisable at $0.25 for a period of two years. Share issuance costs of $23,140 were incurred for the private placement.

In July 2021, the Company issued 3,500,000 shares to the warrant holders who exercised their warrants pertaining to the private placement completed in June 2020 for $350,000.

In April 2021, the Company closed a non-brokered private placement of 3,126,233 units for gross proceeds of $531,460. Each unit consists of one common share and one common share purchase warrant exercisable at $0.25 for a period of two years. Share issuance costs of $13,462 were incurred for the private placement.

(Expressed in Canadian dollars)

8. Share Capital (continued)

Stock Options

The Company has adopted an incentive stock option plan (the "Plan"). The essential elements of the Plan provide that the aggregate number of shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 10% of the total issued and outstanding shares of the Company. Options granted under the Plan may have a maximum term of five years. The exercise price of options granted under the Plan will not be less than the market price of the shares or such other price as may be agreed to by the Company and accepted by the Exchange. All options granted under the Plan will become vested with the right to exercise one-fourth of the option immediately, and one-fourth of the option upon the conclusion of every six months subsequent to the date of the grant of the option, except options granted to consultants performing investor relations activities, which options will become vested to exercise one-fourth of the option upon every three months subsequent to the date of the grant of the option.

A summary of the status of the Company's stock options outstanding as of June 30, 2022 and changes during the years then ended are as follows:

	Number of Options Outstanding	Weighted Average Exercise Price
Balance, December 31, 2020	1,325,000	$ 0.20
Options granted	1,350,000	$ 0.20
Balance, December 31, 2021	2,675,000	$ 0.20
Balance, June 30, 2022	2,675,000	$ 0.20

On May 18, 2021, the Company granted 700,000 stock options to officers and directors of the Company and 650,000 stock options granted to advisors and consultants. These stocks options are exercisable at $0.20 expiring on May 18, 2026 and will vest over a period of 18 months. The fair value of these options was determined to be $255,846 using the Black-Scholes Option Pricing Model with the assumptions in the table below. The Company recorded $61,697 share-based payment related to the options vested during the six months ended June 30, 2022.

Expected volatility	173%
Risk-free interest rate	0.78%
Expected life in years	5 years
Expected dividend yield	0.00%

As at June 30, 2022, the following stock options are outstanding:

Issue Date	Number of Options Outstanding	Expiry Date	Weighted Average Exercise Price
November 8, 2017	1,325,000	November 8, 2022	$ 0.20
May 18, 2021	1,350,000	May 18, 2026	$ 0.20

The weighted average life of the options outstanding June 30, 2022 was 1.55 years.

(Expressed in Canadian dollars)

8. Share Capital (continued)

Stock Options

As at June 30, 2022, the following stock options are exercisable:

Issue Date	Number of Options Exercisable	Expiry Date	Weighted Average Exercise Price
November 8, 2017	1,325,000	November 8, 2022	$ 0.20
May 18, 2021	1,012,500	May 18, 2026	$ 0.20

Warrants

A summary of the status of the Company's outstanding warrants as of June 30, 2022 and changes during the years then ended is as follows:

	Number of Warrants Outstanding	Weighted Average Exercise Price
Balance, December 31, 2020	4,000,000	$ 0.10
Exercised	(3,500,000)	$ 0.10
Issued	3,126,233	$ 0.25
Expired	(500,000)	$ 0.20
Balance, December 31, 2021	3,126,233	$ 0.25
Issued	1,973,865	$ 0.25
Balance, June 30, 2022	6,198,998	$ 0.25

The weighted average life of the warrants at June 30, 2022 was 1.26 years.

As at June 30, 2022, the following warrants are outstanding:

Issue date	Number of Warrants Outstanding	Expiry date	Weighted average exercise price
April 16, 2021	3,126,233	April 16, 2023	$ 0.25
March 16, 2022	1,973,865	March 16, 2024	$ 0.25
April 1, 2022	823,900	April 1, 2024	$ 0.25
April 22, 2022	275,000	April 22, 2024	$ 0.25

Share-based Payment Reserve

The share-based payment reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

(Expressed in Canadian dollars)

9. Related Party Balances and Transactions

Related Party Balances

Included in accounts payable and accrued liabilities is $Nil (2021 - $103,807) due to officers and directors of the Company (Note 7). The amount is unsecured, non-interest bearing and due on demand.

Key Management Compensation

During the six months ended June 30, 2022, the Company accrued and/or paid $93,150 (2021 - $103,807) to directors and officers for providing management, accounting and geological consulting services to the Company. The Company recorded $31,991 (2021: $Nil) of stock-based compensation relating to directors and officers of the Company during the six months ended June 30, 2022.

10. Segmented Information

The Company's activities are all in the industry segment of mineral property acquisition, exploration and development. The Company's exploration and evaluation assets are located in the USA and Canada (Note 6).

As at June 30, 2022

	Canada	**USA**	**Total**
Exploration and evaluation assets	$916,553	$445,774	$1,362,327

As at December 31, 2021

	Canada	**USA**	**Total**
Exploration and evaluation assets	$831,937	$444,135	$1,276,072

11. Financial Risk Management

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash and guaranteed investment certificates of $763,860. Cash is held with a bank in Canada. As all of the Company's cash and cash equivalents is held by the same Canadian bank there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. As at June 30, 2022, the risk is considered minimal.

Currency Risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to currency risk is minimal as the Company's transactions and financial instruments are primarily denominated in Canadian dollars.

The Canadian dollar equivalents of cash and cash equivalents denominated in United States dollars is $77,428 (US $60,123).

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company is exposed to interest rate risk as cash and cash equivalents earn interest income at variable rates. As at June 30, 2022, the risk is considered minimal.

Liquidity Risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and cash equivalents. As at June 30, 2022, this risk is considered high.

12. Capital Disclosures

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' equity, cash and cash equivalents.

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

The Company is dependent on the capital markets as its source of operating capital and the Company's capital resources are largely determined by the strength of the junior resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support for its projects.

The capital structure of the Company consists of equity and cash and cash equivalent. The Company is not subject to externally imposed capital restrictions. There were no changes to the Company's approach to capital management during the year.