

Trifecta Gold Ltd.
Condensed Interim Financial Statements
For the six months ended
June 30, 2023
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

Trifecta Gold Ltd.
#1016 – 510 West Hastings Street
Vancouver, British Columbia
V6B 1L8

August 11, 2023

To the Shareholders of
Trifecta Gold Ltd.

The attached condensed interim financial statements have been prepared by the management of Trifecta Gold Ltd. and have not been reviewed by the auditor of the Company.

Yours truly,

Richard Drechsler
Chief Executive Officer

Trifecta Gold Ltd.**Condensed Interim Statements of Financial Position****Unaudited – Prepared by Management****As at June 30, 2023 and December 31, 2022**

	Note	June 30, 2023 \$	December 31, 2022 \$
Assets			
Current assets			
Cash and cash equivalents	3	880,113	1,032,168
Receivables and prepayments	4	35,170	37,882
		915,283	1,070,050
Non-current assets			
Reclamation bond	5(d)	49,146	50,274
Mineral property interests	5	3,323,287	3,223,282
Total assets		4,287,716	4,343,606
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities		6,409	21,891
Accounts payable to related parties	8	66,347	17,358
Total liabilities		72,756	39,249
Shareholders' equity			
Share capital	6	7,525,281	7,505,881
Contributed surplus	6	222,654	240,086
Deficit		(3,532,975)	(3,441,610)
Total shareholders' equity		4,214,960	4,304,357
Total liabilities and shareholders' equity		4,287,716	4,343,606

Nature of operations and going concern 1

Approved on behalf of the Board of Directors on August 11, 2023:

"Rachele Gordon"

Director

"Graham Downs"

Director

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

Trifecta Gold Ltd.**Condensed Interim Statements of Changes in Shareholders' Equity****Unaudited – Prepared by Management**

For the six months ended June 30, 2023 and June 30, 2022

	Number of shares #	Share capital \$	Contributed surplus \$	Deficit \$	Total shareholders' equity \$
January 1, 2022	80,099,286	7,505,881	391,709	(2,956,268)	4,941,322
Share-based payments	-	-	30,422	-	30,422
Loss and comprehensive loss for the period	-	-	-	(162,395)	(162,395)
June 30, 2022	80,099,286	7,505,881	422,131	(3,118,663)	4,809,349
January 1, 2023	80,099,286	7,505,881	240,086	(3,441,610)	4,304,357
Re-allocated on expiration of warrants	-	19,400	(19,400)	-	-
Share-based payments	-	-	1,968	-	1,968
Loss and comprehensive loss for the period	-	-	-	(91,365)	(91,365)
June 30, 2023	80,099,286	7,525,281	222,654	(3,532,975)	4,214,960

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

Trifecta Gold Ltd.

Condensed Interim Statements of Loss and Comprehensive Loss

Unaudited – Prepared by Management

For the three and six months ended June 30, 2023 and June 30, 2022

	Note	Three months ended		Six months ended	
		June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
		\$	\$	\$	\$
Expenses					
Administration expenses		345	261	1,878	700
Insurance		7,422	6,677	14,717	12,169
Investor relations and shareholder information		1,800	11,516	2,618	13,345
Management, administrative and corporate development fees	8	27,391	34,236	45,175	72,854
Office rent	8	4,500	4,500	9,000	9,000
Professional fees	8	7,140	6,471	25,848	19,914
Property examination costs		48	-	100	-
Share-based payments	6,8	-	21,309	1,968	30,422
Transfer agent and filing fees		4,015	2,686	5,075	5,290
Loss from operating expenses		(52,661)	(87,656)	(106,379)	(163,694)
Interest income		9,196	963	16,003	2,000
Foreign exchange gain (loss)		(934)	473	(989)	(701)
Loss and comprehensive loss for the period		(44,399)	(86,220)	(91,365)	(162,395)
Loss per share					
Weighted average number of common shares outstanding					
- basic #	7	80,099,286	80,099,286	80,099,286	80,099,286
- diluted #	7	80,099,286	80,099,286	80,099,286	80,099,286
Basic loss per share \$	7	(0.00)	(0.00)	(0.00)	(0.00)
Diluted loss per share \$	7	(0.00)	(0.00)	(0.00)	(0.00)

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

Trifecta Gold Ltd.**Condensed Interim Statements of Cash Flows****Unaudited – Prepared by Management****For the six months ended June 30, 2023 and June 30, 2022**

	Note	June 30, 2023 \$	June 30, 2022 \$
Operating activities			
Loss for the period		(91,365)	(162,395)
Share-based payments		1,968	30,422
Interest income		(16,003)	(2,000)
Net change in non-cash working capital items	10	(42,737)	(26,050)
		(148,137)	(160,023)
Investing activities			
Interest received		16,003	2,000
Reclamation bond		1,128	(773)
Exploration incentives received		28,123	39,706
Mineral property acquisition costs	5	(2,978)	(5,088)
Deferred exploration and evaluation expenditures		(46,194)	(441,036)
		(3,918)	(405,191)
Net change in cash and cash equivalents		(152,055)	(565,214)
Cash and cash equivalents, beginning of period		1,032,168	1,746,016
Cash and cash equivalents, end of period		880,113	1,180,802

Supplemental cash flow information

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

Trifecta Gold Ltd.**Notes to the Condensed Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2023 and June 30, 2022

1. Nature of operations and going concern

Trifecta Gold Ltd. (the “Company” or “Trifecta”) was incorporated on October 4, 2016 under the laws of the Province of British Columbia, Canada and was registered extra-territorially in the Yukon Territory on January 6, 2017. The Company’s head office is located at 510 - 1100 Melville Street, Vancouver, BC, V6E 4A6. Its records office is located at 1710 - 1177 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2L3. The Company is listed on the TSX Venture Exchange (“TSX-V”).

The Company’s principal business activity is the acquisition, exploration, and evaluation of mineral properties. The Company has been exploring its mineral property interests and has not yet determined whether they contain mineral reserves that are economically recoverable. The Company’s continuing operations and the underlying value and recoverability of the amounts shown for mineral property interests are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of the mineral property interests, obtaining the necessary permits to mine, and on future profitable production or proceeds from the disposition or option of the mineral property interests. The carrying amounts of mineral properties are based on costs incurred to date, and do not necessarily represent present or future values.

These condensed interim financial statements (the “financial statements”) are prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. The Company does not have revenues and has incurred operating losses since incorporation. As at June 30, 2023, the Company had working capital of \$842,527 (December 31, 2022 – \$1,030,801), and shareholders’ equity of \$4,214,960 (December 31, 2022 - \$4,304,357). Management has assessed that this working capital is sufficient for the Company to continue as a going concern beyond one year. If the going concern assumption were not appropriate for these financial statements, it could be necessary to restate the Company’s assets and liabilities on a liquidation basis.

2. Significant accounting policies**(a) Basis of presentation**

These financial statements have been prepared in conformity with International Accounting Standard (“IAS”) 34, Interim Financial Reporting, using the same accounting policies as detailed in the Company’s annual audited financial statements for the year ended December 31, 2022, and do not include all the information required for full annual financial statements in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). It is suggested that these financial statements be read in conjunction with the annual audited financial statements.

These financial statements have been prepared on a historical cost basis, except for financial instruments measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

All amounts on these financial statements are presented in Canadian dollars which is the functional currency of the Company.

(b) Significant accounting policies

The accounting policies, estimates and critical judgments, methods of computation and presentation applied in these financial statements are consistent with those of the most recent annual audited financial statements and are those the Company expects to adopt in its financial statements for the year ended December 31, 2023. Accordingly, these financial statements should be read in conjunction with the Company’s most recent annual audited financial statements.

Trifecta Gold Ltd.**Notes to the Condensed Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2023 and June 30, 2022

2. Significant accounting policies (continued)**(c) New accounting policies**

Certain pronouncements have been issued by the IASB or IFRIC that are effective for accounting periods beginning on or after January 1, 2023. The Company has reviewed these updates and determined that many of these updates are not applicable or consequential to the Company and have been excluded from discussion within these significant accounting policies.

3. Cash and cash equivalents

Cash and cash equivalents consist of the following:

	June 30, 2023	December 31, 2022
	\$	\$
Bank and broker balances	49,946	67,096
Cashable investment certificates	830,167	965,072
	880,113	1,032,168

4. Receivables and prepayments

Receivables and prepayments consist of the following:

	June 30, 2023	December 31, 2022
	\$	\$
Prepaid expenses	30,501	7,685
Sales tax recoverable	4,669	2,074
Yukon mineral exploration grant receivable (note 5(a)(ii))	-	28,123
	35,170	37,882

Trifecta Gold Ltd.**Notes to the Condensed Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2023 and June 30, 2022

5. Mineral property interests

The Company's mineral property interests consist of exploration stage properties located in Canada (Yukon Territory and British Columbia) and the United States (Nevada). The properties have been grouped into those which are wholly-owned projects, wholly-owned and under option, project under option from other parties and others. Properties which are in close proximity and could be developed as a single economic unit are grouped into projects.

Changes in the project carrying amounts for the six months ended June 30, 2022 are summarized as follows:

	January 1, 2022 \$	Acquisitions/ staking/ assessments \$	Exploration and evaluation \$	June 30, 2022 \$
Wholly-owned projects				
Eureka	1,270,312	3,951	60,296	1,334,559
Treble	156,189	-	37,498	193,687
Yuge	1,276,371	1,137	371,285	1,648,793
Total	2,702,872	5,088	469,079	3,177,039
Wholly-owned and under option project				
Trident - wholly-owned claims				
Squid	303,118	-	-	303,118
Trident - under option claims				
CH	112,075	-	-	112,075
	415,193	-	-	415,193
Total all projects	3,118,065	5,088	469,079	3,592,232

Exploration and evaluation expenditures on the projects consisted of the following:

	Eureka \$	Treble \$	Yuge \$	Total \$
Six months ended June 30, 2022				
Assays	3,129	-	70,649	73,778
Drilling	-	-	116,999	116,999
Field	523	8,745	76,277	85,545
Helicopter and fixed wing	-	19,253	-	19,253
Labour	51,409	35,478	87,505	174,392
Resource and environmental	5,235	-	-	5,235
Travel and accommodation	-	2,145	19,855	22,000
Total	60,296	65,621	371,285	497,202
Less: mineral exploration credits (note 5(a)(i))	-	(28,123)	-	(28,123)
Total	60,296	37,498	371,285	469,079

Trifecta Gold Ltd.**Notes to the Condensed Interim Financial Statements****Unaudited – Prepared by Management****For the six months ended June 30, 2023 and June 30, 2022****5. Mineral property interests (continued)**

Changes in the project carrying amounts for the six months ended June 30, 2023 are summarized as follows:

	January 1, 2023 \$	Acquisitions/ staking/ assessments \$	Exploration and evaluation \$	June 30, 2023 \$
Wholly-owned projects				
Eureka	1,340,247	-	14,244	1,354,491
Treble	213,715	2,978	29,363	246,056
Yuge	1,669,319	-	53,420	1,722,739
Total	3,223,281	2,978	97,027	3,323,286
Wholly-owned and under option project				
Trident - wholly-owned claims				
Squid	1	-	-	1
Total all projects	3,223,282	2,978	97,027	3,323,287

Exploration and evaluation expenditures on the projects consisted of the following:

	Eureka \$	Treble \$	Yuge \$	Total \$
Six months ended June 30, 2023				
Assays	-	-	10,624	10,624
Field	683	4,477	6,594	11,754
Labour	13,561	22,744	29,029	65,334
Travel and accommodation	-	2,142	7,173	9,315
Total	14,244	29,363	53,420	97,027
Total	14,244	29,363	53,420	97,027

5. Mineral property interests (continued)**(a) Wholly-owned projects****(i) Eureka**

The Eureka project consists of a 100% interest in the Eureka mineral claims located in the Dawson Mining District, Yukon Territory. The project was acquired in December 2016 by the issue of 11,250,000 common shares at \$0.10 per share for an aggregate cost of \$1,125,000. The claims are subject to a 1% net smelter return royalty ("NSR").

During the year ended December 31, 2021, the Company was approved to receive financial assistance from the Yukon Government on qualified exploration expenditures on this project. An amount of \$39,706 was earned, which was recorded as a reduction of 2021 exploration expenditures. The amount was received during the year ended December 31, 2022.

(ii) Treble

The Treble project consists of a 100% interest in the LLL mineral claims located in the Dawson Mining District, Yukon Territory. The project was acquired in December 2016 by the issue of 1,150,000 common shares at \$0.10 per share for an aggregate cost of \$115,000. The claims are not subject to any royalty interests.

During the year ended December 31, 2022, the Company was approved to receive financial assistance from the Yukon Government on qualified exploration expenditures on this project. An amount of \$28,123 was earned, which was recorded as a reduction of 2022 exploration expenditures. The amount was received during the six months ended June 30, 2023 (note 4).

(iii) Yuge

On February 27, 2018, the Company signed a letter of intent, which was subsequently replaced with a definitive agreement (the "Option Agreement"), to option from Silver Range Resources Ltd. ("Silver Range") up to a 75% interest in Silver Range's Yuge property, which is located in Nevada, USA.

Under the agreement, the Company reimbursed Silver Range staking and recording costs of \$9,066.

On July 7, 2020, the Option Agreement was replaced with a Property Purchase Agreement (the "PP Agreement"). Pursuant to the terms of the PP Agreement, and during the year ended December 31, 2021, the Company acquired a 100% interest in the Yuge Property by:

- Issuing to Silver Range that number of common shares equal to 9.9% of the total number of issued and outstanding common shares of the Company immediately following the closing of the first \$500,000 of a financing (issued 4,797,611 shares at a fair value of \$359,821);
- Reimbursing Silver Range for property maintenance payments, rentals and filing fees made to maintain the property in good standing until September 1, 2021 (paid, \$15,734); and
- Paying Silver Range \$250,000, in cash or deemed value in shares, on or before July 7, 2021 (issued 2,212,389 shares at a fair value of \$250,000).

On completion of the PP Agreement, Silver Range retained a 2% NSR from the commercial production of any mineral products on the property. The Company has the right to purchase one-half of the NSR for \$1,000,000. Additionally, Silver Range is entitled to receive a one-time cash payment of US\$2 per ounce of gold or equivalent identified in NI 43-101 compliant technical report of a measured or indicated mineral resource, or proven or probable mineral reserve, as applicable, to the property.

Trifecta Gold Ltd.**Notes to the Condensed Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2023 and June 30, 2022

5. Mineral property interests (continued)**(b) Wholly-owned and under option project****Trident**

The Trident project consists of the Squid claims, which are wholly-owned, and the CH claims which are being acquired under an option agreement.

Wholly-owned claims

The Squid claims are located in the Dawson Mining District, Yukon Territory, and were acquired by staking. During the year ended December 31, 2022, the Company recorded an impairment charge of \$303,117 on these claims, as management has no current or future budgeted exploration programs in place.

Under option claims

By an agreement dated December 8, 2016, and amended on April 27, 2017, December 3, 2020, and December 7, 2021, the Company had the right to acquire a 100% interest in the CH mineral claims located in the Dawson Mining District, Yukon Territory from Coureur Des Bois Ltee Ltd. ("Coureur"), for consideration of:

- The issuance of 1,500,000 common shares to Coureur as follows:

- 150,000 shares upon completion of a TSX-V listing (issued);
- 150,000 shares on or before December 8, 2017 (issued);
- 200,000 shares on or before December 8, 2018 (issued);
- 300,000 shares on or before December 8, 2019 (issued);
- 200,000 shares on or before December 8, 2020 (issued); and
- 500,000 shares (or \$50,000, at the Company's election) on or before December 8, 2022 (not issued).

Upon completion of the agreement, the Company would have attained a 100% interest in the claims and Coureur would have retained a 2% NSR from any precious metal commercial production and a 1% NSR from any non-precious metal commercial production. The Company would have had the right at any time to purchase one-half of the NSR for \$1,000,000.

During the year ended December 31, 2022, the Company provided a termination notice with respect to the agreement and accordingly, recorded an impairment charge of \$112,075 on these claims.

(c) Others**(i) Triple Crown**

The Company retains a 0.5% NSR on the Triple Crown Project which consists of the OOO mineral claims located in Dawson Mining District, Yukon Territory. The NSR can be purchased by the claim owner at any time for a cash payment of \$500,000.

(ii) Handsome Jack

The Company retains a 1% NSR on the Handsome Jack project which consists of the Never Sweat mineral claims located in the Golden Triangle region of British Columbia. One-half of the NSR can be purchased by the claim owner at any time for a cash payment of \$500,000.

(d) Reclamation bond

The reclamation bond is pledged to the Bureau of Land Management (Nevada) to ensure specified properties are properly restored after exploration. Management has determined that the Company has no material reclamation work related to the properties requiring the deposit.

Trifecta Gold Ltd.**Notes to the Condensed Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2023 and June 30, 2022

6. Share capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value. All issued shares are fully paid.

Transactions for the issue of share capital during the six months ended June 30, 2023:

There were no transactions for the issue of share capital during the six months ended June 30, 2023.

Transactions for the issue of share capital during the six months ended June 30, 2022:

There were no transactions for the issue of share capital during the six months ended June 30, 2022.

Stock options

The Company has an incentive stock option plan (the "Plan"), under which the maximum number of stock options issued cannot exceed 10% of the Company's currently issued and outstanding common shares. The exercise period for any options granted under the Plan cannot exceed ten years. The exercise price of options granted under the Plan cannot be less than the "discounted market price" of the common shares (defined as the last closing market price of the Company's common shares immediately preceding the issuance of a news release announcing the granting of the options, or the date of grant in respect of options granted to consultants, less a discount of from 15% to 25%), unless otherwise agreed to by the Company and accepted by the TSX-V.

A participant who is not a consultant conducting investor relations activities, who is granted an option under the plan with exercise prices at or above "Market Price" will have their options vest immediately, unless otherwise determined by the Board of Directors. A participant who is granted an option under the plan with exercise prices below "Market Price" will become vested with the right to exercise one-sixth of the option upon conclusion of every three months subsequent to the grant date. A participant who is a consultant conducting investor relations activities who is granted options under the plan will become vested with the right to exercise one-quarter of the options upon conclusion of every three months subsequent to the grant date.

A summary of the status of the Company's stock options as at June 30, 2023 and December 31, 2022 and changes during the period/year then ended is as follows:

	Period ended June 30, 2023		Year ended December 31, 2022	
	Options #	Weighted average exercise price \$	Options #	Weighted average exercise price \$
Options outstanding, beginning of period/year	3,225,000	0.08	4,620,000	0.15
Granted	-	-	500,000	0.08
Expired	-	-	(1,895,000)	0.25
Options outstanding, end of period/year	3,225,000	0.08	3,225,000	0.08

As at June 30, 2023, the Company has stock options outstanding and exercisable as follows:

Options outstanding #	Options exercisable #	Exercise price \$	Weighted average remaining life (years)	Expiry date
2,325,000	2,325,000	0.08	2.39	November 17, 2025
400,000	400,000	0.10	3.02	July 6, 2026
250,000	250,000	0.08	3.58	January 25, 2027
250,000	250,000	0.08	3.71	March 16, 2027
3,225,000	3,225,000		2.66	

Trifecta Gold Ltd.**Notes to the Condensed Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2023 and June 30, 2022

6. Share capital (continued)**Stock options (continued)**

On January 25, 2022, the Company granted 250,000 stock options to a Director. The stock options vested quarterly over a period of one year and are exercisable at \$0.08 until January 25, 2027. The Company has recorded the fair value of all options granted using the Black-Scholes option pricing model. Share-based payments expense was calculated using the following weighted average assumptions: expected life of options - five years, expected stock price volatility – 125.00%, no dividend yield, and a risk-free interest rate yield – 1.56%. The fair value is particularly impacted by the Company's stock price volatility. Using the above assumptions, the fair value of these options was \$0.07 per option, for a total of \$16,879.

On March 16, 2022, the Company granted 250,000 stock options to an Officer. The stock options vested quarterly over a period of one year and are exercisable at \$0.08 until March 16, 2027. The Company has recorded the fair value of all options granted using the Black-Scholes option pricing model. Share-based payments expense was calculated using the following weighted average assumptions: expected life of options - five years, expected stock price volatility – 125.00%, no dividend yield, and a risk-free interest rate yield – 2.00%. The fair value is particularly impacted by the Company's stock price volatility. Using the above assumptions, the fair value of options was \$0.06 per option, for a total of \$14,612.

The total share-based payment expense for the six months ended June 30, 2023 was \$1,968 (2022 - \$30,422), which is presented as an operating expense, and includes only options that vested during the period.

Warrants

As an incentive to complete private placements, the Company may issue units which consist of common shares and common share purchase warrants. Using the residual value method, the Company determines whether a value should be allocated to the warrants attached to private placement units.

A summary of the status of the Company's warrants as at June 30, 2023 and December 31, 2022, and changes during the period/year then ended is as follows:

	Period ended June 30, 2023		Year ended December 31, 2022	
	Warrants #	Weighted average exercise price \$	Warrants #	Weighted average exercise price \$
Warrants outstanding, beginning of period/year	20,397,600	0.20	20,397,600	0.20
Private placement warrants expired	(20,000,000)	0.20	-	-
Finders' warrants expired	(397,600)	0.20	-	-
Warrants outstanding, end of period/year	-	-	20,397,600	0.20

During the six months ended June 30, 2023, 397,600 finders' warrants expired unexercised. As a result, the original fair value of \$19,400 was reversed from contributed surplus and credited to share capital.

Contributed surplus

Contributed surplus, when applicable, includes the accumulated fair value of stock options recognized as share-based payments and the fair value of warrants issued on private placements. Contributed surplus is increased by the fair value of these items on vesting and is reduced by corresponding amounts when the options or warrants expire or are exercised or cancelled.

Trifecta Gold Ltd.**Notes to the Condensed Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2023 and June 30, 2022

7. Loss per share

The calculation of basic and diluted loss per share for the six months ended June 30, 2023 is based on the loss attributable to common shareholders of \$91,365 (2022 - \$162,395) and a weighted average number of common shares outstanding of 80,099,286 (2022 – 80,099,286).

All stock options and warrants were excluded from the diluted weighted average number of shares calculation, as their effect would have been anti-dilutive.

8. Related party payables and transactions

The Company's related parties include key management personnel and Directors, and companies in which they have control or significant influence over the financial or operating policies of those entities. There were no loans to key management personnel or Directors, or entities over which they have control or significant influence during the six months ended June 30, 2023 and June 30, 2022.

No key management personnel or Directors receive salaries, non-cash benefits (other than incentive stock options), or other remuneration directly from the Company, other than noted below, and there are no contracts with them that cannot be terminated without penalty on thirty days' notice. Key management personnel and Directors participate in the Company's stock option plan.

During the year ended December 31, 2022, 250,000 stock options were granted to a Director having a fair value on issue of \$16,879. These options are exercisable at \$0.08 until January 25, 2027, and vested over a one-year period ending January 25, 2023. Further, on March 16, 2022, 250,000 stock options were granted to an Officer having a fair value on issue of \$14,612. These options are exercisable at \$0.08 until March 16, 2027, and vested over a one-year period ending March 16, 2023.

There were no stock options granted to key management personnel and Directors during the six months ended June 30, 2023.

The Company transacted with the following related parties:

- (a) Archer Cathro & Associates (1981) Limited ("Archer Cathro") is a geological consulting firm that is a related party through its management contracts, which confer significant influence over operations. Charges are for mineral property management, office rent and administration.
- (b) Glenn Yeadon is the Company's Secretary. He controls Glenn R. Yeadon Personal Law Corporation ("Yeadon Law Corp"), which provides the Company with legal services.
- (c) Larry Donaldson was the Company's CFO through to March 16, 2022. He is a principal of Donaldson Brohman Martin CPA Inc. ("DBM CPA") a firm in which he has significant influence. DBM CPA provides the Company with accounting and tax services. Effective March 16, 2022, the Company appointed Quinn Martin as the Company's new CFO, who is also a principal of DBM CPA.
- (d) Richard Drechsler is the Company's President and CEO. He controls Drechsler Consulting Ltd. ("Drechsler Consulting"), which charges the Company for the management, administrative and corporate development services of Richard Drechsler.

Trifecta Gold Ltd.**Notes to the Condensed Interim Financial Statements****Unaudited – Prepared by Management****For the six months ended June 30, 2023 and June 30, 2022****8. Related party payables and transactions (continued)**

The aggregate value of transactions and outstanding balances with related parties are as follows:

	Transactions 6 months ended June 30, 2023 \$	Transactions 6 months ended June 30, 2022 \$	Balances outstanding, June 30, 2023 \$	Balances outstanding, December 31, 2022 \$
Archer Cathro				
- geological services	74,877	223,870	46,930	1,288
- office and administration	9,633	13,161	3,089	1,640
	84,510	237,031	50,019	2,928
Yeadon Law Corp	10,805	10,928	2,140	6,430
DBM CPA	10,000	10,750	5,000	8,000
Drechsler Consulting	30,940	32,715	9,188	-
	136,255	291,424	66,347	17,358

All related party balances are unsecured and are due within thirty days without interest. The related party transactions do not include expense reimbursements or recoverable sales tax amounts that are included in the period end related party payable balances. The transactions with the key management personnel and Directors are included in operating expenses as follows:

- (a) Management, administrative and corporate development fees
 - Includes charges by Archer Cathro for administrative personnel.
 - Includes services provided by Drechsler Consulting.
- (b) Office rent
 - Charged by Archer Cathro.
- (c) Professional fees
 - Includes the legal services of the Company's Secretary, Glenn Yeadon, charged to the Company by Yeadon Law Corp.
 - Includes the accounting and tax services charged to the Company by DBM CPA.

9. Income taxes

Income tax recovery varies from the amount that would be computed from applying the combined federal and provincial income tax rate to loss before income taxes as follows:

	June 30, 2023 \$	June 30, 2022 \$
Loss for the period before income taxes	(91,365)	(162,395)
Statutory Canadian corporate tax rate	27.00%	27.00%
Anticipated income tax recovery	24,669	43,847
Change in tax resulting from:		
Unrecognized items for tax purposes	(504)	(8,215)
Tax benefits unrecognized	(24,165)	(35,632)
Income tax recovery	-	-

Trifecta Gold Ltd.**Notes to the Condensed Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2023 and June 30, 2022

9. Income taxes (continued)

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

	June 30, 2023	December 31, 2022
	\$	\$
Mineral property interests	209,159	227,673
Capital loss carry forwards	3,143	3,143
Non-capital loss carry forwards	618,679	573,135
Share issue costs	12,562	15,427
Tax benefits unrecognized	(843,543)	(819,378)
Net deferred tax assets	-	-

As at June 30, 2023, the Company has unused non-capital losses of approximately \$2,291,000 (December 31, 2022 – \$2,123,000) of which \$43,000 expire in 2036, \$305,000 in 2037, \$355,000 in 2038, \$337,000 in 2039, \$243,000 in 2040, \$448,000 in 2041, \$392,000 in 2042, and \$168,000 in 2043.

As at June 30, 2023, the Company has unused capital losses of approximately \$12,000 (December 31, 2022 - \$12,000), which have no expiry dates and can only be used to reduce future income from capital gains.

As at June 30, 2023, the Company has unclaimed resource deductions in the amount of approximately \$4,098,000 (December 31, 2022 – \$4,067,000), which may be deductible against future taxable income.

As at June 30, 2023, there are share issue costs totaling approximately \$47,000 (December 31, 2022 – \$57,000), which have not been claimed for tax purposes.

Income tax attributes are subject to review, and potential adjustments, by tax authorities.

10. Supplemental cash flow information

Changes in non-cash operating working capital during the six months ended June 30, 2023 and June 30, 2022 were comprised of the following:

	June 30, 2023	June 30, 2022
	\$	\$
Receivables and prepayments	(25,411)	(2,308)
Accounts payable and accrued liabilities	(20,673)	(19,040)
Accounts payable to related parties	3,347	(4,702)
Net change	(42,737)	(26,050)

Trifecta Gold Ltd.**Notes to the Condensed Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2023 and June 30, 2022

10. Supplemental cash flow information (continued)

The Company incurred non-cash investing activities during the six months ended June 30, 2023 and June 30, 2022 as follows:

	June 30, 2023 \$	June 30, 2022 \$
Non-cash investing activities:		
Deferred exploration expenditures included in accounts payable and related party payables	52,121	59,304
Deferred exploration expenditures included in Yukon mineral exploration grant receivable	-	(28,123)
	52,121	31,181

There were no non-cash financing activities during the six months ended June 30, 2023 and June 30, 2022.

During the six months ended June 30, 2023 and June 30, 2022, no amounts were paid for interest or income tax expenses.

11. Financial risk management**Capital management**

The Company is a resource exploration company and considers items included in shareholders' equity as capital. The Company has no debt and does not expect to enter into debt financing. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, purchase shares for cancellation pursuant to normal course issuer bids or make special distributions to shareholders. The Company is not subject to any externally imposed capital requirements, has sufficient working capital to continue as a going concern beyond one year (note 1), and does not presently utilize any quantitative measures to monitor its capital. The Company's capital structure as at June 30, 2023 is comprised of shareholders' equity of \$4,214,960 (December 31, 2022 - \$4,304,357).

The Company currently has no source of revenues. In order to fund future projects and pay for operating costs, the Company will spend its existing working capital and raise additional funds as needed. The Company's ability to continue as a going concern on a long-term basis and realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation is primarily dependent upon its ability to sell or option its mineral properties and its ability to borrow or raise additional financing from equity markets (see note 1).

There were no changes to the Company's capital management approach during the six months ended June 30, 2023.

Financial instruments - fair value

The Company's financial instruments consist of cash and cash equivalents, reclamation bond, accounts payable and accrued liabilities, and accounts payable to related parties. The carrying value of accounts payable and accrued liabilities, and accounts payable to related parties approximates their fair value because of the short-term nature of these instruments.

Trifecta Gold Ltd.**Notes to the Condensed Interim Financial Statements****Unaudited – Prepared by Management**

For the six months ended June 30, 2023 and June 30, 2022

11. Financial risk management (continued)**Financial instruments - fair value (continued)**

Financial instruments measured at fair value on the condensed interim statements of financial position are summarized into the following fair value hierarchy levels:

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 (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
June 30, 2023				
Cash and cash equivalents	880,113	-	-	880,113
Reclamation bond	49,146	-	-	49,146
	929,259	-	-	929,259
December 31, 2022				
Cash and cash equivalents	1,032,168	-	-	1,032,168
Reclamation bond	50,274	-	-	50,274
	1,082,442	-	-	1,082,442

Financial instruments - risk

The Company's financial instruments can be exposed to certain financial risks, including credit risk, interest rate risk, liquidity risk, and market and currency risk.

(a) Credit risk

The Company is exposed to credit risk by holding cash. All of the Company's cash is held in financial institutions in Canada, and management believes the exposure to credit risk with respect to such institutions is not significant. The Company has minimal receivables exposure as its refundable credits are due from the Canadian government.

(b) Interest rate risk

The Company is exposed to interest rate risk because of fluctuating interest rates. Fluctuations in market rates do not have a significant impact on the Company's operations due to the short term to maturity and no penalty cashable feature of its cash equivalents. For the six months ended June 30, 2023, every 1% fluctuation in interest rates up or down would have impacted loss for the period, up or down, by approximately \$5,000 (2022 - \$7,000).

(c) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company manages this risk by careful management of its working capital to ensure its expenditures will not exceed available resources. See note 1 for further details.

(d) Market and currency risk

The Company is not exposed to market risk as it does not hold marketable securities.

The Company is exposed to currency risk because it holds funds in United States Dollars ("USD"), which, because of fluctuating exchange rates can create gains or losses at the time the funds are converted to Canadian dollars. The Company has no control over these fluctuations and does not hedge its foreign currency holdings. Based on its June 30, 2023 USD holdings, every 10% increase or decrease in the exchange rate would have had an insignificant impact on loss for the period.