

**CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS
(unaudited)**

For the three and six months ended June 30, 2022 and 2021

Expressed in Canadian Dollars, unless otherwise noted



ARTEMIS GOLD INC.

Condensed Interim Consolidated Statements of Financial Position (Unaudited - Expressed in Canadian Dollars)

	Notes	As at June 30, 2022 \$	As at December 31, 2021 \$
Assets			
Current assets			
Cash and cash equivalents		103,265,958	131,359,116
Receivables and prepayments		888,164	651,139
Marketable securities		-	1,121,097
		104,154,122	133,131,352
Non-current assets			
Restricted cash	7	885,500	824,300
Investment in Velocity	4	18,514,703	19,603,492
Deferred financing costs	8	6,882,239	2,978,123
Mineral property, plant and equipment	5	340,411,893	313,254,164
TOTAL ASSETS		470,848,457	469,791,431
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		8,341,639	5,068,652
Lease liability - current portion		365,285	361,871
		8,706,924	5,430,523
Non-current liabilities			
Lease liability - non-current portion		732,159	880,308
Variable consideration payable	6	39,162,713	36,809,082
Asset retirement obligation	7	5,070,293	7,344,283
TOTAL LIABILITIES		53,672,089	50,464,196
Shareholders' equity			
Share capital		417,492,631	417,276,031
Contributed surplus		14,261,690	10,058,314
Accumulated other comprehensive income		3,622,371	3,360,055
Retained deficit		(18,200,324)	(11,367,165)
Total Shareholders' equity		417,176,368	419,327,235
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		470,848,457	469,791,431

Subsequent events (Note 11)

Approved for Issuance by the Board of Directors:

<u>"Elise Rees"</u>	Director
<u>"Steven Dean"</u>	Director

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

ARTEMIS GOLD INC.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Unaudited - Expressed in Canadian Dollars, except number of shares outstanding)

	Notes	For the three months ended June 30, 2022 \$	For the three months ended June 30, 2021 \$	For the six months ended June 30, 2022 \$	For the six months ended June 30, 2021 \$
Operating expenses					
Depreciation		98,391	80,821	193,144	154,805
Management fees and wages	9	953,927	728,227	2,161,337	1,470,776
Investor relations and corporate development		77,823	65,593	169,798	162,270
Office, insurance and general		256,761	216,225	502,468	405,896
Professional fees		137,801	213,403	307,436	462,753
Share-based payments	9	1,433,673	1,146,296	2,905,081	2,183,204
Transfer agent and regulatory		23,529	53,229	36,341	110,520
Loss from operations		(2,981,905)	(2,503,794)	(6,275,605)	(4,950,224)
Other (expense) income					
Accretion expense on lease liability		(17,195)	(20,929)	(35,472)	(42,552)
Accretion expense on asset retirement obligation	7	(16,060)	(17,989)	(35,628)	(40,228)
Equity loss from investment in associate	4	(207,794)	(200,229)	(444,670)	(343,393)
Fair value adjustment on convertible debenture	4	-	-	-	(795,646)
Fair value adjustment on warrants	4	-	(686,676)	(644,119)	(893,115)
Interest income		383,863	159,963	602,335	279,282
Net loss		(2,839,091)	(3,269,654)	(6,833,159)	(6,785,876)
Other comprehensive loss, net of tax					
<i>Items that will not be reclassified to net loss</i>					
Gains (loss) on marketable securities		-	101,671	262,316	(165,589)
Comprehensive loss		(2,839,091)	(3,167,983)	(6,570,843)	(6,951,465)
Loss per common share					
Basic and diluted		(0.02)	(0.02)	(0.04)	(0.05)
Weighted average number of common shares outstanding					
Basic and diluted		154,098,459	136,935,176	154,045,043	130,631,649

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

ARTEMIS GOLD INC.

Condensed Interim Consolidated Statements of Changes in Equity

(Unaudited - Expressed in Canadian Dollars, except number of shares)

	Notes	Share capital					Total shareholders' equity					
		Number of shares	Amount	Contributed surplus	Accumulated other comprehensive income	Retained deficit						
								#	\$	\$	\$	\$
Balance - January 1, 2022		153,971,145	417,276,031	10,058,314	3,360,055	(11,367,165)	419,327,235					
Exercise of share purchase warrants		200,556	216,600	-	-	-	216,600					
Shared-based payments		-	-	4,203,376	-	-	4,203,376					
Gain on marketable securities		-	-	-	262,316	-	262,316					
Net loss		-	-	-	-	(6,833,159)	(6,833,159)					
Balance - June 30, 2022		154,171,701	417,492,631	14,261,690	3,622,371	(18,200,324)	417,176,368					

	Notes	Share capital		Contributed surplus	Accumulated other comprehensive income	Retained earnings (deficit)	Total shareholders' equity
		Number of shares	Amount				
		#	\$				
				\$	\$	\$	\$
Balance - January 1, 2021		124,204,936	250,411,031	3,567,530	2,915,998	2,343,587	259,238,146
Exercise of share purchase warrants		1,236,666	1,335,599	-	-	-	1,335,599
Bought Deal Offering - May 19, 2021		18,853,100	115,003,910	-	-	-	115,003,910
Non-Brokered Offering - May 25, 2021		9,200,000	56,120,000	-	-	-	56,120,000
Share issue costs		-	(6,161,193)	-	-	-	(6,161,193)
Shared-based payments		-	-	3,016,014	-	-	3,016,014
Loss on marketable securities		-	-	-	(165,589)	-	(165,589)
Net loss		-	-	-	-	(6,785,876)	(6,785,876)
Balance - June 30, 2021		153,494,702	416,709,347	6,583,544	2,750,409	(4,442,289)	421,601,011

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

ARTEMIS GOLD INC.

Condensed Interim Consolidated Statements of Cash Flows

(Unaudited - Expressed in Canadian Dollars)

	For the three months ended June 30, 2022 \$	For the three months ended June 30, 2021 \$	For the six months ended June 30, 2022 \$	For the six months ended June 30, 2021 \$
Operating activities				
Net loss	(2,839,091)	(3,269,654)	(6,833,159)	(6,785,876)
Items not involving cash:				
Depreciation	98,391	80,821	193,144	154,805
Share-based payments	1,433,673	1,146,296	2,905,081	2,183,204
Accretion expense on lease liability	17,195	20,929	35,472	42,552
Accretion expense on asset retirement obligation	16,060	17,989	35,628	40,228
Equity loss from investment in associate	207,794	200,229	444,670	343,393
Fair value adjustment on convertible debenture	-	-	-	795,646
Fair value adjustment on warrants	-	686,676	644,119	893,115
Interest income	(383,863)	(159,963)	(602,335)	(279,282)
Net changes in non-cash working capital:				
Accounts payable and accrued liabilities	516,076	404,474	844,339	508,434
Receivables and prepayments	83,640	118,704	(2,254)	204,203
Net cash used in operating activities	(850,125)	(753,499)	(2,335,295)	(1,899,578)
Investing activities				
Interest received	335,761	425,886	518,108	461,633
Proceeds from marketable securities	-	294,391	1,383,413	294,391
Mineral property, plant and equipment	(15,666,097)	(7,228,804)	(23,001,021)	(15,512,483)
Purchase of plant and equipment	-	(289,211)	-	(306,660)
Restricted cash	(61,200)	-	(61,200)	(30,000)
Net cash used in investing activities	(15,391,536)	(6,797,738)	(21,160,700)	(15,093,119)
Financing activities				
Deferred financing costs	(366,815)	-	(4,633,556)	-
Exercise of share purchase warrants	130,200	1,252,800	216,600	1,335,599
Lease payments	(90,354)	(67,810)	(180,207)	(135,396)
Share issuance proceeds	-	171,123,910	-	171,123,910
Share issuance costs	-	(5,987,588)	-	(5,987,588)
Net cash (used in) provided by financing activities	(326,969)	166,321,312	(4,597,163)	166,336,525
Change in cash and cash equivalents	(16,568,630)	158,770,075	(28,093,158)	149,343,828
Cash and cash equivalents, beginning	119,834,588	42,420,579	131,359,116	51,846,826
Cash and cash equivalents, ending	103,265,958	201,190,654	103,265,958	201,190,654
Restricted cash, ending	885,500	570,800	885,500	570,800
Total cash, cash equivalents and restricted cash, ending	104,151,458	201,761,454	104,151,458	201,761,454

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

ARTEMIS GOLD INC.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars, unless otherwise noted)

1. NATURE OF OPERATIONS

Artemis Gold Inc. ("**Artemis**" or the "**Company**") was incorporated under the Business Corporations Act (British Columbia) on January 10, 2019. The Company is a development-stage company focused on the development of the Blackwater Gold Project ("**Blackwater**" or the "**Blackwater Project**") in central British Columbia. The Company's common shares are traded on the Toronto Venture Exchange under the symbol "ARTG".

The Company acquired Blackwater from New Gold Inc. ("**New Gold**") on August 21, 2020. The Company also has a significant investment in Velocity Minerals Ltd. ("**VLC**") which is in the business of acquiring, exploring, and evaluating mineral resource properties in Bulgaria.

The Company operates a single reportable segment, being the exploration and development of mineral properties.

The Company maintains its head office at 595 Burrard Street, Suite 3083, Vancouver, B.C. Canada. The Company's registered and records office is located at 595 Burrard Street, Suite 2600, Vancouver, B.C., Canada.

2. BASIS OF PREPARATION

Basis of preparation and measurement

These unaudited condensed interim consolidated financial statements ("**Interim Financial Statements**") have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("**IFRS**") applicable to the preparation of interim financial statements including International Accounting Standard 34 - *Interim Financial Reporting* and do not include the information required for full annual financial statements. Accordingly, they should be read in conjunction with the Company's audited consolidated financial statements for the years ended December 31, 2021 and 2020 (the "**Annual Financial Statements**"). The accounting policies applied in the preparation of these Interim Financial Statements are consistent with those applied and disclosed in the Annual Financial Statements, except as described below.

These Interim Financial Statements have been prepared on a historical cost basis, except for certain financial instruments which have been measured at fair value. In addition, these Interim Financial Statements have been prepared using the accrual basis of accounting, except for cash flow information. These Interim Financial Statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiary. Certain comparative period information has been restated to conform to the current period presentation.

These Interim Financial Statements were approved by the board of directors on August 11, 2022.

ARTEMIS GOLD INC.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars, unless otherwise noted)

2. BASIS OF PREPARATION (continued)

Basis of consolidation

These Interim Financial Statements include the accounts of the Company and its wholly-owned subsidiaries, BW Gold Ltd. and 1337890 BC Ltd. The Company and its subsidiaries are domiciled in Canada. All inter-company balances, transactions, revenues and expenses have been eliminated upon consolidation.

3. USE OF ESTIMATES AND JUDGMENTS

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances. Uncertainty about these judgments, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The Company's interim results are not necessarily indicative of its results for a full year. The significant judgments and estimates applied in the preparation of these Interim Financial Statements are consistent with those applied and disclosed in Note 4 of the Annual Financial Statements.

4. INVESTMENT IN VLC

The Company's investment in VLC as at June 30, 2022 was comprised of:

	Investment in associate \$	Convertible debenture \$	Warrants \$	Total \$
Balance, January 1, 2021	9,479,754	10,976,994	2,699,462	23,156,210
Conversion of debenture	10,181,348	(10,181,348)	-	-
Fair value change for the year	-	(795,646)	(2,055,343)	(2,850,989)
Equity loss on investment in associate	(701,729)	-	-	(701,729)
Balance, December 31, 2021	18,959,373	-	644,119	19,603,492
Fair value change in the period	-	-	(644,119)	(644,119)
Equity loss on investment in associate	(444,670)	-	-	(444,670)
Balance, June 30, 2022	18,514,703	-	-	18,514,703

ARTEMIS GOLD INC.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars, unless otherwise noted)

4. INVESTMENT IN VLC (continued)

As at June 30, 2022, the Company held 50,701,138 common shares of VLC (or 32% of VLC's issued and outstanding common shares) with a fair market value of \$13,435,802 (December 31, 2021 - 50,701,138 VLC shares at a fair value of \$15,717,353).

On March 14, 2022, the Company's (then) remaining 9,300,000 warrants in VLC expired unexercised.

The Company applies equity accounting to the investment in the common shares of VLC as the Company has significant influence over VLC due to the Company's share ownership and representation on VLC's Board of Directors. As a result, the common shares were initially recognized at cost, with the carrying amount of the investment increasing or decreasing at each reporting period to recognize the Company's share of the profit or loss of VLC for the particular period.

The assets and liabilities of VLC are summarized in the following table and incorporates VLC's most recently available financial information at the time of preparation of these Interim Financial Statements, which was as at March 31, 2022.

	March 31, 2022 \$
Current assets	4,219,821
Non-current assets	23,740,647
	27,960,468
Current liabilities	483,523
Non-current liabilities	36,714
	520,237
Total net assets attributable to owners of Velocity	22,946,467
Non-controlling interest	4,493,764
Company's equity share of net assets	7,258,671
Loss and comprehensive loss attributable to VLC shareholders for the six months ended March 31, 2022	1,405,713

ARTEMIS GOLD INC.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars, unless otherwise noted)

5. MINERAL PROPERTY, PLANT AND EQUIPMENT

	Mineral property \$	Construction in Progress	Right-of-use asset \$	Camp \$	Equipment \$	Vehicles \$	Other ⁽¹⁾ \$	Total \$
COST								
Balance, January 1, 2021	-	-	959,744	4,817,845	1,457,107	126,461	144,832	7,505,989
Transfer from mineral property – exploration and evaluation asset	297,627,717	-	-	-	-	-	-	297,627,717
Additions (dispositions)	8,274,158	-	610,144	(15,000)	215,955	(12,320)	392,856	9,465,793
Balance, December 31, 2021	305,901,875	-	1,569,888	4,802,845	1,673,062	114,141	537,688	314,599,499
Additions	21,170,890	5,589,709	-	-	-	-	864,792	27,625,391
Balance, June 30, 2022	327,072,765	5,589,709	1,569,888	4,802,845	1,673,062	114,141	1,402,480	342,224,890
NET BOOK VALUE								
Balance, January 1, 2021	-	-	(199,947)	(160,595)	(28,571)	(8,431)	(8,143)	(405,687)
Depreciation	-	-	(288,409)	(480,535)	(92,148)	(24,472)	(54,084)	(939,648)
Balance, December 31, 2021	-	-	(488,356)	(641,130)	(120,719)	(32,903)	(62,227)	(1,345,335)
Depreciation	-	-	(144,204)	(216,866)	(46,573)	(10,199)	(49,820)	(467,662)
Balance, June 30, 2022	-	-	(632,560)	(857,996)	(167,292)	(43,102)	(112,047)	(1,812,997)
NET BOOK VALUE								
Balance, December 31, 2021	305,901,875	-	1,081,532	4,161,715	1,552,343	81,238	475,461	313,254,164
Balance, June 30, 2022	327,072,765	5,589,709	937,328	3,944,849	1,505,770	71,039	1,290,433	340,411,893

(1) Included in "Other" are furniture, leasehold improvements, buildings and land.

Total depreciation recognized during the three and six months ended June 30, 2022 was \$241,535 and \$467,662, respectively (for the three and six months ended June 30, 2021 – \$229,537 and \$452,056, respectively), of which \$98,391 and \$193,144, respectively was expensed in the interim consolidated statements of loss and comprehensive loss (for the three and six months ended June 30, 2021 - \$80,821 and \$154,805, respectively). The remaining depreciation charges were capitalized to mineral property.

Total contractual commitments related to mineral property, plant and equipment was \$5,072,365 at June 30, 2022 (December 31, 2021 - \$415,596).

ARTEMIS GOLD INC.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars, unless otherwise noted)

6. VARIABLE CONSIDERATION PAYABLE

As part of the consideration associated with the acquisition of the Blackwater Project from New Gold, the Company agreed to a gold stream with New Gold. The gold stream was subsequently sold by New Gold to Wheaton Precious Metals™ Corp. (“Wheaton”).

The gold stream includes a delayed construction/production penalty clause (the “**Delay Penalty Clause**”) whereby, in the event the Blackwater mineral processing facility has not achieved an average of at least 80% of nameplate capacity (as per the definition in the 2021 feasibility study) for a period of 60 days prior to each of August 21, 2027, 2028 and 2029, the Company will be required to make penalty payments to Wheaton in the amount of \$28,000,000 (the “**Penalty Payment**”) per annual deadline missed, up to a maximum of \$84,000,000. Although the Company does not control all of the events which may result in payment of the Penalty Payments, it is likely that the minimum benefit to Wheaton, either as a result of the Delay Penalty Clause or through future sales at a discount to the spot price, will be the sum of the Penalty Payments. Accordingly, the Company has recorded a liability for variable consideration payable upon the acquisition of Blackwater.

The initial fair value of the financial liability was determined using a discount rate of 12.5% and subsequent changes to the amortized cost were as follows:

	Carrying amount \$
Balance, January 1, 2021	32,484,283
Accretion expense capitalized to mineral property, plant and equipment	4,324,799
Balance, December 31, 2021	36,809,082
Accretion expense capitalized to mineral property, plant and equipment	2,353,631
Balance, June 30, 2022	39,162,713

7. ASSET RETIREMENT OBLIGATION

Changes to the asset retirement obligation are as follows:

	Carrying amount \$
Balance, January 1, 2021	8,347,027
Accretion expense	76,850
Change in obligation estimate	(1,079,594)
Balance, December 31, 2021	7,344,283
Accretion expense	35,628
Change in obligation estimate	(2,309,618)
Balance, June 30, 2022	5,070,293

ARTEMIS GOLD INC.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars, unless otherwise noted)

7. ASSET RETIREMENT OBLIGATION (continued)

The majority of the expenditures are expected to occur after 2047, in line with the end of the mine life. As at June 30, 2022, the assumptions applied in estimating the asset retirement obligation included a 30-year average inflation rate and long-term average discount rate which were 2.24% and 3.19% per annum (as at December 31, 2021 2.02% and 1.68% per annum), respectively.

As at June 30, 2022 and December 31, 2021, the Company recorded \$885,500 and \$824,300, respectively of restricted cash on the statements of financial position with respect to cash collateral provided to support surety bonds in the amount of \$3,684,000 attributed to the asset retirement obligation and early works permit (\$540,800 of restricted cash for a \$2,704,000 surety bond attributed to the asset retirement obligation and \$196,000 of restricted cash for a \$980,000 surety bond related to the early works permit). The remainder of the Company's restricted cash balance relates to collateral provided in regard to financial security in support of development activities and general corporate accounts.

8. DEFERRED FINANCING COSTS

The Company executed a credit approved commitment letter and term sheet from Macquarie Bank Limited and National Bank of Canada on February 24, 2022 to jointly underwrite a \$360 million project loan facility ("PLF"). The PLF also provides for the capitalization of the initial interest of the facility, up to \$25 million and a \$40 million standby cost overrun facility.

The Company also entered into a silver stream arrangement (the "**Silver Stream**") with Wheaton on December 13, 2021. Under the terms of the Silver Stream, Wheaton will make an up-front deposit payment in cash of approximately US\$141 million, payable in tranches during the major works construction of the Project, subject to certain conditions.

As at June 30, 2022, the Company has incurred \$6,882,239 (December 31, 2021 - \$2,978,123) in costs that are directly attributable to the PLF and the Silver Stream. Upon utilization of the PLF and Silver Stream, subject to various conditions precedent, the aforementioned deferred financing costs are expected to be recognized in determining the carrying values of the PLF and Silver Stream.

ARTEMIS GOLD INC.

Notes to the Condensed Interim Consolidated Financial Statements

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(Unaudited - Expressed in Canadian Dollars, unless otherwise noted)

9. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

Key management compensation

The Company transacts with key management personnel, who have authority and responsibility to plan, direct and control the activities of the Company and receive compensation for services rendered in that capacity. Amounts paid to related parties were incurred in the normal course of business. Salaries, benefits, consulting fees and director's fees are recorded on a historical cost basis while share-based compensation is measured at the fair value of the instruments issued, with the expense recognized over the relevant vesting periods.

Related party transactions for the three and six months ended June 30, 2022 and 2021, included compensation paid to the Company's directors, as well as the Company's Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and Chief Commercial Officer (commencing in late Q2 2022).

Compensation awarded to related parties for the three and six months ended June 30, 2022 and 2021, was:

	For the three months ended June 30, 2022 \$	For the three months ended June 30, 2021 \$	For the six months ended June 30, 2022 \$	For the six months ended June 30, 2021 \$
Salaries and benefits	200,486	206,331	409,975	484,191
Consulting fees	150,000	143,750	300,000	287,500
Directors' fees	135,500	107,083	271,000	188,333
Share-based payments	1,169,880	1,012,093	2,339,979	1,989,090
	1,655,866	1,469,257	3,320,954	2,949,114

As at June 30, 2022, the Company did not owe any unpaid salaries, benefits or consulting fees to the Company's Chief Executive Officer, Chief Financial Officer, Chief Operating Officer or Chief Commercial Officer (as at December 31, 2021 - \$Nil).

As at June 30, 2022, the Company did not owe any unpaid fees to Directors (as at December 31, 2021 - \$Nil).

10. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, interest receivables, deposits, accounts payable and variable consideration payable. All financial instruments are initially recorded at fair value and designated as follows: cash and cash equivalents, interest receivables and deposits which are included in other assets are classified as financial assets at amortized cost. Accounts payable and variable consideration payable are classified as financial liabilities at amortized cost.

Fair value measurements

A three-level hierarchy for fair value measurements exists based upon the significance of inputs used in making fair value measurements:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data.

ARTEMIS GOLD INC.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars, unless otherwise noted)

10. FINANCIAL INSTRUMENTS (continued)

Fair value measurements (continued)

As at June 30, 2022, the carrying value of the Company's cash and cash equivalents, receivables, as well as accounts payable approximate their fair values due to their short-term nature. The fair value of consideration payable is estimated to be \$34,441,176, which was determined using a discounted cash flow approach with an estimated market interest rate applied (Note 6). The fair value of the Company's equity investment in VLC is disclosed in Note 4.

Fair value is based on available public market information or, when such information is not available, estimated using present value techniques and assumptions concerning the amount and timing of future cash flows and discount rates which factor in the appropriate credit risk.

11. SUBSEQUENT EVENTS

- a) Subsequent to June 30, 2022 the Company issued 75,000 common shares in various tranches pursuant to warrant exercises for gross proceeds of \$81,000.
- b) On July 28, 2022, the Company executed the \$140 million Master Lease Agreement with Cat Financial. The Facility with Cat Financial provides for up to \$140 million in equipment financing on terms consistent with the assumptions contained within the Company's 2021 Feasibility Study technical report entitled "Blackwater Gold Project NI 43-101 Technical Report on Updated Feasibility Study" dated September 10, 2021. Utilization of the Facility remains subject to the finalization of the definitive documentation associated with the Company's project loan facility and deliverables under that agreement, as well as additional customary conditions precedent.