



1911 Gold Corporation

Condensed Interim Consolidated Financial Statements

(Unaudited - expressed in thousands of Canadian dollars)

**For the three months ended
March 31, 2022 and 2021**

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED 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 interim consolidated financial statements they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by management and reviewed by the Audit Committee and Board of Directors of the Company.

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



Condensed Interim Consolidated Statements of Financial Position

(Unaudited - expressed in thousands of Canadian dollars)

	Note	March 31, 2022	December 31, 2021
		\$	\$
ASSETS			
Current			
Cash and cash equivalents		6,638	9,954
Marketable securities	5	205	213
Inventories	6	1,141	1,159
Prepaid expenses and other		568	462
		8,552	11,788
Non-current			
Restricted cash		400	400
Mineral properties, plant and equipment, net	7	33,241	33,414
TOTAL ASSETS		42,193	45,602
LIABILITIES			
Current			
Accounts payable and accrued liabilities	8	2,900	914
Accrued compensation and benefits		702	644
Flow-through share premium liability	9	941	1,645
		4,543	3,203
Non-current			
Reclamation obligations	10	3,161	3,116
TOTAL LIABILITIES		7,704	6,319
SHAREHOLDERS' EQUITY			
Share capital	11	31,776	31,776
Share-based payment reserve	11	1,208	1,126
Contributed surplus		130,106	130,106
Deficit		(128,601)	(123,725)
TOTAL SHAREHOLDERS' EQUITY		34,489	39,283
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		42,193	45,602

Nature of operations and going concern – Note 1

Commitments and Contingencies – Note 15

Subsequent events – Note 16

On behalf of the Board:

/s/ Mike Hoffman
Chairman

/s/ James Haggarty
Director



Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

For the three months ended March 31, 2022 and 2021

(Unaudited - expressed in thousands of Canadian dollars)

	Note	Three months ended March 31	
		2022	2021
		\$	\$
REVENUES		672	1,225
Cost of sales			
Production costs		2,095	2,823
Depreciation and depletion		209	604
		(1,632)	(2,202)
Other operating expenses			
General and administrative		560	437
Exploration expense		3,422	2,966
Loss from operations		(5,614)	(5,605)
Flow-through premium recovery	9	704	575
Other income		84	6
Interest income		3	5
Reclamation obligation accretion		(45)	(37)
Loss on marketable securities	5	(8)	-
Foreign currency gain, net		-	2
Loss on equipment disposal		-	(1)
Net loss and comprehensive loss for the period		(4,876)	(5,055)
Loss per share			
Basic and diluted		(0.07)	(0.11)
Weighted average number of shares outstanding			
Basic and diluted		68,216,155	46,548,395



Condensed Interim Consolidated Statement of Cash Flows

For the three months ended March 31, 2022 and 2021

(Unaudited - expressed in thousands of Canadian dollars)

	Three months ended		
	March 31		
	Note	2022	2022
		\$	\$
CASH (USED IN) PROVIDED BY:			
Operating activities			
Net loss and comprehensive loss for the period		(4,876)	(5,055)
Depreciation and depletion		209	398
Flow-through premium recovery	9	(704)	(575)
Accretion on reclamation obligation	10	45	37
Share-based payments	11	82	67
Loss on marketable securities	5	8	-
Foreign currency gain, net		-	(2)
Loss on disposal of equipment		-	1
Changes in non-cash working capital items			
Inventories		18	836
Prepaid expenses and other		(106)	(268)
Accounts payable		1,986	43
Accrued compensation and benefits		58	(157)
		(3,280)	(4,675)
Investing activities			
Expenditures on mineral property, plant and equipment		(36)	(160)
		(36)	(160)
Financing activities			
Exercise of options		-	2
		-	2
Decrease in cash and cash equivalents		(3,316)	(4,833)
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD		9,954	10,029
CASH AND CASH EQUIVALENTS - END OF PERIOD		6,638	5,196

Supplemental cash flow information – Note 14



Condensed Interim Consolidated Statements of Changes in Equity

(Unaudited - expressed in thousands of Canadian dollars)

	Note	Number of common shares	Share capital \$	Share-based payment reserve \$	Contributed Surplus \$	Deficit \$	Total \$
Balance, December 31, 2020		46,395,730	25,594	916	130,106	(114,964)	41,652
Exercise of RSUs	10	213,330	62	(62)	-	-	-
Exercise of options	10	6,666	3	(1)	-	-	2
Share-based payments	10	-	-	67	-	-	67
Loss for the period		-	-	-	-	(5,055)	(5,055)
Balance, March 31, 2021		46,615,726	25,659	920	130,106	(120,019)	36,666
Shares issued by private placement	11	20,500,000	8,000	-	-	-	8,000
Less: share issuance costs	11	555,429	(474)	73	-	-	(401)
Flow-through share premium	9	-	(1,645)	-	-	-	(1,645)
Exercise of warrants	11	175,000	88	-	-	-	88
Shares issued for mineral properties	11	370,000	148	-	-	-	148
Share-based payments	11	-	-	133	-	-	133
Loss for the period		-	-	-	-	(3,706)	(3,706)
Balance, December 31, 2021		68,216,155	31,776	1,126	130,106	(123,725)	39,283
Share-based payments	11	-	-	82	-	-	82
Loss for the period		-	-	-	-	(4,876)	(4,876)
Balance, March 31, 2022		68,216,155	31,776	1,208	130,106	(128,601)	34,489

1911 Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022 and 2021

(Unaudited - expressed in thousands of Canadian dollars)



1. NATURE OF OPERATIONS

1911 Gold Corporation (“1911 Gold” or the “Company”) is engaged in the acquisition, exploration, development and extraction of precious metals. The Company owns and operates the Rice Lake property which holds the True North gold mine and mill (“True North”), as well as the Apex property near Snow Lake, Manitoba and the Denton-Keefer and Tully properties near Timmins, Ontario. The Company was incorporated under the British Columbia Business Corporations Act on May 3, 2018 and is listed publicly on the TSX Venture Exchange (“TSX-V”) under the symbol “AUMB” and the OTCQX Best Market under the symbol “AUMBF”. The Company’s registered office is located at 666 Burrard Street, 25th Floor, Vancouver, British Columbia, V6C 2X8.

Going Concern

These condensed interim consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations and realize its assets and discharge its liabilities in the normal course of operations for at least twelve months from the period end. At March 31, 2022 the Company had a working capital (current assets less current liabilities) of \$4,009 (December 31, 2021 - \$8,585). Working capital includes \$8,000 of funds raised from the December 30, 2021 private placement (note 11(b)) which are restricted for use in funding qualified exploration expenditures, and after considering amounts spent during the three months ended March 31, 2022, \$4,578 remains restricted. During the three months ended March 31, 2022 the Company incurred a loss of \$4,876 (year ended December 31, 2021 - \$8,761) and used cash for operating activities of \$3,280 (year ended December 31, 2021 - \$7,291).

The Company has a history of operating losses, has limited financial resources, and no assurance that sufficient funding will be available to enable the Company to continue exploration and operations at the current level. The Company’s ability to continue as a going concern is dependent upon its ability to obtain the financing necessary to fund its mineral properties through the issuance of capital stock, through entering into joint ventures or by realizing proceeds from the disposition of its mineral interests. Management plans to continue to secure the necessary financing through a combination of equity financing and divesting of non-core property holdings; however, there can be no assurance that the Company will be successful in these actions. This material uncertainty may cast significant doubt about the Company’s ability to continue as a going concern.

These condensed interim consolidated financial statements do not give effect to adjustments to the carrying values and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PRESENTATION

Statement of compliance and functional currency

These condensed interim consolidated financial statements have been presented in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the IFRS Interpretations Committee (“IFRIC”), applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*. These condensed interim consolidated financial statements were approved by the Board of Directors on May 25, 2022. These condensed interim consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value.

These condensed interim consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company’s Canadian entities. The functional currency of the Company’s foreign entity is US dollars. The accounts of the subsidiary are prepared for the same reporting period as the parent company, using consistent accounting policies. Inter-company transactions, balances and unrealized gains or losses on transactions are eliminated.

1911 Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022 and 2021

(Unaudited - expressed in thousands of Canadian dollars)



3. ACCOUNTING POLICIES

In the preparation of these condensed interim consolidated financial statements, the Company has used the same accounting policies and methods of computation as in the most recent audited annual financial statements for the Company for the year ended December 31, 2021.

Accounting standards issued but not yet effective

As at March 31, 2022, there are no other IFRS or IFRIC interpretations with future effective dates that are expected to have a material impact on the Company.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions about future events that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the annual consolidated financial statements and the reported amounts of gain and expenses during the reporting period. Such estimates and assumptions, which by their nature are uncertain, affect the carrying value of assets, impact decisions as to when exploration and evaluation costs should be capitalized or expensed. The Company regularly reviews its estimates and assumptions; however, actual results could differ from these estimates and these differences could be material. Revisions to estimates and the resulting impacts on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

The Company's critical accounting estimates and judgments applied in the preparation of these interim financial statements are consistent with those reported in our 2021 annual consolidated financial statements.

5. MARKETABLE SECURITIES

	\$
Balance at December 31, 2020	–
Shares received	125
Mark-to-market adjustment on fair value of marketable securities	88
Balance at December 31, 2021	213
Mark-to-market adjustment on fair value of marketable securities	(8)
BALANCE AT MARCH 31, 2022	205

As of December 31, 2020 the Company held 17,682,418 shares of 55 North Mining Inc. ("55 North"). As 55 North was not trading on a stock exchange at that time the value of the marketable securities was carried at \$nil. During the year ended December 31, 2021, the number of shares was adjusted to reflect a reverse split of 10.13 shares for 1, adjusting the shares held from 17,682,418 to 1,745,550 as of December 31, 2021. During the three months ended March 31, 2022, the Company recorded a mark-to-market adjustment of \$8 bringing the fair value of the shares as at March 31, 2022 to \$80.

On April 21, 2021, 55 North declared and paid a cash dividend. The Company recorded \$1,484 in dividend income within other income (expenses) on the Statement of Loss and Comprehensive Loss during the year ended December 31, 2021.

On June 24, 2021, the Company received 500,000 shares of Alliance Mining Corporation ("Alliance") for the sale of the Greenbelt claims to Alliance. The Company initially recognized the shares at a value of \$1 per share, based on the closing share price the day before the agreement was signed, June 3, 2021, and a corresponding liability was recognized. As at December 31, 2021, the Company recognized a mark-to-market adjustment of \$375, reflecting the lower market price for

1911 Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022 and 2021

(Unaudited - expressed in thousands of Canadian dollars)



Alliance shares, reducing the carrying value of both the shares and the corresponding liability to \$125. During the period ended March 31, 2022, no mark-to-market adjustment was recorded and the value of both the shares and corresponding liability at March 31, 2022 was \$125.

6. INVENTORIES

	March 31 2022	December 31 2021
	\$	\$
PRODUCTION RELATED INVENTORIES:		
Supplies	968	986
In-process	99	99
Doré finished goods	74	74
	1,141	1,159

As at March 31, 2022, the in-process and doré finished goods inventories included approximately \$7 and \$5, respectively, (December 31, 2021 - \$7 and \$5) of capitalized non-cash depreciation and depletion costs.

During the periods ended March 31, 2022 and December 31, 2021, no write-downs were made on inventory.

7. MINERAL PROPERTIES, PLANT AND EQUIPMENT

	Plant and equipment	Mineral properties	Total
	\$	\$	\$
COST:			
Balance at December 31, 2020	29,370	61,931	91,301
Additions	357	149	506
Disposals	(295)	-	(295)
Balance at December 31, 2021	29,432	62,080	91,512
Additions	36	-	36
Balance at March 31, 2022	29,468	62,080	91,548
ACCUMULATED DEPRECIATION AND DEPLETION			
Balance at December 31, 2020	(26,201)	(30,799)	(57,000)
Additions	(1,182)	-	(1,182)
Disposals	84	-	84
Balance at December 31, 2021	(27,299)	(30,799)	(58,098)
Additions	(209)	-	(209)
Balance at March 31, 2022	(27,508)	(30,799)	(58,307)
NET - DECEMBER 31, 2021	2,133	31,281	33,414
NET - March 31, 2022	1,960	31,281	33,241

Plant and equipment at March 31, 2022 includes \$36 (December 31, 2021 - \$nil) of construction in progress.

As a result of the shutdown of mining operations in 2018 and the focus on exploration activity for the foreseeable future, all the Company's mineral properties are considered to be in the exploration phase.

1911 Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022 and 2021

(Unaudited - expressed in thousands of Canadian dollars)



8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31 2022	December 31 2021
	\$	\$
Accounts payable	2,435	602
Accrued liabilities	465	312
	2,900	914

9. FLOW-THROUGH SHARE PREMIUM LIABILITY

Flow-through share premium liabilities include the liability portion of the flow-through shares issued. The following is a continuity schedule of the liability portion of the issued flow-through shares:

	\$
Balance at December 31, 2020	632
Settlement of flow-through share liability on incurred expenditures	(632)
Liability incurred on flow-through shares issued during the year	1,645
Balance at December 31, 2021	1,645
Settlement of flow-through share liability on incurred expenditures	(704)
BALANCE AT MARCH 31, 2022	941

On July 14, 2020, the Company issued 8,200,000 flow-through common shares for gross proceeds of \$5,208. The Flow-Through Shares were issued in two tranches with tranche one consisting of 4,275,000 Flow-Through Shares (the "Premium FT Shares") issued to purchasers residing in Manitoba at a price of \$0.75 per Premium FT Share for aggregate gross proceeds of \$3,206 and tranche two consisting of 3,925,000 Flow-Through Shares (the "National FT Shares") issued to purchasers residing outside of Manitoba at a price of \$0.51 per National FT Share for aggregate gross proceeds of \$2,002. No premium was recorded on the National FT shares and a premium of \$0.24 per share was recorded for the Premium FT shares. During the year ended December 31, 2021, the Company incurred the remaining \$3,202 of eligible flow-through expenditures, fulfilling the remaining commitment from flow-through shares issued in July 2020.

During the year December 31, 2021, the Company issued 20,500,000 flow-through common shares for gross proceeds of \$8,000. The Flow-Through Shares were issued in two tranches with tranche one consisting of 6,000,000 Flow-Through Shares (the "Premium FT Shares") issued to purchasers residing in Manitoba at a price of \$0.56 per Premium FT Share for aggregate gross proceeds of \$3,360 and tranche two consisting of 14,500,000 Flow-Through Shares (the "National FT Shares") issued to purchasers residing outside of Manitoba at a price of \$0.32 per National FT Share for aggregate gross proceeds of \$4,640. A premium of \$0.25 per share was recorded for the Premium FT shares and a premium of \$0.01 per share was recorded for the National FT shares.

During the three months ended March 31, 2022, the Company incurred \$3,422 of eligible flow-through expenditures and a total flow-through share premium liability of \$704 was amortized to flow-through premium recovery on the statement of loss and comprehensive loss (three months ended March 31, 2021 - \$575).

1911 Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022 and 2021

(Unaudited - expressed in thousands of Canadian dollars)



10. RECLAMATION OBLIGATION

The reclamation obligation is related to True North and is estimated based upon the present value of expected cash flows using estimates of inflation and a credit adjusted risk-free discount rate. The undiscounted amount of cash flows required to settle the reclamation obligation was estimated at \$8,993 as at March 31, 2022 (December 31, 2021 – \$8,993).

The key assumptions on which the provision estimates were based in the three months ended March 31, 2022 and year ended December 31, 2021 are:

- Expected timing of the cash flows occurs between 2023-2041 based on the estimated useful life of True North.
- The inflation rate used for the three months ended March 31, 2022 is 2.10% (year ended December 31, 2021 – 2.10%).
- The discount rate used for the three months ended March 31, 2022 is 5.76% (year ended December 31, 2021 – 5.76%).

The following table provides a summary of changes in the reclamation obligation:

	\$
Balance at December 31, 2020	2,819
Accretion expense	148
Change in estimate	149
Balance at December 31, 2021	3,116
Accretion expense	45
BALANCE AT MARCH 31, 2022	3,161

11. SHARE CAPITAL

a) **Authorized:** Unlimited common shares without par value.

b) **Shares issued**

Private Placements

On December 30, 2021, the Company completed a private placement by issuing 20,500,000 flow-through common shares for gross proceeds of \$8,000 (the "Offering"). The Flow-Through Shares were issued in two tranches with tranche one consisting of 6,000,000 Flow-Through Shares (the "Premium FT Shares") issued to purchasers residing in Manitoba at a price of \$0.56 per Premium FT Share for aggregate gross proceeds of \$3,360 and tranche two consisting of 14,500,000 Flow-Through Shares (the "National FT Shares") issued to purchasers residing outside of Manitoba at a price of \$0.32 per National FT Share for aggregate gross proceeds of \$4,640.

In connection with the Offering, the Company issued 737,813 non-transferable broker warrants of the Company ("Broker Warrants") to the underwriters, with each Broker Warrant exercisable to acquire one common share in the capital of the Company at an exercise price of \$0.35 per share until June 30, 2023.

Shares issued on exercise of RSUs

On January 15, 2021, 166,666 RSUs were exercised and on March 15, 2021, 46,664 RSUs were exercised. Each RSU was converted into one common share of the Company.

1911 Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022 and 2021

(Unaudited - expressed in thousands of Canadian dollars)



Shares issued on exercise of options

On February 18, 2021, 6,666 shares were issued related to the exercise of stock options by an employee of the Company.

Shares issued on exercise of warrants

On June 9, 2021, 175,000 shares were issued related to the exercise of warrants for total proceeds of \$88.

Shares issued on mineral properties

On June 14, 2021, the Company issued 175,000 shares at a value of \$77 as part of a definitive agreement dated June 7, 2021, with StrikePoint Gold Inc. ("StrikePoint") with respect to the acquisition of 100% interest in StrikePoint's Angelina Property located near the site of the True North mill and tailings facilities.

On September 7, 2021, the Company issued 180,000 shares at a value of \$66 as part of a definitive agreement dated August 17, 2021, with three individuals for the acquisition of a 100% interest in the CGW Palomar Lake Property. As well, the Company issued an additional 15,000 shares at a value of \$5 for the as part of a definitive agreement dated August 17, 2021, with Pleiades Mineral Exploration Ltd. for the acquisition of a 100% interest in the Pleiades 1 Property. Both properties are located near the site of the True North mill and tailings facilities.

c) Options

The Company has adopted a share option plan that allows for the issuance of up to 10% of the issued and outstanding shares as incentive share options to directors, officers, employees, and consultants to the Company. Share options granted under the plan may be subject to vesting provisions as determined by the Board of Directors.

The options vest as to one-third immediately and one-third after the first and second anniversary of the date of grant.

The Company's share options outstanding as at March 31, 2022 and December 31, 2021 and the changes for the periods then ended are as follows:

	Number	Weighted average exercise price \$
Balance as at December 31, 2020	3,988,334	0.45
Exercised	(6,666)	0.30
Balance as at December 31, 2021	3,981,668	0.45
Granted – February 2, 2022	825,000	0.35
Granted – March 15, 2022	300,000	0.40
Forfeited	(20,000)	0.30
BALANCE AS AT MARCH 31, 2022	5,086,668	0.43

The total share-based payment expense recorded during the three months ended March 31, 2022 was \$82 (2021: \$66).

1911 Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022 and 2021

(Unaudited - expressed in thousands of Canadian dollars)



The following table summarizes information about the share options as at March 31, 2022:

Exercise price per share of options outstanding	Number of options outstanding	Weighted average remaining life (years)	Weighted exercise price of options exercisable	Number of options exercisable	Expiry date
\$0.36	1,365,000	1.38	\$0.36	1,365,000	August 15, 2023
\$0.31	175,000	1.66	\$0.36	175,000	November 26, 2023
\$0.31	400,000	1.79	\$0.31	400,000	January 15, 2024
\$0.36	175,000	1.93	\$0.36	175,000	March 4, 2024
\$0.30	831,668	2.50	\$0.30	851,668	September 27, 2024
\$0.77	275,000	3.35	\$0.77	183,333	August 5, 2025
\$0.78	740,000	3.41	\$0.78	506,667	August 27, 2025
\$0.35	825,000	4.85	\$0.35	275,000	February 2, 2027
\$0.40	300,000	4.96	\$0.40	100,000	March 15, 2027

The fair value of options recognized has been estimated using the Black-Scholes Pricing Model with the following assumptions on the grant date of the options:

Grant date	Expected Option life (years)	Risk free interest rate	Dividend yield	Expected volatility ⁽¹⁾	Weighted average fair value
February 2, 2022	5.00	1.61%	nil	75%	\$0.18
March 15, 2022	5.00	1.67%	nil	75%	\$0.25

[1] As the Company does not have sufficient history of past share prices, the expected volatility was calculated by taking the average volatility of similar junior resource companies.

d) Warrants

The Company's warrants outstanding as at March 31, 2022 and December 31, 2021 and the changes for the periods then ended are as follows:

	Number	Weighted average exercise price
		\$
Balance as at December 31, 2020	2,990,233	1.51
Exercised	(175,000)	0.50
Expired	(1,240,833)	0.50
Issued – December 30, 2021	737,813	0.35
Balance as at December 31, 2021	2,312,213	1.75
Expired	(324,400)	0.50
BALANCE AS AT MARCH 31, 2022	1,987,813	1.94

The balance of warrants outstanding as at March 31, 2022 is as follows:

Expiry Date	Exercise Price	Remaining Life (Years)	Warrants Outstanding
June 30, 2023	\$0.35	1.25	737,813
April 3, 2032	\$4.24	10.02	625,000
February 11, 2029	\$1.52	6.87	625,000

1911 Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022 and 2021

(Unaudited - expressed in thousands of Canadian dollars)



e) Restricted share units (“RSU”)

The Company’s RSUs outstanding as at March 31, 2022 and December 31, 2021 and the changes for the periods then ended are as follows:

	Number
Balance as at December 31, 2020	213,330
Exercised	(213,330)
BALANCE AS AT DECEMBER 31, 2021 AND MARCH 31, 2022	–

The RSUs vested one-third upon approval by the Company’s shareholders of the RSU plan at the Annual General Meeting held on June 18, 2019 and one-third after the first and second anniversaries from their initial grant date. Each RSU was convertible into one common share of the Company. The share-based payment from the vesting of the RSUs for the three months ended March 31, 2022 was \$nil (2021 - \$1).

12. RELATED PARTY TRANSACTIONS

Key Management Compensation

Key management includes directors and executive officers of the Company. During the three months ended March 31, 2022 and 2021, the Company incurred the following charges by key management of the Company and by companies controlled by them:

	Three months ended	
	March 31	
	2022	2021
	\$	\$
Salaries and wages	296	304
Professional fees	5	5
Directors’ fees	39	39
Share-based payments	76	22
	416	370

All fees have been reported as general and administrative expenses, except for \$50 of salaries and wages that was included in exploration expense (2021 – \$49).

As at March 31, 2022, \$250 was owing to directors, officers or their related companies (December 31, 2021 - \$nil).

Other than the amounts disclosed above, there was no other compensation paid or payable to key management for employee services for the reported periods.

Key management includes directors and executive officers of the Company. Other than the amounts disclosed above, there was no other compensation paid or payable to key management for employee services for the reported periods.



13. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT

Capital Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern so that it can provide returns for shareholders and benefits for other stakeholders, and to explore and develop assets with a view to building a diversified mineral resource company.

The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital and deficit.

The Company manages the capital structure and adjusts it based on changes in economic conditions and the risk characteristics of the mineral property assets. In order to maintain or adjust the capital structure, the Company may issue new shares through equity offerings or sell assets to fund activities. Management reviews its capital management approach on a regular basis. The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the three months ended March 31, 2022.

Financial Instruments

The Company's financial instruments consist of cash equivalents, deposits, marketable securities, accounts payable and accrued liabilities. Cash equivalents, deposits, accounts payable and accrued liabilities These financial instruments are classified as financial assets and liabilities at amortized cost and are reported at amortized cost. Marketable securities are recorded at fair value through profit or loss ("FVTPL") and are measured at fair value using Level 1 inputs.

The Company's activities potentially expose it to a variety of financial risks, including liquidity risk, interest rate risk, foreign exchange currency risk, and commodity price risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due (see Note 1). The Company closely monitors and reviews its costs incurred and actual cash flows against the approved budget on a monthly basis to ensure the Company's access to funds is adequate to support the Company's operations on an ongoing basis. Future operations or exploration programs will require additional financing primarily through equity markets or other forms of financing such as joint venture partnerships.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company has cash balances, interest-bearing bank accounts and no interest-bearing debt.

Foreign Exchange Risk

The Company's Canadian entities have a Canadian dollar functional currency. Foreign currency risk is the risk that future cash flows will fluctuate because of changes in foreign exchange rates. The Company's historical foreign currency gains and losses primarily relate to amounts on intercompany loan balances and US dollar transactions with vendors.

Commodity Price Risk

The Company is exposed to the risk of fluctuations in prevailing market commodity prices on the gold it produces. As of March 31, 2022, the Company itself had not entered into any agreements to mitigate its exposure to market price risk.

1911 Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022 and 2021

(Unaudited - expressed in thousands of Canadian dollars)



14. SUPPLEMENTAL CASH FLOW INFORMATION

Investing and financing activities that do not have a direct impact on the current cash flows are excluded from the cash flow statements.

During the three months ended March 31, 2022 and 2021 no transactions were excluded from the statement of cash flows.

15. COMMITMENTS AND CONTINGENCIES

Sale of Greenbelt property

On June 3, 2021, the Company entered into a purchase agreement with Alliance Mining Corp. ("Alliance") for the sale of the Company's 50% interest in the Greenbelt property, located south of Bissett, Manitoba for total consideration of 500,000 shares of Alliance with a fair value of C\$500. Closing of the agreement was subject to Alliance repurchasing the shares issued as consideration in five monthly installments, with the final payment completed by March 22, 2022. The Company had the option to terminate the agreement in the event that the missing Installment was not remedied and would be due C\$200 in compensation. On April 6, 2022, the Company received the final payment of C\$100 for the repurchase of the Alliance shares.

True North Mine Closure Plan and Financial Security

In connection with the Company's Mine Closure Plan, the Company is obligated to provide financial security to the Province of Manitoba. In 2021 the Company met this obligation by providing a third-party surety for \$800 which included a cash deposit of \$400 held by the third-party surety provider. This cash deposit is included in restricted cash on the Statement of Financial Position.

The total financial security will be provided based on the following schedule:

Year	Financial Security Amount
2021	\$800 (paid)
2022	\$1,200
2023	\$1,800
2024	\$2,267
Total	\$6,067

In addition to the financial security amounts to be added to the surety above, the Company will pledge certain physical assets, including equipment and buildings, as security against the entirety of the closure cost obligation, until such time as the financial security adequately covers the closure costs.

16. SUBSEQUENT EVENTS

Subsequent to period end, the Company granted the following common share purchase options:

- 450,000 common share purchase options at an exercise price of \$0.38 were granted on April 1, 2022, expiring on April 1, 2027. 350,000 of the common share purchase options will vest immediately, with the remaining 100,000 vesting 1/2 on the one year anniversary and 1/2 on the second year anniversary