



**TRILLIUM GOLD™**

**TRILLIUM GOLD MINES INC.**

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE THREE AND SIX MONTHS ENDED DECEMBER 31, 2022 AND 2021**

**(EXPRESSED IN CANADIAN DOLLARS)**

**(UNAUDITED)**

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**TRILLIUM GOLD MINES INC.**  
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**For the three and six months ended December 31, 2022 and 2021**  
**(Expressed in Canadian Dollars - Unaudited)**

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**NOTICE OF NO AUDITOR REVIEW OF  
CONDENSED INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim 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 financial statements have been prepared by and are the responsibility of management.

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

**TRILLIUM GOLD MINES INC.**  
**Condensed Interim Consolidated Statements of Financial Position**  
**(Expressed in Canadian Dollars - Unaudited)**

	Note	December 31, 2022 \$	June 30, 2022 \$
<b>ASSETS</b>			
<b>Current</b>			
Cash		617,268	472,268
Sales taxes receivable		85,586	737,711
Prepaid expenses and deposits		203,832	278,978
		906,686	1,488,957
<b>Furniture and equipment</b>	4	6,601	7,553
<b>Exploration and evaluation assets</b>	5	12,648,667	11,598,377
<b>Right-of-use assets</b>	6	339,873	383,341
		<b>13,901,827</b>	<b>13,478,228</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current</b>			
Amounts payables and accrued liabilities	7,9	935,231	1,650,255
Current portion of lease liabilities	6	38,444	61,187
		973,675	1,711,442
<b>Flow-through premium liability</b>	8	231,970	185,364
<b>Lease liabilities</b>	6	314,543	331,928
		1,520,188	2,228,734
<b>Shareholders' equity</b>			
Share capital	8	59,542,888	56,129,138
Reserves	8	8,541,283	7,691,625
Deficit		(55,702,532)	(52,571,269)
		12,381,639	11,249,494
		<b>13,901,827</b>	<b>13,478,228</b>

**Nature and continuance of operations** (Note 1)  
**Subsequent events** (Note 14)

Approved and authorized for issue on behalf of the Board on March 1, 2023.

"Luke Norman", Director      "David Velisek", Director

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

**TRILLIUM GOLD MINES INC.**
**Condensed Interim Consolidated Statements of Loss and Comprehensive Loss  
(Expressed in Canadian Dollars - Unaudited)**

	Note	Three Months Ended December 31,		Six Months Ended December 31,	
		2022	2021	2022	2021
		\$	\$	\$	\$
<b>OPERATING EXPENSES</b>					
Consulting and management fees	9	305,075	315,905	549,650	612,494
Depreciation	4,6	21,892	26,578	44,420	53,157
Exploration and evaluation expenditures	5	709,072	2,359,673	1,751,067	4,338,413
Financing costs	9	7,939	9,181	16,351	19,191
Insurance		17,232	14,979	34,038	27,900
Marketing and investor relations		85,991	221,004	133,911	420,377
Meals, entertainment, and travel		26,622	3,699	37,538	5,482
Office expenses		38,430	30,283	56,973	53,565
Professional fees		113,913	118,142	131,878	123,948
Share-based compensation	8	209,145	278,915	488,127	559,972
Shareholder information and filing fees		35,694	970	80,020	67,360
		(1,571,005)	(3,379,329)	(3,323,973)	(6,281,859)
Interest and miscellaneous income (expense)		885	(18,337)	885	(12,439)
Recognition of flow-through premium liability	8	71,584	244,705	191,825	698,757
		72,469	226,368	192,710	686,318
<b>Loss and comprehensive loss for the period</b>		<b>(1,498,536)</b>	<b>(3,152,961)</b>	<b>(3,131,263)</b>	<b>(5,595,541)</b>
Loss per share - basic and diluted		\$ (0.02)	\$ (0.08)	\$ (0.04)	\$ (0.14)
Weighted average number of common shares outstanding		79,411,989	41,358,918	70,387,743	41,193,429

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

**TRILLIUM GOLD MINES INC.**  
**Condensed Interim Consolidated Statements of Cash Flows**  
**(Expressed in Canadian Dollars - Unaudited)**

	<b>Six Months Ended</b>	
	<b>December 31,</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows used in operating activities</b>		
Loss for the period	(3,131,263)	(5,595,541)
Items not affecting cash:		
Depreciation	44,420	53,157
Interest expense (income)	-	12,439
Interest on lease liability	13,592	17,659
Recognition of flow-through premium liability	(191,825)	(698,757)
Share-based compensation	488,127	559,972
Changes in non-cash working capital items:		
Amounts receivable	652,125	237,151
Prepaid expenses and deposits	75,146	333,203
Amounts payables and accrued liabilities	(715,024)	(616,350)
	<b>(2,764,702)</b>	<b>(5,697,067)</b>
<b>Cash flows used in investing activities</b>		
Exploration asset expenditures	(692,630)	(625,859)
Interest received	-	(12,439)
	<b>(692,630)</b>	<b>(638,298)</b>
<b>Cash flows from financing activities</b>		
Proceeds from private placements	4,081,510	-
Payment of lease obligations	(53,720)	(62,120)
Share issuance costs	(425,458)	(81,662)
	<b>3,602,332</b>	<b>(143,782)</b>
<b>Change in cash during the period</b>	<b>145,000</b>	<b>(6,479,147)</b>
<b>Cash, beginning of period</b>	<b>472,268</b>	<b>6,738,742</b>
<b>Cash, end of period</b>	<b>617,268</b>	<b>259,595</b>

Supplemental cash flow information (Note 12)

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

**TRILLIUM GOLD MINES INC.**  
**Condensed Interim Consolidated Statements of Changes in Capital**  
**(Expressed in Canadian Dollars - Unaudited)**

	<u>Share capital</u>				
	<u>Number of shares</u>	<u>Amount</u>	<u>Reserves</u>	<u>Deficit</u>	<u>Total</u>
		\$	\$	\$	\$
<b>Balance at June 30, 2021</b>	40,935,548	48,203,655	6,243,223	(39,529,348)	14,917,530
Share issuance costs	-	(81,662)	-	-	(81,662)
Shares issued for property acquisitions	550,000	395,500	-	-	395,500
Share-based compensation	-	-	559,972	-	559,972
Loss for the period	-	-	-	(5,595,541)	(5,595,541)
<b>Balance at December 31, 2021</b>	41,485,548	48,517,493	6,803,195	(45,124,889)	10,195,799
Shares issued for:					
Private placement	3,753,586	1,951,865	37,536	-	1,989,401
Flow-through private placement	8,154,710	5,420,898	81,547	-	5,502,445
Shares issued on exercise of warrants	705,000	308,406	(39,406)	-	269,000
Share issuance costs	-	(741,777)	185,125	-	(556,652)
Shares issued for property acquisitions	4,726,993	1,860,856	-	-	1,860,856
Share-based compensation	-	-	623,628	-	623,628
Flow-through premium liability	-	(1,188,603)	-	-	(1,188,603)
Loss for the period	-	-	-	(7,446,380)	(7,446,380)
<b>Balance at June 30, 2022</b>	58,825,837	56,129,138	7,691,625	(52,571,269)	11,249,494
Shares issued for:					
Private placement	9,678,150	1,790,458	145,172	-	1,935,630
Flow-through private placement	9,537,244	2,002,821	143,059	-	2,145,880
Share issuance costs	-	(498,758)	73,300	-	(425,458)
Shares issued for debt settlements	473,934	100,000	-	-	100,000
Shares issued for property acquisitions	1,071,500	257,660	-	-	257,660
Share-based compensation	-	-	488,127	-	488,127
Flow-through premium liability	-	(238,431)	-	-	(238,431)
Loss for the period	-	-	-	(3,131,263)	(3,131,263)
<b>Balance at December 31, 2022</b>	<b>79,586,665</b>	<b>59,542,888</b>	<b>8,541,283</b>	<b>(55,702,532)</b>	<b>12,381,639</b>

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

**TRILLIUM GOLD MINES INC.**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**For the three and six months ended December 31, 2022 and 2021**  
**(Expressed in Canadian Dollars - Unaudited)**

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**1. NATURE AND CONTINUANCE OF OPERATIONS**

Trillium Gold Mines Inc. (the “Company” or “Trillium”) was incorporated on November 3, 2005 under the Business Corporations Act (British Columbia) and trades on the TSX Venture Exchange (“TSX-V”) under the symbol “TGM”. The Company’s principal business activity is the exploration and evaluation of mineral assets.

The head office and principal address of the Company is located at Suite 2250 - 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9.

The amounts shown as exploration and evaluation assets represent net acquisition costs to date, less any amounts amortized and/or written down and any additional amounts required to place these assets into commercial production are dependent upon certain factors. These factors include the existence of ore deposits sufficient for commercial production and the Company’s ability to obtain the required additional financing necessary to develop these assets in the Red Lake, Ontario district.

The Company has a working capital deficit as at December 31, 2022 of \$66,989 and an accumulated deficit of \$55,702,532.

These condensed interim consolidated financial statements have been prepared under the assumptions of a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company has incurred losses from inception and does not currently have the financial resources to maintain its operations indefinitely. The Company’s continuation as a going concern is dependent upon the successful results from its exploration activities and its ability to attain profitable operations and generate funds from these operations and/or raise equity capital or borrowings sufficient to meet current and future obligations. These material uncertainties may cast significant doubt about the Company’s ability to continue as a going concern.

Failure to arrange adequate financing on acceptable terms and/or achieve profitability may have an adverse effect on the financial position, results of operations, cash flows, and prospects of the Company. These condensed interim consolidated financial statements do not give effect to the likely material adjustments to assets or liabilities that would be necessary should the Company be unable to continue as a going concern.

**2. BASIS OF PRESENTATION**

**Statement of compliance**

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and International Accounting Standards (“IAS”) 34 “Interim Financial Reporting” as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain disclosures included in the June 30, 2022 audited financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB have been condensed or omitted and these unaudited condensed interim financial statements should be read in conjunction with the Company’s audited financial statements for the year ended June 30, 2022.

The accounting policies applied in these condensed interim financial statements are consistent with those applied and disclosed in the Company’s audited financial statements for the year ended June 30, 2022. The Company’s interim results are not necessarily indicative of its results for a full year.

These condensed interim financial statements were approved by the Board of Directors of the Company and authorized for issuance on March 1, 2023.



**TRILLIUM GOLD MINES INC.**  
**Notes to Condensed Interim Consolidated Financial Statements**  
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**2. BASIS OF PRESENTATION (continued)**

**Basis of presentation**

The condensed interim consolidated financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These consolidated financial statements are presented in Canadian dollars, unless otherwise noted, which is the functional currency of the Company and its subsidiaries.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

**Basis of consolidation**

These condensed interim consolidated financial statements incorporate the financial statements of the Company, Trillium Red Lake Gold Ontario Inc. and Trillium Gold Ontario Inc., the Company's wholly owned subsidiaries.

*Subsidiaries*

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The subsidiary is fully consolidated from the date on which control is transferred to the group. It is deconsolidated from the date that control ceases. All significant intercompany transactions and balances have been eliminated.

**Significant accounting estimates and judgments**

The preparation of these condensed interim consolidated financial statements in accordance with IFRS requires the Company to use judgment in applying its accounting policies and make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the unaudited condensed interim consolidated financial statements and in the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in profit or loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in these consolidated financial statements are discussed below:

Acquisition of Assets

The determination of whether a set of assets acquired and liabilities assumed constitute a business may require the Company to make certain judgments, taking into account all facts and circumstances. A business is presumed to be an integrated set of activities and assets capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or economic benefits.

**TRILLIUM GOLD MINES INC.**  
**Notes to Condensed Interim Consolidated Financial Statements**  
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**2. BASIS OF PRESENTATION (continued)**

**Significant accounting estimates and judgments (continued)**

Impairment of Exploration and Evaluation Assets

The carrying values of capitalized exploration and evaluation assets are reviewed annually, or when indicators of impairment are present. In the case of undeveloped properties, there may be only inferred resources to allow management to form a basis for the impairment review. The review is based on the Company's intentions for the development of such a property. If a mineral property does not prove viable, all unrecoverable costs associated with the property are charged to profit or loss at the time the impairment determination is made.

Share-based Payment Transactions

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based compensation and other equity based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

COVID-19

Given the ongoing and dynamic nature of the circumstances surrounding the COVID-19 pandemic, it is difficult to predict how significant the impact of COVID-19, including any responses to it, will be on the global economy and the business of the Company or for how long any disruptions are likely to continue. The extent of such impact will depend on future developments, which are highly uncertain, rapidly evolving and difficult to predict, including new information which may emerge about COVID-19 and additional actions which may be taken to contain it. Such developments could have a material adverse effect on the Company's business, financial condition, results of operations and cash flow, and exposure to credit risk. The Company is constantly evaluating the situation and monitoring any impacts or potential impacts to its business.

**3. SIGNIFICANT ACCOUNTING POLICIES**

These condensed interim consolidated financial statements have been prepared based on accounting policies and methods of computation consistent with those applied in the Company's audited consolidated financial statements for the year ended June 30, 2022.

**Accounting standards and amendments issued but not yet adopted**

The Company has performed an assessment of new standards issued by the IASB that are not yet effective and has determined that any standards that have been issued would have no or very minimal impact on the Company's condensed interim consolidated financial statements.

**TRILLIUM GOLD MINES INC.**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**For the three and six months ended December 31, 2022 and 2021**  
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**4. FURNITURE AND EQUIPMENT**

	<b>Computers</b>	<b>Furniture and Fixtures</b>	<b>Total</b>
	\$	\$	\$
<b>Cost:</b>			
At June 30, 2021 and 2022 and December 31, 2022	7,497	4,641	12,138
<b>Depreciation:</b>			
At June 30, 2021	1,314	94	1,408
Additions	2,249	928	3,177
At June 30, 2022	3,563	1,022	4,585
Additions	590	362	952
At December 31, 2022	4,153	1,384	5,537
<b>Net book value:</b>			
At June 30, 2022	3,934	3,619	7,553
<b>At December 31, 2022</b>	<b>3,344</b>	<b>3,257</b>	<b>6,601</b>

**TRILLIUM GOLD MINES INC.**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**For the three and six months ended December 31, 2022 and 2021**  
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**5. EXPLORATION AND EVALUATION ASSETS**

The schedule below summarizes the acquisition costs incurred on each property as at December 31, 2022 and June 30, 2022:

	<b>December 31, 2022</b>	<b>June 30, 2022</b>
	<b>\$</b>	<b>\$</b>
Newman Todd property	1,675,001	1,675,001
Red Lake Gold Mining District	1,167,698	1,167,698
South-West Red Lake Properties and Shining Tree Property	3,280,303	3,280,303
Caribou Creek, Moose Creek, and Copperlode Properties	633,660	633,660
Confederation Lake and Birch-Uchi Greenstone Belts	2,651,090	1,666,800
Pistol Bay	1,115,556	1,095,556
Rivard Property	467,000	421,000
Gold Centre property	985,000	985,000
Willis Property	673,359	673,359
	<b>12,648,667</b>	<b>11,598,377</b>

The schedule below summarizes the exploration and evaluation expenditures incurred on each property for the periods ended December 31, 2022 and 2021:

	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>December 31,</b>		<b>December 31,</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Newman Todd property	12,572	1,064,464	153,610	1,539,644
Red Lake Gold Mining District	50,105	5,900	50,105	6,714
South-West Red Lake Properties and Shining Tree Property	525	7,766	2,850	11,251
Caribou Creek, Moose Creek, and Copperlode Properties	-	8,184	-	50,739
Confederation Lake and Birch-Uchi Greenstone Belts	255,435	1,300	500,258	62,485
Pistol Bay	378,019	128,073	928,307	644,907
Rivard Property	8,924	142,179	76,132	436,963
Gold Centre property	2,773	1,001,807	39,086	1,585,710
Willis Property	719	-	719	-
	<b>709,072</b>	<b>2,359,673</b>	<b>1,751,067</b>	<b>4,338,413</b>

**TRILLIUM GOLD MINES INC.****Notes to Condensed Interim Consolidated Financial Statements****For the three and six months ended December 31, 2022 and 2021****(Expressed in Canadian Dollars - Unaudited)****5. EXPLORATION AND EVALUATION ASSETS (continued)****Newman Todd Project**

On December 29, 2020, the Company exercised its pre-emptive right to acquire from Heliostar Metals Ltd. ("Heliostar") its 16.5% interest in the Newman Todd properties (the "NT Project") which resulted in the Company holding a 100% interest in the NT Project.

Pursuant to a purchase agreement dated November 24, 2020, the Company paid \$700,000 in cash and issued 650,000 common shares valued at \$975,000 to Heliostar to acquire the remaining 16.5% interest in the property. In addition, if at any point after closing there is 1,000,000 or more ounces of gold in measured and indicated reserves and resources on the NT Project, the Company has agreed to make an additional \$1,000,000 cash payment to Heliostar.

The Project is subject to a 2% net smelter return ("NSR") and a 15% net carried interest. The latter interest does not receive payment until all capital expenditures have been recovered with interest.

The Company also owns an effective 50% interest in certain other claims adjacent to the Newman Todd Project, the Rivard Property.

The schedule below outlines the cumulative acquisition costs incurred on the NT Project up to December 31, 2022:

	June 30, 2021	Additions/ (Writedowns)	June 30, 2022	Additions/ (Writedowns)	December 31, 2022
	\$	\$	\$	\$	\$
Cash payments	700,001	-	700,001	-	700,001
Share issuance	975,000	-	975,000	-	975,000
	<b>1,675,001</b>	<b>-</b>	<b>1,675,001</b>	<b>-</b>	<b>1,675,001</b>

The schedule below outlines the cumulative exploration costs incurred on the NT Project up to December 31, 2022:

	June 30, 2021	Expenditures during the year	June 30, 2022	Expenditures during the period	December 31, 2022
	\$	\$	\$	\$	\$
Assays and reports	1,645,608	259,512	1,905,120	68,668	1,973,788
Camp construction	555,986	371,262	927,248	19,900	947,148
Drilling	7,112,066	2,344,110	9,456,176	7,964	9,464,140
Environmental	291,336	-	291,336	-	291,336
Equipment installation	182,206	-	182,206	-	182,206
Equipment and supplies	314,501	308,125	622,626	31,850	654,476
Field expenses	1,227,537	-	1,227,537	-	1,227,537
General administration	221,264	33,412	254,676	5,034	259,710
Metallurgy studies	133,482	-	133,482	-	133,482
Geological consulting	3,282,497	349,255	3,631,752	20,194	3,651,946
Permitting	5,090	783	5,873	-	5,873
Reclamation	10,000	-	10,000	-	10,000
Resource estimation	33,100	-	33,100	-	33,100
Surveys and geophysics	15,791	6,387	22,178	-	22,178
Travel and accommodation	480,250	-	480,250	-	480,250
	<b>15,510,714</b>	<b>3,672,846</b>	<b>19,183,560</b>	<b>153,610</b>	<b>19,337,170</b>

**TRILLIUM GOLD MINES INC.**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**For the three and six months ended December 31, 2022 and 2021**  
**(Expressed in Canadian Dollars - Unaudited)**

**5. EXPLORATION AND EVALUATION ASSETS (continued)**

**Red Lake Gold Mining District, Ontario**

On June 28, 2019, the Company completed the acquisition of 1106877 B.C. Ltd. (the "Privco") which held certain exploration properties in the Red Lake Gold Mining District, Ontario. The Company acquired 100% of the issued and outstanding common shares of the Privco by issuing 2,250,000 common shares to the shareholders of the Privco. The Company controls two contiguous properties located in the Red Mining Lake District of Ontario.

The first property is held under an option agreement whereby the Company can acquire a 100% interest in the property, subject to a 1.5% NSR, by making cash payments totaling \$100,000. The Company can purchase 1/2 of the NSR for \$400,000. The second property is not subject to any cash payments or royalties. These two properties are collectively called the "Leo Property".

On November 7, 2022, the Company signed an Amendment to Option Agreement relating to the first property which amended the due date for the final cash payment.

Under the amended option agreement for the first property, the Company is required to complete the following obligations:

<b>Cash</b>	<b>Due Date</b>
\$13,000 (Paid)	Within 7 days after the effective date (November 21, 2018)
\$12,000 (Paid)	On or before October 31, 2019
\$15,000 (Paid)	On or before October 31, 2020
\$25,000 (Paid)	On or before October 31, 2021
\$35,000	Earlier of: 1) October 31, 2022 or 2) until work on the properties can commence

The schedule below outlines the cumulative acquisition costs incurred on the Leo Property up to December 31, 2022:

	<b>June 30, 2021</b>	<b>Additions/ (Writedowns)</b>	<b>June 30, 2022</b>	<b>Additions/ (Writedowns)</b>	<b>December 31, 2022</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Acquisition costs	1,142,698	25,000	1,167,698	-	1,167,698
	<b>1,142,698</b>	<b>25,000</b>	<b>1,167,698</b>	<b>-</b>	<b>1,167,698</b>

The schedule below outlines the cumulative exploration costs incurred on the Leo Property up to December 31, 2022:

	<b>June 30, 2021</b>	<b>Expenditures during the year</b>	<b>June 30, 2022</b>	<b>Expenditures during the period</b>	<b>December 31, 2022</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Drilling	-	814	814	-	814
General administration	29,000	2,320	31,320	-	31,320
Geological consulting	47,661	4,000	51,661	50,105	101,766
Permitting	4,313	-	4,313	-	4,313
Surveys and geophysics	153,329	-	153,329	-	153,329
	<b>234,303</b>	<b>7,134</b>	<b>241,437</b>	<b>50,105</b>	<b>291,542</b>

**TRILLIUM GOLD MINES INC.****Notes to Condensed Interim Consolidated Financial Statements  
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On May 5, 2020, the Company completed the acquisition of Canadian Shield Developments Corp. (“Canadian Shield”) which holds the South-West Red Lake Properties and the Shining Tree Property (collectively, the “CS Properties”). The Company acquired 100% of the issued and outstanding common shares of Canadian Shield by agreeing to issue an aggregate of 6,500,000 common shares to the shareholders of Canadian Shield in two tranches as follows:

- On May 5, 2020, the Company issued the aggregate sum of 3,250,000 common shares to the former shareholders of Canadian Shield (the “First Tranche”); and
- Nine months following closing and upon meeting certain conditions, the Company will issue the aggregate sum of 3,250,000 common shares to the former shareholders of Canadian Shield (the “Second Tranche”) (issued on March 12, 2021 for a fair value of \$1,608,750).

Within the nine-month period following the closing date, May 5, 2020, the Company must:

- Complete exploration expenditures on the South-West Red Lake Properties and the Shining Tree Property of not less than \$200,000.
- Obtain a technical report prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects for one of the CS Properties (the “Technical Report”).

In March 2021, the Company entered into an amended agreement to have the above conditions precedent to the Second Tranche be waived.

The schedule below outlines the cumulative acquisition costs incurred on the South-West Red Lake Properties and the Shining Tree Property up to December 31, 2022:

	June 30, 2021	Additions/ (Writedowns)	June 30, 2022	Additions/ (Writedowns)	December 31, 2022
	\$	\$	\$	\$	\$
Acquisition costs	3,280,303	-	3,280,303	-	3,280,303
	<b>3,280,303</b>	<b>-</b>	<b>3,280,303</b>	<b>-</b>	<b>3,280,303</b>

The schedule below outlines the cumulative exploration costs incurred on the South-West Red Lake Properties and the Shining Tree Property up to December 31, 2022:

	June 30, 2021	Expenditures during the year	June 30, 2022	Expenditures during the period	December 31, 2022
	\$	\$	\$	\$	\$
Camp construction	-	10	10	-	10
Drilling	-	5,641	5,641	-	5,641
Equipment and supplies	-	220	220	540	760
General administration	1,400	2,520	3,920	1,680	5,600
Geological consulting	9,530	5,600	15,130	630	15,760
Surveys and geophysics	131,664	-	131,664	-	131,664
	<b>142,594</b>	<b>13,991</b>	<b>156,585</b>	<b>2,850</b>	<b>159,435</b>

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**5. EXPLORATION AND EVALUATION ASSETS (continued)**

**Caribou Creek, Moose Creek, and Copperlode Properties**

On October 20, 2020, the Company entered into an asset purchase agreement to acquire certain claims (the "CMC Purchased Assets"). On December 4, 2020, the Company completed the acquisition.

In consideration for the CMC Purchased Assets, the Company paid an aggregate cash amount of \$180,000; issued an aggregate of 200,000 common shares valued at \$304,000 in the Company; and issued an aggregate of 200,000 common share purchase warrants entitling the holder thereof to purchase one common share per warrant at a price of \$5.00 per common share within two years from the closing date of the transaction.

The schedule below outlines the cumulative acquisition costs incurred on the Caribou Creek, Moose Creek and Copperlode Properties up to December 31, 2022:

	<b>June 30, 2021</b>	<b>Additions/ (Writedowns)</b>	<b>June 30, 2022</b>	<b>Additions/ (Writedowns)</b>	<b>December 31, 2022</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash payments	180,000	-	180,000	-	180,000
Share issuance	304,000	-	304,000	-	304,000
Warrant issuance	149,660	-	149,660	-	149,660
	<b>633,660</b>	<b>-</b>	<b>633,660</b>	<b>-</b>	<b>633,660</b>

The schedule below outlines the cumulative exploration costs incurred on the Caribou Creek, Moose Creek and Copperlode Properties up to December 31, 2022:

	<b>June 30, 2021</b>	<b>Expenditures during the year</b>	<b>June 30, 2022</b>	<b>Expenditures during the period</b>	<b>December 31, 2022</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Camp construction	-	891	891	-	891
General administration	1,013	5,492	6,505	-	6,505
Geological consulting	7,350	6,600	13,950	-	13,950
Surveys and geophysics	-	37,755	37,755	-	37,755
	<b>8,363</b>	<b>50,738</b>	<b>59,101</b>	<b>-</b>	<b>59,101</b>



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**5. EXPLORATION AND EVALUATION ASSETS (continued)**

**Confederation Lake and Birch-Uchi Greenstone Belts**

On December 22, 2020, the Company signed an amended and restated purchased option agreement (the "Option Agreement") to acquire an undivided 100% interest in properties in the Confederation Lake and Birch-Uchi greenstone belts in the Red Lake District as well as properties in Larder Lake, Ontario and in the Matagami and Chibougamou areas of Quebec, subject to a 1.5% NSR over each property. Each such NSR will be subject to a buy-back option, at the election of the Company, for 50% of such royalty (being 0.75%) for cash consideration of \$500,000.

On March 17, 2022, the Company decided to focus its exploration efforts in the Red Lake area exclusively and dropped its claims in the SW Fenlon, Jamesie, and Opawica River properties (the "Quebec properties"). All the Quebec properties have the requisite one year in good standing. As a result, the Company wrote off the claims in the Quebec properties and recognized a write-down of exploration and evaluation assets of \$255,500 during the year ended June 30, 2022.

As at December 31, 2022, the Company has the following future requirements to fulfill its obligation under the Option Agreement.

<b>Asset</b>	<b>Cash</b>	<b>Shares</b>
Larder Lake (Ontario)	\$12,000 – Paid on December 23, 2020	35,000 Common Shares
	\$15,000 – Paid on December 23, 2021	– Issued on February 9, 2021 for a value of \$55,300
	\$20,000 – Paid on December 19, 2022	25,000 Common Shares
	\$40,000 – Third Anniversary	– Issued on January 5, 2022 for a value of \$18,000
Karas Lake (Ontario)	\$8,000 – Paid on December 23, 2020	25,000 Common Shares
	\$10,000 – Paid on December 29, 2021	– Issued on February 9, 2021 for a value of \$39,500
	\$15,000 – Paid on December 30, 2022	25,000 Common Shares
	\$25,000 – Third Anniversary	– Issued on January 5, 2022 for a value of \$18,000
Birch/Uchi – Swain Lake (Ontario)	\$9,000 – Paid on December 23, 2020	25,000 Common Shares
	\$2,200 – Paid on January 14, 2021	– Issued on February 9, 2021 for a value of \$39,500
	\$15,000 – Paid on December 23, 2021	25,000 Common Shares
	\$20,000 – Paid on December 19, 2022	– Issued on January 5, 2022 for a value of \$18,000
Birch/Uchi – Satterly (Ontario)	\$15,000 – Paid on December 23, 2020	25,000 Common Shares
	\$20,000 – Paid on December 23, 2021	– Issued on February 9, 2021 for a value of \$39,500
	\$25,000 – Paid on December 19, 2022	25,000 Common Shares
	\$40,000 – Third Anniversary	– Issued on January 5, 2022 for a value of \$18,000
Gerry Lake (Ontario)	\$5,000 – Paid on December 23, 2020	25,000 Common Shares
	\$10,000 – Paid on December 23, 2021	– Issued on February 9, 2021 for a value of \$39,500
	\$14,000 – Paid on December 19, 2022	25,000 Common Shares
	\$24,000 – Third Anniversary	– Issued on January 5, 2022 for a value of \$18,000

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On April 20, 2022, the Company closed the purchase option agreements in respect of the Uchi Gold Project (the "Uchi Gold Agreement") and the Satterly Gold Project (the "Satterly Gold Agreement") to acquire a 100% undivided interest in the respective areas within the Confederation greenstone belt, subject to a 2% NSR royalty over each property under the Uchi Gold Agreement and a 1.5% NSR royalty over each property under the Satterly Gold Agreement. Each such NSR under the Uchi Gold Agreement will be subject to a buy-back option, at the election of the Company, for 50% of such royalty (being 1%) for cash consideration of \$1,000,000. Each such NSR under the Satterly Gold Agreement will be subject to a buy-back option, at the election of the Company, for 1/3 of such royalty (being 0.5%) for cash consideration of \$500,000.

Under the Uchi Gold Agreement and Satterly Gold Agreement, the Company is required to complete the following obligations:

<b>Cash</b>	<b>Common Shares</b>	<b>Due Date</b>
\$27,500 (Paid)	200,000 - Issued on April 25, 2022 for a value of \$80,000 (Note 8)	On the closing date
\$37,000	Nil	On or before April 20, 2023
\$46,000	Nil	On or before April 20, 2024
\$68,000	200,000	On or before April 20, 2025

On June 15, 2022, the Company closed the Wenasaga Property Option Agreement (the "Wenasaga Agreement") to acquire a 100% undivided interest in the Wenasaga Gold Property held by Bounty Gold Corp., subject to a 2% NSR royalty on the claims comprising the Wenasaga Gold Property. The Company has the right to repurchase 50% of the royalty (being 1%) for cash or common share consideration of \$1,000,000.

Under the Wenasaga Agreement, the Company is required to complete the following obligations:

<b>Cash</b>	<b>Common Shares</b>	<b>Due Date</b>
\$8,500 (Paid)	21,500 - Issued on July 11, 2022 for a value of \$5,160 (Note 8)	Upon the later of TSXV approval and an extension on the claims due date granted by the Ontario Mining Recorder
\$8,500	21,500	On or before June 15, 2023
\$8,500	21,500	On or before June 15, 2024

On June 6, 2022, the Company closed an amended Definitive Agreement to acquire the majority of Imagine Lithium Inc.'s ("Imagine Lithium") Eastern Vision property holdings in the Confederation Lake assemblage within the Birch- Uchi greenstone belt in the Red Lake Mining District of Ontario. These property holdings include properties that the Company has acquired directly and others for which the Company has assumed option agreements as optionee.

Upon closing of the Definitive Agreement, the Company issued 2,800,000 common shares of the Company with a fair value of \$784,000 (Note 8) and a cash payment of \$175,000 to Imagine Lithium. In addition, the Company assumed Imagine Lithium's cash payment commitments under Imagine Lithium's existing option agreements, while Imagine Lithium retains its original share issuance obligations.

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**5. EXPLORATION AND EVALUATION ASSETS (continued)**

**Confederation Lake and Birch-Uchi Greenstone Belts (continued)**

Concurrent with the closing of the Definitive Agreement, the Company issued 100,000 common shares of the Company with a fair value of \$28,000 (Note 8) and a cash payment of \$20,000 to Pegasus Resources Inc. ("Pegasus") to earn into certain option agreements that the Company is assuming as optionee from Imagine Lithium under the Definitive Agreement. The cash consideration represents the remaining option payments under said option agreements, while the equity consideration purchases Pegasus' carried interest in the relevant properties such that the Company will be transferred 100% of those properties upon closing of the Definitive Agreement.

Pursuant to the remaining option agreements that Trillium Gold is assuming as optionee under the Definitive Agreement, the Company must pay a total of \$186,000 in option payments over approximately two years in order to earn in to and exercise the options.

Under the Definitive Agreement, the Company is required to complete the following obligations:

<b>Cash</b>	<b>Due Date</b>
\$61,000 (Paid)	On the closing date
\$80,000	On or before December 10, 2022
\$15,000	On or before December 30, 2022
\$30,000	On or before December 30, 2023

The Company also entered into a Royalty Purchase Agreement under which it will, concurrently with the closing of the Definitive Agreement, purchase a 2% NSR royalty on the Fredart property from a prospector in consideration for the issuance of 60,000 common shares of the Company with a fair value of \$16,800 (Note 8) and cash payment of \$50,000.

On July 13, 2022, the Company closed the purchase and sale agreement (the "Purchase Agreement") to acquire all of the rights and title to the Panama Lake Property (the "Property") held by St. Anthony Gold Corp. ("St. Anthony Gold"). Pursuant to the assignment and assumption agreement entered into following the closing of the Purchase Agreement (the "Assignment Agreement" together with the original option agreement, the "Option Agreement"), among the Company and St. Anthony Gold, St. Anthony Gold has assigned all of its right and obligations under the original option agreement to the Company. In addition, pursuant to the Assignment Agreement, Benton Resources Inc. ("Benton Resources") has agreed to register 100% of the Property's title to the Company while retaining its 50% ownership interest in the Property until such time as the Company fulfills its option to earn the 100% interest.

Pursuant to the closing of the Purchase Agreement, the Company paid St. Anthony Gold \$500,000 in cash and issued 1,000,000 common shares of the Company (issued on July 14, 2022 for a value of \$240,000 (Note 8)). In the event that the Company acquires 100% interest in the Property, St. Anthony Gold may cause the Company to exercise its Buy-Back Right under the Option Agreement to repurchase from Benton Resources one-half of the 2% NSR on the Property and convey such repurchased 1% NSR to St. Anthony Gold in exchange for a cash payment by St. Anthony Gold to the Company of \$1,000,000.

Pursuant to the terms of the Option Agreement, in order for the Company to earn a 70% interest in the Property, it will pay to Benton Resources \$100,000 in cash by October 24, 2022 (settled through the issuance of 473,934 shares on October 28, 2022 (Note 8)), and complete \$250,000 in exploration expenditures on the Project by April 24, 2023. The Company has the option to earn a 100% ownership of the Property by paying Benton Resources a further \$300,000 in cash and complete \$300,000 in exploration expenditures on the Project in each case by October 24, 2023. Benton Resources has the right to retain a 2% NSR on the Project, subject to the option of the Company to buy back one-half of such NSR (being 1%) for \$1,000,000. In the event that the Company will pay Benton Resources a cash payment, that is determined based on the number of ounces of gold in the NI 43-101 report multiplied by \$0.50.

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The schedule below outlines the cumulative acquisition costs incurred on the Confederation Lake and Birch-Uchi Greenstone Belts Properties up to December 31, 2022:

	June 30, 2021	Additions/ (Writedowns)	June 30, 2022	Additions/ (Writedowns)	December 31, 2022
	\$	\$	\$	\$	\$
Cash payments	87,200	450,500	537,700	739,130	1,276,830
Share issuance	331,800	1,052,800	1,384,600	245,160	1,629,760
Write-down	-	(255,500)	(255,500)	-	(255,500)
	<b>419,000</b>	<b>1,247,800</b>	<b>1,666,800</b>	<b>984,290</b>	<b>2,651,090</b>

The schedule below outlines the cumulative exploration costs incurred on the Confederation Lake and Birch-Uchi Greenstone Belts Properties up to December 31, 2022:

	June 30, 2021	Expenditures during the year	June 30, 2022	Expenditures during the period	December 31, 2022
	\$	\$	\$	\$	\$
Assays and reports	-	-	-	25,709	25,709
Camp construction	-	-	-	171	171
Drilling	-	104	104	2,700	2,804
Equipment and supplies	-	334	334	4,698	5,032
Field expenses	-	-	-	216,218	216,218
General administration	-	3,430	3,430	-	3,430
Geological consulting	12,713	92,945	105,658	2,625	108,283
Permitting	-	-	-	205,877	205,877
Surveys and geophysics	-	47,409	47,409	42,260	89,669
	<b>12,713</b>	<b>144,222</b>	<b>156,935</b>	<b>500,258</b>	<b>657,193</b>

**Pistol Bay (Confederation Belt)**

On November 22, 2020, the Company signed an asset purchase agreement to acquire a 100% interest in the Confederation Lake Properties ("Confederation Belt" or "Purchased Assets") from Pistol Bay Mining Inc. ("Pistol Bay").

The purchase price of the Purchased Assets, other than the certain properties which are excluded (the "Exclusion Order Properties"), as defined below, shall be a cash amount of \$500,000. A working deposit of \$100,000 in cash was paid on November 23, 2020. On February 10, 2021, the remaining balance of \$400,000 was paid.

The Exclusion Order Properties include those Purchased Assets for which Pistol Bay has applied for an extension order or an exclusion order ("Exclusion Order") from the Ministry of Energy, Northern Development and Mines, extending the expiry date to complete and file assessment work, and/or to extend the expiry date of an unpatented claim, for a 12-month period beyond the current expiry date for such unpatented claim.

In January 2021 and April 2021, the Company signed an Acknowledgement, Assignment and Assumption Agreement, and an Amending Agreement respectively. The Company would assume all of Pistol Bay's cash payment commitments under its existing option agreements while Pistol Bay would retain its share issuance obligations.

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**5. EXPLORATION AND EVALUATION ASSETS (continued)**

**Pistol Bay (Confederation Belt) (continued)**

On January 10, 2022, the Company issued an aggregate of 816,993 common shares of the Company at a value of \$555,556 (Note 8) in connection with the acquisition of all the Exclusion Order Properties from Pegasus Resources Inc. (formerly Pistol Bay).

Under the Amending Agreement, the Company was required to complete the following obligations:

<b>Cash</b>	<b>Due Date</b>
\$10,000 (Paid)	Due on September 25, 2021
\$30,000 (Paid)	Due on January 30, 2022
\$20,000 (Paid)	Due on September 25, 2022

The schedule below outlines the cumulative acquisition costs incurred on the Pistol Bay Property up to December 31, 2022:

	<b>June 30, 2021</b>	<b>Additions/ (Writedowns)</b>	<b>June 30, 2022</b>	<b>Additions/ (Writedowns)</b>	<b>December 31, 2022</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash payments	500,000	40,000	540,000	20,000	560,000
Share issuance	-	555,556	555,556	-	555,556
	<b>500,000</b>	<b>595,556</b>	<b>1,095,556</b>	<b>20,000</b>	<b>1,115,556</b>

The schedule below outlines the cumulative exploration costs incurred on the Pistol Bay Property up to December 31, 2022:

	<b>June 30, 2021</b>	<b>Expenditures during the year</b>	<b>June 30, 2022</b>	<b>Expenditures during the period</b>	<b>December 31, 2022</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Assays and reports	61	152,114	152,175	153,012	305,187
Camp construction	-	3,606	3,606	5,050	8,656
Drilling	-	2,226	2,226	221,813	224,039
Equipment and supplies	4,728	27,628	32,356	33,275	65,631
Field expenses	-	-	-	406,158	406,158
General administration	317	29,103	29,420	-	29,420
Geological consulting	91,127	221,201	312,328	57	312,385
Surveys and geophysics	62,943	405,640	468,583	108,942	577,525
	<b>159,176</b>	<b>841,518</b>	<b>1,000,694</b>	<b>928,307</b>	<b>1,929,001</b>

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**5. EXPLORATION AND EVALUATION ASSETS (continued)**

**Rivard Property**

On July 31, 2020, the Company signed an asset purchase agreement to acquire the Rivard Property, contiguous to its NT Project, in the Red Lake Mining District, Ontario. The Rivard Property consists of one lease of six contiguous minerals claims. Upon completion of the transaction, Trillium will acquire a 100% interest in the property, subject to a 1.5% NSR, by completing cash payments totaling \$400,000 and issuing 400,000 common shares of the Company over 3.5 years. The Company has the right to repurchase ½ of the NSR (0.75%) for consideration of \$1,200,000, payable in cash or shares. In addition, the Company has a right of first refusal should the holders of the NSR sell the NSR in the future.

On May 25, 2021, the Company signed an amendment that on the closing date, and every six months thereafter until the aggregate cash amount of \$400,000 has been paid and the aggregate of 400,000 common shares have been issued, the Company shall:

- Pay \$199,000 and issue 100,000 common shares on the closing date to the vendors in full and final satisfaction of the total Purchase Price payable to them; and
- Pay an aggregate of \$33,500 payment to the vendors in such proportions as indicated on the amendment; and
- Issue and deliver share certificates representing an aggregate of 50,000 common shares to the vendors in such proportions as indicated on the amendment.

This property will be explored as an integral part of the NT Project.

Under the asset purchase agreement, the Company was required to complete the following obligations:

<b>Cash</b>	<b>Common Shares</b>	<b>Due Date</b>
\$199,000 (Paid)	100,000 - Issued on July 7, 2021 for a value of \$95,000 (Note 8)	On the closing date
\$33,500 (Paid)	50,000 - Issued on November 26, 2021 for a value of \$44,500 (Note 8)	November 26, 2021
\$33,500 (Paid)	50,000 - (Issued on May 26, 2022 for a value of \$15,500 (Note 8)	May 26, 2022
\$33,500 (Paid)	50,000 - (Issued on November 25, 2022 for a value of \$12,500 (Note 8)	November 26, 2022
\$33,500	50,000	May 26, 2023
\$33,500	50,000	November 26, 2023
\$33,500	50,000	May 26, 2024

The schedule below outlines the cumulative acquisition costs incurred on the Rivard Property up to December 31, 2022:

	<b>June 30, 2021</b>	<b>Additions/ (Writedowns)</b>	<b>June 30, 2022</b>	<b>Additions/ (Writedowns)</b>	<b>December 31, 2022</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash payments	199,000	67,000	266,000	33,500	299,500
Share issuance	-	155,000	155,000	12,500	167,500
	<b>199,000</b>	<b>222,000</b>	<b>421,000</b>	<b>46,000</b>	<b>467,000</b>

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**5. EXPLORATION AND EVALUATION ASSETS (continued)**

**Rivard Property (continued)**

The schedule below outlines the cumulative exploration costs incurred on the Rivard Property up to December 31, 2022:

	June 30, 2021	Expenditures during the year	June 30, 2022	Expenditures during the period	December 31, 2022
	\$	\$	\$	\$	\$
Assays and reports	93,282	188,052	281,334	30,019	311,353
Camp construction	128,471	234,417	362,888	10,638	373,526
Drilling	695,485	878,057	1,573,542	7,513	1,581,055
Equipment and supplies	102,296	263,460	365,756	18,318	384,074
Field expenses	113	-	113	-	113
General administration	16,632	18,614	35,246	1,699	36,945
Geological consulting	96,274	222,196	318,470	7,945	326,415
Permitting	3,125	-	3,125	-	3,125
Surveys and geophysics	723	2,737	3,460	-	3,460
	<b>1,136,401</b>	<b>1,807,533</b>	<b>2,943,934</b>	<b>76,132</b>	<b>3,020,066</b>

**Gold Centre Property**

On August 31, 2020, Trillium Gold Ontario Inc. ("Trillium Ontario"), a wholly owned subsidiary of the Company, signed a carried interest joint venture agreement ("Joint Venture Agreement") with Rupert Resources Ltd. ("Rupert"). Pursuant to the Joint Venture Agreement, Trillium Ontario will obtain an 80% participating interest in the Gold Centre property and Rupert will have a 20% carried participating interest. The Gold Centre property consists of one lease containing seventeen mineral claims in the Red Lake Mining District, Ontario and Rupert has granted a 1.5% NSR on the property to a third party. In order to maintain its 80% participating interest in the property, the Company is required to:

- Upon receiving drill permits, spend \$2,000,000 each year for five years on the property and spend \$500,000 per year thereafter; and
- Issue four tranches of 500,000 common shares of the Company to Rupert, for a total of 2,000,000 common shares over the course of three years following the closing date (issued 500,000 on February 23, 2021 for a value of \$740,000; issued 500,000 on February 23, 2022 for a value of \$245,000 (Note 8)).

The drill permits were received February 3, 2021.

The schedule below outlines the cumulative acquisition costs incurred on the Gold Centre Property up to December 31, 2022:

	June 30, 2021	Additions/ (Writedowns)	June 30, 2022	Additions/ (Writedowns)	December 31, 2022
	\$	\$	\$	\$	\$
Share issuance	740,000	245,000	985,000	-	985,000
	<b>740,000</b>	<b>245,000</b>	<b>985,000</b>	<b>-</b>	<b>985,000</b>

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**5. EXPLORATION AND EVALUATION ASSETS (continued)**

**Gold Centre Property (continued)**

The schedule below outlines the cumulative exploration costs incurred on the Gold Centre Property up to December 31, 2022:

	June 30, 2021	Expenditures during the year	June 30, 2022	Expenditures during the period	December 31, 2022
	\$	\$	\$	\$	\$
Assays and reports	-	123,643	123,643	23,790	147,433
Camp construction	5,492	3,369	8,861	-	8,861
Drilling	208,883	3,377,325	3,586,208	2,100	3,588,308
Equipment and supplies	21,825	29,351	51,176	4,648	55,824
General administration	37,997	21,149	59,146	1,310	60,456
Geological consulting	82,654	253,377	336,031	7,238	343,269
Permitting	4,813	-	4,813	-	4,813
	<b>361,664</b>	<b>3,808,214</b>	<b>4,169,878</b>	<b>39,086</b>	<b>4,208,964</b>

**Willis Property**

On August 30, 2021, the Company entered into an agreement to acquire thirteen contiguous patented mineral claims, collectively known as the "Willis Property", situated southwest of and contiguous to the Company's NT Project. Upon completion of the transaction, the Company acquired 100% interest in the Willis Property, subject to a 2% NSR, by completing a cash payment of \$425,359, and issuing 400,000 common shares to the vendor with a fair value of \$248,000 (Note 8). The Company has the right to repurchase one-half of the NSR (1%) for consideration of \$1,200,000, payable in cash or shares. In addition, the Company has a right of first refusal should the holders of the NSR choose to sell the NSR in the future. The transaction was completed on October 7, 2021.

The schedule below outlines the cumulative acquisition costs incurred on the Willis Property up to December 31, 2022:

	June 30, 2021	Additions/ (Writedowns)	June 30, 2022	Additions/ (Writedowns)	December 31, 2022
	\$	\$	\$	\$	\$
Cash payments	-	425,359	425,359	-	425,359
Share issuance	-	248,000	248,000	-	248,000
	-	<b>673,359</b>	<b>673,359</b>	-	<b>673,359</b>

The schedule below outlines the cumulative exploration costs incurred on the Willis Property up to December 31, 2022:

	June 30, 2021	Expenditures during the year	June 30, 2022	Expenditures during the period	December 31, 2022
	\$	\$	\$	\$	\$
General administration	-	1,126	1,126	89	1,215
Geological consulting	-	-	-	630	630
	-	<b>1,126</b>	<b>1,126</b>	<b>719</b>	<b>1,845</b>



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**6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES**

**Right-of-use assets**

	<b>Vehicles</b>	<b>Office Space</b>	<b>Apartment</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Cost:</b>				
At June 30, 2021	89,002	410,211	16,201	515,414
Completion of right-of-use term	-	-	(16,201)	(16,201)
At June 30, 2022	89,002	410,211	-	499,213
Completion of right-of-use term	(57,606)	-	-	(57,606)
At December 31, 2022	31,396	410,211	-	441,607
<b>Depreciation:</b>				
At June 30, 2021	18,326	10,609	4,050	32,985
Additions	44,501	42,436	12,151	99,088
Completion of right-of-use term	-	-	(16,201)	(16,201)
At June 30, 2022	62,827	53,045	-	115,872
Additions	22,251	21,217	-	43,468
Completion of right-of-use term	(57,606)	-	-	(57,606)
At December 31, 2022	27,472	74,262	-	101,734
<b>Net book value:</b>				
At June 30, 2022	26,175	357,166	-	383,341
<b>At December 31, 2022</b>	<b>3,924</b>	<b>335,949</b>	<b>-</b>	<b>339,873</b>

Depreciation of right-of-use assets is calculated using the straight-line method over the remaining lease term.

**Lease liabilities**

	<b>December 31, 2022</b>	<b>June 30, 2022</b>
	<b>\$</b>	<b>\$</b>
Balance, beginning of period	393,115	479,945
Lease payments	(53,720)	(120,040)
Interest expense	13,592	33,210
	352,987	393,115
Less: current portion	(38,444)	(61,187)
<b>Balance, end of period</b>	<b>314,543</b>	<b>331,928</b>

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**6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)**

**Lease liabilities (continued)**

The minimum lease payments in respect of the lease liability and the effect of discounting are as follows:

	\$
Undiscounted minimum lease payments:	
January 1, 2023 – June 30, 2023	33,100
July 1, 2023 – June 30, 2024	57,500
July 1, 2024 – June 30, 2025	57,500
July 1, 2025 – June 30, 2026	57,500
July 1, 2026 – June 30, 2027	57,500
Thereafter	196,458
<b>Total</b>	<b>459,558</b>
Effect of discounting	(106,571)
<b>Total present value of lease liabilities</b>	<b>352,987</b>
Less: current portion	(38,444)
<b>Balance, end of year</b>	<b>314,543</b>

**7. AMOUNTS PAYABLE AND ACCRUED LIABILITIES**

	December 31, 2022	June 30, 2022
	\$	\$
Trade payables	922,575	1,462,693
Accrued liabilities	12,656	187,562
	<b>935,231</b>	<b>1,650,255</b>

**8. SHARE CAPITAL**

**Authorized share capital**

Unlimited common shares with no par value.

**Issued and outstanding common shares**

As at December 31, 2022, there were 79,586,665 common shares issued and outstanding (June 30, 2022 - 58,825,837).

During the six months ended December 31, 2022, the Company had the following share capital transactions:

- a) On July 11, 2022, the Company issued an aggregate of 21,500 common shares of the Company at a value of \$5,160 in connection with the acquisition of the Wenasaga Gold Property (Note 5).
- b) On July 14, 2022, the Company issued an aggregate of 1,000,000 common shares of the Company at a value of \$240,000 in connection with the acquisition of the Panama Lake Property (Note 5).

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**8. SHARE CAPITAL (continued)**

**Issued and outstanding common shares (continued)**

- c) On September 22, 2022, the Company closed a brokered private placement (the "Offering") for gross proceeds of \$4,081,510. The Offering was comprised of the sale of 9,678,150 units of the Company (each, a "Unit") at a price of \$0.20 per Unit and 9,537,244 flow-through units of the Company (each, a "FT Unit") at a price of \$0.225 per FT Unit. Each Unit and FT Unit consists of one common share of the Company (each a "Unit Share") and one half of one common share purchase warrant (each whole warrant, a "Warrant"). Each warrant entitles the holder to purchase one common share of the Company at a price of \$0.30 at any time on or before September 22, 2024. In connection with the Offering, the Company paid finders' fee equal to \$196,943 in cash and issued an aggregate of 909,434 compensation warrants of the Company valued at \$73,300. Each compensation warrant entitles the holder thereof to purchase one additional common share at an exercise price of \$0.20 per share for a period of 24 months from the closing date. The Company also paid other share issuance costs of \$228,515 in connection with the Offering. Additionally, the Company allocated \$288,231 to reserves representing the value of the warrants issued and \$238,431 to flow-through shares premium representing the value of premium on the FT Unit.
- d) On October 28, 2022, the Company issued 473,934 common shares of the Company at a value of \$100,000 to acquire a 70% interest in the Panama Lake Property included in the Confederation Lake and Birch-Uchi Greenstone Belts Properties, in lieu of paying \$100,000 as payment for the second option as defined in the Option Agreement (Note 5).
- e) On November 25, 2022, the Company issued an aggregate of 50,000 common shares of the Company at a value of \$12,500 in connection with the acquisition of the Rivard Property (Note 5).

During the year ended June 30, 2022, the Company had the following share capital transactions:

- a) On July 7, 2021, the Company issued an aggregate of 100,000 common shares of the Company at a value of \$95,000 in connection with the acquisition of the Rivard Property (Note 5).
- b) On October 22, 2021, the Company issued an aggregate of 400,000 common shares of the Company at a value of \$248,000 in connection with the acquisition of the Willis Property (Note 5).
- c) On November 26, 2021, the Company issued an aggregate of 50,000 common shares of the Company at a value of \$44,500 in connection with the acquisition of the Rivard Property (Note 5).
- d) On January 5, 2022, the Company issued an aggregate of 200,000 common shares of the Company at a value of \$144,000 to acquire a 100% interest in the Confederation Lake and Birch-Uchi Greenstone Belts Properties from the Optionors (Note 5).
- e) On January 10, 2022, the Company issued an aggregate of 816,993 common shares of the Company at a value of \$555,556 in connection with the acquisition of the Exclusion Order Properties from Pegasus Resources Inc. (formerly Pistol Bay) (Note 5).
- f) On February 23, 2022, the Company issued an aggregate of 500,000 common shares of the Company at a value of \$245,000 in connection with the acquisition of the Gold Centre Property (Note 5).

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**8. SHARE CAPITAL (continued)**

**Issued and outstanding common shares (continued)**

- g) On March 2, 2022, the Company completed a brokered private placement. The financing raised gross proceeds of \$7,491,846 by issuance of: (i) 3,753,586 units of the Company (the "Units") at a price of \$0.53 per Unit; (ii) 4,036,220 flow-through units of the Company (the "FT Units") at a price of \$0.60 per FT Unit; and (iii) 4,118,490 FT Units sold to charitable purchasers (the "Charity FT Units") at a price of \$0.75 per Charity FT Unit. Each Unit, FT Unit, and Charity FT Unit, consists of one common share and one-half of one common share purchase warrant, and each warrant entitles the holder thereof to purchase one additional common share of the Company at a price of \$0.80 per share for a period of 24 months from the closing date. In connection with the private placement, the Company paid finders' fees equal to \$502,419 in cash and issued an aggregate of 714,497 compensation warrants of the Company. Each compensation warrant entitles the holder thereof to purchase one additional common share at an exercise price of \$0.53 for a period of 24 months from the closing date. Additionally, the Company allocated \$119,083 to reserves representing the value of the warrants issued and \$1,188,603 to flow-through shares premium representing the value of premium on the FT Unit.
- h) On April 25, 2022, the Company issued an aggregate of 200,000 common shares of the Company at a value of \$80,000 to acquire a 100% interest in the Uchi Gold Project and the Satterly Gold Project areas within the Confederation greenstone belt (Note 5).
- i) On May 26, 2022, the Company issued an aggregate of 50,000 common shares of the Company at a value of \$15,500 in connection with the acquisition of the Rivard Property (Note 5).
- j) On June 21, 2022, the Company issued an aggregate of 2,800,000 common shares of the Company at a value of \$828,000 in connection with the Eastern Vision property holdings within the Birch-Uchi greenstone belt (Note 5).

**Flow-Through Premium Liability**

The following is a continuity schedule of the liability portion of the flow-through share issuances:

	\$
<b>Balance, June 30, 2021</b>	<b>711,774</b>
Additions	1,188,603
Settlement pursuant to qualified expenditures	(1,715,013)
<b>Balance, June 30, 2022</b>	<b>185,364</b>
Additions	238,431
Settlement pursuant to qualified expenditures	(191,825)
<b>Balance, December 31, 2022</b>	<b>231,970</b>

**Share options**

The Company has a share compensation plan whereby the Company is authorized to grant stock options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option will not be less than the discounted market price of the common shares as permitted by the TSX-V policies. The options can be granted for a maximum term of 5 years.

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**8. SHARE CAPITAL (continued)**

**Share options (continued)**

On November 4, 2021, the Company granted 50,000 options to a consultant of the Company. The options are exercisable at \$0.85 per share and will expire on November 4, 2026. The options shall vest as to one-quarter of the options at the date of grant, one-quarter of the options six months following the date of the grant, one-quarter of the options twelve months following the date of grant, and one-quarter of the options eighteen months following the date of grant. The Company used the Black-Scholes option pricing model to estimate the fair value of the options using the following assumptions: risk free interest rate of 1.25%; dividend yield of 0%; expected volatility of 109.73%; and expected option life of 5 years.

On November 4, 2021, the Company granted 360,000 options to employees of the Company. The options are exercisable at \$0.85 per share and will expire on November 4, 2026. The options shall vest as to one-quarter of the options at the date of grant, one-quarter of the options six months following the date of the grant, one-quarter of the options twelve months following the date of grant, and one-quarter of the options eighteen months following the date of grant. The Company used the Black-Scholes option pricing model to estimate the fair value of the options using the following assumptions: risk free interest rate of 1.39%; dividend yield of 0%; expected volatility of 109.93%; and expected option life of 5 years.

On March 7, 2022, the Company granted 1,250,000 options to the directors, officers, and employees of the Company. The options are exercisable at \$0.64 per share and will expire on March 7, 2027. The options shall vest as to one-quarter of the options at the date of grant, one-quarter of the options six months following the date of the grant, one-quarter of the options twelve months following the date of grant, and one-quarter of the options eighteen months following the date of grant. The Company used the Black-Scholes option pricing model to estimate the fair value of the options using the following assumptions: risk free interest rate of 1.51%; dividend yield of 0%; expected volatility of 147.01%; and expected option life of 5 years.

On September 27, 2022, the Company granted 2,595,000 options to directors, officers, employees, and consultants of the Company. The options are exercisable at \$0.20 per share and will expire on September 27, 2027. The options shall vest as to one-quarter of the options at the date of grant, one-quarter of the options six months following the date of the grant, one-quarter of the options twelve months following the date of grant, and one-quarter of the options eighteen months following the date of grant. The Company used the Black-Scholes option pricing model to estimate the fair value of the options using the following assumptions: risk free interest rate of 3.45%; dividend yield of 0%; expected volatility of 115.15%; and expected option life of 5 years.

On October 4, 2022, the Company granted 90,000 options to the consultants of the Company. The options are exercisable at \$0.22 per share and will expire on October 4, 2027. The options shall vest as to one-quarter of the options at the date of grant, one-quarter of the options six months following the date of the grant, one-quarter of the options twelve months following the date of grant, and one-quarter of the options eighteen months following the date of grant. The Company used the Black-Scholes option pricing model to estimate the fair value of the options using the following assumptions: risk free interest rate of 3.27%; dividend yield of 0%; expected volatility of 115.67%; and expected option life of 5 years.

On November 1, 2022, the Company granted 50,000 options a consultant of the Company. The options are exercisable at \$0.25 per share and will expire on November 1, 2027. The options shall vest as to one-quarter of the options at the date of grant, one-quarter of the options six months following the date of the grant, one-quarter of the options twelve months following the date of grant, and one-quarter of the options eighteen months following the date of grant. The Company used the Black-Scholes option pricing model to estimate the fair value of the options using the following assumptions: risk free interest rate of 3.243; dividend yield of 0%; expected volatility of 116.14%; and expected option life of 5 years.

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**8. SHARE CAPITAL (continued)**

**Share options (continued)**

Share option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price	Weighted Average Share Price on Exercise
		\$	\$
<b>Balance, June 30, 2021</b>	<b>3,425,000</b>	<b>1.09</b>	-
Granted	1,660,000	0.69	-
<b>Balance, June 30, 2022</b>	<b>5,085,000</b>	<b>0.96</b>	-
Granted	2,735,000	0.20	-
Forfeited	(350,000)	0.91	-
<b>Balance, December 31, 2022</b>	<b>7,470,000</b>	<b>0.69</b>	-

The options outstanding and exercisable as at December 31, 2022 are as follows:

Expiry Date	Number of Options Outstanding	Options Exercisable	Exercise Price
			\$
March 29, 2023	300,000	300,000	0.80
June 15, 2025	1,225,000	1,225,000	0.60
October 20, 2025	1,150,000	1,150,000	1.70
January 19, 2026	100,000	50,000	1.83
April 12, 2026	100,000	100,000	1.15
May 3, 2026	200,000	200,000	1.00
November 4, 2026	410,000	307,500	0.85
March 7, 2027	1,250,000	625,000	0.64
September 27, 2027	2,595,000	648,750	0.20
October 4, 2027	90,000	22,500	0.22
November 1, 2027	50,000	25,000	0.25
	<b>7,470,000</b>	<b>4,653,750</b>	<b>0.69</b>

The weighted average remaining life of the outstanding share options and exercisable at December 31, 2022 was 3.67 years and 3.13 years respectively.

**Warrants**

On March 2, 2022, as part of the private placement, the Company issued 5,954,148 warrants which were valued at \$119,083.

In connection with the March 2022 private placement, the Company also issued 714,497 non-transferrable broker's warrants with an exercise price of \$0.53 and an expected life of 2 years as finder's fees. The broker's warrants were valued at \$185,125 using the Black-Scholes option pricing model with the following assumptions at the issue date: risk free interest rate of 1.47%; dividend yield of 0%; expected volatility of 134.76% and expected life of 2 years.

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**8. SHARE CAPITAL (continued)**

**Warrants (continued)**

On September 22, 2022, as part of the private placement, the Company issued 9,607,697 warrants which were valued at \$288,231.

In connection with the September 2022 private placement, the Company also issued 909,434 non-transferrable broker's warrants with an exercise price of \$0.20 and an expected life of 2 years as finder's fees. The broker's warrants were valued at \$73,300 using the Black-Scholes option pricing model with the following assumptions at the issue date: risk free interest rate of 3.78%; dividend yield of 0%; expected volatility of 84.24% and expected life of 2 years.

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
		\$
<b>Balance, June 30, 2021</b>	<b>13,566,041</b>	<b>1.13</b>
Granted	6,668,645	0.77
Exercised	(705,000)	0.38
Expired	(1,783,900)	0.40
<b>Balance, June 30, 2022</b>	<b>17,745,786</b>	<b>1.10</b>
Granted	10,517,131	0.29
Expired	(5,058,916)	1.81
<b>Balance, December 31, 2022</b>	<b>23,204,001</b>	<b>0.58</b>

The warrants outstanding and exercisable as at December 31, 2022 are as follows:

Expiry Date	Number of Warrants Outstanding	Exercise Price
		\$
June 28, 2023	2,500,000	1.50
June 28, 2023	230,725	1.00
March 2, 2024	714,497	0.53
March 2, 2024	5,954,148	0.80
September 22, 2024	9,607,697	0.30
September 22, 2024	909,434	0.20
February 5, 2025	3,287,500	0.36
	<b>23,204,001</b>	<b>0.58</b>

The weighted average remaining life of the outstanding warrants at December 31, 2022 was 1.48 years.

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**9. RELATED PARTY TRANSACTIONS**

Key management personnel are the persons responsible for the planning, directing, and controlling of the activities of the Company and include both executives and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

As at December 31, 2022, the Company included \$22,628 in prepaid expenses and deposits for advance payment of January 2023 management fees.

The Company incurred the following key management personnel costs from related parties:

	For the six months ended December 31,	
	2022	2021
	\$	\$
Consulting and management fees	380,742	475,000
Share-based compensation	359,028	257,155
	<u>739,770</u>	<u>732,155</u>

**10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- 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 or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Cash is measured at fair value using level 1. The carrying value of sales taxes receivable and amounts payable approximates their fair value due to the current nature of those financial instruments.

The Company is exposed to risks of varying degrees of significance from its use of financial instruments which could affect its ability to achieve its strategic objectives for growth and stakeholder returns. The principal risks to which the Company is exposed, and the actions taken to manage them, are described below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

The risks associated with the Company's financial instruments and the policies on how to mitigate these risks are set out below.

**a) Interest Rate Risk**

The Company's interest rate risk mainly arises from changes in the interest rates on cash. Cash generates interest based on market interest rates. At December 31, 2022, the Company was not subject to significant interest rate risk.



## **10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)**

### **b) Foreign Exchange Rate Risk**

The Company is not subject to significant foreign exchange risk as all of the Company's operations are located in Canada.

The Company manages its credit risk by investing only in high quality financial institutions. Receivables are due from a government agency.

### **c) Credit Risk**

Credit risk arises from the non-performance by counterparties of contractual financial obligations. The Company's credit risk arises primarily with respect to cash held on deposit and receivables.

### **d) Liquidity Risk**

The Company manages liquidity risk by maintaining adequate cash balances. If necessary, the Company may raise funds through the issuance of debt, equity or sale of non-core assets. The Company ensures that there is sufficient capital to meet its obligations by continuously monitoring and reviewing actual and forecasted cash flows, and match the maturity profile of financial assets to development, capital and operating needs. As at December 31, 2022, the Company had a cash balance of \$617,268 to settle current liabilities of \$973,675.

## **11. CAPITAL MANAGEMENT**

The Company manages its capital, being the components of shareholders' equity, and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company has historically relied on the equity markets to fund its activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to any externally imposed capital restrictions.

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**12. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS**

	For the six months ended	
	2022	December 31, 2021
	\$	\$
Supplemental non-cash disclosures		
Shares issued pursuant to acquisition of exploration and evaluation assets	257,660	395,500
Shares issued for debt settlement	100,000	-
Warrants issued for share issuance costs	73,300	-
Reallocation of value of warrants included in units issued	288,231	-
Reallocation of value of flow-through share premium	238,431	-

**13. SEGMENT INFORMATION**

The Company has one reportable operating segment, being the acquisition and exploration of exploration and evaluation assets within Canada.

**14. SUBSEQUENT EVENTS**

- a) On January 23, 2023, the Company signed a Purchase Option Agreement to acquire additional Uchi Claims, immediately adjacent to, and encompassed by, the Company's Confederation Lake and Birch-Uchi Green Belts Properties. Upon completion of the transaction, the Company will acquire a 100% interest in the property, subject to a 1.5% NSR. The Company has the right to repurchase 0.5% of the NSR for consideration of \$500,000. Pursuant to the terms of the agreement, the Company is required to issue 200,000 common shares upon closing of the agreement and make cash payments totaling \$80,800 as follows:

Cash	Due Date
\$16,800	On closing date
\$16,000	First anniversary of closing date
\$20,000	Second anniversary of closing date
\$28,000	Third anniversary of closing date