FREEGOLD VENTURES LIMITED

(An Exploration Stage Company)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(UNAUDITED)

(Expressed in U.S. Dollars)

First Quarter ended March 31, 2022

MANAGEMENT'S COMMENTS ON
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NOTICE OF NO AUDITOR REVIEW OF 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 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 consolidated interim financial statements of Freegold Ventures Limited (the "Company") have been prepared by and are the responsibility of the Company's management. The unaudited condensed consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgements based on information currently available.

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

Freegold Ventures Limited
(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Financial Position

(unaudited)

(Expressed in U.S. Dollars)

ASSETS	March 31, 2022	December 31, 2021
Current		
Cash and cash equivalents	$ **11,192,199**	$ 13,832,580
Restricted cash *(Note 4)*	**97,555**	165,636
Amounts receivable	**32,287**	22,710
Prepaid expenses and deposits	**260,348**	223,820
	11,582,389	14,244,746
Exploration and Evaluation Properties *(Note 5)*	**62,864,830**	59,591,516
Property, Plant and Equipment *(Note 6 (a))*	**406,848**	421,432
Right-of-Use Asset *(Note 6 (b))*	**156,800**	165,545
	$ **75,010,867**	$ 74,423,239

LIABILITIES	March 31, 2022	December 31, 2021
Current		
Trade payables	$ **1,078,346**	$ 306,659
Accrued liabilities	**40,013**	39,438
Current portion of lease liability *(Note 6 (b))*	**30,880**	30,437
Project cost advance received *(Note 4)*	**97,555**	165,636
	1,246,794	542,170
Non-Current		
Lease liability (*Note 6(b))*	**131,038**	136,579
Restoration and environmental obligations *(Note 8)*	**250,000**	250,000
	1,627,832	928,749
SHAREHOLDERS' EQUITY		
Share Capital *(Note 9)*	**108,702,113**	108,591,573
Reserves	**34,309,073**	34,219,347
Deficit	**(69,628,151)**	(69,316,430)
	73,383,035	73,494,490
	$ **75,010,867**	$ 74,423,239

Nature and Continuance of Operations *(Note 1)*

APPROVED AND AUTHORIZED FOR ISSUE ON BEHALF OF THE BOARD OF DIRECTORS:

"Gary Moore", Director   *"David Knight"*, Director

Freegold Ventures Limited
(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(unaudited)

(Expressed in U.S. Dollars)

	Common Shares	Amount	Stock Options Reserve	Warrants Reserve	Foreign Currency Translation Reserve	Deficit	Total
Balance – December 31, 2020	**333,139,366**	**$ 107,488,759**	**$ 7,632,988**	**$ 24,396,251**	**$ 765,567**	**$ (67,109,311)**	**$ 73,174,254**
Issuance and allotment of shares for:							
- Exercise of options *(Note 9c)*	295,000	83,439	(36,583)	-	-	-	46,856
Foreign currency translation adjustment	-	-	-	-	329,187	-	329,187
Loss for the period	-	-	-	-	-	(409,760)	(409,760)
Balance – March 31, 2021	**333,434,366**	**107,572,198**	**7,596,405**	**24,396,251**	**1,094,754**	**(67,519,071)**	**73,140,537**
Balance – December 31, 2021	**337,499,366**	**108,591,573**	**8,747,113**	**24,386,267**	**1,085,967**	**(69,316,430)**	**73,494,490**
Issuance and allotment of shares for:							
- Exercise of warrants *(Note 9b)*	208,823	104,351	-	(40,462)	-	-	63,889
- Exercise of options *(Note 9c)*	50,000	6,189	(2,189)	-	-	-	4,000
Foreign currency translation adjustment	-	-	-	-	132,377	-	132,377
Loss for the period	-	-	-	-	-	(311,721)	(311,721)
Balance – March 31, 2022	**337,758,189**	**$ 108,702,113**	**$ 8,744,924**	**$ 24,345,805**	**$ 1,218,344**	**$ (69,628,151)**	**$ 73,383,035**

Freegold Ventures Limited
(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

For the Three Months Ended March 31,

(Expressed in U.S. Dollars)

	2022	2021
General and Administrative Expenses		
Accretion *(Notes 6(b) & 8)*	$ **1,733**	$ 1,177
Consulting fees *(Note 7)*	**5,934**	5,915
Depreciation *(Notes 6(a) & 6(b))*	**23,329**	16,764
Office and miscellaneous	**23,311**	17,653
Professional fees (*Note 7)*	**16,142**	21,565
Promotion and shareholder relations	**26,884**	4,303
Rent and utilities	**6,762**	641
Transfer, filing and other fees	**69,694**	70,481
Travel and transportation	**61**	-
Wages, salaries and benefits *(Note 7)*	**129,633**	104,738
Total General and Administrative Expenses	**(303,483)**	(243,237)
Foreign exchange loss, net	**(25,104)**	(199,655)
Interest and bank charges	**(1,142)**	(972)
Interest income	**11,819**	29,420
Management fee revenue (*Note 5 (b))*	**6,189**	4,684
	(8,238)	(166,523)
Net Loss for the Period	$ **(311,721)**	$ (409,760)
Loss per Share – Basic and Diluted	$ **(0.00)**	$ (0.00)
Weighted Average Number of Shares Outstanding – Basic and Diluted	**337,682,042**	333,274,033
Comprehensive Loss		
Net loss for the period	$ **(311,721)**	$ (409,760)
Foreign currency translation adjustment	**132,377**	329,187
Total Comprehensive Loss for the Period	$ **(179,344)**	$ (80,573)

Freegold Ventures Limited
(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Cash Flows

For the Three Months Ended March 31,

(Expressed in U.S. Dollars)

Cash Resources Provided By (Used In)	**2022**	2021
Operating Activities		
Loss for the period	**$ (311,721)**	$ (409,760)
Items not affecting cash:		
Depreciation	**23,329**	16,764
Accretion	**1,733**	1,177
Net changes in non-cash working capital components:		
Amounts receivable	**(9,577)**	(48,212)
Prepaid expenses and deposits	**(36,528)**	(37,416)
Trade payables	**181,589**	89,434
Accrued liabilities	**575**	(133,550)
Project cost advance received	**(68,081)**	(51,526)
	(218,681)	(573,089)
Investing Activities		
Exploration and evaluation property acquisition costs	**(16,500)**	(9,500)
Exploration and evaluation property exploration costs	**(2,734,796)**	(1,986,472)
Exploration and evaluation property exploration cost recovery	**68,080**	51,526
Purchase of equipment	**-**	(67,118)
	(2,683,216)	(2,011,564)
Financing Activities		
Share capital issued	**67,889**	46,856
Repayment of lease liability	**(5,098)**	(12,321)
Restricted cash	**68,081**	51,526
	130,872	86,061
Effect of Foreign Currency on Cash and Cash Equivalents	**130,644**	328,009
Net (Decrease) Increase in Cash and Cash Equivalents	**(2,640,381)**	(2,170,583)
Cash and Cash Equivalents - Beginning of Year	**13,832,580**	29,652,808
Cash and Cash Equivalents - End of Period	**$ 11,192,199**	$ 27,482,225
Interest received	**$ 11,819**	$ 19,485
Income taxes paid	**$ -**	$ -
Supplemental Disclosure of Non-Cash Items		
Exploration expenditures included in trade payables	**$ 796,272**	$ 982,082

-See Accompanying Notes-

1. Nature and Continuance of Operations

Freegold Ventures Limited (the "Company") is in the process of acquiring, exploring and developing precious and base metal properties. The Company will attempt to bring the properties to production, structure joint ventures with others, option or lease properties to third parties or sell the properties outright. The Company has not determined whether these properties contain ore reserves and the Company is considered to be in the exploration stage. The recoverability of the amounts expended by the Company on acquiring and exploring mineral properties is dependent upon future profitable production or selling the property.

The head office, principal address and registered records office of the Company is Suite 888 – 700 West Georgia Street, Vancouver, British Columbia, Canada, V7Y 1G5.

The Company's condensed consolidated interim financial statements as at March 31, 2022 and for the period then ended have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company had a comprehensive loss of $179,344 for the three-month period ended March 31, 2022 (March 31, 2021 – $80,573) and had working capital of $10,335,595 at March 31, 2022 (December 31, 2021 – $13,702,576).

The Company had cash and cash equivalents of $11,192,199 at March 31, 2022 (December 31, 2021 - $13,832,580), but management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive, or raise additional debt and/or equity capital. If the Company is unable to raise additional capital in the immediate future, management expects that the Company will need to curtail operations, liquidate assets, seek additional capital on less favourable terms and/or pursue other remedial measures or cease operations. However, management believes it has sufficient working capital to continue operations for the next 12 months. These condensed consolidated interim financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

In March 2020, the World Health Organization declared coronavirus (COVID-19) a global pandemic. This contagious disease outbreak, which has continued to spread, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

2. Significant Accounting Policies

The financial statements of the Company and its subsidiaries (the "Group") have been prepared in accordance with International Accounting Standards ("IAS") 34, "*Interim Financial Reporting*" using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's annual consolidated financial statements for the year ended December 31, 2021.

a) **Consolidation**

These condensed consolidated interim financial statements include the accounts of the Company's wholly-owned subsidiaries, Free Gold Recovery, USA, Freegold Ventures Limited, USA, Grizzly Bear Gold Inc., McGrath Gold Inc. and Dolphin Gold Inc. (inactive). Alaska Mining & Development Co., Inc. was acquired on September 30, 2020 and dissolved on December 31, 2020. All subsidiaries are US corporations which are involved in exploration and evaluation of properties. Inter-company transactions and balances are eliminated upon consolidation.

b) **Significant Accounting Judgments, Estimates and Assumptions**

The preparation of the Company's condensed consolidated interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the condensed consolidated interim financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

The most significant accounts that require estimates and judgements as the basis for determining the stated amounts include the recoverability of exploration and evaluation assets, determination of functional currency, valuation of share-based compensation and recognition of deferred tax amounts.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements are as follows:

<u>Economic recoverability and probability of future economic benefits of exploration and evaluation assets</u>
Management has determined that exploration, evaluation, and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including, geologic and other technical information, a history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

<u>Determination of functional currency</u>
The Company determines the functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions within the reporting entity.

<u>Going concern of operations</u>
The financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The assessment of the Company's ability to source future operations and continue as a going concern involves judgement. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. If the

going concern assumption is not appropriate for the financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported revenue and expenses and the statement of financial position classifications used (Note 1).

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments are as follows:

Valuation of share-based compensation
The Company uses the Black-Scholes option pricing model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, risk-free 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.

Income taxes
In assessing the probability of realizing income tax assets, management makes estimates related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

Business combination versus asset acquisition
Determination of whether a set of assets acquired and liabilities assumed constitute a business may required 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. The transaction with Alaska Mining & Development Co., Inc. was determined to constitute an acquisition of assets (Note 5 vii).

c) **Cash and Cash Equivalents**

The Company considers cash and cash equivalents to include amounts held in banks and highly liquid investments with maturities at point of purchase of 90 days or less. The Company places its cash and cash equivalents with institutions of high-credit worthiness.

As at March 31, 2022, the Company holds cash of $11,149,053 (December 31, 2021 - $13,790,054) and cash equivalents of $43,146 (December 31, 2021 - $42,526).

d) **Financial Instruments**

Financial instruments consist of financial assets and financial liabilities, and are initially recognized at fair value net of transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit and loss.

The Company classifies its financial assets and financial liabilities in the following measurement categories:

a) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and

b) those to be measured at amortized cost.

The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at the end of subsequent accounting periods. All other financial assets are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income. The Company's cash and cash equivalents, restricted cash and amounts receivable are recorded at amortized cost.

Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (irrevocable election at the time of recognition). Any fair value changes due to credit risk for liabilities designated at fair value through profit and loss are recorded in other comprehensive income.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Impairment of Financial Assets

An expected credit loss (ECL) model applies to financial assets measured at amortized cost, contract assets and debt investments at fair value through other comprehensive income, but not to investments in equity instruments. The Company's financial assets, measured at amortized cost and subject to the ECL model, include cash and cash equivalents, and amounts receivable.

An entity is required to recognize expected credit losses when financial instruments are initially recognized and to update the amount of expected credit losses recognized at each reporting date to reflect changes in the credit risk of the financial instruments. In addition, IFRS 9 requires additional disclosure requirements about expected credit losses and credit risk.

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods, if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as fair value through profit or loss ("FVTPL") or amortized cost. Financial liabilities classified as amortized cost are initially recognized at fair value less directly attributable transaction costs.

The Company's trade payables, accrued liabilities, lease liability and project cost advance received are classified at amortized cost. The Company does not currently have any FVTPL financial liabilities.

e) **Exploration and Evaluation Properties**

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Option payments received are treated as a reduction of the carrying value of the related exploration and evaluation properties and deferred costs until the receipts are in excess of costs incurred, at which time they are credited to income. Option payments are at the discretion of the optionee, and accordingly, are recorded on a cash basis.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

3. Approval

These condensed consolidated interim financial statements were approved and authorized for issue by the Audit Committee of the Board of Directors on May 12, 2022.

4. Restricted Cash

Restricted cash consists of an advance from an earn-in partner who has forwarded funds to the Company for use on a specific property.

(Expressed in U.S. Dollars)

5. Exploration and Evaluation Properties

		Golden Summit Property		Shorty Creek Property		Total
Acquisition costs						
Balance, December 31, 2020	$	4,737,497	$	198,546	$	4,936,043
Additions		1,635,291		-		1,635,291
Balance, December 31, 2021	$	6,372,788	$	198,546	$	6,571,334
Exploration and evaluation costs						
Balance, December 31, 2020	$	33,015,558	$	5,574,069	$	38,589,627
Assaying		1,067,978		79,437		1,147,415
Camp costs		1,487,281		293,897		1,781,178
Drilling		9,264,252		908,983		10,173,235
Engineering and consulting		260,713		185,575		446,288
Environmental studies		100,411		-		100,411
Geological and field expenses		316,810		117,999		434,809
Helicopter support		-		536,914		536,914
Land maintenance and tenure		80,302		114,847		195,149
Legal		98,226		-		98,226
Overhead cost		-		226,688		226,688
Personnel		1,637,061		50,093		1,687,154
Travel		57,100		39,558		96,658
Total incurred during the year ended December 31, 2021	$	14,370,134	$	2,553,991	$	16,924,125
Less:						
Expenditure recovery		-		(2,493,570)		(2,493,570)
Balance, December 31, 2021	$	47,385,692	$	5,634,490	$	53,020,182
Total	**$**	**53,758,480**	**$**	**5,833,036**	**$**	**59,591,516**

Notes to Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2022 and 2021

(Expressed in U.S. Dollars)

		Golden Summit Property		Shorty Creek Property		Total
Acquisition costs						
Balance, December 31, 2021	$	6,372,788	$	198,546	$	6,571,334
Additions		16,500		-		16,500
Balance, March 31, 2022	$	6,389,288	$	198,546	$	6,587,834
Exploration and evaluation costs						
Balance, December 31, 2021	$	47,385,692	$	5,634,490	$	53,020,182
Assaying		461,977		54,348		516,325
Camp costs		286,487		-		286,487
Drilling		2,023,968		-		2,023,968
Engineering and consulting		24,000		-		24,000
Geological and field expenses		79,945		9,698		89,643
Land maintenance and tenure		3,750		-		3,750
Legal		3,635		-		3,635
Overhead cost		-		6,189		6,189
Personnel		349,724		-		349,724
Travel		21,173		-		21,173
Total incurred during the period ended March 31, 2022	$	3,254,659	$	70,235	$	3,324,894
Less:						
Expenditure recovery		-		(68,080)		(68,080)
Balance, March 31, 2022	$	50,640,351	$	5,636,645	$	56,276,996
Total	**$**	**57,029,639**	**$**	**5,835,191**	**$**	**62,864,830**

(Expressed in U.S. Dollars)

a) **Golden Summit Property, Alaska, USA**

By various agreements dated from December 1, 1992 to May 9, 1997, the Company acquired from Fairbanks Exploration Inc. ("FEI") certain mineral claims in the Fairbanks Mining District of Alaska known as the Golden Summit Property. In the deed conveying its remaining interest, FEI reserved a 7% working interest which is held in trust for FEI by the Company. The property is controlled by the Company through long-term lease agreements or outright claim ownership.

The Company will fund 100% of the costs until commercial production is achieved at which point FEI will be required to contribute 7% of any approved budget. The property is subject to a 2% Net Smelter Royalty ("NSR"), unless otherwise noted. The Company has a 30 day right of first refusal in the event that the 7% working interest of FEI or the NSR is to be sold. The Company can also purchase the NSR at any time following commercial production, based on its net present value as determined by commercial ore reserves.

(i) **Keystone Claims**

By an agreement dated May 17, 1992, the Company entered into a lease with Keystone Mines Partnership ("Keystone") whereby the Company agreed to make advance royalty payments of US$15,000 per year. In May 2000, the agreement was renegotiated and on October 15, 2000, a US$50,000 signing bonus was paid. On November 30, 2001, the Company restructured the advance royalty payments as follows:

1992 – 1998 ($15,000 per year)	$	105,000		(paid)
2000	$	50,000		($25,000 paid in cash and $25,000 with 9,816 treasury shares issued)
2001 - 2006 ($50,000 per year)	$	300,000		(paid)
2007	$	150,000		(paid)
2008	$	150,000		(paid)
2009	$	150,000		(paid)
2010	$	150,000		(paid)
2011	$	150,000		(paid)
2012	$	150,000		(paid)
2013	$	150,000		(paid)
2014	$	112,500		(paid)
2014	$	37,500		(paid)
2015	$	75,000		(paid)
2015	$	75,000	*	(paid)
2016	$	150,000	**	(paid $75,000)
2017	$	150,000	**	(paid $75,000)
2018	$	150,000	***	(paid $15,000)
2019	$	150,000	***	(paid $15,000)
2020	$	150,000	***	(paid $15,000 and $180,000)
2021	$	75,000	***	(paid $75,000)
2022	$	75,000		

The property is subject to a 3% NSR.

In 2011, the Company negotiated an extension of the lease. As long as there is either permitting, development mining or processing being conducted on a continuous basis or advance royalties being paid, the lease shall be renewable for successive 10 year terms.

* $75,000 was paid during the year ended December 31, 2016.

** On December 8, 2015, the Company renegotiated the lease to reduce the annual royalty payments to $75,000 payable in two equal installments on August 1 and November 1, until such time as the price of gold averages $1,400 per ounce for a period of 3 months, at which time the original agreement will be re-instated. In addition, the Company will undertake $75,000 in annual exploration expenditures as consideration for the reduced payments, until such time as the advance royalty payments are resumed at $150,000 per year.

*** In 2018, the Company negotiated a reduction of payment to $15,000. Pursuant to a forbearance agreement in March 2019, the Company renegotiated the lease to decrease the annual royalty payments of $75,000 to $15,000, payable on August 1 for 2019 and 2020. On November 3, 2020, the Company further renegotiated the lease to reduce the annual royalty payments from $150,000 per annum to $75,000 beginning in 2021. As consideration, the Company made a good faith lump sum payment of $180,000.

(ii) **Newsboy Claims**

By lease agreement dated February 28, 1986 and amended March 26, 1996, the Company assumed the obligation to make advance royalty payments of $2,500 per year until 1996 (paid) and $5,000 per year until 2006 (paid). During 2006, the Company renewed the existing lease term for an additional 5 years on the same terms and conditions.

On October 12, 2012, the Company amended the lease agreement and the lease term was extended for an additional 5 years from March 1, 2011 to February 29, 2016. The minimum royalty payable under the amended lease was $12,000 per year for the term of the lease. The Company amended the lease agreement whereby the $12,000 due on February 29, 2016 was deferred to May 31, 2016 (paid), and the lease term was extended for an additional 5-year term from March 1, 2016 to February 28, 2021. The lease payments are $12,000 for 2017 (paid), $12,000 for 2018 (paid), $5,000 for 2019 (paid), $5,000 for 2020 (paid) and $5,000 (paid) for 2021. As consideration, the Company had agreed to a one-time payment of $50,000 (the “Signing Bonus”) due on or before February 28, 2017. The Company renegotiated the agreement to defer payments of the Signing Bonus to two installments of $25,000 due on February 28, 2017 ($25,000 paid) and $25,000 due on February 28, 2018 ($25,000 paid).

On February 22, 2022, the Company amended the lease agreement and the lease term was extended for an additional 5 years from March 1, 2022 to February 28, 2027. The minimum royalty payable under the amended lease will be $12,000 per year for the term of the lease. The lease payment for 2022 of $12,000 was paid.

The claims are subject to a 4% NSR. The Company has the option to purchase the NSR for the greater of the current value or US$1,000,000 less all advance royalty payments completed to date.

(iii) **Tolovana Claims**

In May 2004, the Company entered into an agreement with a third party (the "Seller") whereby the Seller transferred 100% of the rights via a Quit Claim Deed to a 20-year lease on the Tolovana Gold Property in Alaska.

Under the terms of the agreement, the Company assumed all of the Seller's obligations under the lease, which include making annual payments of $1,000 per month for the first 23 months, increasing to $1,250 per month for the 24th to the 48th months, and $1,500 per month after the 49th month and for the duration of the lease. These payments are current.

In addition, the Company made a cash payment to the Seller of $7,500 on signing, and issued 66,667 shares on regulatory approval. An additional 33,333 shares were to be issued within 30 days of a minimum 200,000 ounce mineral resource being calculated on the property, if the resource was established in 5 years or less from the date of the agreement. No resource was calculated during the prescribed timeframe; therefore, these shares were not issued to the Seller.

The property is subject to a sliding scale NSR as follows: 1.5% NSR if gold is below $300 per ounce, 2.0% NSR in the event the price of gold is between $300 to $400, and 3.0% NSR in the event that the price of gold is above $400.

The Company, at its option, can purchase 100% of the Tolovana Gold Property claims and NSR for $1,000,000 less any amounts paid.

(Expressed in U.S. Dollars)

(iv) **Green Claims**

On December 16, 2010, the Company entered into a 20-year lease agreement with Christina Mining Company, LLC ("Christina Mining") to acquire certain mineral claims in the Fairbanks Mining District of Alaska known as the Green Property. The claims are subject to a 3% NSR. The Company is required to make annual cash payments and cumulative exploration expenditures as follows:

	Payments	Cumulative Exploration Expenditures
December 1, 2010	$100,000 (paid)	-
December 1, 2011	$100,000 (paid)	$250,000 (incurred)
December 1, 2012	$100,000 (paid)	$500,000 (incurred)
December 1, 2013	$100,000 (paid)	$750,000 (incurred)
December 1, 2014	$50,000 (paid)	$1,000,000 (incurred)
December 1, 2014	$50,000 (paid)	-
December 1, 2015	$50,000 * (paid)	-
December 1, 2016	$50,000 ** (paid)	-
December 1, 2017	$50,000 ** (paid)	-
December 1, 2018	$50,000*** (paid)	-
December 1, 2019	$50,000*** (paid)	-
December 1, 2020	$200,000 *** (paid)	-
December 1, 2021	$200,000 *** (paid)	-
December 1, 2022 to 2028	$200,000 per year	-
December 1, 2029	$250,000 per year	-
Total	$2,800,000	

*In December 2015, an amendment was negotiated to reduce the annual advance royalty for 2015 to $50,000, with the payment deferred until March 31, 2016.

** In 2016, the Company renegotiated the lease to reduce the annual royalty payments to $50,000 until such time as the price of gold averages $1,400 per ounce for a period of 3 months at which time the original agreement will be re-instated. In addition, the Company guaranteed to pay the 2017 and 2018 land maintenance costs as consideration for the reduced payments or until such time as the advance royalty payments are resumed pursuant to the original agreement.

*** The Company amended the lease to waive the 2018 and 2019 advance royalty payments however, in May 2021 the Company agreed to pay $50,000 as full consideration for the 2018 advance royalty and $50,000 for the 2019 advance royalty. The Company further agreed to pay an additional $100,000 so the advance royalty payment would increase to $200,000 after 10 years.

(Expressed in U.S. Dollars)

(v) **Chatham Claims**

On July 11, 2011, the Company entered into a 4-year lease agreement to acquire certain mineral claims in the Fairbanks Mining District of Alaska known as the Chatham Property. The claims were subject to a 2% NSR. The Company was required to make annual cash payments and exploration expenditures as follows:

	Payments	Exploration Expenditures
Execution of agreement	$20,000 (paid)	-
July 11, 2012	$30,000 (paid)	$50,000 (incurred)
July 11, 2013	$40,000 (paid)	$50,000 (incurred)
July 11, 2014	$50,000 (paid)	$50,000 (waived)
July 11, 2015	-	$50,000 (waived)
Total	$140,000	$200,000

On July 11, 2015, the Company renegotiated and extended the lease agreement for an additional 4 years. The Company is now required to make annual cash payments and exploration expenditures as follows:

	Payments	Exploration Expenditures
September 30, 2016	$25,000 (paid)	$20,000 (incurred)
September 30, 2017	$50,000 (paid)	$20,000 (incurred)
September 30, 2018	$50,000* (paid $15,000)	$20,000*
September 30, 2019	$50,000* (paid $15,000)	$20,000*
Total	$175,000	$80,000

*A payment of $15,000 was made in 2018 and, on March 27, 2019, the Company renegotiated and extended the lease agreement for an additional 2 years. The Company is now required to make annual cash payments as follows:

	Payments
September 30, 2019	$15,000 (paid)
September 30, 2020	$35,000 (paid)
September 30, 2021	$35,000 (paid)
Total	$85,000

The Company has the option to purchase the property for $750,000 less the annual payments made under the amended lease agreements. On June 29, 2021, the Company agreed to purchase the property for $610,000 ($750,000 less $140,000 annual payments made under the amended lease agreement). On July 7, 2021, a $200,000 deposit was made and on November 12, 2021 the balance of $410,000 was paid. As consideration for the early exercise of the option, the seller agreed to reduce the NSR to 1.75% of returns from the production or sale of minerals from Parcel II only of the Property.

(Expressed in U.S. Dollars)

(vi) **Alaska Mental Health Trust Property**

By lease agreement effective June 1, 2012, the Company entered into a mining lease to acquire certain mineral claims in the Fairbanks Mining District of Alaska known as the Alaska Mental Health Trust Property. The property is controlled by the Company through a 3-year lease agreement and may be extended for two extensions of 3 years. On February 1, 2013, the Company entered into an agreement to amend the terms of the lease to reflect an increase in the size of the lease to 403 acres. On June 1, 2015, the Company entered into an agreement to amend the terms of the lease to reflect an increase in the size of the lease to 1,576 acres. On June 1, 2018, the Company entered into an agreement to amend the terms of the lease to reflect a decrease in the size of the lease to 1,030 acres. On June 1, 2020, the Company entered into an agreement to amend the terms of the lease to reflect an increase in the size of the lease to 1,576 acres. On June 1, 2021, the Company entered into an agreement to extend the term of the 403 acre amendment and the 627 acre amendment for an additional 3-year term to May 31, 2024. On January 1, 2022, the Company entered into an agreement to acquire an additional 1,818 acres through a 3-year lease agreement that may be extended for two extensions of 3 years. As a result, the work commitment schedule and annual cash payments have been modified. The Company is required to make annual cash payments and exploration expenditures as follows:

For the amendment to 403 acres:

	Payments	Exploration Expenditures
Execution of agreement	$25,000 (paid)	-
Year 1 (2012)	$10 per acre per year (paid)	$125 per acre per year (incurred)
Year 2 (2013)	$10 per acre per year (paid)	$125 per acre per year (incurred)
Year 3 (2014)	$10 per acre per year (paid)	$125 per acre per year (incurred)
Year 4 (2015)	$10 per acre per year (paid)	$235 per acre per year (incurred)
Year 5 (2016)	$15 per acre per year (paid)	$235 per acre per year (incurred)
Year 6 (2017)	$15 per acre per year (paid)	$235 per acre per year (incurred)
Year 7 (2018)	$20 per acre per year (paid)	$355 per acre per year (incurred)
Year 8 (2019)	$20 per acre per year (paid in 2020)	$355 per acre per year (incurred)
Year 9 (2020)	$20 per acre per year (paid)	$355 per acre per year (incurred)
Year 10 (2021)	$25 per acre per year (paid)	$355 per acre per year (incurred)
Year 11 (2022)	$25 per acre per year	$355 per acre per year
Year 12 (2023)	$25 per acre per year	$355 per acre per year
Year 13 (2024)	$25 per acre per year	$355 per acre per year

(Expressed in U.S. Dollars)

For the amendment for an additional 627 acres:

	Payments	Exploration Expenditures
Year 1 (2015)	$10 per acre per year (paid)	$125 per acre per year (incurred)
Year 2 (2016)	$10 per acre per year (paid)	$125 per acre per year (incurred)
Year 3 (2017)	$10 per acre per year (paid)	$125 per acre per year (incurred)
Year 4 (2018)	$15 per acre per year (paid)	$235 per acre per year (incurred)
Year 5 (2019)	$15 per acre per year (paid in 2020)	$235 per acre per year (incurred)
Year 6 (2020)	$15 per acre per year (paid)	$235 per acre per year (incurred)
Year 7 (2021)	$18.75 per acre per year (paid)	$235 per acre per year (incurred)
Year 8 (2022)	$18.75 per acre per year	$355 per acre per year
Year 9 (2023)	$18.75 per acre per year	$355 per acre per year
Year 10 (2024)	$18.75 per acre per year	$355 per acre per year

For the amendment for an additional 546 acres:

	Payments	Exploration Expenditures
Year 1 (2020)	$10 per acre per year (paid)	$125 per acre per year (incurred)
Year 2 (2021)	$10 per acre per year (paid)	$125 per acre per year (incurred)
Year 3 (2022)	$10 per acre per year	$125 per acre per year
Year 4 (2023)	$15 per acre per year	$235 per acre per year
Year 5 (2024)	$15 per acre per year	$235 per acre per year
Year 6 (2025)	$15 per acre per year	$235 per acre per year
Year 7 (2026)	$20 per acre per year	$355 per acre per year
Year 8 (2027)	$20 per acre per year	$355 per acre per year
Year 9 (2028)	$20 per acre per year	$355 per acre per year

(Expressed in U.S. Dollars)

For the January 1, 2022 agreement for an additional 1,818 acres:

	Payments	Exploration Expenditures
Year 1 (2022)	$10 per acre per year	$125 per acre per year
Year 2 (2023)	$10 per acre per year	$125 per acre per year
Year 3 (2024)	$10 per acre per year	$125 per acre per year
Year 4 (2025)	$15 per acre per year	$250 per acre per year
Year 5 (2026)	$15 per acre per year	$250 per acre per year
Year 6 (2027)	$15 per acre per year	$250 per acre per year
Year 7 (2028)	$20 per acre per year	$375 per acre per year
Year 8 (2029)	$20 per acre per year	$375 per acre per year
Year 9 (2030)	$20 per acre per year	$375 per acre per year

The claims will be subject to the following NSR:

Price of Gold (per ounce)	Net Royalty
$500 or below	1.0%
$500.01 - $700.00	2.0%
$700.01 - $900.00	3.0%
$900.01 - $1,200.00	3.5%
above $1,200.00	4.5%

(vii) **Alaska Mining and Development Property**

By agreement effective September 9, 2020, the Company completed the acquisition of Alaska Mining & Development Co., Inc. (“Alaska Mining”), by purchasing all the issued and outstanding shares of Alaska Mining in exchange for cash consideration of $1,100,000 (the “Acquisition”). Alaska Mining owned certain mineral claims in the Fairbanks Mining District of Alaska.

The Company determined that Alaska Mining did not qualify as a business at the time of Acquisition; therefore, the transaction was considered an acquisition of the net assets of Alaska Mining and accounted for using the acquisition method, whereby the purchase consideration was allocated to the estimated fair value of the identifiable assets acquired at the date of the Acquisition. The purchase price was allocated to the net asset acquired in the Acquisition as follows:

<u>Fair value of consideration paid:</u>

Cash	$1,100,000

<u>Net asset acquired:</u>

Exploration and evaluation properties	$1,100,000

(viii) **Discovery Claims**

By agreement effective June 23, 2021, the Company purchased certain mineral claims in the Fairbanks Mining District of Alaska for cash consideration of $500,000.

b) **Shorty Creek Property, Alaska, USA**

By agreement dated July 17, 2014, the Company entered into a renewable 10-year lease agreement to acquire certain mineral claims located 100 km northwest of Fairbanks, Alaska known as the Shorty Creek Property. On August 8, 2014, the Company issued 750,000 common shares as consideration. The vendor will retain a 2% NSR and is responsible for the annual State of Alaska rents for the first 5 years after which the Company will be responsible. In 2014 and 2016, additional claims were staked within and outside the area of interest and the Company will be responsible for these annual State of Alaska rents.

On March 5, 2019, the Company entered into an agreement (the “SC Option Agreement”) with a wholly-owned subsidiary of South32 Limited (“South32”) whereby South32 has the option to earn a 70% interest in the Shorty Creek Property. To maintain the option in good standing under the SC Option Agreement, South32 is required to contribute minimum exploration funding of $10 million over a 4-year option period with minimum exploration expenditures of $2 million in Years 1 and 2, and $3 million in Years 3 and 4 for an aggregate of $10 million. The first year expenditure of a minimum of $2 million was completed.

On November 2, 2020, the Company and South32 entered into an amendment to the SC Option Agreement (the “Amending Agreement”) to modify and defer South 32’s funding obligations for Years 2, 3 and 4 in light of safety concerns presented by the COVID-19 pandemic. Pursuant to the Amending Agreement, Year 2, which was originally to have expired on January 31, 2021, was divided into two parts: Year 2, Part 1, which expires on March 31, 2021 and Year 2, Part 2, which expires on January 31, 2022. In order to maintain the option in good standing, South32 must contribute minimum exploration funding of $300,000 in Year 2, Part 1 (received) and an additional $2 million in Year 2, Part 2 (completed). The Year 3 and Year 4 expiry dates have been deferred for one year and now expire on January 31, 2023 and January 31, 2024, respectively.

Should South32 withdraw prior to exercising its option, the option will lapse and South32 will have no further interest in or claim against the Project.

South32 may exercise its option at any time following Year 1 to subscribe for 70% of the shares of a newly formed project company by committing $30 million to the newly formed company, less the amount of exploration expenditures contributed by South32 during the option period.

After the subscription funding has been expended by the project holding company, the parties will contribute funding on a pro rata basis (70% and 30% to South 32 and the Company, respectively), as contemplated by the operating agreement which will govern the period subsequent to the option exercise.

The Company will act as the operator of the Project during the option period and will provide annual reports and budgets to a technical committee formed by the Company and South32, for the purpose of reviewing and approving each year’s program.

During the three-month period ended March 31, 2022, management fee revenue of $6,189 (March 31, 2021 - $4,684) was earned pursuant to the 10% operator fee.

(Expressed in U.S. Dollars)

6 (a) Property, Plant and Equipment

	Automotive	Computer Equipment	Office Equipment	Exploration Office	Exploration Office Equipment	Land	Total
Costs							
Balance, December 31, 2020	$ 33,602	$ 12,209	$ 6,658	$ 179,944	$ 13,396	$ 218,892	$ 464,701
Additions	95,612	-	-	-	-	-	95,612
Balance, December 31, 2021	$ 129,214	$ 12,209	$ 6,658	$ 179,944	$ 13,396	$ 218,892	$ 560,313
Accumulated Depreciation							
Balance, December 31, 2020	$ (32,449)	$ (10,712)	$ (5,552)	$ (57,822)	$ (11,777)	$ -	$ (118,312)
Depreciation	(14,688)	(514)	(158)	(4,885)	(324)	-	(20,569)
Balance, December 31, 2021	$ (47,137)	$ (11,226)	$ (5,710)	$ (62,707)	$ (12,101)	$ -	$ (138,881)
Net Book Value	$ **82,077**	**$ 983**	**$ 948**	**$ 117,237**	**$ 1,295**	**$ 218,892**	**$ 421,432**

(Expressed in U.S. Dollars)

	Automotive	Computer Equipment	Office Equipment	Exploration Office	Exploration Office Equipment	Land	Total
Costs							
Balance, December 31, 2021	$ 129,214	$ 12,209	$ 6,658	$ 179,944	$ 13,396	$ 218,892	$ 560,313
Additions	-	-	-	-	-	-	-
Balance, March 31, 2022	$ 129,214	$ 12,209	$ 6,658	$ 179,944	$ 13,396	$ 218,892	$ 560,313
Accumulated Depreciation							
Balance, December 31, 2021	$ (47,137)	$ (11,226)	$ (5,710)	$ (62,707)	$ (12,101)	$ -	$ (138,881)
Depreciation	(13,226)	(89)	(32)	(1,172)	(65)	-	(14,584)
Balance, March 31, 2022	$ (60,363)	$ (11,315)	$ (5,742)	$ (63,879)	$ (12,166)	$ -	$ (153,465)
Net Book Value	**$ 68,851**	**$ 894**	**$ 916**	**$ 116,065**	**$ 1,230**	**$ 218,892**	**$ 406,848**

(Expressed in U.S. Dollars)

6 (b) Right-of-Use Asset and Lease Liability

The Company has an office lease for its head office in Vancouver, BC, with a lease term to September 30, 2021. On September 21, 2021, the Company renewed the office lease for an additional five-year term and recognized a right-of-use asset of $174,360 and a lease liability of $174,360 until September 30, 2026.

The continuity of the right-of-use asset for the periods ended March 31, 2022 and December 31, 2021 and 2020 is as follows:

	Right-of-Use Asset
January 1, 2020	$ 82,293
Amortization	(48,129)
December 31, 2020	$ 34,164
Additions	174,360
Amortization	(42,979)
December 31, 2021	$165,545
Amortization	(8,745)
March 31, 2022	$156,800

The continuity of the lease liability for the periods ended March 31, 2022 and December 31, 2021 is as follows:

	Lease Liability
January 1, 2020	$ 86,865
Lease payments	(52,474)
Accretion expense	3,108
December 31, 2020	$ 37,499
Additions	174,360
Lease payments	(50,649)
Accretion expense	5,806
December 31, 2021	$ 167,016
Lease payments	(6,831)
Accretion expense	1,733
March 31, 2022	$ 161,918
Less: Current portion of lease liability	(30,880)
Long-term portion of lease liability – March 31, 2022	$ 131,038

(Expressed in U.S. Dollars)

Future minimum lease payments are as follows:

		March 31, 2022
Less than 1 year	$	36,874
1 to 5 years		140,262
Total	$	177,136

Short-term leases are leases with a lease term of twelve months or less. As at March 31, 2022, the Company did not have any short-term leases.

The right-of-use asset and corresponding lease liability were initially measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate of 4.25% per annum.

7. Related Party Balances and Transactions

Key management personnel includes individuals having authority and responsibility for planning, directing and controlling the activities of the Company. The Company has determined that key management personnel consist of directors and officers of the Company, and any companies controlled by these parties.

A summary of key management compensation is as follows:

		March 31, 2022		March 31, 2021
Professional fees – Chief Financial Officer	**$**	**16,142**	$	15,576
Consulting fees– Corporate Secretary		**5,934**		5,915
Wages, salaries and benefits – President and Vice President		**98,908**		76,892
Total	**$**	**120,984**	$	98,383

8. Restoration and Environmental Obligations

The Company's restoration and environmental obligations consist of reclamation and land rehabilitation costs for the Golden Summit Property *(Note 5a)*. As at March 31, 2022, the present value of the estimated obligations relating to properties is $250,000 (December 31, 2021 – $250,000) using a discount rate of 2.47% (December 31, 2021 – 2.47%) and an inflation rate of 7.0% (December 31, 2021 – 7.0%).

The undiscounted reclamation and closure cost obligation at March 31, 2022 is $250,000 (December 31, 2021 – $250,000). The impacts of inflation and discounting on the obligation and accretion are immaterial.

(Expressed in U.S. Dollars)

Movements in the reclamation and closure cost balance during the periods are as follows:

		March 31, 2022		December 31, 2021
Balance, beginning of year	**$**	**250,000**	$	250,000
Balance, end of period	**$**	**250,000**	$	250,000

9. Share Capital

The Company has authorized an unlimited number of common shares with no par value. At March 31, 2022, the Company had 337,758,189 common shares outstanding (December 31, 2021 – 337,499,366).

a) Share Issuances and Other

On May 26, 2020, the Company closed a brokered private placement of 20,895,674 Units ("First Tranche Units") at a price of Cdn$0.17 per First Tranche Unit for gross proceeds of Cdn$3,552,265 ($2,647,980) and 8,516,326 subscription receipts (the "First Tranche Subscription Receipts") at a price of $0.17 per First Tranche Subscription Receipt for gross proceeds of Cdn$1,447,775 ($1,079,221). Paradigm Capital Inc. ("Paradigm") acted as sole agent on the private placement. Each First Tranche Unit consists of one common share (each a "Common Share") and one-half of one common share purchase warrant (each whole warrant a "First Tranche Warrant"). Each First Tranche Warrant will entitle the holder thereof to purchase one Common Share at a price of $0.28 until May 26, 2022. Each First Tranche Subscription Receipt will entitle the holder thereof to receive, without payment of any additional consideration, one Unit *(Note 9b)*.

The Company granted Paradigm 1,462,697 agent warrants relating to the 20,895,674 private placement of First Tranche Units and 596,143 agent warrants relating to the placement of 8,516,326 First Tranche Subscription Receipts. Each agent warrant entitles Paradigm to acquire one Common Share at a price of Cdn$0.225 until May 26, 2022. The Company incurred share issue costs associated with this financing of $1,189,770 of which $500,185 were commissions and related expenses and $689,585 was the value attributable to the agent warrants *(Note 9b)*.

On June 2, 2020, the Company closed a brokered private placement of 19,167,000 subscription receipts ("Second Tranche Subscription Receipts") at a price of Cdn$0.30 for gross proceeds of Cdn$5,750,100 ($4,286,321). Paradigm acted as sole agent on the placement. Each Second Tranche Subscription Receipt will entitle the holder thereof to receive, without payment of any additional consideration, one Unit (a "Second Tranche Unit"). Each Second Tranche Unit will consist of one Common Share and one-half of one common share purchase warrant (each whole warrant a "Second Tranche Warrant"). Each Second Tranche Warrant will entitle the holder thereof to purchase one Common Share at a price of $0.45 until June 2, 2022 *(Note 9b)*.

The Company granted Paradigm 1,341,690 agent warrants relating to the 19,167,000 Second Tranche Subscription Receipts. Each agent warrant entitles the agent to acquire one Common Share at a price of Cdn$0.30 until June 2, 2022. The Company incurred share issue costs associated with this financing of $853,069, of which $374,271 were commissions and related expenses and $478,798 was the value attributable to the agent warrants *(Note 9b)*.

(Expressed in U.S. Dollars)

On July 29, 2020, the Company closed a brokered private placement of 31,363,700 subscription receipts ("Third Tranche Subscription Receipts") at a price of Cdn$1.10 for gross proceeds of Cdn$34,500,070 ($25,717,533). Paradigm acted as sole agent on the placement. Each Third Tranche Subscription Receipt will entitle the holder thereof to receive, without payment of any additional consideration, one Unit (a Third Tranche Unit"). Each Third Tranche Unit will consist of one Common Share and one-half of one common share purchase warrant (each whole warrant a "Third Tranche Warrant"). Each Third Tranche Warrant will entitle the holder thereof to purchase one Common Share at a price of $1.65 until July 29, 2022 *(Note 9b)*.

The Company granted Paradigm 395,454 agent warrants relating to the Third Tranche Subscription Receipts. Each agent warrant entitles the agent to acquire one Common Share at a price of Cdn$1.34 until July 29, 2022. The Company incurred share issue costs associated with this financing of $2,074,686 of which $1,702,299 were commissions and related expenses and $372,387 was the value attributable to the agent warrants *(Note 9b)*.

The exchange of the First Tranche Subscription Receipts, Second Tranche Subscription Receipts and Third Tranche Subscription Receipts (collectively the "Subscription Receipts") for Units was approved by Freegold shareholders on September 15, 2020.

b) **Share Purchase Warrants**

The following is a summary of the changes in the Company's share purchase warrants for the periods ended March 31, 2022 and December 31, 2021:

	March 31, 2022		December 31, 2021	
	Number of warrants	Weighted average exercise price (Cdn$)	Number of warrants	Weighted average exercise price (Cdn$)
Outstanding, beginning of the year	56,336,460	0.64	56,736,460	0.64
Exercised	-	-	(400,000)	0.12
Exercised	(58,823)	0.28	-	0.28
Exercised	(150,000)	0.45	-	0.45
Outstanding, end of the period	56,127,637	0.64	56,336,460	0.64

(Expressed in U.S. Dollars)

The following table summarizes information regarding share purchase warrants outstanding as at March 31, 2022:

	Number	Price per Share (Cdn$)	Expiry Date	
	15,522,152	0.081	September 5, 2022	(vii)
	13,015,551	0.28	May 26, 2022	(i)
	1,058,840	0.225	May 26, 2022	(ii)
	9,112,100	0.45	June 2, 2022	(iii)
	1,341,690	0.30	June 2, 2022	(iv)
	15,681,850	1.65	July 29, 2022	(v)
	395,454	1.34	July 29, 2022	(vi)
Total	56,127,637			

(i) During the year ended December 31, 2020, 14,706,000 share purchase warrants having a relative fair value of $1,666,857 were issued relating to the May 26, 2020 private placement. Each warrant entitles the holder to purchase one additional common share at a price of Cdn$0.28 per share exercisable until May 26, 2022. The fair values were calculated using the Black-Scholes option pricing model with an expected life of 2.0 years, risk-free interest rate of 0.28%, a dividend yield of 0% and historical volatility of 155% *(Note 9a)*.

(ii) During the year ended December 31, 2020, 2,058,840 agent warrants having a fair value of $689,585 were issued relating to the May 26, 2020 private placement. Each warrant entitles the holder to purchase one additional common share at a price of Cdn$0.225 per share exercisable until May 26, 2022. The fair values were calculated using the Black-Scholes option pricing model with an expected life of 2.0 years, risk-free interest rate of 0.28%, a dividend yield of 0% and historical volatility of 155% *(Note 9a)*.

(iii) During the year ended December 31, 2020, 9,583,500 share purchase warrants having a relative fair value of $1,856,154 were issued relating to the June 2, 2020 private placement. Each warrant entitles the holder to purchase one additional common share at a price of Cdn$0.45 per share exercisable until June 2, 2022. The fair values were calculated using the Black-Scholes option pricing model with an expected life of 2.0 years, risk-free interest rate of 0.26%, a dividend yield of 0% and historical volatility of 155% *(Note 9a)*.

(iv) During the year ended December 31, 2020, 1,341,690 agent warrants having a fair value of $478,798 were issued relating to the June 2, 2020 private placement. Each warrant entitles the holder to purchase one additional common share at a price of Cdn$0.30 per share exercisable until June 2, 2022. The fair values were calculated using the Black-Scholes option pricing model with an expected life of 2.0 years, risk-free interest rate of 0.26%, a dividend yield of 0% and historical volatility of 155% *(Note 9a)*.

(v) During the year ended December 31, 2020, 15,681,850 share purchase warrants having a relative fair value of $10,886,765 were issued relating to the July 29, 2020 private placement. Each warrant entitles the holder to purchase one additional common share at a price of Cdn$1.65 per share exercisable until July 29, 2022. The fair values were calculated using the Black-Scholes option pricing model with an expected life of 2.0 years, risk-free interest rate of 0.23%, a dividend yield of 0% and historical volatility of 157% *(Note 9a)*.

(Expressed in U.S. Dollars)

(vi) During the year ended December 31, 2020, 395,454 agent warrants having a fair value of $372,387 were issued relating to the July 29, 2020 private placement. Each warrant entitles the holder to purchase one additional common share at a price of Cdn$1.34 per share exercisable until July 29, 2022. The fair values were calculated using the Black-Scholes option pricing model with an expected life of 2.0 years, risk-free interest rate of 0.23%, a dividend yield of 0% and historical volatility of 157% *(Note 9a)*.

(vii) During the year ended December 31, 2019, 15,746,152 share purchase warrants were issued relating to a private placement. Each warrant entitles the holder to purchase one additional common share at a price of Cdn$0.081 per share exercisable until September 5, 2022.

c) **Stock Options**

The Company has established a stock option plan (the “Stock Option Plan”) whereby the Board of Directors (the “Board”), may from time to time, grant options to directors, officers, employees or consultants. At the Company’s Annual General Meeting held on June 29, 2021, shareholders re-approved a resolution which reserves up to 10% of the issued and outstanding shares from time to time (including existing stock options), as a “rolling stock option plan”. Stock options may be granted under the Stock Option Plan with an exercise period of up to ten (10) years from the date of grant or such lesser period as determined by the Board, subject to a short extension in the case of a Company imposed blackout period. Any stock options granted under the Stock Option Plan will not be subject to any vesting schedule, unless otherwise determined by the Board. The exercise price of an option will not be less than the closing price of the common shares on the day prior to grant. The policies of the TSX require the approval of all unallocated options, rights or entitlements under the Stock Option Plan by the Company’s shareholders every three years with the next such renewal approval requested by shareholders on or before June 29, 2024.

A summary of the Company’s stock options at March 31, 2022 and the changes for the period are as follows:

Number Outstanding December 31, 2021	Granted	Exercised	Cancelled	Expired	Number Outstanding March 31, 2022	Number Exercisable March 31, 2022	Exercise Price (Cdn$)	Expiry Date
2,345,000	-	(50,000)	-	-	2,295,000	2,295,000	0.10	July 23, 2023
100,000	-	-	-	-	100,000	100,000	0.07	May 15, 2024
4,315,000	-	-	-	-	4,315,000	4,315,000	0.70	Aug. 31, 2026
6,760,000	-	(50,000)	-	-	6,710,000	6,710,000	0.49	

(Expressed in U.S. Dollars)

A summary of the Company's stock options at December 31, 2021 and the changes for the year are as follows:

Number Outstanding December 31, 2020	Granted	Exercised	Cancelled	Expired	Number Outstanding December 31, 2021	Number Exercisable December 31, 2021	Exercise Price (Cdn$)	Expiry Date
3,570,000	-	(3,570,000)	-	-	-	-	0.21	July 8, 2021
2,735,000	-	(390,000)	-	-	2,345,000	2,345,000	0.10	July 23, 2023
100,000	-	-	-	-	100,000	100,000	0.07	May 15, 2024
-	4,315,000	-	-	-	4,315,000	4,315,000	0.70	Aug. 31, 2026
6,405,000	4,315,000	(3,960,000)	-	-	6,760,000	6,760,000	0.48	

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted average assumptions:

	March 31, 2022	December 31, 2021
Expected dividend yield	**-**	-
Historical volatility	**-**	124.75%
Risk-free interest rate	**-**	0.87%
Expected life of options	**-**	5.00 years

(Expressed in U.S. Dollars)

10. Segmented Information

Details on a geographic basis as at March 31, 2022 are as follows:

		USA		Canada		Total
Revenue for the period	**$**	**-**	**$**	**6,189**	**$**	**6,189**
(Loss) for the period	**$**	**(14,833)**	**$**	**(296,888)**	**$**	**(311,721)**
Comprehensive (loss) for the period	**$**	**(14,833)**	**$**	**(164,511)**	**$**	**(179,344)**
Current assets	**$**	**509,619**	**$**	**11,072,770**	**$**	**11,582,389**
Right-of-use asset	**$**	**-**	**$**	**156,800**	**$**	**156,800**
Property, plant and equipment	**$**	**405,038**	**$**	**1,810**	**$**	**406,848**
Exploration and evaluation properties	**$**	**62,864,830**	**$**	**-**	**$**	**62,864,830**
Total assets	**$**	**63,779,487**	**$**	**11,231,380**	**$**	**75,010,867**

Details on a geographic basis as at December 31, 2021 are as follows:

		USA		Canada		Total
Revenue for the year	$	-	$	226,688	$	226,688
Income (loss) for the year	$	(22,435)	$	(2,184,684)	$	(2,207,119)
Comprehensive income (loss) for the year	$	(22,435)	$	(1,864,284)	$	(1,886,719)
Current assets	$	437,841	$	13,806,905	$	14,244,746
Right-of-use asset	$	-	$	165,545	$	165,545
Property, plant and equipment	$	419,501	$	1,931	$	421,432
Exploration and evaluation properties	$	59,591,516	$	-	$	59,591,516
Total assets	$	60,448,858	$	13,974,381	$	74,423,239

Details on a geographic basis as at March 31, 2021 are as follows:

		USA		Canada		Total
Revenue for the period	$	-	$	4,684	$	4,684
Income (loss) for the period	$	(4,255)	$	(405,505)	$	(409,760)
Comprehensive income (loss) for the period	$	(4,255)	$	(76,318)	$	(80,573)

11. Comparative Figures

Certain comparative figures have been adjusted to conform to the current period’s presentation.

(Expressed in U.S. Dollars)

12. Financial Instruments and Risk Management

a) Financial Instruments

The carrying value of financial assets and liabilities at March 31, 2022 and December 31, 2021 are as follows:

		March 31, 2022		December 31, 2021
Financial Assets				
Amortized cost				
Cash and cash equivalents	**$**	**11,192,199**	$	13,832,580
Restricted cash		**97,555**		165,636
Amounts receivable		**293**		3,125
Financial Liabilities				
Amortized cost				
Trade payables	**$**	**1,078,346**	$	306,659
Accrued liabilities		**40,013**		39,438
Lease liability		**161,918**		167,016
Project cost advance received		**97,555**		165,636

The carrying value of these financial instruments approximates their fair values.

Financial instrument hierarchy

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

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company does not carry any financial instruments measured at fair value through profit or loss.

b) Capital Management

The capital structure of the Company consists of equity attributable to common shareholders, comprising issued capital, accumulated other comprehensive income (loss) and deficit. The Company's objectives when managing capital are to: (i) preserve capital, (ii) obtain the best available net return, and (iii) maintain liquidity.

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

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended March 31, 2022. Neither the Company nor its subsidiaries are subject to externally imposed capital requirements.

c) **Credit Risk**

Credit risk is the risk of an unexpected loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises primarily from the Company's cash and cash equivalents and amounts receivable. The Company manages its credit risk relating to cash and cash equivalents by dealing only with highly-rated Canadian financial institutions. As at March 31, 2022, amounts receivable of $32,287 (December 31, 2021 - $22,710) was comprised of goods and services tax receivable of $31,994 (December 31, 2021 - $19,585) and other receivables of $293 (December 31, 2021 - $3,125). As a result, credit risk is considered insignificant.

d) **Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by continuously monitoring actual and projected cash flows and matching the maturity profile of financial assets and liabilities. As at March 31, 2022, the Company had cash of $11,192,199 to settle current liabilities of $1,246,794.

e) **Currency Risk**

Foreign currency exchange risk is the risk that future cash flows, net income (loss) and comprehensive income (loss) will fluctuate as a result of changes in foreign exchange rates. As the Company's operations are conducted internationally, operations and capital activity may be transacted in currencies other than the functional currency of the entity party to the transaction.

The Company's objective in managing its foreign currency risk is to minimize its net exposures to foreign currency cash flows by obtaining most of its estimated annual U.S. cash requirements and holding the remaining currency in Canadian dollars. The Company monitors and forecasts the values of net foreign currency cash flow and condensed consolidated interim statement of financial position exposures and from time to time could authorize the use of derivative financial instruments such as forward foreign exchange contracts to economically hedge a portion of foreign currency fluctuations.

(Expressed in U.S. Dollars)

The following table provides an indication of the Company's foreign currency exposures during the periods ended March 31, 2022 and December 31, 2021:

	March 31, 2022 (Cdn$)	December 31, 2021 (Cdn$)
Cash and cash equivalents	**10,867,716**	12,137,569
Trade payables and accruals	**401,907**	334,251

A 1% change in Canadian/US foreign exchange rate at period end would have changed the net loss of the Company, assuming that all other variables remained constant, by approximately $104,658 for the three-month ended March 31, 2022 (March 31, 2021 - $144,382).

The Company has not entered into any derivative instruments to offset the impact of foreign currency fluctuations.

f) **Interest Rate Risk**

The Company is not subject to interest rate risk.

g) **Commodity Price Risk**

The Company is in the exploration stage and is not subject to commodity price risk.