



ANGUS GOLD INC.
CONDENSED INTERIM FINANCIAL STATEMENTS
THREE MONTHS ENDED APRIL 30, 2024
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

NOTICE TO READER

The accompanying unaudited condensed interim financial statements of Angus Gold Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Company's auditors.

Angus Gold Inc.

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

	As at April 30, 2024	As at January 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents (notes 3 and 11)	\$ 6,770,545	\$ 3,483,813
HST receivable	182,882	82,636
Prepaid expenses and other assets	93,554	66,445
Total assets	\$ 7,046,981	\$ 3,632,894
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 93,086	\$ 365,643
Due to related parties (note 10)	10,851	49,820
Flow-through share liability (note 3)	729,874	624,207
Total liabilities	833,811	1,039,670
Shareholders' equity		
Share capital (note 4)	23,996,984	20,329,627
Warrants (note 5)	487,946	-
Contributed surplus (notes 6 and 7)	3,325,278	2,898,013
Accumulated deficit	(21,597,038)	(20,634,416)
Total shareholders' equity	6,213,170	2,593,224
Total liabilities and shareholders' equity	\$ 7,046,981	\$ 3,632,894

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

Nature and continuance of operations (note 1)

Commitments (note 11)

Subsequent event (note 12)

Angus Gold Inc.**Condensed Interim Statements of Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)**

	Three Months Ended April 30,	
	2024	2023
Operating expenses		
Depreciation	\$ -	\$ 1,687
Exploration and evaluation expenditures (note 9)	1,202,890	1,462,417
Filing and regulatory fees (note 10)	7,282	4,879
Interest income	(92,013)	(17,001)
Office and general	13,170	15,103
Professional fees (note 10)	22,756	32,860
Share-based payments (notes 6 and 7)	427,265	213,559
Shareholder information	9,759	12,262
Travel and promotion costs	45,900	41,295
Total operating expenses	(1,637,009)	(1,767,061)
Premium on flow-through shares (note 3)	334,387	177,448
Grant from government	340,000	140,000
Net loss and comprehensive loss for the period	\$ (962,622)	\$ (1,449,613)
Basic and diluted net loss per share (note 8)	\$ (0.02)	\$ (0.03)
Weighted average number of common shares outstanding - basic and diluted	54,313,105	42,452,077

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

Angus Gold Inc.

Condensed Interim Statements of Changes in Shareholders' Equity (Expressed in Canadian Dollars) (Unaudited)

	Share Capital		Warrants	Contributed Surplus	Accumulated Deficit	Total
	Number of Shares	Amount				
Balance, January 31, 2023	42,226,050	\$ 15,441,513	\$ -	\$ 1,851,923	\$ (15,710,097)	\$ 1,583,339
Private placement (note 4(b)(i))	6,875,000	6,455,000	-	-	-	6,455,000
Share issue costs	-	(58,166)	-	-	-	(58,166)
Flow-through share premium	-	(1,505,000)	-	-	-	(1,505,000)
Stock options cancelled	-	-	-	(10,572)	10,572	-
Share-based payments (notes 6 and 7)	-	-	-	213,559	-	213,559
Net loss for the period	-	-	-	-	(1,449,613)	(1,449,613)
Balance, April 30, 2023	49,101,050	\$ 20,333,347	\$ -	\$ 2,054,910	\$ (17,149,138)	\$ 5,239,119
Balance, January 31, 2024	49,101,050	\$ 20,329,627	\$ -	\$ 2,898,013	\$ (20,634,416)	\$ 2,593,224
Private placement (note 4(b)(ii))	5,800,000	4,640,000	-	-	-	4,640,000
Warrants (note 4(b)(ii))	-	(487,946)	487,946	-	-	-
Share issue costs	-	(44,643)	-	-	-	(44,643)
Flow-through share premium (note 3(i))	-	(440,054)	-	-	-	(440,054)
Share-based payments (notes 6 and 7)	-	-	-	427,265	-	427,265
Net loss for the period	-	-	-	-	(962,622)	(962,622)
Balance, April 30, 2024	54,901,050	\$ 23,996,984	\$ 487,946	\$ 3,325,278	\$ (21,597,038)	\$ 6,213,170

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

Angus Gold Inc.

Condensed Interim Statements of Cash Flows (Expressed in Canadian Dollars) (Unaudited)

	Three Months Ended April 30,	
	2024	2023
Operating activities		
Net loss for the period	\$ (962,622)	\$ (1,449,613)
Adjustment for:		
Depreciation	-	1,687
Share-based payments (notes 6 and 7)	427,265	213,559
Premium on flow-through shares (note 3)	(334,387)	(177,448)
Changes in non-cash working capital items:		
HST receivable	(100,246)	(41,315)
Prepaid expenses and other assets	(27,109)	75
Accounts payable and accrued liabilities	(272,557)	(387,190)
Due to related parties	(38,969)	(12,846)
Net cash and cash equivalents used in operating activities	(1,308,625)	(1,853,091)
Financing activities		
Proceeds from private placements (note 4(b)(i)(ii))	4,640,000	6,455,000
Share issue costs	(44,643)	(58,166)
Net cash and cash equivalents provided by financing activities	4,595,357	6,396,834
Net change in cash and cash equivalents	3,286,732	4,543,743
Cash and cash equivalents, beginning of period	3,483,813	2,152,781
Cash and cash equivalents, end of period	\$ 6,770,545	\$ 6,696,524

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

Angus Gold Inc.

Notes to Condensed Interim Financial Statements

Three Months Ended April 30, 2024

(Expressed in Canadian Dollars)

(Unaudited)

1. Nature and continuance of operations

Angus Gold Inc. ("Angus" or the "Company") was incorporated under the Business Corporations Act (British Columbia) on September 28, 2010. Angus is a Canadian gold exploration company focused on the acquisition, exploration and development of mineral properties. The Company's principal current project is the Golden Sky Project located in Wawa, Ontario. The Company's common shares are listed for trading on the TSX Venture Exchange ("TSX-V") under the symbol "GUS".

On April 5, 2021, the Company commenced trading on the OTCQB Venture Market operated by OTC Markets Group in the United States under the ticker symbol "ANGVF".

The Company's head office, principal address and registered and records office is located at 110 Yonge Street, Suite 1601, Toronto, Ontario, M5C 1T4.

The business of mineral exploration is capital-intensive and subject to inherent uncertainties. The Company at April 30, 2024 has an accumulated deficit of \$21.6 million, no current source of operating revenue, and has not determined whether any of its property interests contain mineralization that is economically recoverable. Accordingly, the Company's continuing operations will likely be, for the foreseeable future, reliant upon obtaining equity and related party sources of financing on terms which are acceptable to it, or the realization of proceeds from the disposition of property interests. Although the Company has been successful in raising such capital to date, there is a risk that it will be unable to do so in the future.

These unaudited condensed interim financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. However, the conditions described above are suggestive of the existence of a material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern. If such uncertainties were to invalidate the going concern assumption, the Company's unaudited condensed interim financial statement could be subject to material adjustment from how they are currently presented.

2. Material accounting policies

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretation issued by the IFRS Interpretations Committee. These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 - Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB.

The policies applied in these unaudited condensed interim financial statements are based on IFRS issued and outstanding as of June 26, 2024, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended January 31, 2024. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending January 31, 2025 could result in restatement of these unaudited condensed interim financial statements.

Angus Gold Inc.

Notes to Condensed Interim Financial Statements

Three Months Ended April 30, 2024

(Expressed in Canadian Dollars)

(Unaudited)

2. Material accounting policies (continued)

Basis of presentation

These unaudited condensed interim financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The unaudited condensed interim financial statements are presented in Canadian dollars unless otherwise noted.

Significant estimates, judgements and assumptions

The preparation of unaudited condensed interim financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future which include the fair value of warrants and stock options using the Black-Scholes option pricing model. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

The preparation of unaudited condensed interim financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's unaudited condensed interim financial statements include the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

3. Flow-through share liability

	Flow-through Share Liability	Flow-through Commitment
Balance, January 31, 2024	\$ 624,207	\$ 2,229,312
Liability incurred on flow-through shares issued (i)	440,054	4,640,000
Settlement of flow-through share liability on incurring expenditures	(334,387)	(1,194,240)
Balance, April 30, 2024	\$ 729,874	\$ 5,675,072

The Company's flow-through share liability at a point in time is intended to reflect the tax benefit associated with the balance of unexpected flow-through financings. It is expected to be recovered entirely through income as the expenditures are made, and is therefore not itself subject to being settled with cash.

(i) The flow-through common shares issued in the brokered private placement completed on February 8, 2024 were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be \$440,054.

Angus Gold Inc.

Notes to Condensed Interim Financial Statements

Three Months Ended April 30, 2024

(Expressed in Canadian Dollars)

(Unaudited)

4. Share capital

a) Authorized share capital

At April 30, 2024, the authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

At April 30, 2024, the issued share capital amounted to \$23,996,984. The issued share capital for the periods were as follows:

	Number of Common Shares	Amount
Balance, January 31, 2023	42,226,050	\$ 15,441,513
Private placement (i)	6,875,000	6,455,000
Flow-through share premium	-	(1,505,000)
Share issue costs	-	(58,166)
Balance, April 30, 2023	49,101,050	\$ 20,333,347
Balance, January 31, 2024	49,101,050	\$ 20,329,627
Private placement (ii)	5,800,000	4,640,000
Warrants (ii)	-	(487,946)
Flow-through share premium (note 3(i))	-	(440,054)
Share issue costs	-	(44,643)
Balance, April 30, 2024	54,901,050	\$ 23,996,984

(i) On April 27, 2023, the Company completed a non-brokered private placement for total gross proceeds of \$6,455,000. The offering was comprised of 1,500,000 hard dollar shares at a price of \$0.72 and 5,375,000 flow-through shares of the Company at a price of \$1.00 per flow-through share.

The gross proceeds from the financing will be used to fund Canadian Exploration Expenses (within the meaning of the Income Tax Act (Canada)) which shall qualify as "flow-through mining expenditures", for purposes of the Income Tax Act (Canada), related to the Company's projects.

In connection with the offering, funds managed by Delbrook Capital Advisors Inc., acquired 1,396,000 common shares of the Company and as at that date owned a total of 8,102,300 common shares representing 16.5% of the issued and outstanding common shares.

Certain directors and officers of the Company subscribed to the offering for an aggregate of 680,000 flow-through common shares.

Angus Gold Inc.

Notes to Condensed Interim Financial Statements Three Months Ended April 30, 2024 (Expressed in Canadian Dollars) (Unaudited)

4. Share capital (continued)

b) Common shares issued (continued)

(ii) On February 8, 2024, the Company completed a non-brokered charity flow-through private placement for total gross proceeds of \$4,640,000. The offering was comprised of 5,800,000 charity flow-through units of the Company at a price of \$0.80 per charity flow-through share. Each charity flow-through unit consisted of one common share of the Company and one-half of one common share purchase warrant of the Company. Each whole warrant entitles the holder to acquire one common share of the Company at a price of \$0.80 per warrant for a period of 24 months from the date of issuance.

The fair value of these warrants was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.64; expected dividend yield of 0%; risk-free interest rate of 4.19%; volatility of 56% and an expected life of 2 years. The fair value assigned to these warrants was \$487,946.

The gross proceeds from the financing will be used to fund Canadian Exploration Expenses (within the meaning of the Income Tax Act (Canada)) which shall qualify as “flow-through mining expenditures”, for purposes of the Income Tax Act (Canada), related to the Company’s Golden Sky project.

Following the closing of the offering, Wesdome Gold Mines Ltd. (“Wesdome”) acquired all 5,800,000 charity flow-through units issued under the offering from the subscribers to the offering (the “Strategic Investment”) and as at that date owned a total of 5,800,000 common shares representing 10.6% of the Company’s issued and outstanding common shares. In connection with the Strategic Investment, the Company entered into an investor rights agreement with Wesdome pursuant to which the Company has granted Wesdome customary anti-dilution rights to maintain its equity ownership interest in the Company through the right to participate in future equity financings and a top-up right.

5. Warrants

The following table summarizes warrants issued during the periods presented:

	Number of Warrants	Fair Value
Balance, January 31, 2023 and April 30, 2023	-	\$ -
Balance, January 31, 2024	-	\$ -
Granted (note 4(b)(ii))	2,900,000	487,946
Balance, April 30, 2024	2,900,000	\$ 487,946

The following table reflects the warrants issued and outstanding as of April 30, 2024:

Expiry Date	Exercise Price	Warrants Outstanding	Valuation
February 8, 2026	\$ 0.80	2,900,000	\$ 487,946

Angus Gold Inc.

Notes to Condensed Interim Financial Statements
 Three Months Ended April 30, 2024
 (Expressed in Canadian Dollars)
 (Unaudited)

6. Stock options

The following table reflects the continuity of stock options for the periods presented:

	Number of Stock Options	Weighted Average Exercise Price
Balance, January 31, 2023	3,358,334	\$ 0.90
Stock options cancelled	(23,334)	0.90
Balance, April 30, 2023	3,335,000	\$ 0.90
Balance, January 31, 2024	4,610,000	\$ 0.83
Stock options granted (i)	550,000	0.60
Balance, April 30, 2024	5,160,000	\$ 0.81

(i) On April 11, 2024, the Company granted options to acquire a total of 550,000 common shares of the Company to officers, directors, employees and consultants, pursuant to the Company's stock option plan, at the exercise price of \$0.60 per share for a period of five years, vesting 1/3 on grant and 1/3 every twelve months thereafter. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.60; expected dividend yield of 0%; risk-free interest rate of 3.77%; volatility of 88% and an expected life of 5 years. The fair value assigned to these options was \$232,065.

(ii) The portion of the estimated fair value of options granted in the current and prior periods and vested during the three months ended April 30, 2024, amounted to \$199,460 (three months ended April 30, 2023 - \$160,009).

The following table reflects the stock options issued and outstanding as of April 30, 2024:

Expiry Date	Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)	Number of Options Unvested
November 6, 2024	0.28	0.52	120,000	120,000	-
November 23, 2025	0.68	1.57	240,000	240,000	-
April 7, 2026	0.80	1.94	200,000	200,000	-
June 24, 2026	0.98	2.15	200,000	200,000	-
August 27, 2026	0.90	2.33	950,000	950,000	-
November 30, 2026	0.95	2.59	75,000	75,000	-
August 29, 2027	1.03	3.33	1,350,000	933,333	416,667
November 8, 2027	0.71	3.52	200,000	133,333	66,667
August 15, 2028	0.65	4.30	1,275,000	425,000	850,000
April 11, 2029	0.60	4.95	550,000	183,333	366,667
	0.81	3.31	5,160,000	3,459,999	1,700,001

Angus Gold Inc.

Notes to Condensed Interim Financial Statements

Three Months Ended April 30, 2024

(Expressed in Canadian Dollars)

(Unaudited)

7. Restricted Stock Unit (“RSU”) Plan

During the year ended January 31, 2022, the Company adopted a RSU plan. The RSU plan provides for a fixed maximum limit of 3,500,000 RSUs.

The grant date fair value of the RSU equals the fair market value of the corresponding shares at the grant date. The fair value of these equity-settled awards is recognized as compensation expense with a corresponding increase in equity. The total amount expensed is recognized over the vesting period, which is the period over which all the specified vesting conditions should be satisfied.

On August 27, 2021, the Company granted 310,000 RSUs to officers, directors, employees and consultants of the Company under the terms of the Company’s RSU Plan. The RSUs will vest in full three years from the date of grant. Compensation for the three months ended April 30, 2024 was \$23,250 (three months ended April 30, 2023 - \$23,250) and was recorded as share-based payments in the unaudited condensed interim statement of comprehensive loss.

On August 29, 2022, the Company granted 360,000 RSUs to officers, directors, employees and consultants of the Company under the terms of the Company’s RSU Plan. The RSUs will vest in full three years from the date of grant. Compensation for the three months ended April 30, 2024 was \$30,300 (three months ended April 30, 2023 - \$30,300) and was recorded as share-based payments in the unaudited condensed interim statement of comprehensive loss.

On August 15, 2023, the Company granted 550,000 RSUs to officers, directors, employees and consultants of the Company under the terms of the Company’s RSU Plan. The RSUs will vest in full three years from the date of grant. Compensation for the three months ended April 30, 2024 was \$29,792 (three months ended April 30, 2023 - \$nil) and was recorded as share-based payments in the unaudited condensed interim statement of comprehensive loss.

On April 11, 2024, the Company granted 670,000 RSUs to officers, directors, employees, and consultants of the Company under the terms of the Company’s RSU plan, vesting 1/3 on grant and 1/3 every twelve months thereafter. Compensation for the three months ended April 30, 2024 was \$144,463 (three months ended April 30, 2023 - \$nil) and was recorded as share-based payments in the unaudited condensed interim statement of comprehensive loss.

8. Net loss per share

The calculation of basic and diluted loss per share for the three months ended April 30, 2024 was based on the loss attributable to common shareholders of \$962,622 (three months ended April 30, 2023 - \$1,449,613) and the weighted average number of common shares outstanding of 54,313,105 (three months ended April 30, 2023 - 42,452,077). Diluted loss per share did not include the effect of warrants, stock options and RSUs as they are anti-dilutive.

Angus Gold Inc.

Notes to Condensed Interim Financial Statements
Three Months Ended April 30, 2024
(Expressed in Canadian Dollars)
(Unaudited)

9. Exploration and evaluation expenditures

	Three Months Ended April 30,	
	2024	2023
Golden Sky Project		
Drilling	\$ 988,907	\$ 835,954
Environment	2,000	-
General field expenses	-	82,530
Geochemical	-	1,738
Geology	189,250	102,228
Geophysics	1,083	419,981
Option payment and staking claims	4,373	2,172
Social and community	15,000	15,180
	\$ 1,200,613	\$ 1,459,783
Slate Bay Property		
Annual taxes	\$ 2,277	\$ 2,634
	\$ 2,277	\$ 2,634
Exploration and evaluation expenditures	\$ 1,202,890	\$ 1,462,417

10. Major shareholders and related party disclosures

Major shareholders

To the knowledge of the directors and senior officers of the Company, as at April 30, 2024, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all common shares of the Company other than set out below:

	Number of Common Shares	Percentage of Outstanding Common Shares
Wesdome	5,800,000	10.56 %
Jamie Sokalsky	5,534,000	10.08 %
David Palmer, director	5,525,000	10.06 %

None of the Company's major shareholders have different voting rights than other holders of the Company's common shares.

Related party disclosures

Related parties include the members of the Board of Directors, officers of the Company, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

(i) During the three months ended April 30, 2024, the Company expensed or accrued professional fees of \$17,513 (three months ended April 30, 2023 - \$23,208) to Peterson McVicar LLP ("Peterson"). Dennis H. Peterson, a director of the Company, controls Peterson which provide legal services to the Company. As at April 30, 2024, Peterson was owed \$3,037 (January 31, 2024 - \$13,040) and this amount was included in due to related parties.

Angus Gold Inc.

Notes to Condensed Interim Financial Statements

Three Months Ended April 30, 2024

(Expressed in Canadian Dollars)

(Unaudited)

10. Major shareholders and related party disclosures (continued)

Related party disclosures (continued)

(ii) During the three months ended April 30, 2024, the Company paid for compliance services and disbursements of \$16,092 (three months ended April 30, 2023 - \$20,494) to Marrelli Support Services Inc., and certain of its affiliates, together known as the "Marrelli Group" for (i) Marie-Josée Audet, an employee of the Marrelli Group, to act as the Chief Financial Officer of Angus, (ii) bookkeeping and office support, (iii) regulatory filing services, (iv) press release services, (v) corporate secretarial services, and (vi) corporate trust and transfer agent services. As at April 30, 2024, the Marrelli Group was owed \$7,814 (January 31, 2024 - \$18,502) and this amount is included in due to related parties.

(iii) During the three months ended April 30, 2024, the Company expensed or accrued professional fees of \$nil (three months ended April 30, 2023 - \$15,000) to Steve Burleton. Steve Burleton was appointed interim Chief Executive Officer of the Company from April 7, 2021 to July 10, 2023.

(iv) During the three months ended April 30, 2024, the Company expensed or accrued salaries of \$78,750 (three months ended April 30, 2023 - \$nil) to Breanne Beh. Breanne Beh was appointed President and Chief Executive Officer of the Company on July 10, 2023. As at April 30, 2024, Breanne Beh was owed \$nil (January 31, 2024 - \$18,278) and this amount was included in due to related parties.

(v) In connection with the offering on April 27, 2023, certain directors and officers of the Company subscribed to the offering for an aggregate of 680,000 flow-through common shares (refer to note 4(b)(i)).

(vi) Remuneration of directors and key management of the Company was as follows:

	Three Months Ended April 30,	
	2024	2023
Remuneration of key management (iii)	\$ -	\$ 15,000
Remuneration of key management included in exploration and evaluation expenditures (iv)	\$ 78,750	\$ -
Share-based payments	\$ 312,970	\$ 128,787

The above related party transactions were in the normal course of operations and have been valued at fair value. The amounts owing to related parties are non-interest bearing, unsecured and due on demand.

11. Commitments

Pursuant to the terms of flow-through share subscription agreements, the Company is in the process of complying with its contractual obligations with respect to the Income Tax Act (Canada) requirements for flow-through shares. As of April 30, 2024, the Company is committed to incurring approximately \$1,035,000 and \$4,640,000, respectively, in Canadian Exploration Expenditures (as this term is defined in the Income Tax Act (Canada)) by December 31, 2024 and December 31, 2025 in connection with flow-through offerings. Refer also to Note 3.

Angus Gold Inc.

Notes to Condensed Interim Financial Statements

Three Months Ended April 30, 2024

(Expressed in Canadian Dollars)

(Unaudited)

12. Subsequent event

On June 21, 2024, the Company closed a brokered private placement. The offering was completed through a syndicate of agents led by Beacon Securities Limited ("Beacon"), and including Canaccord Genuity Corp. (together with Beacon, the "Agents"). The offering was comprised of 5,000,000 flow-through units at a price of \$0.80 per flow-through unit for aggregate gross proceeds of \$4,000,000 pursuant to Part 5A (the "Listed Issuer Financing Exemption") of National Instrument 45-106 – Prospectus Exemptions.

Each flow-through unit consists of one common share of the Company and one half of one common share purchase warrant of the Company, each of which will qualify as a "flow-through share" for the purposes of the Income Tax Act (Canada).

Each warrant entitles the holder thereof to acquire one common share of the Company at a price per warrant of \$0.80 for a period of 24 months from the closing of the offering.

Wesdome, a major shareholder of the Company holding 10.6% equity interest in the Company prior to completion of the offering, participated in the offering, subscribing for 500,000 flow-through units.

As consideration for brokered services provided to the Company in connection with the offering, the Company paid the Agents, a cash commission in the amount of \$214,320 and a corporate finance cash fee in the amount \$13,500.