



**(Formerly Satori Resources Inc.)**

**Condensed Interim Consolidated Financial Statements**

**Three Months Ended March 31, 2024 and 2023**

**(Expressed in Canadian Dollars)**

**(Unaudited)**

## **NOTICE TO READER**

Responsibility for Consolidated Financial Statements:

The accompanying unaudited interim condensed consolidated financial statements of Canadian Gold Corp. (the "Company") for the three months ended March 31, 2024 and 2023 have been prepared by management in accordance with International Financial Reporting Standards applicable to interim consolidated financial statements (see note 3 to the unaudited interim condensed consolidated financial statements). Recognizing that the Company is responsible for both the integrity and objectivity of the unaudited consolidated financial statements, management is satisfied that these unaudited interim condensed consolidated financial statements have been fairly presented.

Auditors Involvement:

The external auditors of Canadian Gold Corp. have not audited or performed a review of the unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024 and 2023.

# **Canadian Gold Corp.**

## **(Formerly Satori Resources Inc.)**

### **MANAGEMENT'S RESPONSIBILITY FOR QUARTERLY FINANCIAL REPORTING**

The accompanying unaudited interim condensed consolidated financial statements of Canadian Gold Corp. are the responsibility of the management and Board of Directors of the Company.

The unaudited interim condensed consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited interim condensed consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited interim condensed consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 Interim Financial Reporting of International Financial Reporting Standards using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the unaudited interim condensed consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited interim condensed consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited interim condensed consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

"Peter Shippen"  
Chairman

"Julio DiGirolamo"  
Chief Financial Officer

**Canadian Gold Corp. (Formerly Satori Resources Inc.)**  
**Interim Condensed Consolidated Statements of Financial Position (unaudited)**  
*(Expressed in Canadian dollars)*

	March 31, 2024	December 31, 2023
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$ 1,099,884	\$ 2,185,160
Other receivables	72,422	74,759
Prepaid expenses and advances	48,693	21,334
	<b>1,220,999</b>	<b>2,281,253</b>
<b>Non-Current Assets</b>		
Property and equipment <i>(note 5)</i>	44,431	46,689
<b>TOTAL ASSETS</b>	<b>\$ 1,265,430</b>	<b>\$ 2,327,942</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	\$ 307,041	\$ 212,101
Flow-through premium <i>(note 14)</i>	---	228,252
	<b>307,041</b>	<b>440,353</b>
<b>Non-Current Liabilities</b>		
Site restoration provision <i>(note 7)</i>	1,158,636	1,152,814
<b>TOTAL LIABILITIES</b>	<b>1,465,677</b>	<b>1,593,167</b>
<b>Equity</b>		
Share capital <i>(note 8)</i>	13,874,604	13,802,485
Warrants reserve <i>(note 8)</i>	232,582	232,582
Contributed surplus <i>(note 8)</i>	6,142,927	6,173,796
Deficit	(20,450,360)	(19,474,088)
<b>TOTAL EQUITY</b>	<b>(200,247)</b>	<b>734,775</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 1,265,430</b>	<b>\$ 2,327,942</b>

**Going Concern** *(note 2)*

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

Approved by the Board

Signed:

*"Jennifer Boyle"*

Director

*"Peter Shippen"*

Director

**Canadian Gold Corp. (Formerly Satori Resources Inc.)**  
**Interim Condensed Consolidated Statements of Operations and Comprehensive Loss**  
**(unaudited)**  
**For the three-month periods ended March 31, 2024 and 2023**  
**(Expressed in Canadian dollars)**

	2024	(Restated Note 3) 2023
Exploration and evaluation expenses	\$ 1,112,141	\$ 41,117
Management fees	70,350	25,500
Directors fees	31,999	20,000
Investor relations, advertising and promotion	27,947	13,189
Salaries, wages and benefits	20,842	6,541
Filing and transfer agent fees	18,235	28,070
Insurance	9,579	9,003
Consulting fees	8,135	4,500
Accretion <i>(note 7)</i>	5,822	5,707
Office costs and miscellaneous	2,840	8,993
Depreciation	2,258	869
Travel	1,757	976
Legal and paralegal	699	20,216
Stock-based compensation <i>(note 9)</i>	---	2,680
<b>Loss before interest and other income</b>	<b>\$ 1,312,604</b>	<b>\$ 187,361</b>
Interest income	(8,080)	---
MMDF grant <i>(note 13)</i>	(100,000)	---
Flow-through premium	(228,252)	---
<b>Net loss and comprehensive loss for the period</b>	<b>\$ 976,272</b>	<b>\$ 187,361</b>
<b>Net loss per share <i>(note 10)</i></b>	<b>\$ (0.01)</b>	<b>\$ (0.00)</b>

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

## Canadian Gold Corp. (Formerly Satori Resources Inc.)

Interim Condensed Consolidated Statements of Changes in Equity (unaudited)

For the three-month periods ended March 31, 2024 and 2023

(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Warrant Reserve	Contributed Surplus	Deficit	Total
<b>Balance, December 31, 2022</b>	<b>99,365,818</b>	<b>\$ 9,514,017</b>	<b>\$ ---</b>	<b>\$ 6,208,638</b>	<b>\$ (16,178,642)</b>	<b>\$ (455,987)</b>
Exercise of stock options ( <i>note 9</i> )	100,000	15,000	---	---	---	15,000
Vesting of stock-based compensation ( <i>note 9</i> )	---	---	---	2,680	---	2,680
Net loss for the year	---	---	---	---	(187,361)	(187,361)
<b>Balance, March 31, 2023</b>	<b>99,465,818</b>	<b>\$ 9,529,017</b>	<b>\$ ---</b>	<b>\$ 6,211,318</b>	<b>\$ (16,366,003)</b>	<b>\$ (625,668)</b>
<b>Balance, December 31, 2023</b>	<b>174,211,879</b>	<b>\$ 13,802,485</b>	<b>\$232,582</b>	<b>\$ 6,173,796</b>	<b>\$ (19,474,088)</b>	<b>\$ 734,775</b>
Exercise of stock options ( <i>notes 8 and 9</i> )	825,000	72,119	---	(30,869)	---	41,250
Net loss for the period	---	---	---	---	(976,272)	(976,272)
<b>Balance, March 31, 2024</b>	<b>175,036,879</b>	<b>\$ 13,874,604</b>	<b>\$232,582</b>	<b>\$ 6,142,927</b>	<b>\$ (20,450,360)</b>	<b>\$ (220,247)</b>

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

# Canadian Gold Corp. (Formerly Satori Resources Inc.)

Interim Condensed Statements of Cash Flows (unaudited)  
For the three-month periods ended March 31, 2024 and 2023  
(Expressed in Canadian dollars)

	2024	(Restated Note 3) 2023
<b>Cash flows from operating activities</b>		
Net loss for the period	\$ (976,272)	\$ (187,361)
Items not affecting cash		
Accretion	5,822	5,707
Depreciation	2,258	869
Stock-based compensation	---	2,680
Flow-through premium	(228,252)	---
	(1,196,444)	(178,105)
Changes in non-cash items relating to operating activities		
Other receivables	2,337	(21,202)
Prepaid expenses	(27,359)	(30,836)
Accounts payable and accrued liabilities	121,190	(8,238)
	(1,126,526)	(238,381)
<b>Cash flows from investing activities</b>		
Property and equipment	---	(54,380)
	---	(54,380)
<b>Cash flows from financing activities</b>		
Exercise of stock options	41,250	15,000
	41,250	15,000
<b>Decrease in cash</b>	<b>(1,085,276)</b>	<b>(277,761)</b>
<b>Cash, beginning of the period</b>	<b>2,185,160</b>	<b>910,075</b>
<b>Cash, end of the period</b>	<b>\$ 1,099,884</b>	<b>\$ 632,314</b>

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

# **Canadian Gold Corp. (Formerly Satori Resources Inc.)**

## **Notes to the Condensed (Unaudited) Interim Financial Statements**

### **March 31, 2024 and 2023**

*Expressed in Canadian dollars unless otherwise indicated*

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#### **1. Incorporation and Basis of Presentation**

Canadian Gold Corp. formerly known as Satori Resources Inc., (“Canadian Gold” or the “Company”) was incorporated on October 24, 2011 as 0923423 B.C. Ltd. under the Business Corporations Act (British Columbia) and subsequently changed its name to Satori Resources Inc. on December 5, 2011. On April 24, 2023, the Company completed the acquisition of Apollo Exploration Inc. and, on April 26, 2023, changed its name to Canadian Gold Corp. The Company is involved in mineral exploration and development near Tartan Lake in the Province of Manitoba (the “Tartan Lake Gold Mine Project” or “Tartan Lake”).

The Company’s head office is located at 401 Bay Street, Suite 2702, Toronto, Ontario. Canadian Gold’s shares are listed on the TSX Venture Exchange and trade under the symbol “CGC”.

These consolidated financial statements were approved by the Board of Directors on May 28, 2024.

#### **2. Nature of Operations and Going concern**

Canadian Gold is in the process of exploring its mineral property interests and has not yet determined whether the mineral properties contain mineral reserves that are economically recoverable. Canadian Gold’s continuing operations and the underlying value and recoverability of the amounts shown for mineral properties are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of Canadian Gold to obtain the necessary financing to complete the exploration and development of its mineral property interests and on future profitable production or proceeds from the disposition of the mineral property interests.

At March 31, 2024, Canadian Gold had \$1,099,884 in cash (December 31, 2023 - \$2,185,160). Canadian Gold has raised and expects to raise additional equity financing to support future investing and operating activities at Tartan Lake, or for such other new projects or assets that Canadian Gold may acquire. There can be no assurance as to the availability or terms upon which such financing might be available.

These unaudited interim condensed consolidated financial statements have been prepared on a going concern basis, which assumes that Canadian Gold will be able to realize assets and discharge liabilities in the normal course of business for the foreseeable future. As at March 31, 2024, Canadian Gold has no source of recurring operating cash flows, has an accumulated deficit of \$20,450,360 (December 31, 2023 – \$19,474,088) and working capital of \$913,958 (December 31, 2023 - \$1,840,900). In the absence of additional financing or strategic alternatives, these factors cast significant doubt regarding the Company’s ability to continue as a going concern.

The consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the Company were unable to continue as a going concern and was required to realize its assets or discharge its obligations in anything other than the ordinary course of operations.

#### **3. Material Accounting Policies**

##### **Statement of Compliance**

These unaudited interim condensed consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standards (“IAS”) 34 ‘Interim Financial Reporting’ (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

##### **Basis of presentation**

These unaudited interim condensed consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments that have been measured at fair value.

# Canadian Gold Corp. (Formerly Satori Resources Inc.)

## Notes to the Condensed (Unaudited) Interim Financial Statements

### March 31, 2024 and 2023

*Expressed in Canadian dollars unless otherwise indicated*

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### 3. Material Accounting Policies (Cont'd)

#### Property and equipment

##### (i) Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes any expenditure that is directly attributable to the acquisition of the asset. Gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment and are recognized net within other income in the consolidated statement of operations and comprehensive income (loss).

##### (ii) Depreciation

Depreciation is calculated as a function of the depreciable amount, which is the cost of the asset, or other amount substituted for cost, less residual value. Depreciation commences when the assets are available for use. Depreciation is recognized through operations as follows over the estimated useful lives of each part of an item of property and equipment.

The estimated depreciation rate of useful lives for the current and comparative periods are as follows:

<u>Item</u>	<u>Method</u>
Truck	Straight-line over 6 years

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

#### Significant accounting estimates and judgments

The preparation of these consolidated financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The consolidated financial statements include judgments and estimates which, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of judgments and estimates that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Estimates:

- the recoverability of the deferred exploration and development expenditures recorded in the statements of financial position; and
- inputs used to account for the value of the asset retirement obligation, including the inflation rate, the risk-free interest rate and the estimated life of the property.



# Canadian Gold Corp. (Formerly Satori Resources Inc.)

## Notes to the Condensed (Unaudited) Interim Financial Statements

### March 31, 2024 and 2023

*Expressed in Canadian dollars unless otherwise indicated*

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### 3. Material Accounting Policies (Cont'd)

#### New standards adopted

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after January 1, 2024. The following amendments to various IFRS standards are mandatorily effective for reporting periods beginning on or after January 1, 2024:

- General Requirements for Disclosure of Sustainability-related Financial Information (New standard IFRS S1);
- Climate-related Disclosures (New standard IFRS S2);
- IFRS 16 Leases (Amendment – Liability in a Sale and Leaseback);
- IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Noncurrent); and
- IAS 1 Presentation of Financial Statements (Amendment – Non-current Liabilities with Covenants);

The Company has concluded that the above are not applicable or do not have a significant impact to the Company and have been excluded as it is expected to have no impact on the unaudited condensed interim financial statements.

#### Government assistance

The Company accounts for government assistance using the income approach. Under the income approach, government assistance is recognized in the consolidated statement of operations and comprehensive loss on a systematic basis over the periods in which the Company recognizes the expenses for which the government assistance is intended to compensate. The Company has elected to present deferred income related to government assistance pertaining to future project expenditures as a liability on the statement of financial position. The Company will then recognize the government assistance as income in loss and comprehensive loss on a systematic basis as expenses are incurred.

#### Changes in Accounting Policies

During the year ended December 31, 2023, the Company changed its accounting policy of capitalizing exploration and evaluation expenditures. The Company believes that expensing such costs as incurred provides more reliable and relevant financial information. It is more relevant and reliable because this policy eliminates the use of estimates and judgments regarding the valuation of exploration and evaluation assets and aligns the analysis to when the mineral property is considered economically and commercially viable. The cost of exploration properties, including the cost of acquiring prospective properties and exploration rights, and exploration and evaluation costs are expensed until it has been established that a mineral property is commercially viable. Previously, the Company capitalized these amounts. The consolidated financial statements for the three months ended March 31, 2023 and as at December 31, 2022 have been restated to reflect adjustments made as a result of this change in accounting policy.

The following is a reconciliation of the Company's consolidated financial statements as at March 31, 2023.

**Canadian Gold Corp. (Formerly Satori Resources Inc.)**  
**Notes to the Condensed (Unaudited) Interim Financial Statements**  
**March 31, 2024 and 2023**

*Expressed in Canadian dollars unless otherwise indicated*

**3. Material Accounting Policies (Cont'd)**

**Changes in Accounting Policies (Cont'd)**

**Consolidated Statements of Operations and Comprehensive Loss**

For the period ended:

	<b>March 31, 2023 as previously reported</b>	<b>Adjustments</b>	<b>March 31, 2023 as restated</b>
Management fees	\$ 25,500	---	\$ 25,500
Legal and paralegal	20,216	---	20,216
Filing and transfer agent fees	28,070	---	28,070
Directors fees	20,000	---	20,000
Investor relations, advertising, and promotion	13,189	---	13,189
Insurance	9,003	---	9,003
Office and miscellaneous	8,993	---	8,993
Salaries, wages and benefits	6,541	---	6,541
Accretion	5,707	---	5,707
Consulting fees	4,500	---	4,500
Stock-based compensation	2,680	---	2,680
Travel	976	---	976
Depreciation	869	---	869
Exploration and evaluation expenses	---	41,117	41,117
<b>Net loss and comprehensive loss for the period</b>	<b>\$ 146,244</b>	<b>\$ 41,117</b>	<b>\$ 187,361</b>
<b>Net loss per share (basic and diluted)</b>	<b>\$ (0.00)</b>		<b>\$ (0.00)</b>
<b>Weighted average number of shares outstanding during the period - basic and diluted</b>	<b>99,369,151</b>	<b>---</b>	<b>99,369,151</b>

Note:

A revised Consolidated Statement of Equity has not been included as the only changes would be in deficit and accumulated other comprehensive loss due to the changes from the consolidated statements of operations and comprehensive loss.

# Canadian Gold Corp. (Formerly Satori Resources Inc.)

## Notes to the Condensed (Unaudited) Interim Financial Statements

March 31, 2024 and 2023

*Expressed in Canadian dollars unless otherwise indicated*

### 3. Material Accounting Policies (Cont'd)

#### Changes in Accounting Policies (Cont'd)

#### Consolidated Statements of Cash Flows

	March 31, 2023 as previously reported	Adjustments	March 31, 2023 as restated
<b>Cash flows from operating activities</b>			
Net loss for the period	\$ (146,244)	\$ (41,117)	\$ (187,361)
Items not affecting cash			
Accretion	5,707	---	5,707
Stock-based compensation	2,680	---	2,680
Depreciation	869	---	869
Changes in non-cash items relating to operating activities			
Other receivables	(21,202)	---	(21,202)
Prepaid expenses	(30,836)	---	(30,836)
Accounts payable and accrued liabilities	(8,238)	---	(8,238)
	(197,264)	(41,117)	(238,381)
<b>Cash flows from investing activities</b>			
Mineral properties expenditures	(41,117)	41,117	---
Property and equipment	(54,380)	---	(54,380)
	(95,497)	41,117	(54,380)
<b>Cash flows from financing activities</b>			
Exercise of stock options	15,000	---	15,000
	15,000	---	15,000
<b>(Decrease) Increase in cash</b>	(277,761)	---	(277,761)
<b>Cash, beginning of the period</b>	910,075	---	910,075
<b>Cash, end of the period</b>	\$ 632,314	\$ ---	\$ 632,314

### 4. Capital Management

The capital of Canadian Gold consists of shareholders' equity. The Company's objectives when managing capital are to safeguard Canadian Gold's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain optimal returns to shareholders and benefits for other stakeholders.

Canadian Gold manages its 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 its capital structure, Canadian Gold may attempt to issue new shares or debt or dispose of assets. There can be no assurance that Canadian Gold will be able to obtain debt or equity capital in the case of operating cash deficits (*note 2*).

# Canadian Gold Corp. (Formerly Satori Resources Inc.)

## Notes to the Condensed (Unaudited) Interim Financial Statements

### March 31, 2024 and 2023

Expressed in Canadian dollars unless otherwise indicated

#### 4. Capital Management (Cont'd)

In order to facilitate management of its capital requirements, Canadian Gold prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. In order to maximize ongoing development efforts, Canadian Gold does not pay out dividends. Canadian Gold is not subject to externally imposed capital requirements.

#### 5. Mineral Properties and Property and Equipment

##### *Tartan Lake, Manitoba*

Canadian Gold assumed ownership of Tartan Lake on February 2, 2012. The property carries a net smelter return royalty ("NSR") of 2%. The NSR can be repurchased at any time by Canadian Gold for \$1,000,000 for each 1%.

##### *Apollo Properties, Ontario*

See Note 6, below.

##### *Property and Equipment*

Property and equipment are recorded at cost less accumulated depreciation. Depreciation is recorded over the estimated useful life of assets on a straight-line basis using the following rates:

Truck: straight-line basis over 6 years

	<b>Balance</b>
<b>At December 31, 2022</b>	<b>\$ ---</b>
Additions	54,380
Depreciation	(7,691)
<b>At December 31, 2023</b>	<b>\$ 46,689</b>
Depreciation	(2,258)
<b>At March 31, 2024</b>	<b>\$ 44,431</b>

#### 6. Acquisition of Apollo Exploration

On April 24, 2023, the Company completed the acquisition of Apollo Exploration Inc. ("Apollo"), a private company wholly owned by Mr. Rob McEwen, in consideration for the issuance of 60,000,000 common shares of the Company, giving Mr. McEwen approximately 37% of the issued and outstanding shares of the Company (the "Transaction"). Apollo, now a wholly owned subsidiary of the Company, holds interests in key exploration projects in the vicinity of Canada's largest gold mines and development projects, namely: (i) the Malartic South Project located near the Canadian Malartic Mine in Quebec; (ii) the HEES Project located near Barrick Gold's Hemlo Mine in Ontario; and (iii) and the Hammond Reef North & South Projects located due south of Agnico Eagle's Hammond Reef Gold Project in Ontario. Additionally, provided only that Mr. Rob McEwen holds not less than a 20% interest in the Company (i) the Company shall not sell or otherwise dispose of any interest in a royalty or metals streaming financing offered by a bona fide third party, without first offering same to Mr. Rob McEwen; and (ii) with the exception of a rights offering, Mr. Rob McEwen shall have the right, but not an obligation, to participate in equity financings in order to maintain his pro rata interest in the Company.

After evaluating all the facts surrounding this Transaction, Management determined that IFRS 3, *Business Combinations*, is not applicable and that the Transaction was accounted for as an asset acquisition with Canadian Gold as the acquirer for accounting purposes. These consolidated financial statements are a continuation of Canadian Gold's historical disclosures, combining Apollo's assets and liabilities and including Apollo transactions that flow through the Consolidated Statements of Loss and Comprehensive Loss from April 24, 2023 onwards.

# Canadian Gold Corp. (Formerly Satori Resources Inc.)

## Notes to the Condensed (Unaudited) Interim Financial Statements

### March 31, 2024 and 2023

*Expressed in Canadian dollars unless otherwise indicated*

#### 6. Acquisition of Apollo Exploration (Cont'd)

Acquisition costs are recorded in exploration expenses in the consolidated statements of operations and comprehensive loss. The following table summarizes the fair value of the total consideration transferred to Canadian Gold shareholders and the fair value of identified assets acquired, and liabilities assumed, based on estimates of fair value.

<b>Purchase Price:</b>	
Fair value of 60,000,000 Canadian Gold shares issued (\$0.04)	\$ 2,400,000
Acquisition costs	25,559
<b>Total purchase price</b>	<b>\$ 2,425,559</b>
<b>Net Assets Acquired:</b>	
Current assets	\$ 1,535,943
Current liabilities	(4,525)
Exploration properties	894,141
<b>Net assets acquired</b>	<b>\$ 2,425,559</b>

#### 7. Site Restoration Provision

Canadian Gold's site restoration provision of \$1,158,636 (December 31, 2023 - \$1,152,814) is based on management's best estimate of costs to abandon and reclaim mineral properties and facilities as well as an estimate of the future timing of the costs to be incurred.

Canadian Gold's asset retirement obligation was determined based on an undiscounted future liability of approximately \$1,248,820 adjusted for estimated inflation of 1.88% (December 31, 2023 - 1.88%) and discounted at 2.02% (December 31, 2023 - 2.02%), with reclamation occurring in 2027 (December 31, 2022 - 2027). During the three months ended March 31, 2024, accretion expense of \$5,822 (three months ended March 31, 2023 - \$5,707) was recorded.

#### 8. Share Capital

##### **Common shares**

##### **Authorized:**

Unlimited number of common shares without par value.

##### **Issued and outstanding:**

At March 31, 2024, the Company had 175,036,879 shares outstanding (December 31, 2023 - 174,211,879).

On January 21, 2024, 825,000 stock options were exercised at a price of \$0.05 per share.

##### **Warrants**

At March 31, 2024, there were 5,831,812 warrants outstanding, with each warrant entitling the holder to acquire one common share of the Company at the prices noted below:

# Canadian Gold Corp. (Formerly Satori Resources Inc.)

## Notes to the Condensed (Unaudited) Interim Financial Statements

March 31, 2024 and 2023

*Expressed in Canadian dollars unless otherwise indicated*

### 8. Share Capital (Cont'd)

#### Warrants (cont'd)

Number	Exercise Price	Remaining Contractual Life in Years	Expiry Date
3,821,450	\$0.215	1.09	May 3, 2025
1,660,362	\$0.215	1.12	May 15, 2025
350,000	\$0.215	1.16	May 29, 2025
<b>5,831,812</b>	<b>\$0.215</b>	<b>1.10</b>	

#### Contributed Surplus

The following is a summary of changes in contributed surplus from December 31, 2023 to March 31, 2024:

	March 31, 2024	December 31, 2023
<b>Opening balance</b>	<b>\$ 6,173,796</b>	<b>\$ 6,208,638</b>
Vesting of share-based payments	---	3,335
Options exercised	(30,869)	(38,177)
<b>Ending balance</b>	<b>\$ 6,142,927</b>	<b>\$ 6,173,796</b>

### 9. Stock Options and Stock-Based Compensation

Canadian Gold established a stock option plan which provides for granting of incentive stock options up to a maximum of 10% of the Company's issued and outstanding common shares. The Company has issued options to directors, officers and consultants. Terms of the options granted are subject to the determination and approval by the Board of Directors. All options granted are subject to a four-month hold period from the date of grant as required by the TSX Venture Exchange.

	Number of stock options outstanding and exercisable	Weighted average exercise price	Weighted average remaining contractual life (years)
<b>Balance, December 31, 2022</b>	<b>5,425,000</b>	<b>\$0.10</b>	<b>2.56</b>
Expired	(200,000)	0.125	
Exercised	(725,000)	0.07	
<b>Balance, December 31, 2023</b>	<b>4,500,000</b>	<b>\$0.11</b>	<b>1.78</b>
Exercised	(825,000)	0.05	
<b>Balance, March 31, 2024</b>	<b>3,675,000</b>	<b>\$0.12</b>	<b>1.94</b>

**Canadian Gold Corp. (Formerly Satori Resources Inc.)**  
**Notes to the Condensed (Unaudited) Interim Financial Statements**  
**March 31, 2024 and 2023**

*Expressed in Canadian dollars unless otherwise indicated*

**10. Loss per Common Share**

The following table sets forth the calculations of basic and fully diluted loss per common share:

	For the three months ended March 31,	
	2024	2023
Numerator:		
Loss attributable to common shareholders - basic and diluted	\$ (976,272)	\$ (187,361)
Denominator:		
Weighted-average common shares outstanding - basic and diluted	174,855,561	99,369,151
Basic and diluted loss per common share	\$ (0.01)	\$ (0.00)

The options and warrants for the periods ended March 31, 2024 and 2023 were excluded from the computation of diluted loss per share as the potential effect was anti-dilutive.

**11. Related Party Transactions and Balances**

***Management compensation***

The Company incurred the following expenditures charged by companies controlled by current directors and officers of the Company:

	For the three months ended March 31,	
	2024	2023
Management fees	\$ 70,350	\$ 25,500
Director compensation	32,000	20,000
Director consulting fee	---	10,000
Total management compensation	\$ 102,350	\$ 55,500

During the quarter ended March 31, 2024, the Company paid its President and CEO a total of \$33,750 for his role as an Executive Officer and \$4,000 for his role on the Board. During the quarter ended March 31, 2023, the Company paid its previous President and CEO a total of \$18,000 for her role as an Executive Officer and \$4,000 for her role on the Board.

During the quarter ended March 31, 2024, the Company paid its Executive Vice President a total of \$24,000 for her role as an Executive Officer and \$4,000 for her role on the Board.

During the quarter ended March 31, 2024, the Company paid its CFO a total of \$12,600 (quarter ended March 31, 2023 - \$7,500).

During the quarter ended March 31, 2023, the Company paid \$10,000 to a director for his work as a mining consultant.

As of March 31, 2024, \$71,652 (December 31, 2023 - \$36,321) is owed to management and directors and is included in accounts payable and accrued liabilities on the consolidated statements of financial position.

# Canadian Gold Corp. (Formerly Satori Resources Inc.)

## Notes to the Condensed (Unaudited) Interim Financial Statements

### March 31, 2024 and 2023

*Expressed in Canadian dollars unless otherwise indicated*

## 12. Financial Instruments and Risk Factors

The Company's risk exposures and impact on Canadian Gold's financial instruments are summarized below:

### Credit risk

Credit risk is the risk of loss associated with the Company's inability to collect accounts receivable and safe keep cash. The Company's receivables consist mainly of a Harmonized Sale Tax (HST) return from the federal government, on which there is no credit risk. The Company is also exposed to credit risk on its cash, however, it has deposited its cash with reputable Canadian financial institutions, from which management believes the risk of loss is minimal.

### Liquidity risk

The Company manages liquidity risk to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2024, Canadian Gold had cash of \$1,099,884 to settle current financial liabilities of \$307,041 (December 31, 2023 - \$2,185,160 to settle current financial liabilities of \$440,353). Canadian Gold has no source of recurring operating cash flows and in the absence of additional financing or strategic alternatives, the Company faces substantial liquidity risk (*note 2*).

### Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and commodity and equity prices.

- i) Interest rate risk - Canadian Gold is not exposed to interest rate risk as it does not have interest bearing debt.
- ii) Commodity price risk - The ability of Canadian Gold to develop its mineral properties and future profitability of Canadian Gold is directly related to the market price of gold.

## 13. Manitoba Mineral Development Fund Grant

In 2023, the Company signed an agreement with MMDF Corporation, an arm of the Government of Manitoba, where the Company was to receive a grant of up to \$300,000 from the Manitoba Mineral Development Fund in \$100,000 tranches, which funds are to be used for exploration activities at the Company's Tartan Lake property. As of the date of these consolidated financial statements, \$300,000 has been received.

## 14. Commitments

The following table summarizes the Company's flow-through expenditure requirements as at March 31, 2024:

Date of Financing	Nov. 29, 2023 \$
Flow-through proceeds raised	109,999
Eligible expenditures incurred - 2023	---
<b>Expenditure commitment – Dec. 31, 2023</b>	<b>109,999</b>
Eligible expenditures incurred - 2024	(109,999)
<b>Expenditure commitment – Mar. 31, 2024</b>	<b>---</b>