



(Formerly Satori Resources Inc.)

Condensed Interim Consolidated Financial Statements

Three and Six Months Ended June 30, 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 and six months ended June 30, 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 and six months ended June 30, 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)

	June 30, 2024	December 31, 2023
ASSETS		
Current Assets		
Cash	\$ 1,106,106	\$ 2,185,160
Other receivables	29,682	74,759
Prepaid expenses and advances	52,627	21,334
	1,188,415	2,281,253
Non-Current Assets		
Property and equipment <i>(note 5)</i>	44,431	46,689
TOTAL ASSETS	\$ 1,230,589	\$ 2,327,942
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 172,572	\$ 212,101
Flow-through premium <i>(note 14)</i>	14,059	228,252
	186,631	440,353
Non-Current Liabilities		
Site restoration provision <i>(note 7)</i>	1,164,457	1,152,814
TOTAL LIABILITIES	1,351,088	1,593,167
Equity		
Share capital <i>(note 8)</i>	14,154,017	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	(20,650,025)	(19,474,088)
TOTAL EQUITY	(120,499)	734,775
TOTAL LIABILITIES AND EQUITY	\$ 1,230,589	\$ 2,327,942

Going Concern *(note 2)*

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

Approved by the Board

Signed:

"Michael Swistun"

Director

"Peter Shippen"

Director

Canadian Gold Corp. (Formerly Satori Resources Inc.)
Interim Condensed Consolidated Statements of Operations and Comprehensive Loss
(unaudited)
For the three and six-month periods ended June 30, 2024 and 2023
(Expressed in Canadian dollars)

	Three Months		Six Months	
		(Restated Note 3)		(Restated Note 3)
	2024	2023	2024	2023
Exploration and evaluation expenses	\$109,049	\$511,729	\$1,221,190	\$552,846
Management fees	69,532	29,500	139,882	55,000
Directors fees	27,673	24,090	59,672	44,090
Filing and transfer agent fees	29,665	13,960	47,900	42,030
Investor relations, advertising and promotion	17,781	53,211	45,728	66,400
Salaries, wages and benefits	16,818	8,805	37,660	15,346
Consulting fees	14,300	4,624	22,435	9,124
Insurance	11,642	9,692	21,221	18,695
Accretion (note 7)	5,821	5,706	11,643	11,413
Amortization	2,256	2,257	4,515	3,126
Legal and paralegal	2,847	(19,991)	3,546	225
Office and miscellaneous	624	6,807	3,462	15,800
Travel	1,545	4,378	3,302	5,354
Professional fees	---	4,638	---	4,638
Stock-based compensation (note 9)	---	655	---	3,335
Loss before interest income and tax recovery	\$ 309,553	\$660,061	\$1,622,156	\$847,422
Interest income	(4,259)	---	(12,339)	---
MMDF grant (note 13)	(100,000)	---	(200,000)	---
Flow-through premium	(5,628)	---	(233,880)	---
Net loss and comprehensive loss for the period	\$ 199,666	\$660,061	\$1,175,937	\$847,422
Net loss per share (note 10)	\$ (0.00)	\$ (0.01)	\$ (0.01)	\$ (0.01)

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 six-month periods ended June 30, 2024 and 2023

(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Warrant Reserve	Contributed Surplus	Deficit	Total
Balance, December 31, 2022	99,365,818	\$ 9,514,017	\$ ---	\$ 6,208,638	\$ (16,178,642)	\$ (455,987)
Exercise of stock options (<i>note 9</i>)	100,000	15,000	---	---	---	15,000
Shares issued for RTO	60,000,000	2,400,000	---	---	---	2,400,000
Vesting of stock-based compensation (<i>note 9</i>)	---	---	---	3,335	---	3,335
Net loss for the period	---	---	---	---	(847,422)	(847,422)
Balance, June 30, 2023	159,465,818	\$ 11,929,017	\$ ---	\$ 6,211,973	\$ (17,026,064)	\$ 1,114,926
Balance, December 31, 2023	174,211,879	\$ 13,802,485	\$232,582	\$ 6,173,796	\$ (19,474,088)	\$ 734,775
Exercise of stock options (<i>notes 8 and 9</i>)	825,000	72,120	---	(30,869)	---	41,251
Shares issued, private placement	1,968,750	279,412	---	---	---	---
Net loss for the period	---	---	---	---	(1,175,937)	(1,175,937)
Balance, June 30, 2024	177,005,629	\$ 14,154,017	\$232,582	\$ 6,142,927	\$ (20,650,025)	\$ (120,499)

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 six-month periods ended June 30, 2024 and 2023

(Expressed in Canadian dollars)

	2024	(Restated Note 3) 2023
Cash flows from operating activities		
Net loss for the period	\$ (1,175,937)	\$ (847,420)
Items not affecting cash		
Accretion	11,643	11,413
Amortization	4,515	3,335
Stock-based compensation	---	3,126
Flow-through premium	(214,193)	---
	(1,373,972)	(829,546)
Changes in non-cash items relating to operating activities		
Other receivables	45,077	(20,505)
Prepaid expenses	(31,293)	(34,535)
Accounts payable and accrued liabilities	(39,539)	178,648
	(1,399,727)	(705,938)
Cash flows from investing activities		
Property and equipment	---	(54,380)
	---	(54,380)
Cash flows from financing activities		
Share subscriptions, net of costs	279,412	
Exercise of stock options	41,251	15,000
Cash received on RTO, net	---	1,509,584
	320,663	1,524,584
Increase (decrease) in cash	(1,079,054)	764,266
Cash, beginning of the period	2,185,160	910,075
Cash, end of the period	\$ 1,106,106	\$ 1,674,341

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

June 30, 2024 and 2023

Expressed in Canadian dollars unless otherwise indicated

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 August 29, 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 June 30, 2024, Canadian Gold had \$1,106,106 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 and its other properties, and 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 June 30, 2024, Canadian Gold has no source of recurring operating cash flows, has an accumulated deficit of \$20,650,025 (December 31, 2023 – \$19,474,088) and working capital of \$1,001,784 (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

June 30, 2024 and 2023

Expressed in Canadian dollars unless otherwise indicated

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

June 30, 2024 and 2023

Expressed in Canadian dollars unless otherwise indicated

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 and six months ended June 30, 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 June 30, 2023.

Canadian Gold Corp. (Formerly Satori Resources Inc.)

Notes to the Condensed (Unaudited) Interim Financial Statements

June 30, 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 three months ended:

	June 30, 2023 as previously reported	Adjustments	June 30, 2023 as restated
Investor relations, advertising, and promotion	\$ 53,211	---	\$ 53,211
Management fees	29,500	---	29,500
Directors fees	24,090	---	24,090
Filing and transfer agent fees	13,960	---	13,960
Insurance	9,692	---	9,692
Salaries, wages and benefits	8,805	---	8,805
Office and miscellaneous	6,807	---	6,807
Accretion	5,706	---	5,706
Professional fees	4,638	---	4,638
Consulting fees	4,624	---	4,624
Travel	4,378	---	4,378
Depreciation	2,257	---	2,257
Stock-based compensation	655	---	655
Legal and paralegal	(19,991)	---	(19,991)
Exploration and evaluation expenses	---	511,729	511,729
Net loss and comprehensive loss for the period	\$ 148,332	\$ 511,729	\$ 660,061
Net loss per share (basic and diluted)	\$ (0.00)		\$ (0.01)
Weighted average number of shares outstanding during the period - basic and diluted	99,369,151	---	99,369,151

Canadian Gold Corp. (Formerly Satori Resources Inc.)

Notes to the Condensed (Unaudited) Interim Financial Statements

June 30, 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 six months ended:

	June 30, 2023 as previously reported	Adjustments	June 30, 2023 as restated
Management fees	\$ 55,000	---	\$ 55,000
Legal and paralegal	225	---	225
Filing and transfer agent fees	42,030	---	42,030
Directors fees	44,090	---	44,090
Investor relations, advertising, and promotion	66,400	---	66,400
Insurance	18,695	---	18,695
Office and miscellaneous	15,800	---	15,800
Salaries, wages and benefits	15,346	---	15,346
Accretion	11,413	---	11,413
Consulting fees	9,124	---	9,124
Professional fees	4,638	---	4,638
Stock-based compensation	3,335	---	3,335
Travel	5,354	---	5,354
Depreciation	3,126	---	3,126
Exploration and evaluation expenses	---	552,846	552,846
Net loss and comprehensive loss for the period	\$ 294,576	\$ 552,846	\$ 847,422
Net loss per share (basic and diluted)	\$ (0.01)		\$ (0.01)
Weighted average number of shares outstanding during the period - basic and diluted	99,369,151	---	99,369,151

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

June 30, 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

	June 30, 2023 as previously reported	Adjustments	June 30, 2023 as restated
Cash flows from operating activities			
Net loss for the period	\$ (294,574)	\$ (552,846)	\$ (847,420)
Items not affecting cash			
Accretion	11,413	---	11,413
Stock-based compensation	3,335	---	3,335
Depreciation	3,126	---	3,126
Changes in non-cash items relating to operating activities			
Other receivables	(20,505)	---	(20,505)
Prepaid expenses	(34,535)	---	(34,535)
Accounts payable and accrued liabilities	178,648	---	178,648
	(153,092)	(552,846)	(705,938)
Cash flows from investing activities			
Mineral properties expenditures	(552,846)	552,846	---
Property and equipment	(54,380)	---	(54,380)
	(607,226)	552,846	(54,380)
Cash flows from financing activities			
Exercise of stock options	15,000	---	15,000
Cash received in asset acquisition, net	1,509,584	---	1,509,584
	1,524,584	---	1,524,584
Increase in cash	764,266	---	764,266
Cash, beginning of the period	910,075	---	910,075
Cash, end of the period	\$ 1,674,341	\$ ---	\$ 1,674,341

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

June 30, 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

	Balance
At December 31, 2022	\$ ---
Additions	54,380
Depreciation	(7,691)
At December 31, 2023	\$ 46,689
Depreciation	(4,515)
At June 30, 2024	\$ 42,174

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

June 30, 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.

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

7. Site Restoration Provision

Canadian Gold's site restoration provision of \$1,164,457 (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 and six months ended June 30, 2024, accretion expense of \$5,821 and 11,643, respectively, (three and six months ended June 30, 2023 - \$5,706 and \$11,413, respectively) was recorded.

8. Share Capital

Common shares

Authorized:

Unlimited number of common shares without par value.

Issued and outstanding:

At June 30, 2024, the Company had 177,005,629 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.

On June 21, 2024, the Company closed the first tranche of a private placement offering, raising \$315,000. The Company issued 1,968,750 flow-through common shares at a price of \$0.16. In connection with this closing, the Company paid cash finders' fees totaling \$15,900 to eligible finders.

Canadian Gold Corp. (Formerly Satori Resources Inc.)

Notes to the Condensed (Unaudited) Interim Financial Statements

June 30, 2024 and 2023

Expressed in Canadian dollars unless otherwise indicated

8. Share Capital (Cont'd)

Warrants

At June 30, 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:

Number	Exercise Price	Remaining Contractual Life in Years	Expiry Date
3,821,450	\$0.215	0.84	May 3, 2025
1,660,362	\$0.215	0.87	May 15, 2025
350,000	\$0.215	0.91	May 29, 2025
5,831,812	\$0.215	0.85	

Contributed Surplus

The following is a summary of changes in contributed surplus from December 31, 2023 to June 30, 2024:

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

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)
Balance, December 31, 2022	5,425,000	\$0.10	2.56
Expired	(200,000)	0.125	
Exercised	(725,000)	0.07	
Balance, December 31, 2023	4,500,000	\$0.11	1.78
Exercised	(825,000)	0.05	
Balance, June 30, 2024	3,675,000	\$0.12	1.69

Canadian Gold Corp. (Formerly Satori Resources Inc.)

Notes to the Condensed (Unaudited) Interim Financial Statements

June 30, 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:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2023	2022
Numerator:				
Loss attributable to common shareholders				
- basic and diluted	\$(199,666)	\$(660,061)	\$(1,175,937)	\$(847,422)
Denominator:				
Weighted-average common shares outstanding				
- basic and diluted	144,300,983	144,300,983	121,959,188	121,959,188
Basic and diluted loss per common share	\$ (0.00)	\$ (0.01)	\$ (0.01)	\$ (0.01)

The options and warrants for the periods ended June 30, 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:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Stock-based compensation (<i>note 9</i>)	\$ ---	\$ ---	\$ ---	\$ ---
Management fees	69,532	31,500	139,882	57,000
Director compensation	27,673	24,090	59,672	44,090
Director consulting fee	---	---	---	10,000
Total management compensation	\$ 97,203	\$ 55,590	\$ 199,554	\$ 111,090

During the three and six-months ended June 30, 2024, the Company paid its President and CEO a total of \$30,375 and \$30,375, respectively, for his role as an Executive Officer and \$NIL for his role on the Board. During the three and six months ended June 30, 2024, the Company paid its previous President and CEO a total of \$2,557 and \$28,125, respectively, for his role as an Executive Officer and \$252 and \$4,252, respectively for his role on the Board. For three and six months ended June 30, 2023, the Company's President and CEO was paid \$18,000 and \$40,000, respectively, for her role as an executive and \$4,000 and \$8,000, respectively, for her role as a director.

During the three and six months ended June 30, 2024, the Company paid its Executive Vice President a total of \$24,000 and \$48,000, respectively, for her role as an Executive Officer and \$4,000 for her role on the Board.

During the three and six months ended June 30, 2024, the Company paid its CFO a total of \$12,600 and \$28,800, respectively (three and six months ended June 30, 2023 - \$12,600 and \$25,200, respectively).

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Notes to the Condensed (Unaudited) Interim Financial Statements

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11. Related Party Transactions and Balances (Cont'd)

During the six months ended June 30, 2024, the Company paid \$10,000 to a director for his work as a mining consultant.

As of June 30, 2024, \$83,989 (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.

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 June 30, 2024, Canadian Gold had cash of \$1,106,106 to settle current financial liabilities of \$186,631 (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 and expended on Tartan Lake exploration.

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Notes to the Condensed (Unaudited) Interim Financial Statements

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14. Commitments

The following table summarizes the Company's flow-through expenditure requirements as at June 30, 2024:

Date of Financing	Nov. 29, 2023 \$	Jun. 21, 2024 \$
Flow-through proceeds raised	109,999	315,000
Eligible expenditures incurred - 2023	---	---
Expenditure commitment – December 31, 2023	109,999	---
Eligible expenditures incurred - 2024	(109,999)	(51,316)
Expenditure commitment – June 30, 2024	---	263,684

15. Subsequent Events

On July 17, 2024, the Company closed the second and final tranche of a private placement offering, raising \$1,319,995. The Company issued 7,625,000 flow-through common shares at a price of \$0.16 per common share, and 714,250 common shares at a price of \$0.14 per common share. In connection with this closing, the Company paid cash finders' fees totaling \$73,200 to eligible finders.