STONE GOLD INC.

CONDENSED INTERIM FINANCIAL STATEMENTS

THREE AND SIX MONTHS ENDED JUNE 30, 2022

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

Notice to Reader

The accompanying unaudited condensed interim financial statements of Stone Gold Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements as at and for the three and six months ended June 30, 2022 have not been reviewed by the Company's auditors.

Stone Gold Inc.
Condensed Interim Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited)

	As at June 30, 2022	As at December 31, 2021
ASSETS		
Current assets		
Cash	**$ 832,325**	$ 1,660,910
Amounts receivable and other assets (note 3)	**202,685**	129,708
Total assets	**$ 1,035,010**	$ 1,790,618
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Amounts payable and other liabilities (notes 4 and 12)	**$ 413,417**	$ 97,371
Flow-through share liability (note 5)	**135,495**	260,019
Total liabilities	**548,912**	357,390
Shareholders' equity		
Share capital (note 6)	**26,496,190**	26,428,690
Reserves (notes 7 and 8)	**764,109**	829,940
Accumulated deficit	**(26,774,201)**	(25,825,402)
Total shareholders' equity	**486,098**	1,433,228
Total liabilities and shareholders' equity	**$ 1,035,010**	$ 1,790,618

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

Nature of operations and going concern (note 1)
Commitments (notes 10 and 14)
Subsequent event (note 15)

Stone Gold Inc.
Condensed Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)
(Unaudited)

	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Operating expenses				
Exploration and evaluation expenditures (note 10)	**$ 790,094**	$ 148,211	**$ 960,889**	$ 384,655
General and administrative (note 11)	**117,538**	73,807	**300,392**	161,370
Operating loss before the following item	**(907,632)**	(222,018)	**(1,261,281)**	(546,025)
Premium recovery on flow-through shares (note 5)	**102,890**	7,980	**124,524**	73,066
Net loss and comprehensive loss for the period	**$ (804,742)**	$ (214,038)	**$ (1,136,757)**	$ (472,959)
Basic and diluted net loss per share (note 9)	**$ (0.02)**	$ (0.01)	**$ (0.03)**	$ (0.02)
Weighted average number of common shares outstanding (note 9)	**40,725,667**	28,068,362	**40,551,831**	27,448,130

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

Stone Gold Inc.
Condensed Interim Statements of Changes in Equity
(Expressed in Canadian dollars)
(Unaudited)

	Share capital	Reserves	Accumulated deficit	Total
Balance, December 31, 2021	**$ 26,428,690**	**$ 829,940**	**$ (25,825,402)**	**$ 1,433,228**
Shares issued for acquisition of mining property (note 6(b)(i))	67,500	-	-	67,500
Warrants expired	-	(187,958)	187,958	-
Share-based compensation (note 8)	-	122,127	-	122,127
Net loss for the period	-	-	(1,136,757)	(1,136,757)
Balance, June 30, 2022	**$ 26,496,190**	**$ 764,109**	**$ (26,774,201)**	**$ 486,098**
Balance, December 31, 2020	**$ 25,517,237**	**$ 531,450**	**$ (25,143,304)**	**$ 905,383**
Share issued for acquisition of mining property (note 6(b)(i))	98,500	-	-	98,500
Warrants exercised (note 6(b)(ii))	195,195	(42,695)	-	152,500
Net loss for the period	-	-	(472,959)	(472,959)
Balance, June 30, 2021	**$ 25,810,932**	**$ 488,755**	**$ (25,616,263)**	**$ 683,424**

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

Stone Gold Inc.
Condensed Interim Statements of Cash Flows
(Expressed in Canadian dollars)
(Unaudited)

	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Operating activities		
Net loss for the period	**$ (1,136,757)**	$ (472,959)
Adjustments for:		
Share-based compensation (note 8)	**122,127**	-
Premium recovery on flow-through shares (note 5)	**(124,524)**	(73,066)
Shares issued for acquisition of mining property (note 6(b)(i))	**67,500**	98,500
Changes in non-cash working capital items:		
Amounts receivable and other assets	**(72,977)**	9,352
Amounts payable and other liabilities	**316,046**	(598)
Net cash (used in) operating activities	**(828,585)**	(438,771)
Financing activities		
Proceeds from exercise of warrants (note 6(b)(ii)))	**-**	152,500
Net cash provided by financing activities	**-**	152,500
Net change in cash	**(828,585)**	(286,271)
Cash, beginning of period	**1,660,910**	1,075,884
Cash, end of period	**$ 832,325**	$ 789,613

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

1. Nature of operations and going concern

Stone Gold Inc. (the "Company") was incorporated by a Certificate of Incorporation issued pursuant to the provisions of the Ontario Business Corporations Act on December 13, 2002. The Company is engaged in the acquisition, exploration and evaluation of properties for the mining of precious and base metals. The primary office of the Company is located at 82 Richmond Street East, Toronto, Ontario, M5C 1P1.

On August 26, 2020, the Company changed its corporate name from CR Capital Corp. to Stone Gold Inc. The Company's shares commenced trading on the TSX Venture Exchange ("TSXV") under the new name at the opening of trading on September 21, 2020 and under the new trading symbol "STG".

The Company has incurred a loss of $1,136,757 for the six months ended June 30, 2022 (six months ended June 30, 2021 - $472,959) and as at June 30, 2022, had an accumulated deficit of $26,774,201 (December 31, 2021 - $25,825,402). These conditions indicate the existence of a material uncertainty that casts significant doubt as to whether the Company can continue as a going concern.

These unaudited condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. These unaudited condensed interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and classification of assets and liabilities that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations for the foreseeable future. These adjustments could be material.

The business of acquisition, exploration and evaluation for minerals involves a high degree of risk and there can be no assurance that the current exploration programs will result in profitable operations.

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain mineral reserves that are economically recoverable. The Company’s continued existence is dependent upon the establishment of a sufficient quantity of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production or proceeds from the disposition of these assets.

Although the Company has taken steps to verify title to the properties on which it is conducting its exploration activities, these procedures do not guarantee the Company’s title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims and non-compliance with regulatory and environmental requirements. The Company’s assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions, and political uncertainty.

The Company continues to actively monitor the impact of the COVID-19 pandemic, including the impact on economic activity and financial reporting. To date, our operations have remained stable as the pandemic continues to progress and evolve but it is difficult to predict the full extent and duration of resulting operational and economic impacts for the Company, which are expected to impact a number of reporting periods.

(Expressed in Canadian dollars)

2. Significant accounting policies

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 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 IFRSs issued and outstanding as of August 25, 2022, 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 December 31, 2021, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending December 31, 2022 could result in restatement of these unaudited condensed interim financial statements.

New accounting standard adopted

IAS 37 – Provisions, Contingent Liabilities, and Contingent Assets was amended. The amendments clarify that when assessing if a contract is onerous, the cost of fulfilling the contract includes all costs that relate directly to the contract – i.e. a full-cost approach. Such costs include both the incremental costs of the contract (i.e. costs a company would avoid if it did not have the contract) and an allocation of other direct costs incurred on activities required to fulfill the contract – e.g. contract management and supervision, or depreciation of equipment used in fulfilling the contract. The amendments are effective for annual periods beginning on January 1, 2022. At January 1, 2022, the Company adopted this standard and there was no material impact on the Company's unaudited condensed interim financial statements.

Future accounting standards

IAS 1 - Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or non-current is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2023.

3. Amounts receivable and other assets

	As at June 30, 2022	As at December 31, 2021
Sales tax receivable - Canada	**$ 65,133**	$ 16,862
Prepaid expenses	**137,552**	112,846
	$ 202,685	$ 129,708

(Expressed in Canadian dollars)

4. Amounts payable and other liabilities

	As at June 30, 2022	As at December 31, 2021
Trade payables	$ **54,433**	$ 34,004
Accrued liabilities	**358,984**	63,367
	$ **413,417**	$ 97,371

The following is an aged analysis of the amounts payable and other liabilities:

	As at June 30, 2022	As at December 31, 2021
Less than 1 month	$ **413,417**	$ 97,371
	$ **413,417**	$ 97,371

5. Flow-through share liability

The following is a continuity schedule of the liability of the flow-through shares issuance:

Balance, December 31, 2021	**$ 260,019**
Settlement of flow-through share liability by incurring expenditures (i)	(124,524)
Balance, June 30, 2022	**$ 135,495**

(i) The flow-through premium is derecognized through income as the eligible expenditures are incurred. For the six months ended June 30, 2022, the Company satisfied $124,524 of the commitment by incurring eligible expenditures of $838,389.

6. Share capital

a) Authorized share capital

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

As at June 30, 2022, the issued share capital amounted to $26,496,190. Changes in issued share capital for the periods presented are as follows:

	Number of common shares	Amount
Balance, December 31, 2020	**25,777,335**	**$ 25,517,237**
Shares issued for acquisition of mineral property (i)	930,000	98,500
Warrants exercised (ii)	1,575,000	195,195
Balance, June 30, 2021	**28,282,335**	**$ 25,810,932**
Balance, December 31, 2021	**40,275,667**	**$ 26,428,690**
Shares issued for acquisition of mineral property (i)	450,000	67,500
Balance, June 30, 2022	**40,725,667**	**$ 26,496,190**

(Expressed in Canadian dollars)

6. Share capital (continued)

b) Common shares issued (continued)

(i) Refer to note 10(i)(ii)(iii). The fair value was estimated based on the closing price of the Company's share on the date of issue.

(ii) On January 13, 2021, 125,000 warrants with an exercise price of $0.10 and expiry date of January 20, 2022 were exercised for gross proceeds of $12,500. On January 28, 2021, 1,250,000 warrants with an exercise price of $0.10 and expiry date of January 20, 2022 were exercised for gross proceeds of $125,000. On February 22, 2021, 200,000 warrants with an exercise price of $0.075 and expiry date of October 9, 2021 were exercised for gross proceeds of $15,000.

7. Warrants

The following table reflects the continuity of warrants for the periods ended June 30, 2022 and June 30, 2021:

	Number of warrants	Weighted average exercise price ($)
Balance, December 31, 2020	**10,830,000**	**0.127**
Exercised (note 6(b)(ii))	(1,575,000)	0.097
Balance, June 30, 2021	**9,255,000**	**0.132**
Balance, December 31, 2021	**17,851,663**	**0.151**
Expired	(7,255,000)	0.109
Balance, June 30, 2022	**10,596,663**	**0.157**

The following table reflects the actual warrants issued and outstanding as of June 30, 2022:

Number of warrants outstanding	Grant date fair value($)	Exercise price ($)	Expiry date
1,250,000	132,320	0.300	December 30, 2022
5,000,000	192,944	0.100	November 16, 2023
1,192,500	41,870	0.200	December 23, 2023
1,450,000	55,733	0.150	December 23, 2023
1,454,163	53,825	0.200	December 24, 2023
250,000	9,623	0.150	December 24, 2023
10,596,663	**486,315**	**0.157**	

(Expressed in Canadian dollars)

8. Stock options

The following table reflects the continuity of stock options:

	Number of stock options	Weighted average exercise price ($)
Balance, December 31, 2020 and June 30, 2021	**1,495,000**	**0.14**
Balance, December 31, 2021	**1,595,000**	**0.14**
Granted (i)	1,550,000	0.15
Balance, June 30, 2022	**3,145,000**	**0.15**

(i) On February 10, 2022, the Company granted a total of 1,550,000 incentive stock options to officers, directors and consultants of the Company at the exercise price of $0.15, expiring February 10, 2027. 800,000 options vest immediately and the remainder vest as to 25% on each of 6, 12, 18 and 24 months after the date of grant. The grant date fair value of $172,142 or $0.1111 per option was valued using the Black-Scholes valuation model with the following assumptions: share price of $0.125, expected dividend yield of 0%, expected volatility of 144% which is based on historical volatility of the Company's share price, risk-free rate of return of 1.81% and an expected maturity of 5 years. For the three and six months ended June 30, 2022, $21,632 and $122,127, respectively was expensed to share-based compensation.

The following table reflects the actual stock options issued and outstanding as of June 30, 2022:

Expiry date	Exercise price ($)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)
April 9, 2023	0.15	0.78	375,000	375,000
April 12, 2024	0.05	1.79	120,000	120,000
November 2, 2025	0.15	3.35	950,000	950,000
December 9, 2025	0.17	3.45	50,000	50,000
July 12, 2026	0.11	4.04	100,000	100,000
February 10, 2027	0.15	4.62	1,550,000	800,000
		3.63	**3,145,000**	**2,395,000**

9. Net loss per common share

The calculation of basic and diluted loss per share for the three and six months ended June 30, 2022 was based on the loss attributable to common shareholders of $804,742 and $1,136,757, respectively (three and six months ended June 30, 2021 - $214,038 and $472,959, respectively) and the weighted average number of common shares outstanding of 40,725,667 and 40,551,831, respectively (three and six months ended June 30, 2021 - 28,068,362 and 27,448,130, respectively). Diluted loss per share did not include the effect of 3,145,000 stock options (June 30, 2021 - 1,495,000 stock options) and 10,596,663 warrants (June 30, 2021 - 9,255,000 warrants) as they are anti-dilutive.

(Expressed in Canadian dollars)

10. Exploration and evaluation expenditures

	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Copper Road Project				
Consulting fees	**$ 40,903**	$ -	**$ 48,403**	$ -
Drilling	**564,321**	**-**	**572,821**	-
General and geology	**137,044**	21,291	**166,884**	47,035
Laboratory analysis	**19,642**	-	**19,642**	-
Property acquisition costs (iii)	**-**	77,000	**122,500**	107,000
Travel, hotel and meals	**28,184**	-	**30,639**	-
	$ 790,094	$ 98,291	**$ 960,889**	$ 154,035
Mount Jamie North Property				
General and geology	**$ -**	$ 22,920	**$ -**	$ 52,314
Drilling	**-**	-	**-**	136,806
Property acquisition costs (i)(ii)	**-**	27,000	**-**	41,500
	$ -	$ 49,920	**$ -**	$ 230,620
Total	**$ 790,094**	$ 148,211	**$ 960,889**	$ 384,655

(i) On June 3, 2020, the Company announced it entered into an option agreement with Bounty Gold Corp. ("Bounty"), a private company, to purchase a 100% interest in the Mount Jamie North Property (the "MJ Property") located in Red Lake, Ontario. The MJ Property consists of certain mineral claims located in Todd Township, Red Lake Mining Division, District of Kenora, Northwestern Ontario.

Under the terms of the option agreement, the Company has the option to acquire a 100% interest in the MJ Property by making the following cash payments and share issuances:

- An initial cash payment of $7,500 (paid) and the issuance of 150,000 common shares of the Company (issued and valued at $14,250) by the seventh day following acceptance of the TSXV (the “Closing”);
- A cash payment of $7,500 (paid) and issuing 150,000 common shares (issued and valued at $16,500) within 180 days after the Closing; and
- A cash payment of $10,000 (paid) and issuing 200,000 common shares (issued on June 4, 2021 and valued at $17,000) within one year after the Closing.

The Company can, at its option, accelerate the cash payments and common share issuances described above. All common share issuances by the Company will be subject to a statutory four-month and a day hold period as per Canadian securities law.

In addition, the Company will pay a 2.0% NSR to Bounty on commencement of commercial production. The Company will have the right, at any time and upon 30 days’ notice, to purchase 1.0% of the 2.0% NSR for $1,000,000.

(ii) On January 12, 2021, the Company entered into an asset purchase agreement with EMX Royalty Corporation ("EMX"), pursuant to which the Company will acquire certain mineral claims in Red Lake, Ontario from EMX. Under the terms of the agreement, EMX will receive a cash payment of $10,000 (paid), the grant of a 1.5% NSR on the claims and will be issued 30,000 common share of the Company (issued on February 2, 2021 and valued at $4,500) for 100% ownership of the claims. The acquisition was completed on February 2, 2021.

10. Exploration and evaluation expenditures (continued)

(iii) On March 10, 2021, the Company announced that it entered into an option agreement (the "East Breccia Option Agreement") to earn a 100% interest in certain mineral claims in Batchewana Bay, Ontario making up the East Breccia project (the "East Breccia Project") and a second option agreement with current claims holders (the "Tribag Option Agreement") to earn a 100% interest in certain minerals claims in Batchewana Bay, Ontario making up the Tribag project (the "Tribag Project").

East Breccia Option Agreement

Under the terms of the East Breccia Option Agreement, the Company has the option to acquire a 100% interest in the East Breccia Project by making the following cash payments and shares issuances:

1. cash payment of $15,000 (paid) on the day of acceptance of the transaction by the TSXV (received on April 22, 2021);
2. issuance of 200,000 common shares of the Company (“Shares”) (issued on April 9, 2021 and valued at $22,000) by the 30th day following April 22, 2021;
3. cash payment of $25,000 (paid) and issuance of 200,000 Shares (issued on March 10, 2022 and valued at $30,000) by the first anniversary of April 22, 2022;
4. cash payment of $35,000 and issuance of 200,000 Shares by the second anniversary of April 22, 2023;
5. cash payment of $40,000 and issuance of 100,000 Shares by the third anniversary of April 22, 2024; and
6. cash payment of $50,000 and issuance of 100,000 Shares by the fourth anniversary of April 22, 2025.

To further maintain the East Breccia Option Agreement in full force and effect, the Company shall also incur cumulative exploration expenditures on the East Breccia Project of $300,000 as follows: (1) $100,000 on or before the second anniversary of the closing; (2) $100,000 on or before the third anniversary of the closing; and (3) $100,000 on or before the fourth anniversary of the closing.

Under the terms of the East Breccia Option Agreement, the Company will pay a 2% Net Smelter Return royalty (the “NSR”) to the vendors on commencement of commercial production. The Company will have the right, at any time until one year after commercial production to purchase 1% of the 2% NSR for $1,000,000.

Tribag Option Agreement

Under the terms of the East Breccia Option Agreement, the Company has the option to acquire a 100% interest in the Tribag Project by making the following cash payments and Shares issuances:

1. cash payment of $15,000 (paid) on the date of execution of the Tribag Option Agreement;
2. issuance of 500,000 Shares (issued on April 9, 2021 and valued at $55,000) by the 30th day following April 22, 2021;
3. cash payment of $30,000 (paid) and issuance of 250,000 Shares (issued on March 10, 2022 and valued at $37,500) by the first anniversary of April 22, 2022;
4. cash payment of $15,000 and issuance of 250,000 Shares by the second anniversary of April 22, 2023; and
5. cash payment of $15,000 and issuance of 500,000 Shares by the third anniversary of April 22, 2024.

To further maintain the Tribag Option Agreement in full force and effect, the Company shall also incur cumulative exploration expenditures on the Tribag Project of $400,000 as follows: (1) $100,000 on or before the second anniversary of the execution date; (2) $100,000 on or before the third anniversary of the execution date; and (3) $200,000 on or before the fourth anniversary of the execution date.

Under the terms of the Tribag Option Agreement, the Company will pay a 2% NSR to the vendors on commencement of commercial production. The Company will have the right, at any time until one year after completion of any bankable feasibility study to purchase 0.5% of the 2% NSR for $500,000, and at any time until one year after commercial production to purchase an additional 0.5% of the 2% NSR for $750,000.

(Expressed in Canadian dollars)

11. General and administrative

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	**2021**	**2022**	**2021**
Share-based compensation (note 8)	**$ 21,632**	$ -	**$ 122,127**	$ -
Professional fees (note 12)	**31,713**	27,482	**61,605**	51,512
Management compensation (note 12)	**18,000**	18,000	**36,000**	39,500
Director fees (note 12)	**15,000**	15,000	**30,000**	30,000
Office and general	**13,806**	3,954	**23,445**	6,509
Reporting issuer costs	**8,988**	3,787	**16,346**	19,615
Shareholder and investors relations	**7,077**	5,328	**8,508**	12,548
Business development	**1,085**	-	**1,910**	1,200
Bank charges	**237**	256	**451**	486
	$ 117,538	$ 73,807	**$ 300,392**	$ 161,370

12. Related party disclosures

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

Remuneration of directors and key management personnel (including Chief Executive Officer), Chief Financial Officer ("CFO") and directors), other than consulting fees, of the Company was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	**2021**	**2022**	**2021**
Management compensation and salaries and benefits [1]	**$ 37,635**	$ 37,635	**$ 75,300**	$ 75,270
Share-based compensation	**$ 5,047**	$ -	**$ 96,612**	$ -

[1] Salaries and benefits include director fees. The Board of Directors and select officers do not have employment or service contracts with the Company. Directors are entitled to director fees and stock options for their services and officers are entitled to fees and stock options for their services. During the three and six months ended June 30, 2022, $15,000 and $30,000, respectively (three and six months ended June 30, 2021 - $15,000 and $30,000, respectively) was paid or accrued for director fees. As at June 30, 2022, officers and directors (excluding the CFO) were owed $5,955 (December 31, 2021 - $nil) and this amount was included in amounts payable and other liabilities.

(Expressed in Canadian dollars)

12. Related party disclosures (continued)

The Company entered into the following transactions with related parties:

		Three Months Ended June 30,		Six Months Ended June 30,	
	Notes	**2022**	**2021**	**2022**	**2021**
Marrelli Support Services Inc. ("Marrelli Support")	(i)	**$ 4,500**	$ 4,500	**$ 11,150**	$ 10,900
DSA Filing Services Limited ("DSA")	(ii)	**$ 515**	$ 261	**$ 740**	$ 1,629
Marrelli Press Release Services Limited ("Press Release")	(iii)	**$ 950**	$ 1,224	**$ 1,868**	$ 3,444
Dixcart Trust Corporation Limited ("Dixcart")	(iv)	**$ 5,988**	$ -	**$ 11,979**	$ -

(i) During the three and six months ended June 30, 2022, the Company paid professional fees of $4,500 and $11,150, respectively (three and six months ended June 30, 2021 - $4,500 and $10,900, respectively) to Marrelli Support, an organization of which Carmelo Marrelli is Managing Director. Carmelo Marrelli is the CFO of the Company. These services were incurred in the normal course of operations for general accounting and financial reporting matters. Marrelli Support also provides bookkeeping services to the Company. As at June 30, 2022, Marrelli Support was owed $1,785 (December 31, 2021 - $1,784) and this amount was included in amounts payable and other liabilities.

(ii) During the three and six months ended June 30, 2022, the Company paid professional fees of $515 and $740, respectively (three and six months ended June 30, 2021 - $261 and $1,629, respectively) to DSA, an organization of which Carmelo Marrelli controls. Carmelo Marrelli is also the corporate secretary and sole director of DSA. These services were incurred in the normal course of operations for corporate secretarial matters. As at June 30, 2022, DSA was owed $170 (December 31, 2021 - $339) and this amount was included in amounts payable and other liabilities.

(iii) During the three and six months ended June 30, 2022, the Company paid professional fees of $950 and $1,868, respectively (three and six months ended June 30, 2021 - $1,224 and $3,444, respectively) to Press Release, an organization of which Carmelo Marrelli controls. Carmelo Marrelli is also the corporate secretary and sole director of Press Release. These services were incurred in the normal course of operations for press release matters. As at June 30, 2022, Press Release was owed $346 (December 31, 2021 - $1,363) and this amount was included in amounts payable and other liabilities.

(iv) Shaun Drake, who is the Corporate Secretary Officer of the Company, is an employee of Dixcart. During the three and six months ended June 30, 2022, the Company paid professional fees of $5,988 and $11,979, respectively (three and six months ended June 30, 2021 - $nil) to Dixcart. The amounts charged by Dixcart are recorded at their exchange value. As at June 30, 2022, Dixcart was owed $6,096 (December 31, 2021 - $nil).

All amounts due to related parties are unsecured, non-interest bearing and due on demand.

13. Segmented information

The Company's operations comprise a single reporting operating segment engaged in mineral exploration in Canada. As the operations comprise a single reporting segment, amounts disclosed in the unaudited condensed interim financial statements also represent segment amounts. In order to determine reportable operating segments, the chief operating decision maker reviews various factors including geographical location, quantitative thresholds and managerial structure.

14. Commitments

Flow-through shares

Pursuant to the terms of a flow-through share agreement, the Company is in the process of complying with flow-through contractual obligations to subscribers with respect to the Income Tax Act (Canada) requirements for flow-through shares. As of June 30, 2022, the Company is committed to incurring approximately $422,000 in Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) by December 31, 2022 arising from the flow-through offerings.

15. Subsequent event

On July 22, 2022, the Company announced that it closed a non-brokered private placement for aggregate gross proceeds of $315,000. The offering consisted of the sale of 1,575,000 units at a price of $0.20 per unit. Each unit consists of one common share of the Company and one-half of one common share purchase warrant, with each whole warrant entitling the holder thereof to acquire on additional common share of the Company at a price of $0.30 for a period of twenty-four months following the closing of the offering. The securities issued pursuant to the offering will be subject to a statutory hold period of four months and one day in accordance with applicable securities laws. In connection with the offering, the Company agreed to pay a cash commission in the aggregate amount of $8,100 to eligible finder's in accordance with the policies of the TSXV.

A certain director of the Company subscribed to the offering for an aggregate of 250,000 units.