



**Allegiant Gold Ltd.
1090 Hamilton Street
Vancouver, B.C.
V6B 2R9
Canada**

**Condensed Interim Consolidated Financial Statements
(Unaudited)**

**For the Nine Months Ended
June 30, 2019**

(Stated in Canadian Dollars)

NOTICE OF NO REVIEW BY AUDITOR

In accordance with National Instrument 51-102 *Continuous Disclosure Obligations* of The Canadian Securities Administrators we hereby give notice that our condensed interim consolidated financial statements for the nine months ended June 30, 2019, which follow this notice, have not been reviewed by an auditor.

Allegiant Gold Ltd.

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



	June 30, 2019	September 30, 2018
	(\$)	(\$)
Assets		
Current assets		
Cash	617	3,814
Available-for-sale investments (note 5)	435	-
Receivables	71	22
Prepaid expenses	55	79
	1,178	3,915
Non-current assets		
Reclamation bonds (note 6)	350	589
Exploration and evaluation assets (note 7)	23,630	22,469
	25,158	26,973
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable (note 10)	7	98
Accrued liabilities	23	165
Due to Columbus Gold Corp. (note 10)	-	1,569
	30	1,832
Non-current liabilities		
Due to Columbus Gold Corp. (note 10)	1,447	-
	1,477	1,832
Shareholders' equity		
Share capital (note 9)	25,147	24,944
Reserves (note 9)	4,461	4,062
Deficit	(5,927)	(3,865)
	23,681	25,141
	25,158	26,973

Nature of operations and going concern (note 1)

Approved by the Board of Directors

"Robert Giustra"

Robert Giustra – Director

"Russell Ball"

Russell Ball - Director

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

Allegiant Gold Ltd.Condensed Interim Consolidated Statements of Comprehensive (Loss) Income
(Expressed in thousands of Canadian Dollars, except per share amounts - Unaudited)

	Three Months Ended		Nine Months Ended	
	June 30, 2019 (\$)	June 30, 2018 (\$)	June 30, 2019 (\$)	June 30, 2018 (\$)
Operating expenses				
Administration and office (note 10)	95	144	275	322
Directors fees (note 10)	45	45	135	100
General exploration	25	10	106	69
Investor relations	13	94	61	329
Management fees (note 10)	38	37	133	75
Professional fees	18	31	84	306
Share-based payments (note 9(b))	-	(1)	-	1,499
Transfer agent and filing fees	17	14	66	128
Travel	-	-	6	-
Option payments received	(90)	(8)	(90)	(8)
Loss before other items	(161)	(366)	(776)	(2,820)
Other items				
Interest income	4	2	24	15
Unrealized loss on available-for-sale investments	(251)	-	(251)	-
Impairment of exploration and evaluation assets (note 7)	(539)	-	(993)	-
Accretion expense (note 10)	(25)	(35)	(68)	(143)
Foreign exchange gain (loss)	7	(4)	2	(3)
Loss before taxes and net loss for the period	(965)	(403)	(2,062)	(2,951)
Items that may subsequently be reclassified to net income or loss:				
Foreign currency translation gain (loss)	(477)	419	399	1,115
Comprehensive (loss) income for the period	(1,442)	16	(1,663)	(1,836)
Basic and diluted loss per share (note 9(d))	(0.02)	(0.01)	(0.03)	(0.11)

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

Allegiant Gold Ltd.

Condensed Interim Consolidated Statements of Cash Flows
(Expressed in thousands of Canadian Dollars except share amounts - Unaudited)



	Three Months Ended		Nine Months Ended	
	June 30, 2019 (\$)	June 30, 2018 (\$)	June 30, 2019 (\$)	June 30, 2018 (\$)
Operating activities				
Net loss for the period	(965)	(403)	(2,062)	(2,951)
Items not involving cash				
Unrealized loss on available-for-sale assets	251	-	251	-
Impairment of exploration and evaluation assets	539	-	993	-
Share-based payments	-	(1)	-	1,499
Accretion expense	25	35	68	143
Unrealized foreign exchange loss	9	9	16	12
Option payments received	(90)	-	(90)	-
	(231)	(360)	(824)	(1,297)
Changes in non-cash working capital				
Receivables and prepaid expenses	(65)	5	(36)	(116)
Accounts payable and accrued liabilities	-	(258)	(233)	(6)
Cash used in operating activities	(296)	(613)	(1,093)	(1,419)
Investing activities				
Exploration and evaluation assets (note 7)	(823)	(888)	(2,409)	(2,620)
Reclamation bonds	276	10	268	(95)
Cash from acquisition of Allegiant Gold Holding Ltd. (note 4)	-	-	-	130
Option payments received	-	14	-	27
Interest received	4	-	24	13
Cash used in investing activities	(543)	(864)	(2,117)	(2,545)
Financing activities				
Private placement of subscription receipts, net of financing costs (note 9)	-	11	-	3,772
Advances from (repayment to) Columbus Gold Corp.	-	-	-	522
Cash from financing activities	-	11	-	4,294
Effect of foreign exchange on cash	(14)	-	13	5
(Decrease) increase in cash	(853)	(1,466)	(3,197)	335
Cash, beginning of period	1,470	1,801	3,814	-
Cash, end of period	617	335	617	335

Supplemental cash flow information (note 13)

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

Allegiant Gold Ltd.

 Condensed Interim Consolidated Statements of Shareholders' Equity
 (Expressed in thousands of Canadian Dollars except for share amounts - Unaudited)


	Share Capital		Reserves				Total
	Number of Shares	Share Capital (\$)	Share Options and Warrants (\$)	AOCI ¹ (\$)	Total (\$)	Deficit (\$)	
Balance, October 1, 2017	1	0	-	-	-	-	0
Shares issued for acquisition of Allegiant Gold Holding Ltd. (note 4)	51	18,107	-	-	-	-	18,107
Shares issued under plan of arrangement (note 1)	39,687,315	-	-	-	-	-	-
Private placement of subscription receipts	6,994,114	2,256	1,516	-	1,516	-	3,772
Share-based payments (note 9(b))	-	-	1,499	-	1,499	-	1,499
Contributions - discount of amounts due to Columbus Gold Corp. (note 10)	-	-	-	214	214	-	214
Comprehensive loss	-	-	-	1,115	1,115	(2,951)	(1,836)
Balance, June 30, 2018	46,681,481	20,363	3,015	1,329	4,344	(2,951)	21,756
Balance, October 1, 2018	60,811,482	24,944	3,163	899	4,062	(3,865)	25,141
Shares for debt (note 10)	32,368	13	-	-	-	-	13
Shares issued for extension of amounts due to Columbus Gold Corp. (note 10)	1,000,000	190	-	-	-	-	190
Comprehensive loss	-	-	-	399	399	(2,062)	(1,663)
Balance, June 30, 2019	61,843,850	25,147	3,163	1,298	4,461	(5,927)	23,681

¹ Accumulated Other Comprehensive Income

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

1. Nature of Operations and Going Concern

Allegiant Gold Ltd. (the “Company” or “Allegiant”), was incorporated on September 26, 2017 under the laws of the Province of British Columbia, Canada. The Company was a wholly-owned subsidiary of Columbus Gold Corp. (“Columbus Gold”), a Toronto Stock Exchange listed company, until January 25, 2018, when it was spun-out of Columbus Gold by way of a plan of arrangement (the “Arrangement”) as a separate entity. The Company obtained its initial listing on the TSX Venture Exchange (“TSXV”) on January 30, 2018. The common shares of the Company are also listed on the OTCQX effective February 26, 2018.

The Company’s head office and principal address is located at 1090 Hamilton Street, Vancouver, British Columbia, V6B 2R9, Canada.

On October 1, 2017, the Company acquired Allegiant Gold Holding Ltd. (“AGHL”) from Columbus Gold (note 4), which indirectly held all of Columbus Gold’s exploration and evaluation assets in the United States of America.

The Company’s principal business activities are the exploration and development of resource properties located in the United States of America. The Company is in the process of exploring and developing its resource properties, but has not yet determined whether the properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production or from proceeds of disposition. The Company’s exploration and evaluation activities are not dependent on seasonality and may operate year-round; however, the Company may adjust the level of exploration and evaluation activities to manage its capital structure in light of changes in global economic conditions. To date, the Company has not received any revenue from mining operations and is considered to be in the exploration stage.

These condensed interim consolidated financial statements have been prepared on a going concern basis which implies that the Company will continue realizing assets and discharging liabilities in the normal course of business for the foreseeable future. Should the going concern assumption not continue to be appropriate, further adjustments to carrying values of assets and liabilities may be required. At June 30, 2019, the Company had a working capital of \$1,148 (September 30, 2018 – \$2,083) and deficit of \$5,927 (September 30, 2018 - \$3,865). Accordingly, the ability of the Company to realize the carrying value of its assets and continue operations as a going concern is dependent upon its ability to raise additional debt or equity to fund ongoing costs of operations and/or secure new or additional partners in order to advance its projects. These material uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern. These financial statements do not include any adjustments relating to the recovery of assets and classification of assets and liabilities that may arise should the Company be unable to continue as a going concern.

2. Basis of Presentation

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards 34, *Interim Financial Reporting* (“IAS 34”) using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These condensed interim consolidated financial statements have been prepared using the same accounting policies and methods of computation as the most recent annual financial statements for the year ending September 30, 2018.

These condensed interim consolidated financial statements were approved by the Board of Director(s) and authorized for issue on August 19, 2019.

New Accounting Standards Adopted During the Period

In July 2014, the IASB issued the final version of *IFRS 9 – Financial Instruments* (“IFRS 9”) which replaces *IAS 39 Financial Instruments: Recognition and Measurement*. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on an entity’s business model and the contractual cash flow of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument.

2. Basis of Presentation - continued

IFRS 9 amends some of the requirements of *IFRS 7 Financial Instruments: Disclosures*, including added disclosures about investments in equity instruments measured at fair value in other comprehensive income, and guidance on financial liabilities and derecognition of financial instruments. The amended standard was adopted on October 1, 2018 and the impact to the Company's financial statements will be to classify its investments to fair value through profit or loss. The Company adopted IFRS 9 retrospectively without restatement of comparative amounts resulting in no material accounting impact on October 1, 2018. Future changes in the fair value of these investments will be recorded directly in profit or loss. No other differences of any significance have been noted in relation to the adoption of IFRS 9.

3. Changes in Accounting Standards

A number of new standards, and amendments to standards and interpretations that may have a significant effect on the condensed interim consolidated financial statements of the Company are as follows:

(a) IFRS 16 – *Leases* (“IFRS 16”)

IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The Company does not expect IFRS 16 to have a significant impact on the Company's financial statements. IFRS 16 was issued in January 2016 and applies to annual reporting periods beginning on or after January 1, 2019.

(b) Other

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4. Acquisition of AGHL

On October 1, 2017, the Company issued 49 shares to Columbus Gold in exchange for all of the outstanding common shares of AGHL, which indirectly held all of Columbus Gold's exploration and evaluation assets in Nevada.

The transaction was between entities under common control as it was a transfer of assets previously owned directly by Columbus Gold to the Company, a wholly owned subsidiary of Columbus Gold at the time. Accordingly, the Company recorded the assets transferred at the historical carrying costs of Columbus Gold at the date of transfer. The carrying amounts of the assets and liabilities transferred from Columbus Gold to the Company included:

	\$
Cash	130
Reclamation bonds	447
Prepaid expenses	4
Exploration and evaluation assets	18,676
Accrued liabilities	(67)
Due to Columbus Gold – current	(858)
Due to Columbus Gold – non-current	(1,082)
	17,250

On October 29, 2017, AGHL issued 2 additional shares to Columbus Gold to settle debt outstanding of \$858. On October 29, 2017, the Company issued 2 additional shares to Columbus Gold in exchange for the additional 2 common shares of AGHL, and consequently retained a 100% interest in AGHL.

Allegiant Gold Ltd.



Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended June 30, 2019

(Expressed in thousands of Canadian Dollars, except per share amounts or where noted - Unaudited)

5. Available-for-Sale Investments

	June 30, 2019 (\$)	September 30, 2018 (\$)
Barrian Mining Corp. ("Barrian")	418	-
Barksdale Metals Corp. ("Barksdale")	17	-
	435	-

6. Reclamation Bonds

The drilling permits for the following properties require refundable reclamation bonds, which are held by the USA Forest Service and the US Bureau of Land Management:

	June 30, 2019 (\$)	September 30, 2018 (\$)
Bolo	-	255
Browns Canyon	21	21
Eastside	288	260
Hughes Canyon	18	18
Monitor Hills	15	15
Red Hills	8	20
	350	589

7. Exploration and Evaluation Assets

A summary of exploration and evaluation assets by property for the period ended June 30, 2019 is set out below:

Property	Balance at October 1, 2018 (\$)	Additions (\$)	Option Payment(s) Received (\$)	Impairment (\$)	Foreign Exchange (\$)	Balance at June 30, 2019 (\$)
Bolo	4,263	6	(332)	-	71	4,008
Browns Canyon	157	484	-	-	(5)	636
Clanton Hills	57	8	-	-	1	66
Eastside	17,076	921	-	-	251	18,248
Four Metals ¹	-	-	-	-	-	-
Hughes Canyon	153	285	-	(454)	16	-
Mogollon ²	262	4	(274)	-	8	-
Monitor Hills	92	407	-	(506)	7	-
Overland Pass	64	24	-	-	1	89
Silver Dome	31	2	-	(33)	-	-
West Goldfield	179	223	-	-	-	402
White Horse Flats	72	24	-	-	1	97
White Horse North	63	21	-	-	-	84
	22,469	2,409	(606)	(993)	351	23,630

¹ Optioned to third party. Proceeds received exceed carrying value of property. Refer to "Four Metals" section for further details.

² Optioned to third party. Proceeds received exceed carrying value of property. Refer to "Mogollon" section for further details.

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Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended June 30, 2019

(Expressed in thousands of Canadian Dollars, except per share amounts or where noted - Unaudited)


7. Exploration and Evaluation Assets - continued

A summary of exploration and evaluation assets by property for the year ended September 30, 2018 is set out below:

Property	On Acquisition of AGHL (\$)	Additions (\$)	Option Payment(s) Received (\$)	Impairment (\$)	Foreign Exchange (\$)	Balance at September 30, 2018 (\$)
Bolo	3,970	154	-	-	139	4,263
Browns Canyon	14	141	-	-	2	157
Clanton Hills	33	22	-	-	2	57
Eastside	14,078	2,501	-	-	497	17,076
Four Metals	14	-	(17)	-	3	-
Hughes Canyon	43	108	-	-	2	153
Mogollon	195	72	(14)	-	9	262
Monitor Hills	62	27	-	-	3	92
Overland Pass	40	22	-	-	2	64
Red Hills	25	368	-	(396)	3	-
Silver Dome	18	13	-	-	-	31
West Goldfield	151	22	-	-	6	179
White Horse Flats	12	59	-	-	1	72
White Horse North	21	41	-	-	1	63
	18,676	3,550	(31)	(396)	670	22,469

A summary of the exploration and evaluation assets by cost category is set out below:

	(\$)
On acquisition of AGHL	18,676
Drilling	1,390
Geology, trenching and geophysics	345
Management and administration	1,349
Technical studies	260
Travel	206
Option payment(s) received	(31)
Impairment	(396)
Foreign exchange	670
Balance at September 30, 2018	22,469
Acquisition and land	502
Drilling	767
Geology, trenching and geophysics	286
Management and administration	550
Technical studies	175
Travel	129
Option payments received	(606)
Impairment	(993)
Foreign exchange	351
Balance at June 30, 2019	23,630

7. Exploration and Evaluation Assets - continued*Bolo*

The Bolo project is located approximately 60 km northeast of Tonopah, Nevada. The Company holds a 100% interest in Bolo, subject to underlying royalties.

On June 27, 2018, the Company entered into an agreement with Barrian, under which Barrian may acquire up to a 50.01% undivided interest in Bolo by issuing common shares of Barrian to the Company, with an aggregate value of \$1,310 (US\$1,000) over a three year period, and also incurring certain exploration and evaluation expenditures on Bolo with a minimum aggregate value of \$5,238 (US\$4,000) by December 31, 2022. On April 24, 2019, the Company received 1,672,750 common shares of Barrian, representing an initial \$334 (US\$250) option payment.

Barrian may acquire an additional 24.99% interest in Bolo by incurring an additional \$5,238 (US\$4,000) in certain exploration and evaluation expenditures on Bolo within two years of acquiring the initial 50.01% interest in Bolo. If Barrian does not acquire the additional 24.99% interest, then Barrian will transfer a 0.02% interest in Bolo back to the Company.

Eastside

The Eastside project is located approximately 32 km west of Tonopah, Nevada. The Company holds a 100% interest in Eastside, subject to underlying royalties.

Four Metals

On April 19, 2018 the Company and MinQuest Ltd. entered into an option agreement with Arizona Standard (US) Corp. (the “Four Metals Optionee”) and Barksdale granting the Four Metals Optionee an option to acquire a 100% interest in the Four Metals project located in Santa Cruz County, Arizona. The Four Metals Optionee is a wholly-owned subsidiary of Barksdale. The common shares of Barksdale are listed for trading on the TSXV. The Company and MinQuest Ltd. each own a 50% interest in 16 unpatented lode mining claims that, in addition to 24 unpatented lode mining claims that are 100% owned by the Company, comprise the Four Metals project. The option agreement requires the Four Metals Optionee to pay \$295 (US\$225) in staged payments over a five-year period. In addition, Barksdale will issue common shares with a total value of \$295 (US\$225) in staged issuances over the same five-year period. The cash payments and share issuances are shared equally with MinQuest Ltd. so that the Company will receive 50% of the cash and share payments.

On April 18, 2019, the Company received cash of \$17 (US\$13) and 33,016 common shares of Barksdale, with a fair value of \$17 (US\$13). As at the date of these condensed interim consolidated financial statements, the Company received an aggregate of \$31 (US\$26) and 33,016 common shares of Barksdale.

Mogollon

On June 19, 2018, the Company entered into an agreement with Barrian, granting Barrian an option to acquire a 100% interest in Mogollon by issuing common shares of Barrian with an aggregate value of \$1,310 (US\$1,000) over an approximate three-year period. On April 24, 2019, the Company received 1,672,750 common shares of Barrian, representing an initial \$334 (US\$250) option payment.

Other

The Company has additional exploration and evaluation assets located in the USA, comprised of the following properties: Browns Canyon, Clanton Hills, Overland Pass, West Goldfield, White Horse Flats, and White Horse North.

8. Restoration Provision

The Company has restoration obligations in connection with certain properties in Nevada. The Company has in place reclamation bonds with the USA Forest Service and the US Bureau of Land Management (also refer to note 5) to cover these obligations.

Allegiant Gold Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended June 30, 2019

(Expressed in thousands of Canadian Dollars, except per share amounts or where noted - Unaudited)



9. Share Capital

(a) Common shares

Authorized - unlimited common shares without par value.

At June 30, 2019, the Company had 61,843,850 (September 30, 2018 – 60,811,482) common shares issued and outstanding.

On March 5, 2019, the Company issued 1,000,000 common shares (the “Extension Shares”) of Allegiant in exchange for extending the due date of the Grid Note (see note 10) to December 31, 2020. The fair value of the Extension Shares was \$190 at the time of issuance.

On October 24, 2018, the Company extinguished an existing debt in the amount of \$13 by issuing 32,368 common shares (each a “Settlement Share”) at a fair value price of \$0.42 per Settlement Share to certain of its independent directors.

(b) Share options

The Company has a share option plan to issue share options whereby the total share options outstanding may be up to 10% of its issued capital at the time of an applicable option grant. The Board of Directors may from time to time, grant options to directors, officers, employees or consultants. The exercise price of an option is not less than the closing price on the TSXV on the last trading day preceding the grant date.

The continuity of the Company's share options is as follows:

	Number of Options	Weighted Average Exercise Price (\$)
Balance, October 1, 2017	-	-
Granted	5,415,000	0.58
Cancelled	(125,000)	0.60
Forfeited	(200,000)	0.60
Balance, September 30, 2018	5,090,000	0.58
Expired	(125,000)	0.60
Balance, June 30, 2019	4,965,000	0.58

A summary of the Company's options at June 30, 2019 is as follows:

Exercise Price (\$)	Options Outstanding		Options Exercisable	
	Number of Options Outstanding	Weighted Average Remaining Contractual Life (years)	Number of Options Exercisable	Weighted Average Remaining Contractual Life (years)
0.60	4,215,000	3.59	4,215,000	3.59
0.46	750,000	4.21	750,000	4.21
0.46-0.60	4,965,000	3.68	4,965,000	3.68

The fair value of share options recognized as an expense during the three and nine months ended June 30, 2019 was \$nil (2018 – \$(1) and \$1,499, respectively).

9. Share Capital - continued

The fair value of each share option is estimated on the date of grant using the Black-Scholes Option Pricing Model that uses the assumptions noted in the table above. Expected volatilities are based on historical volatility of the Company's shares, and other factors. The expected term of share options granted represents the period of time that share options granted are expected to be outstanding. The risk-free rate of periods within the contractual life of the share option is based on the Canadian government bond rate. Assumptions used for share options granted during 2018 were as follows:

Grant Date	Number of Share Options	Expected Price Volatility	Risk Free Interest Rate	Expected Life (years)	Expected Dividend Yield	Fair Value Per Option (\$)	Total Fair Value (\$)
January 30, 2018	4,665,000	69.5%	2.0%	2.96	-	0.34	1,588
September 13, 2018	750,000	73.7%	2.2%	2.96	-	0.23	170

(c) Warrants

On January 29, 2018, in connection with the Arrangement, the Company issued 6,994,114 Allegiant warrants, exercisable for a period of 24 months to acquire one Allegiant common share at a price of \$1.00 per share. The expiry of the Allegiant warrants may be accelerated by the Company, at any time in the event that the volume-weighted average closing price of the Allegiant common shares on the TSXV, or such other exchange on which the Allegiant common shares may primarily trade from time to time, is greater than or equal to \$1.20 for a period of 20 consecutive trading days, by giving notice to the holders thereof, and in such case, the Allegiant warrants will expire on the earlier of: (i) the 30th day after the date on which such notice is given by Allegiant, and (ii) the actual expiry date of the Allegiant warrants.

On January 29, 2018, 273,490 finders' warrants (the "Finders' Warrants") were issued with an exercise price of \$0.60, expiring on January 29, 2020.

The continuity of the Company's warrants is as follows:

	Number of Warrants	Weighted Average Exercise Price (\$)
Balance, October 1, 2017	-	-
Allegiant warrants	6,994,114	1.00
Finders' warrants	273,490	0.60
Balance, September 30, 2018 and June 30, 2019	7,267,604	0.98

The fair value of each warrant is estimated on the date of grant using the Black-Scholes Option Pricing Model that uses the assumptions noted in the table below. Expected volatilities are based on historical volatility of the Company's shares, and other factors. The expected term of warrants issued represents the period of time which those warrants are expected to be outstanding. The risk-free rate of periods within the contractual life of the warrants is based on the Canadian government bond rate.

Assumptions used for warrants issued during 2018 are as follows:

Issue Date	Number of Warrants	Expected Price Volatility	Risk Free Interest Rate	Expected Life (Years)	Expected Dividend Yield	Fair Value Per Warrant (\$)	Total Fair Value (\$)
January 29, 2018	6,994,114	75%	1.77%	2.00	-	0.20	1,432
January 29, 2018	273,490	75%	1.77%	2.00	-	0.31	84

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(Expressed in thousands of Canadian Dollars, except per share amounts or where noted - Unaudited)

**9. Share Capital - continued**

(d) Loss per share

	Three Months Ended		Nine Months Ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
	(\$)	(\$)	(\$)	(\$)
Basic and diluted loss per share	(0.02)	(0.01)	(0.03)	(0.11)
Net loss for the period	(965)	(403)	(2,062)	(2,951)

	Three Months Ended		Nine Months Ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
	(\$)	(\$)	(\$)	(\$)
Shares outstanding, beginning of period	61,843,850	46,681,481	60,811,482	1
Effect of shares for debt	-	-	29,641	-
Effect of Extension Shares	-	-	432,234	-
Effect of the Arrangement	-	-	-	23,696,089
Effect of shares issued to acquire AGHL	-	-	-	51
Effect of Subscription Receipts conversion	-	-	-	3,919,778
Basic and diluted weighted average number of shares outstanding	61,843,850	46,681,481	61,273,357	27,615,919

As at June 30, 2019, there were 4,965,000 (2018 – 4,465,000) share options and 7,267,604 (2018 – 7,267,604) warrants that were potentially dilutive but not included in the diluted loss per share calculation as the effect would be anti-dilutive.

(e) Reserves

Share options and warrants

The share options and warrants reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

Accumulated other comprehensive income (loss)

The accumulated other comprehensive income (loss) reserve records unrealized exchange differences arising on translation of foreign operations that have a functional currency other than the Company's reporting currency.

10. Related Party Transactions

Columbus Gold, a company with certain directors and officers in common, provides the Company with administration and management services on a shared cost basis under a corporate services agreement (the "CSA"). The most recent CSA is effective until December 31, 2019 and may be terminated by either party with three months' notice.

As at June 30, 2019, the Company had a principal balance of \$1,605 (September 30, 2018 - \$1,605) owing to Columbus Gold (the "Grid Note") originally due on March 1, 2019. On March 5, 2019, the Company issued 1,000,000 common shares (the "Extension Shares") of Allegiant in exchange for extending the due date to December 31, 2020. The fair value of the Extension Shares was \$190 at the time of issuance.

Allegiant Gold Ltd.



Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended June 30, 2019

(Expressed in thousands of Canadian Dollars, except per share amounts or where noted - Unaudited)

10. Related Party Transactions - continued

As the Grid Note was initially a non-current liability, the Company discounted the Grid Note with a 20% annual discount rate, resulting in a discount of \$214 allocated to the reserves account. Upon issuing the Extension Shares, the Grid Note was recognized as a new financial liability, discounted by the fair value of the Extension Shares and recorded at amortized cost. A continuity table of the Grid Note is as follows:

	(\$)
Principal balance	1,605
Fair value discount – 20%	(214)
Accretion for the period	178
Balance, September 30, 2018	1,569
Fair value discount – Extension Shares	(190)
Accretion for the period	68
Balance, June 30, 2019	1,447

The Company engaged the services of Cordilleran Exploration LLC (“Cordex”) to generate, evaluate, and explore mineral properties on behalf of the Company, primarily in Nevada. The agreement expired on June 30, 2019. Monthly payments consisted of a management fee which ranged from \$28 (US\$21) to \$31 (US\$23) and net smelter return (“NSR”) royalty for Cordex on existing and new properties. The principal of Cordex was an officer and director of a subsidiary of the Company.

The following is a summary of related party transactions:

	Three Months Ended		Nine Months Ended	
	June 30, 2019 (\$)	June 30, 2018 (\$)	June 30, 2019 (\$)	June 30, 2018 (\$)
Amounts paid or accrued to Columbus Gold under the CSA	81	131	226	251
Management fees paid or accrued to Columbus Capital Corporation, a company controlled by the Chairman of the Company	38	37	133	75
Directors fees paid or accrued	45	45	135	100
Consulting fees paid or accrued to Cordex	90	97	264	256
	254	310	758	682

On October 24, 2018, the Company issued 32,368 common shares (2017 – nil) to Directors of the Company to settle directors fees accrued at a fair value of \$13 (2017 - \$nil).

The following summarizes advances and amounts payable to related parties:

	June 30, 2019 (\$)	September 30, 2018 (\$)
Due to Columbus Gold - Grid Note	(1,447)	(1,569)
Management fees advanced to Columbus Capital Corporation	13	25
Travel advances to Chairman of the Company	-	10
Amounts due to directors, included in accounts payable	-	(33)
	(1,434)	(1,567)

Allegiant Gold Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended June 30, 2019

(Expressed in thousands of Canadian Dollars, except per share amounts or where noted - Unaudited)

**11. Segmented Information**

The Company has one reportable business segment, being mineral exploration and development. Assets by geographical area are as follows:

	June 30, 2019 (\$)	September 30, 2018 (\$)
Current assets		
Canada	996	3,305
USA	182	610
	1,178	3,915
Non-current assets		
USA	23,980	23,058
	23,980	23,058
Total assets		
Canada	996	3,305
USA	24,162	23,668
	25,158	26,973

12. Financial Risk and Capital Management

The fair value of the financial instruments is summarized below. The Company classifies its financial instruments as loans and receivables ("L&R") or fair value through profit and loss ("FVTPL") as per below:

Financial Instrument	Classification	Measurement Method	Associated Risks	Fair value at June 30, 2019 (\$)
Cash	L&R	Amortized cost	Credit, currency, and concentration	617
Available-for-sale investments	FVTPL	FVTPL (Level 1)	Exchange	435
Receivables	L&R	Amortized cost	Credit and concentration	71
Reclamation bonds	L&R	Amortized cost	Credit, currency and concentration	350
Accounts payable	L&R	Amortized cost	Currency	(7)
Due to Columbus Gold	L&R	Amortized cost	n/a	(1,447)
				19

Financial risk

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments at June 30, 2019 are summarized below. The Board of Directors periodically reviews with management the principal risks affecting the Company and the systems that have been put in place to manage these risks.

(a) Credit risk

The credit risk exposure on cash is limited to its carrying amount at the date of the statements of financial position. Cash is held as cash deposits with creditworthy banks in Canada and the USA, and risk is assessed as low.

The credit risk exposure on receivables is limited to its carrying amount at the date of the statements of financial position, and mainly relates to Canadian Goods and Services Tax ("GST") receivable, and risk is assessed as low.

12. Financial Risk and Capital Management – continued

The credit risk exposure on reclamation bonds is limited to its carrying amount at the date of the statements of financial position. Reclamation bonds are held by the USA Forest Service and the US Bureau of Land Management, and risk is assessed as low.

(b) Liquidity risk

Liquidity risk arises from the Company's general and capital financing needs. The Company manages liquidity risk by attempting to maintain sufficient cash balances. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short term obligations. As at June 30, 2019, the Company had a working capital of \$1,148 (September 30, 2018 – \$2,083).

Liquidity risk is assessed as moderate.

(c) Market risks**(i) Foreign currency risk**

The Company's functional currency is the Canadian dollar. The Company is exposed to the currency risk related to the fluctuation of foreign exchange rates in its US subsidiary, Allegiant Gold (U.S.) Ltd. The Company also has certain assets and liabilities denoted in US dollars. A significant change in the currency exchange rates between the Canadian dollar relative to the US dollar could have an effect on the Company's results of operations, financial position and/or cash flows. The Company has not hedged its exposure to currency fluctuations.

(ii) Commodity price risk

The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market price of gold. The Company closely monitors commodity prices to determine the appropriate course of action to be taken.

(iii) Interest rate risk

The Company does not have any variable interest-bearing debt and is therefore not exposed to interest rate risk.

Sensitivity Analysis

A 1% change in interest rates does not have a material effect on the Company's profit or loss.

The Company has certain assets and liabilities in US Dollars, a currency other than the functional currency of Company. The Company estimates that a +/-10% change in the value of the Canadian dollar relative to the US dollar does not have a material effect on the Company's profit or loss.

Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. As the Company is in the exploration stage, its principal source of funds is from equity financings and debt from Columbus Gold.

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

12. Financial Risk and Capital Management - continuedFair Value

The fair value of the Company's financial instruments including cash, receivables and accounts payable approximates their carrying value due to the immediate or short term maturity of these financial instruments. The fair value of the reclamation bonds approximates their fair value based on current interest rates and high liquidity.

IFRS 7, Financial Instruments: Disclosure establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

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

The Company has determined the estimated fair values of its financial instruments based upon appropriate valuation methodologies.

13. Supplemental Cash Flow Information

On April 24, 2019, the Company received 1,672,750 common shares of Barrian, representing an initial \$334 (US\$250) option payment for the Bolo property (note 7).

On April 24, 2019, the Company received 1,672,750 common shares of Barrian, representing an initial \$334 (US\$250) option payment for the Mogollon property (note 7).

On April 18, 2019, the Company received 33,016 common shares of Barksdale, in connection with the Four Metals property (note 6).

On March 5, 2019, the Company issued 1,000,000 common shares of Allegiant in exchange for extending the maturity date of a promissory note payable to Columbus Gold (note 7).

On October 24, 2018, the Company issued 32,368 common shares (2017 – nil) (note 9) to Directors of the Company to settle directors fees accrued at a fair value of \$13 (2017 - \$nil).