

Form 51-102F4
Business Acquisition Report

Item 1 - Identity of Company

1.1 Name and Address of Company

Revival Gold Inc. (“**Revival**” or the “**Corporation**”)
145 King St. W., Suite 2870
Toronto, ON M5H 1J8

1.2 Executive Officer

For further information, please contact:

Hugh Agro
President & CEO
(416) 366-4100

Item 2 - Details of Acquisition

2.1 Nature of Business Acquired

On May 30, 2024, Revival acquired the Mercur Gold Project (“**Mercur**”) through its acquisition of Ensign Minerals Inc. (“**Ensign**”). Revival acquired all of the outstanding common shares of Ensign pursuant to a statutory three-cornered amalgamation (the “**Amalgamation**”) under the *Business Corporations Act* (British Columbia), whereby Ensign and Revival Gold Amalgamation Corp. (“**Revival Subco**”), a wholly-owned subsidiary of Revival, amalgamated to form a newly amalgamated company, named Ensign Minerals Inc. (“**Amalco**”) as previously announced on April 10, 2024 and May 30, 2024 (the “**Business Combination**”). The Business Combination was completed pursuant to a business combination agreement dated April 9, 2024, between Revival, Revival Subco and Ensign (the “**Business Combination Agreement**”). Upon completion of the Amalgamation, Amalco became a wholly-owned subsidiary of Revival. The Amalgamation was approved by the shareholders of Ensign at a special meeting held on May 1, 2024.

Mercur is located 57 kilometers southwest of Salt Lake City in the Oquirrh Mountains in Utah and includes interests in 463 patented mining claims, 426 fee land tax parcels, 395 unpatented lode mining claims, three unpatented mill site claims, and six Utah state metalliferous minerals leases that cover 6,255 net hectares (approximately 15,300 net acres) of mineral rights.

For further details on Mercur, please see the technical report with respect to Mercur titled, “NI 43-101 Technical Report for the Mercur Project, Camp Floyd and Ophir Mining Districts, Tooele & Utah Counties, Utah, USA”, prepared by Lions Gate Geological Consulting Inc., RESPEC Company LLC, and Kappes, Cassidy & Associates, dated May 24, 2024 and with an effective date of December 5, 2023 (the “**Technical Report**”), which has been filed on Revival’s SEDAR+ issuer profile at www.sedarplus.ca.

2.2 Date of Acquisition

May 30, 2024.

2.3 Consideration

Revival acquired all the issued and outstanding common shares of Ensign (the “**Ensign Shares**”) in consideration for 61,376,098 common shares of Revival at a deemed price per share of \$0.3569 (the “**Consideration Shares**”). The Consideration Shares were distributed to holders of Ensign Shares on a pro rata basis based on a share exchange ratio of 1.1667 Consideration Shares for each Ensign Share (the “**Exchange Ratio**”). In addition, (i) each stock option of Ensign outstanding immediately prior to the effective time of the Amalgamation was deemed to be exchanged for a replacement stock option of Revival entitling the holder thereof to receive common shares of Revival in lieu of Ensign Shares, as adjusted in accordance with the Business Combination Agreement, with a total of 5,346,955 common shares of Revival reserved for issuance to former holders of Ensign stock options, and (ii) each warrant to acquire Ensign Shares (“**Ensign Warrants**”) outstanding immediately prior to the effective time of the Amalgamation became entitled to receive, in lieu of Ensign Shares, 1.1667 common shares of Revival upon exercise of each such Ensign Warrant, with a total of 4,859,609 common shares of Revival reserved for issuance to former holders of Ensign Warrants.

In addition, in connection with the Business Combination, Revival completed an offering of 22,398,325 subscription receipts of Revival Subco (the “**Subscription Receipts**”) at a price of \$0.32 per Subscription Receipt for gross proceeds of C\$7,167,464 (the “**Offering**”). The Offering closed on May 2, 2024, and on May 30, 2024, the Subscription Receipts were exchanged for 22,398,325 common shares and 11,199,163 warrants of Revival, with each such warrant entitling the holder thereof to purchase one common share of Revival at a price of \$0.45 per share until May 30, 2027.

2.4 Effect on Financial Position

Through the acquisition of Ensign, Revival diversifies its mining property portfolio with Mercur, which it considers to be a high-potential return gold development opportunity in a proven and stable jurisdiction. Through the full ownership and control of Mercur, Revival believes that it is well positioned to develop Mercur. Upon completion of the Acquisition, Revival expects to pursue engineering and economic studies at Mercur while continuing to advance permitting preparations and ongoing exploration at the Corporation’s Beartrack-Arnett Gold Project located in Idaho, USA.

As a result of the completion of the Acquisition, Norm Pitcher, a former director of Ensign, has been appointed to the board of directors of Revival (the “**Board**”) and Michael Mansfield has resigned from the Board. Additionally, Revival has designated independent Director Tim Warman as Non-Executive Chairman of the Board. Wayne Hubert will remain on the Board as a non-executive Director. Key management of Revival is unchanged and consists of Hugh Agro serving as President & CEO and Director, John Meyer as Vice President, Engineering & Development, and Lisa Ross as Vice President & CFO.

Other than as disclosed above, the Corporation does not currently have any plans or proposals for material changes in the business affairs of the Corporation which may have a significant effect on the financial performance and financial position of the Company, including any proposal to liquidate, sell, lease or exchange all or a substantial part of the Corporation's assets, to amalgamate with any other business organization or to make any material changes to the Corporation.

2.5 Prior Valuations

To the knowledge of Revival, there has been no valuation opinion obtained within the last 12 months by Revival or Ensign required by securities legislation or a Canadian exchange or market to support the consideration paid by Revival in connection with the Business Combination.

2.6 Parties to Transaction

Revival, Ensign and Revival Subco were parties to the Business Combination Agreement. Wayne Hubert, a director of Revival, was the President, CEO and a Director of Ensign.

2.7 Date of Report

August 6, 2024.

Item 3 - Financial Statements

The following financial statements required by Part 8 of National Instrument 51-102 – Continuous Disclosure Obligations are attached as schedules to this Business Acquisition Report:

Schedule A – audited annual consolidated financial statements of Ensign for the years ended December 31, 2023, and December 31, 2022, together with notes thereto.

Schedule B – Unaudited interim consolidated financial statements for Ensign for the three-months ended March 31, 2024, together with the notes thereto.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This business acquisitions report contains or incorporates by reference certain forward-looking statements and forward-looking information within the meaning of Canadian securities laws (collectively, "forward-looking statements"). All statements contained herein that are not clearly historical in nature are forward-looking, and the words "pro forma", "anticipate", "attempt", "believe", "expect", "estimate", "ensure", "plans", "focus", "strategy", "strive", "plan", "may", "intend", "indicate", "potential" and similar expressions are generally intended to identify forward-looking statements. Forward-looking statements in this Business Acquisition Report include, but are not limited to, statements that: Revival diversifies its mining property portfolio with Mercur, which it considers to be a high-potential return gold development opportunity in a proven and stable jurisdiction, the belief that Revival is well positioned to develop Mercur, that Revival expects to pursue engineering and economic studies at Mercur while continuing to advance permitting preparations and ongoing exploration at the Corporation's Beartrack-Arnett Gold Project located in Idaho, USA. Forward-looking statements represent the Corporation's internal projections, estimates, expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking statements are only predictions and involve

known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Although the Corporation believes that the expectations reflected in the forward-looking statements are reasonable, no assurances can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. Many factors could cause the Corporation's actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Corporation. Any forward-looking statements contained herein are made as of the date hereof and the Corporation assumes no responsibility to update them or revise them to reflect new events or circumstances, except as required by law. Those risks set forth in the Corporation's press releases dated April 9, 2024, and May 30, 2024, along with the Corporation's filings with securities authorities, which are available on SEDAR+ (www.sedarplus.ca) under the Corporation's issuer profile, should be read carefully in conjunction with this business acquisitions report.

Schedule "A"



**ENSIGN MINERALS INC.
Consolidated Financial Statements**

For the years ended December 31, 2023 and 2022
(Stated in United States Dollars)



To the Shareholders of
Ensign Minerals Inc.
For the years ended December 31, 2023 and 2022

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Ensign Minerals Inc. were prepared by management in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Management acknowledges responsibility for the preparation and presentation of the consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances.

Management has established processes, which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements and (ii) the consolidated financial statements fairly present in all material respects the financial position, results of operations and cash flows of the Company, as of the date of and for the periods presented by the consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities.

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.

"Wayne Hubert"

Wayne Hubert
Director and Chief Executive Officer
August 6th, 2024

"Heber Sheffield"

Heber Sheffield
Chief Financial Officer
August 6th, 2024

Independent auditor's report

To the Shareholders of Ensign Minerals Inc.

Opinion

We have audited the consolidated financial statements of Ensign Minerals Inc. and its subsidiaries (the "Company"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of loss and comprehensive loss, consolidated statement of changes in shareholder's equity, and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the consolidated financial statements, which indicates that additional funding will be necessary to advance the Company's ongoing operations. This condition, along with the matters set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Grant Thornton LLP

Toronto, Canada
August 6, 2024

Chartered Professional Accountants
Licensed Public Accountants



Ensign Minerals Inc.
Consolidated Statements of Financial Position
(Stated in United States Dollars)

	Notes	December 31, 2023	December 31, 2022
ASSETS			
Current Assets			
Cash		\$ 52,526	\$ 528,958
Prepaid expenses		16,197	193,098
Total Current Assets		68,723	722,056
Exploration and evaluation assets	7	3,926,745	3,924,245
Permit bonding	7	121,300	292,130
Mobile equipment	8	101,385	115,590
Right of use equipment	8	-	7,431
TOTAL ASSETS		\$ 4,218,153	\$ 5,061,452
LIABILITIES & EQUITY			
Current Liabilities			
Accounts payable and accrued liabilities		\$ 184,142	\$ 7,883
Convertible debentures	11	177,607	-
Lease liability	9	-	5,916
Total Current Liabilities & Total Liabilities		361,749	13,799
Equity			
Share capital	10	\$ 13,543,685	\$ 13,166,207
Warrants reserve	10	1,223,222	1,223,222
Share based compensation reserve	10	1,132,880	827,854
Accumulated deficit		(12,020,011)	(10,117,690)
Accumulated other comprehensive income		(23,372)	(51,940)
Total Equity		3,856,404	5,047,653
TOTAL LIABILITIES & EQUITY		\$ 4,218,153	\$ 5,061,452

Note 2 - Going Concern

Note 13 - Subsequent Events

Approved:

"Hugh Agro" Director, Revival Gold

"Robert Chausse" Director, Revival Gold

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



Ensign Minerals Inc.
Consolidated Statements of Loss and Comprehensive Loss
 (Stated in United States Dollars)

	Notes	Years Ended December 31	
		2023	2022
Operating Expenses			
Exploration costs	7	\$ 876,458	\$ 3,124,919
Administration and travel		661,406	1,017,729
Share based compensation	10	305,026	262,253
Depreciation	8	58,298	61,016
Other expenses		1,133	465
Net loss for the year		\$ 1,902,321	\$ 4,466,382
Other Comprehensive Loss (income)			
Foreign exchange on translation		(28,568)	121,620
Comprehensive Loss for the year		\$ 1,873,753	\$ 4,588,002
Net loss per share – basic and diluted	13	\$0.04	\$0.09
Weighted average number of common shares outstanding		50,348,778	49,896,704

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



Ensign Minerals Inc.
Consolidated Statements of Cash Flows
(Stated in United States Dollars)

		Years Ended December 31	
	Notes	2023	2022
OPERATING ACTIVITIES			
Net Loss for the year		\$ (1,902,321)	\$ (4,466,382)
Non-cash adjustments to net loss			
Share based compensation	10	305,026	262,253
Depreciation	8	58,298	61,016
Changes in working capital balances			
Prepaid expenses		176,901	(33,109)
Accounts payable and accrued liabilities		176,259	(147,218)
Net cash used in Operating Activities		\$ (1,185,837)	\$ (4,323,440)
INVESTING ACTIVITIES			
Additions to exploration assets	7	\$ (2,500)	\$ (8,499)
Purchase of equipment	8	(36,662)	(123,718)
Refund (payment) of permit bonding	7	170,830	(145,790)
Net cash provided by (used in) Investing Activities		\$ 131,668	\$ (278,007)
FINANCING ACTIVITIES			
Proceeds from private placement	10	\$ 377,478	\$ -
Proceeds from issuance of convertible debentures	11	177,607	-
Interest on lease liabilities	9	57	478
Payments of lease liabilities	9	(5,973)	(15,381)
Net cash provided by (used in) Financing Activities		\$ 549,169	\$ (14,903)
Net cash decrease for the year		\$ (505,000)	\$ (4,616,350)
Cash at beginning of the year		528,958	5,266,928
Impact of foreign exchange on cash		28,568	(121,620)
Cash at end of the year		\$ 52,526	\$ 528,958

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



Ensign Minerals Inc.
Consolidated Statements of Changes in Shareholders' Equity
 Stated in United States Dollars except number of shares

	Note	Common Shares	Common Shares Amount	Share Based Compensation Reserve	Warrant Reserve	Deficit	Accumulated Other Comprehensive Income (loss)	Total Shareholder's Equity
Balance, December 31, 2021		49,877,182	\$13,131,149	\$ 565,601	\$ 694,390	\$ (5,651,308)	\$ 69,680	\$8,809,512
Net loss for the year		-	-	-	-	(4,466,382)	-	(4,466,382)
Share based compensation	10	-	-	262,253	-	-	-	262,253
Warrants extension for Barrick option	7	-	-	-	528,832	-	-	528,832
Shares issued for Overland Claims	7	90,000	35,058	-	-	-	-	35,058
Foreign currency translation		-	-	-	-	-	(121,620)	(121,620)
Balance, December 31, 2022		49,967,182	\$13,166,207	\$ 827,854	\$1,223,222	\$(10,117,690)	\$ (51,940)	\$5,047,653
Net loss for the year		-	-	-	-	(1,902,321)	-	(1,902,321)
Share based compensation	10	-	-	305,026	-	-	-	305,026
Shares issued for private placement	10	1,009,294	377,478	-	-	-	-	377,478
Foreign currency translation		-	-	-	-	-	28,568	28,568
Balance, December 31, 2023		50,976,476	\$13,543,685	\$ 1,132,880	\$1,223,222	\$(12,020,011)	\$ (23,372)	\$3,856,404

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



Notes to the Consolidated Financial Statements
Year Ended December 31, 2023 and 2022
(Expressed in USD)

1. NATURE OF OPERATIONS

Ensign Minerals Inc. (the “Company”) was originally incorporated as Viking Strategic Metals Inc. under the Canada Business Corporations Act on August 31, 2018. The Company officially changed its name to Ensign Gold Inc. on July 13, 2020, and subsequently to Ensign Minerals Inc., effective on July 21, 2021. The Company is engaged in the acquisition, exploration, and development of precious metal mineral properties primarily in the state of Utah, United States through its subsidiary, Ensign Gold (US) Corp. The Company’s registered address is 1055 West Hastings Street, Suite 1700, Vancouver, BC V6E 2E9.

On October 23, 2023, the Company entered into an agreement with Taura Gold Inc. (“Taura”) whereby Taura would acquire all of the issued and outstanding shares of the Company by way of a three-cornered amalgamation, subject to shareholder approval. Subsequent to year-end, the proposed transaction was cancelled through mutual agreement between the Company and Taura.

On April 9, 2024, subsequent to year-end, the Company entered into an agreement with Revival Gold Inc. (“Revival”), a publicly listed entity on the TSX Venture Exchange, whereby Revival will acquire all of the issued and outstanding common shares of the Company by way of a statutory three-cornered amalgamation. The transaction closed on May 30, 2024, with Revival issuing 61,376,098 common shares in exchange for the issued and outstanding shares of the Company. The Company continued as a subsidiary of Revival. See subsequent event note.

2. GOING CONCERN

During the year ended December 31, 2023, the Company had a net loss of \$1,902,321 (December 31, 2022 - \$4,466,382) and negative cash flow from operations of \$1,185,837 (December 31, 2022 - \$4,323,440). Additionally, the Company had a working capital deficiency of \$293,026 (December 31, 2022 – working capital surplus of \$708,257) and an accumulated deficit as at December 31, 2023 of \$12,020,011 (December 31, 2022 – \$10,117,690). The Company is subject to risks and challenges similar to companies in a comparable stage of operation. The Company does not have revenue generating activities and will need to continue to obtain additional financing to execute exploration activities and discharge its day-to-day obligations. There is no assurance that the Company’s funding initiatives will be successful. As a result of these conditions, there is the existence of material uncertainties which may cast significant doubt as to the Company’s ability to continue as a going concern.

These consolidated financial statements do not reflect the adjustments to carrying values of assets and liabilities in the consolidated statements of financial position that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

3. BASIS OF PRESENTATION AND MATERIAL ACCOUNTING POLICY INFORMATION

a. Basis of presentation

These consolidated financial statements for the years ended December 31, 2023 and 2022, have been prepared on a historical cost basis, except for financial instruments stated at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These consolidated financial statements are presented in United States dollars unless otherwise noted.

Notes to the Consolidated Financial Statements
Year Ended December 31, 2023 and 2022
(Expressed in USD)

The preparation of financial statements in conformity with IFRS as issued by the IASB requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenses. Actual results may differ from these estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. The critical judgments and estimates applied in the preparation of the Company's consolidated financial statements are discussed below.

b. Principles of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Ensign Gold (US) Corp., incorporated in the state of Nevada, United States. All intercompany accounts and transactions have been eliminated on consolidation.

c. Statement of Compliance

These consolidated financial statements, including comparatives, have been prepared in accordance with IFRS as issued by the IASB. The Board of Directors approved and authorized the issuance of these consolidated financial statements on August 6th 2024.

d. Functional and presentation currency

The functional currency for each entity is the currency of the primary economic environment in which it operates. The functional currency of the Company is the Canadian dollar and the functional currency of its only subsidiary, Ensign Gold (US) Corp is the United States dollar. The Company has elected to report in United States dollars.

Foreign currency transactions are translated into the functional currency of the respective entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at period-end exchange rates are recognized in the statement of loss and comprehensive loss. Non-monetary items are not retranslated at period-end and are measured at historical cost, except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

In the Company's consolidated financial statements, all assets, liabilities, and transactions of entities with a functional currency other than the United States dollar are translated into United States dollars upon consolidation. On consolidation, assets and liabilities have been translated into United States dollars at the closing rate. Income and expenses have been translated into United States dollars at the average rate over the reporting period. Exchange differences are recognized in other comprehensive income and accumulated in other comprehensive income in the consolidated statements of changes in shareholders' equity.

Notes to the Consolidated Financial Statements
Year Ended December 31, 2023 and 2022
(Expressed in USD)

e. Significant accounting judgments, estimates and assumptions

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and contingent liabilities at the date of the financial statements and reported expenses during the reporting period. The preparation of the consolidated financial statements also requires management to exercise judgment in the process of applying accounting policies. Critical accounting estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Areas requiring a significant degree of estimation relate to, but are not limited to:

i. Useful life of equipment

Equipment is amortized over the estimated useful life of the assets. Changes in the estimated useful lives could significantly increase or decrease the amount of amortization recorded during the period and the carrying value of equipment.

- Right of Use assets are depreciated over the life of its corresponding lease.
- Mobile Equipment is being depreciated over 3 years with the exception of a vehicle which is being depreciated over 5 years.

ii. Share based compensation

The valuation of share based compensation, including stock options and warrants, requires management to make estimates and assumptions. These estimates include volatility based on comparable publicly traded companies and forfeiture rates.

Critical judgements used in applying accounting policies

In the preparation of these consolidated financial statements management has made judgments, aside from those that involve estimates, in the process of applying the accounting policies. These judgments can have an effect on the amounts recognized in the consolidated financial statements. Areas requiring a significant degree of judgement relate to, but are not limited to:

i. Impairment of long-lived assets

The carrying value and the recoverability of long-lived assets, including exploration and evaluation assets, are evaluated at each reporting date. Management assesses the potential impairment, which involves assessing whether facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

ii. Deferred income taxes

The Company considers whether the realization of deferred tax assets is probable in determining whether to recognize these deferred tax assets.

iii. Functional currency

The Company applies judgment in assessing the functional currency of each entity consolidated in these financial statements.

iv. Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the coming year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.

f. Share based payments

Share based payments to employees and directors are measured at the fair value of the instruments issued. Share based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received.

For both employees and non-employees, the fair value of share-based payments is recognized as either an expense or as exploration and development assets with a corresponding increase in reserves.

g. Exploration and evaluation expenditures

The exploration, evaluation and pre-development expenditure policy is to charge exploration and evaluation expenditures within an area of interest as expense until management concludes that the technical feasibility and commercial viability of extracting a mineral resource are demonstrable and that future economic benefits are probable.

Exploration, evaluation and pre-development expenditures consist of:

- gathering exploration data through topographical and geotechnical studies,
- exploratory drilling, trenching and sampling,
- determining the volume and grade of the resource, test work on geology, metallurgy, mining, geotechnical and environmental, and
- conducting engineering, marketing and financial studies.

Exploration and evaluation assets acquired are initially recognized at fair value as exploration and evaluation assets on the statement of financial position.

From time to time, the Company may acquire or dispose of an exploration asset pursuant to the terms of an option agreement. As the options are exercisable at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as property costs or recoveries when the payments are made or received.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest is established, exploration assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment. Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

h. Extinguishment of financial liabilities with equity instruments

International Financial Reporting Interpretations Committee 19, Extinguishing Financial Liabilities with Equity Instruments, provides guidance on how to account for the extinguishment of a full or partial financial liability by issuing equity instruments. The Company measures the equity instruments issued to creditors to settle or extinguish financial liabilities at fair value. The difference between the carrying amount of the financial liability extinguished and the initial measurement amount of the equity instruments are included in the consolidated statement of loss and comprehensive loss.

The Company measures the equity instruments issued to creditors to settle or extinguish financial liabilities at fair value. The difference between the carrying amount of the financial liability extinguished and the initial measurement amount of the equity instruments are included in the statement of loss and comprehensive loss.

i. Financial instruments

Financial assets

Initial recognition and measurement

Financial instruments are measured on initial recognition at fair value, plus, in the case of financial instruments other than those classified as fair value through profit or loss ("FVTPL"), directly attributable transaction costs. Financial instruments are recognized when the Company becomes party to the contracts that gives rise to them and are classified as amortized cost, fair value through profit or loss or fair value through other comprehensive income ("FVOCI"), as appropriate.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

i) Financial assets recorded at FVTPL

Financial assets measured at FVTPL are carried in the consolidated statements of financial position at fair value with changes in fair value therein, recognized in the statement of loss and comprehensive loss.

ii) Financial assets recorded at FVOCI

A financial asset measured at FVOCI is recognized initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, the asset is measured at fair value with changes in fair value included in other comprehensive income.

iii) Financial assets recorded at amortized cost

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

and is not designated as FVTPL. Financial assets classified as amortized cost are measured subsequent to initial recognition at amortized cost using the effective interest method.

Derecognition

A financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets is derecognized when:

- the contractual rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

At each balance sheet date, on a forward-looking basis, the Company assesses the expected credit losses associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The impairment model does not apply to investment in equity instruments. The expected credit losses are required to be measured through a loss allowance at an amount equal to the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) or full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument). A loss allowance for full lifetime expected credit losses is required for a financial instrument if the credit risk of that financial instrument has increased significantly since initial recognition.

Financial liabilities

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognized when it is extinguished, discharged, cancelled or when it expires. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities subsequently measured at amortized cost. All interest-related charges are reported in profit or loss within interest expense, if applicable.

Fair value hierarchy

The Company categorizes financial instruments measured at fair value at one of three levels according to the reliability of the inputs used to estimate fair values. The fair value of financial assets and financial liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Financial assets and liabilities in Level 2 are valued using inputs other than quoted prices for which all significant inputs are based on observable market data. Level 3 valuations are based on inputs that are not based on observable market data.

j. Impairment of non-financial assets

The carrying amount of the Company's assets (which include exploration and evaluation assets) is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated to determine the need for an impairment adjustment. An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

The recoverable amount of assets is the greater of an asset's fair value less costs of disposal and value in-use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount; however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years. A reversal of an impairment loss is recognized immediately in profit or loss.

k. Income taxes

Current income tax

Current income tax assets and liabilities for each reportable period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income. Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss.

Deferred tax

Deferred tax is provided based on qualifying temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off deferred tax assets against deferred tax liabilities, the income taxes relate to the same taxable entity and the same taxation authority, and the Company intends to settle its deferred tax assets and liabilities on a net basis.

l. Restoration and environmental obligations

The Company recognizes liabilities for statutory, contractual, or legal obligations associated with the retirement of exploration and evaluation assets, when those obligations result from the acquisition, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is either expensed or capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other mining assets.

The Company's estimates of restoration costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

m. Capital stock

Capital stock issued for non-monetary consideration is valued at the last subscription price used for a private placement raise. The proceeds from the issuance of units are allocated between common shares and warrants based on the residual value method. Under this method, the proceeds are allocated first to capital stock based on the fair value of the common shares at the time the units are priced, and any residual value is allocated to the warrants reserve. Consideration received for the exercise of stock options and warrants is recorded in capital stock and the related residual value, if any, is transferred to capital stock.

n. Capital stock issuance costs

Fees paid for the issuance to brokers for assistance in stock issuance is recorded in accordance with International Accounting Standard 32 Financial Instruments: Presentation. These costs might include registration and other regulatory fees, amounts paid to legal, accounting and other professional advisers, printing costs and stamp duties. The transaction costs of an equity transaction are accounted for as a deduction from equity to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided. The costs of an equity transaction that is abandoned are recognized as an expense.

o. Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset will be periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability when applicable.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

p. Property, Plant & Equipment

Items of property, plant, and equipment ("PPE") are recorded at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of replacing part of an item of PPE is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized and included in net loss. The costs of the day-to-day servicing of property, plant and equipment are recognized in net loss as incurred.

Gains and losses on disposal of an item of PPE are determined by comparing the proceeds from disposal with the carrying amount of the PPE and are recognized in the statements of loss and comprehensive loss. Repairs and maintenance costs are charged to expense as incurred, except major inspections or overhauls that are performed at regular intervals over the useful life of an asset are capitalized as part of PPE.



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An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the assets is included in net loss in the period the item is derecognized.

4. RECENT ACCOUNTING PRONOUNCEMENTS

New standards and interpretations

Amendments to IAS 1: Presentation of Financial Statements

In February 2021, the IASB made amendments to IAS 1. The amendments require that companies disclose material accounting policies instead of significant accounting policies. The amendments are effective for annual periods beginning on or after January 1, 2023, and have been evaluated to have no impact on the Company for the year ended December 31, 2023. The Company's material accounting policies are disclosed in note 3 herein.

Amendments to IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors

In February 2021, the IASB issued Definition of Accounting Estimates (Amendments to IAS 8) to help entities distinguish between accounting policies and accounting estimates. The amendments are effective for annual periods beginning on or after January 1, 2023 and have been evaluated to have no impact on the Company for the year ended December 31, 2023.

New standards and interpretations not yet adopted

Amendments to IAS 1: Classification of Liabilities as Current or Non-Current

In October 2022, the IASB made amendments to IAS 1. The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity. The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted.

The Company does not expect this amendment to have a material impact on the consolidated financial statements in the period of initial application.

5. FINANCIAL INSTRUMENTS

The Company has designated its financial assets and financial liabilities as measured at amortized cost, except for its convertible debentures which are measured at FVTPL. The carrying values of cash and accounts payable and accrued liabilities approximate their fair values due to their short-term nature. The Company's risk exposure and the impact on the Company's financial instruments are summarized below.



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a. Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. Concentration of credit has moderate risk with respect to the Company's cash. The Company's cash is held with two major financial institutions one of which is located in Canada and the other is located in the US.

b. Liquidity risk

Liquidity risk is the risk the Company will be unable to meet its financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows required for operations and anticipated investing and financing activities. The Company's cash at December 31, 2023 totaled \$52,526 (December 31, 2022 - \$528,958). At December 31, 2023, the Company had current liabilities of \$361,749 (December 31, 2022 - \$13,799) including related party promissory notes that are convertible to equity. By converting the promissory notes to equity and further private placement offerings in the beginning of 2024, the Company will have sufficient funding to meet its contractual liabilities.

c. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk consists of interest rate risk, foreign currency risk and other price risk. The Company is exposed to market risks as follows:

i. Interest rate risk

The Company's cash is held in major financial institutions. Accordingly, due to the short-term nature, fluctuations in market rates will not have a significant impact on estimated cash flows or fair values as of December 31, 2023.

ii. Foreign currency risk

Foreign currency risk is the risk that the fair value of the Company's financial assets and liabilities will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in US dollars. The Company operates in Canada and the United States, and a portion of its expenses are incurred in Canadian dollars. A significant change in the exchange rate between the Canadian dollar relative to the US dollar could have a material effect on the Company's results of operations, financial position and cash flows. The Company does not manage currency risk through hedging or other currency management tools.

As at December 31, 2023, the Company had net monetary assets denominated in Canadian dollars of approximately CAD \$54,182 (December 31, 2022 - CAD \$505,466). Assuming all other variables remain constant, a 5% weakening or strengthening of the US dollar against the Canadian dollar would result in a change of approximately \$2,045 to net loss and comprehensive loss.



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6. CAPITAL MANAGEMENT

The Company considers all of the components of shareholders equity to be capital, the balance of which is \$3,856,404 at December 31, 2023 (December 31, 2022 - \$5,047,653). The Company manages its capital structure and makes adjustments to it based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish a quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has interests, are in the exploration stage; as such, the Company is dependent on external financing to fund its activities. To carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Although the Company has been successful at raising funds in the past through obtaining equity financing, it is uncertain whether it can continue this financing.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended December 31, 2023. The Company is not subject to externally imposed capital requirements.

7. EXPLORATION ASSETS

As part of the Company's exploration program, during the year ended December 31, 2023, it recovered \$170,830 of the reclamation bond with the state of Utah. Total bonding with the state of Utah at December 31, 2023 was \$121,300 (December 31, 2022 - \$292,130). The remainder of the bond is recoverable after the property is reclaimed. The bond is treated as a permitting bond asset on the statement of financial position.

	West Mercur	South Mercur	Main Mercur	Total
Balance at December 31, 2021	\$779,337	\$844,720	\$1,722,800	\$3,351,857
Acquisition costs	268	40,755	531,365	572,388
Balance at December 31, 2022	\$799,605	\$885,475	\$2,259,165	\$3,924,245
Acquisition costs	-	-	2,500	2,500
Balance at December 31, 2023	\$799,605	\$885,475	\$2,261,665	\$3,926,745

Mineral property acquisitions and agreements

In May 2021, the Company entered into a Mineral Lease and Option to Purchase agreement (“Barrick Option”) with Barrick Resources (USA) Inc. and Barrick Gold Exploration Inc. (“Barrick”) where it paid \$822,886 (CAD \$1,000,000) and issued 3,000,000 warrants to purchase Ensign common shares. The warrants have a \$0.20 (CAD \$0.25) strike price and were valued at \$418,392. The agreement is for a two-year option to explore Barrick’s reclaimed Mercur mine property in Utah, United States. The Company has a work commitment to spend CAD \$6,000,000 on the Barrick property during that period, and then has the option to acquire Barrick and its Mercur mine property for CAD \$20,000,000 in cash or Ensign common shares.

In August 2021, the Company entered into a mining lease agreement with Mountainwest Minerals LC. (“Mountainwest”) to acquire Mountainwest’s interest in its mineral rights at the South Mercur property in Utah, United States. As consideration for the mineral rights, the Company issued 120,000 common shares at a price of \$0.39 (CAD \$0.50) per common share. The agreement treats the payment as a non-refundable advanced royalty.

On October 25, 2021, the Company entered into an option and assignment agreement with Geyser Marion Gold Mining Company (“Geyser Marion”) to acquire its private lands in the Main Mercur area in Utah, United States. The Company issued 1,050,000 restricted common shares at a price of \$0.39 (CAD \$0.50) per share and holds the option to purchase the properties by paying \$262,500, no earlier than two years, and no later than three after the date of the agreement. The shares are restricted from trading until the earlier of, exercise of the option, or for the duration of the option period, which is not to exceed 3 years.

On October 25, 2021, the Company entered into an option and assignment agreement with Sacramento Gold Mining Company (“Sacramento”) to acquire its private lands in the Main Mercur area in Utah, United States. The Company issued 150,000 restricted common shares at a price of \$0.39 (CAD \$0.50) per share and holds the option to purchase the properties by paying \$37,500 no earlier than two years, and no later than three after the date of the agreement. The shares are restricted from trading until the earlier of, exercise of the option, or for the duration of the option period, which is not to exceed 3 years.

In October and November 2021, the Company staked mining claims in various parts of the Mercur project. The Company spent a total of \$19,869 as follows: \$13,775 in West Mercur, \$3,482 in South Mercur and \$2,612 in the Main Mercur areas.

On February 8, 2022, the Company entered into an exclusive exploration license and option agreement with Jose Pena for one claim in the Main Mercur area in Utah, United States by agreeing to pay \$197,500. If exercised, payments would be made as follows under the option agreement: (a) \$2,500 shall be paid on the effective date of the agreement; (b) \$2,500 is due on the first anniversary of the effective date of the agreement; (c) \$2,500 is due on the second anniversary of the effective date of the agreement; and (d) \$190,000 is due on the third anniversary of the effective date of the agreement. Accordingly, \$2,500 was paid on the effective date of agreement and another \$2,500 paid on the first anniversary in 2023.

On June 13, 2022, the Company executed an amendment to the Barrick Option extending the exploration period to January 2, 2024. As consideration for this extension, the Company agreed to extend the expiry date of the 3,000,000 warrants issued to Barrick as part of the original agreement to January 2, 2026. The warrants have a \$0.20 (CAD \$0.25) strike price. The extension was valued at \$528,832 using the Black Scholes option pricing model. The inputs were as follows; risk-free rate of 3.25%, annualized volatility of 105% based on comparable publicly traded companies; expected option life of 4 years; and dividend yield of nil.

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On August 2, 2022, the Company entered into an agreement to acquire patented mining claims situated in the South Mercur area in Utah, United States (the “Overland” claims). In consideration the Company issued 90,000 common shares at a price of \$0.39 (CAD \$0.50) and paid \$4,197 in legal fees associated with the agreement.

On May 15, 2023, the Company executed a second amendment to the Barrick Option extending the exploration period to January 2, 2026. As consideration for this extension the Company agreed to extend the expiry date of the 3,000,000 warrants issued to Barrick to January 2, 2028. The extension did not have an impact on the valuation of the warrants, and as a result, the Company’s warrant reserve remains unchanged.

Exploration expenditures incurred for the years ended December 31, 2023 and 2022 are as follows:

Exploration Costs Table	Year Ended December 31	
	2023	2022
Lab and professional services	\$ 589,459	\$ 902,843
Drilling	-	1,818,721
Licenses, permits and fees	211,365	176,802
Operating supplies	75,634	226,553
Balance	\$ 876,458	\$3,124,919

A summary of mineral royalties as at December 31, 2023 is as follows:

Project Area	Range of Royalty Interests
Main Mercur	0.5% to 7.0%
South Mercur	0.5% to 3.5%
West Mercur	1.0% to 6.5% (1% capped at \$10M)
North Mercur	0.0% to 2.0%
Total Project	0.0% to 7.0%

The weighted average royalty over the mineralized areas of the block model is approximately 1.98% NSR.



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8. EQUIPMENT

	Mobile Equipment	Right of Use Assets	Total
Cost			
Balance, January 1, 2022	\$ 39,000	\$ 35,665	\$ 74,665
Additions for the year	124,718	-	124,718
Balance, December 31, 2022	\$ 163,718	\$ 35,665	\$ 199,383
Right of use asset purchased - lease end	-	(35,665)	(35,665)
Additions for the year	36,662	-	36,662
Balance, December 31, 2023	\$ 200,380	-	\$ 200,380
Accumulated Depreciation			
Balance, January 1, 2022	\$ 4,944	\$ 10,402	\$ 15,346
Additions for the year	43,184	17,832	61,016
Balance, December 31, 2022	\$ 48,128	\$ 28,234	\$ 76,362
Additions for the year	50,867	7,431	58,298
Leases terminated	-	(35,665)	(35,665)
Balance, December 31, 2023	\$ 98,995	-	\$ 98,995
Carrying amount at December 31, 2022	\$ 115,590	\$ 7,431	\$ 123,021
Carrying amount at December 31, 2023	\$ 101,385	-	\$ 101,385

Assets are depreciated on a straight-line basis over the useful life of the asset.

9. LEASE LIABILITY

	December 31, 2023	December 31, 2022
Opening lease liability	\$ 5,916	\$ 20,820
Additions during the year	-	-
Interest on lease liabilities	57	478
Payments of lease liabilities	(5,973)	(15,382)
Ending lease liability	-	5,916
Less: current portion	-	5,916
Long-term portion	-	-

During the year ended December 31, 2023, the Company purchased the only asset under lease. As a result, no lease liability exists as at December 31, 2023 (December 31, 2022 - \$5,916).



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10. SHARE CAPITAL

- a. Authorized unlimited number of common shares without par value as at December 31, 2023.
- b. On August 15, 2023, a private placement offering of common shares at \$0.37 (CAD \$0.50) per share was completed and 1,009,294 common shares of the Company were issued. The Company incurred a \$5,000 fee for a portion of this placement. The Company received net subscription proceeds of \$377,478 pursuant to the placement.
- c. Share Capital and Share Purchase Warrant Table

	Common Shares	Total Share Capital	Outstanding Warrants	Weighted Avg Strike	Warrant Reserve
Balance, January 1, 2022	49,877,182	\$13,131,149	13,506,245	\$0.81	\$694,390
Barrick Warrant Extension (Note 6)	-	-	-	0.39	528,832
Overland Claims (Note 6)	90,000	35,058	-	-	-
Balance, December 31, 2022	49,967,182	\$13,166,207	13,506,245	\$0.81	\$1,223,222
Warrants expired	-	-	(6,619,349)	1.18	-
Private placement (b. above)	1,009,294	377,478	-	-	-
Balance, December 31, 2023	50,976,476	\$13,543,685	6,886,896	\$0.89	\$1,223,222

d. Stock Options

The Company has a share incentive plan (the "Plan"), which allows the Board of Directors to grant options to directors, officers, employees, and consultants. Under the terms of the Plan, options may be granted to a maximum of 10% of the issued common shares at the grant date of an option. Options issued under the Plan may be exercised during a period determined by the Board of Directors which cannot exceed 5 years from the grant date.



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The following table reflects the stock options outstanding as at December 31, 2023:

Expiry Date	Exercise Price	2023 Opening Balance #	Granted #	Exercised #	Expired/ Canceled #	Closing Balance #
July 24, 2024	\$0.78	225,000	-	-	-	225,000
July 1, 2025	\$0.20	700,000	-	-	-	700,000
March 22, 2026	\$0.39	500,000	-	-	-	500,000
May 1, 2026	\$0.39	200,000	-	-	200,000	-
June 10, 2026	\$0.39	65,000	-	-	-	65,000
November 2, 2026	\$0.39	100,000	-	-	-	100,000
December 1, 2026	\$0.39	100,000	-	-	-	100,000
December 22, 2026	\$0.39	225,000	-	-	50,000	175,000
February 3, 2027	\$0.39	328,333	-	-	-	328,333
February 22, 2027	\$0.39	190,000	-	-	10,000	180,000
March 5, 2028	\$0.37	-	1,059,647	-	-	1,059,647
July 28, 2028	\$0.38	-	50,000	-	-	50,000
Total		2,633,333	1,109,647	-	260,000	3,482,980
Weighted Average Exercise Price		\$0.37	\$0.37	-	\$0.39	\$0.37

The following table reflects the stock options outstanding as at December 31, 2022:

Expiry Date	Exercise Price	2022 Opening Balance #	Granted #	Exercised #	Expired/ Canceled #	Closing Balance #
July 24, 2024	\$0.78	225,000	-	-	-	225,000
July 1, 2025	\$0.20	700,000	-	-	-	700,000
March 22, 2026	\$0.39	500,000	-	-	-	500,000
May 1, 2026	\$0.39	200,000	-	-	-	200,000
June 10, 2026	\$0.39	65,000	-	-	-	65,000
November 2, 2026	\$0.39	100,000	-	-	-	100,000
December 1, 2026	\$0.39	100,000	-	-	-	100,000
December 22, 2026	\$0.39	225,000	-	-	-	225,000
February 3, 2027	\$0.39	-	328,333	-	-	328,333
February 22, 2027	\$0.39	-	210,000	-	20,000	190,000
Total		2,115,000	538,333	-	20,000	2,633,333
Weighted Average Exercise Price		\$0.37	\$0.39		\$0.39	\$0.37



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The Company uses the fair value method of accounting for all stock-based compensation awards and accordingly, \$305,026 was recorded as compensation for the year ended December 31, 2023 (December 31, 2022 – \$262,253) There were 2,996,869 options vested and exercisable as of December 31, 2023 (December 31, 2022 – 1,897,778).

- No options were exercised during the period.
- The weighted average remaining life of the outstanding stock options is 2.80 years (December 31, 2022 – 2.95 years).

For purposes of the options granted, the fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model, with the following assumptions:

*Volatility calculated based on stock prices of comparable publicly traded companies and/or historical Ensign Minerals share prices.

	2023	2022
Risk Free Rate	3.52% to 4.02%	1.65%
Annualized Volatility*	79.6%	102.3%
Expected Dividend	Nil	Nil
Expected Option Life	5	5
Expected Forfeiture Rate	Nil	Nil

11. CONVERTIBLE DEBENTURES

The Company issued various convertible debentures to officers of the Company between November 6, 2023, and November 15, 2023, for total proceeds of \$177,607. The debentures are non-interest bearing and mature on the earlier of the closing or cancellation of the proposed transaction with Taura, as described in note 1 above. The debentures are convertible into common shares of the Company at the discretion of the Company on the following basis:

- I. If the conversion occurs prior to closing of the proposed Taura transaction, or in the event of the close of the Taura transaction, the debentures are convertible into common shares of the Company at a conversion price of CAD \$0.40 per common share.
- II. If the proposed Taura transaction is terminated, the debentures are convertible into common shares of the Company at a conversion price of CAD \$0.34 per common share.

The Company made the irrevocable election as permitted under IFRS 9 Financial Instruments to measure the convertible debentures, including the conversion feature embedded derivative, at FVTPL. The Company has determined that that carrying amount of the debentures approximates its fair value as at December 31, 2023.

Subsequent to year-end, the proposed Taura transaction was cancelled. On January 12, 2024, the Company settled the debentures outstanding as at December 31, 2023 by issuing 716,177 common shares at a conversion price of CAD \$0.34 per common share. (See Subsequent event note).

12. RELATED PARTY TRANSACTIONS

Key management personnel is comprised of the President & Chief Executive Officer, Chief Financial Officer, VP of Exploration, VP Generative Geology and Land, VP Investor Relations, and Directors of the Company. The remuneration of the key management personnel is as follows:

	Year Ended	
	December 31	
	2023	2022
Key Management & Director Fees		
Key management personnel	\$ 233,879	\$ 769,048
Directors	-	122,000
Share Compensation		
Key management personnel	78,368	110,159
Directors	220,628	124,074
Total Compensation	\$ 532,875	\$ 1,125,281

Notes to the Consolidated Financial Statements
Year Ended December 31, 2023 and 2022
(Expressed in USD)

Related party transactions in addition to the above:

- a. The accounts payable and accrued liabilities at December 31, 2023 included \$42,895 for services rendered, and \$35,247 for equipment purchased payable to directors and officers of the Company (December 31, 2022 - \$nil) . These amounts were settled subsequent to year-end by issuance of common shares of the Company – refer to the subsequent event note.
- b. The convertible debentures issued during the year as described in note 11 were issued to officers of the Company.
- c. As part of the August 15, 2023 private placement, a director of the Company participated and provided subscription proceeds of \$185,000 at \$0.37 (CAD \$0.50) per share for 500,000 common shares.
- d. A senior executive for the Company is:
 - The President and principal shareholder of Rush Valley. During the year ended December 31, 2022, the Company issued 4,000,000 common shares for mineral property rights.
 - The sole owner of Catena Resources (Catena). Catena provides geologic services to the Company and was paid \$nil for professional services during the year ended December 31, 2023 (December 31, 2022 - \$4,492). This is in addition to compensation listed in the preceding table.
 - The sole owner of Ash-ley Woods LLC, which owns interests in certain mineral properties. These properties were leased to Rush Valley and later assigned to the Company. Ash-ley Woods received lease payments of \$29,863 from the Company during the year ended December 31, 2023 (December 31, 2022 – \$18,196).

13. NET LOSS PER SHARE

The weighted average number of shares outstanding used in the computation of loss per share for the year ended December 31, 2023, was 50,348,778 (December 31, 2022 – 49,896,704).

	Year Ended December 31	
	2023	2022
Loss attributable to shareholders	\$ (1,873,753)	\$ (4,466,382)
Weighted average outstanding	50,348,778	49,896,704
Net loss per share – basic and diluted	(\$0.04)	(\$0.09)

The Company’s stock option and common share purchase warrants outstanding were excluded from the calculations of net loss per share for the years ended December 31, 2023 and 2022 as their impact would be anti-dilutive.



Notes to the Consolidated Financial Statements
Year Ended December 31, 2023 and 2022
(Expressed in USD)

14. INCOME TAXES

Income tax expense differs from the amount that would be computed by applying the Canadian federal and British Columbia provincial statutory income tax rate of 27% to income before income taxes. The reasons for the differences are as follows:

	2023	2022
Loss before income taxes	\$ (1,902,321)	\$ (4,466,382)
Statutory income tax rate	27%	27%
Expected income tax benefit	(513,627)	(1,205,923)
True-up to prior-year provision	(12,909)	-
Rate differential due to foreign operations	17,714	70,936
Nondeductible expenses	20	694
Change in tax rate	14,279	-
Share-based compensation	82,357	61,870
Deferred tax assets not recognized	412,166	1,072,423
Income Tax Expense	\$ -	\$ -

The Company recognizes tax benefits on losses or other deductible amounts generated in countries where it is probable that taxable income is available for the recognition of deferred tax assets. Tax benefits not recognized reflect management's assessment regarding the future realization of Canadian and U.S. tax assets and estimates of future earnings and taxable income in these jurisdictions as of December 31, 2023. The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consist of the following amounts:

	2023	2022
Exploration & evaluation	\$2,941,377	\$ 3,714,253
Common share issue costs	37,507	91,733
Unrecognized tax losses	6,999,185	4,638,341
Balance	\$9,978,069	\$ 8,444,327

As of December 31, 2023, the Company has Canadian non-capital losses of approximately \$2,328,167 (CAD \$3,079,233) that may be carried forward to apply against future income for Canadian income tax purposes. The Canadian non-capital losses expire in 2039, 2040, 2041 2042, and 2043. The Company has approximately \$4,671,018 in U.S. net operating losses that may be carried forward to apply against future income for U.S. income tax purposes with no expiration. The Company has not evaluated whether it has undergone an Internal Revenue Code Section 382 ownership change, which could impose limitations on the utilization of the Company's U.S. losses. The Company files tax returns in Canada and the U.S. Any open tax years are subject to review by tax authorities and could be subject to adjustments upon final assessment.

15. SUBSEQUENT EVENTS

- a) On January 9, 2024, the proposed transaction with Taura as described in note 1 was terminated by means of mutual agreement between the Company and Taura.
- b) On January 12, 2024, the Company issued common shares as follows:
 - i) converted the \$177,607 convertible debentures held by directors and officers from debt to equity by issuing 716,177 common shares at a conversion price of CAD \$0.34 per common share;
 - ii) settled liabilities outstanding as at December 31, 2023 amounting to \$78,142, payable to officers and a director of the Company, by issuing 320,571 common shares at a deemed price of CAD \$0.34 per common share and,
 - iii) granted 100,000 common shares to an officer on exercise of a consulting agreement at a deemed price of CAD \$0.34 per common share amounting to \$24,817.
- c) On March 22, 2024, two directors of the Company participated in a private placement offering, providing subscription proceeds of C\$100,000 and \$50,000 at CAD \$0.34 per share for 493,381 common shares.
- d) Effective April 1, 2024, the Company executed a third amendment to the Barrick Option whereby the \$20,000,000 payment was amended to pay \$5,000,000 on option exercise and \$5,000,000 on each of the first, second, and third anniversary of commercial production. As consideration, the Company agreed to extend the expiry date of the 3,000,000 issued and outstanding common share purchase warrants described in note 10 to January 2, 2029. Additionally, the Company issued another 1,000,000 common share purchase warrants under identical terms to the already issued and outstanding warrants.
- e) On April 9, 2024, the Company entered into a definitive business combination agreement whereby Revival will acquire all the issued and outstanding shares of the Company by way of a statutory three-cornered amalgamation under the Business Corporations Act (British Columbia).

Subject to regulatory approval, the Company will amalgamate with a wholly owned subsidiary of Revival incorporated for the purpose of completing the amalgamation. Under the proposed transaction, the shareholders of the Company would receive an aggregate of 61,376,126 million shares of Revival based on a share exchange ratio of 1.1667 Revival shares for each Ensign share. The consideration implies a purchase price of C\$0.3569 per Ensign Share, or gross consideration of approximately C\$21.9 million.

The transaction closed on May 30, 2024, with the Company continuing as a subsidiary of Revival.

Schedule "B"



ENSIGN MINERALS INC.
Interim Condensed Consolidated Financial Statements

Three months ended March 31, 2024, and 2023

(Stated in United States Dollars)

(UNAUDITED)

NOTICE TO READER

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



Ensign Minerals Inc.
Interim Condensed Consolidated Statements of Financial Position
(Stated in United States Dollars)
(Unaudited)

	Notes	March 31, 2024	December 31, 2023
ASSETS			
Current Assets			
Cash		\$ 49,805	\$ 52,526
Prepaid expenses		20,609	16,197
Total Current Assets		70,414	68,723
Exploration and evaluation assets	3	3,926,745	3,926,745
Permit bonding	3	121,300	121,300
Mobile equipment	4	87,752	101,385
TOTAL ASSETS		\$ 4,206,211	\$ 4,218,153
LIABILITIES & EQUITY			
Current Liabilities			
Accounts payable and accrued liabilities		\$ 94,000	\$ 184,142
Convertible debentures	6	-	177,607
Total Current Liabilities		94,000	361,749
Equity			
Share capital	7	\$ 13,948,421	\$ 13,543,685
Warrants reserve	7	1,223,222	1,223,222
Share based compensation reserve	7	1,316,078	1,132,880
Accumulated deficit		(12,350,814)	(12,020,011)
Accumulated other comprehensive income		(24,696)	(23,372)
Total Equity		4,112,211	3,856,404
TOTAL LIABILITIES & EQUITY		\$ 4,206,211	\$ 4,218,153

Note 2b - Going Concern

Note 10 - Subsequent Events

Approved:

"Hugh Agro" Director, Revival Gold

"Robert Chausse" Director, Revival Gold

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



Ensign Minerals Inc.

Interim Condensed Consolidated Statements of Loss and Comprehensive Loss
(Stated in United States Dollars)
(Unaudited)

	Notes	Three Months Ended March 31	
		2024	2023
Operating Expenses			
Exploration costs	3	\$ 101,612	\$ 136,450
Administration and travel		32,017	147,804
Share based compensation	7	183,198	224,092
Other expenses		343	315
Depreciation	4	13,633	16,258
Interest and financing		-	51
Net loss for the period		<u>\$ 330,803</u>	<u>\$ 524,970</u>
Other Comprehensive Loss (income)			
Foreign exchange on translation		1,324	(333)
Comprehensive Loss for the period		<u>\$ 332,127</u>	<u>\$ 524,637</u>
Net loss per share – basic and diluted	9	\$0.01	\$0.01
Weighted average number of common shares	9	52,012,119	49,967,182

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



Ensign Minerals Inc.
Interim Condensed Consolidated Statements of Cash Flows
(Stated in United States Dollars)
(Unaudited)

	Notes	Three Months Ended March 31	
		2024	2023
OPERATING ACTIVITIES			
Net loss for the period		\$ (330,803)	\$ (524,970)
Non-cash adjustments to net loss			
Share based compensation	6	183,198	224,092
Depreciation	4	13,633	16,258
Changes in working capital balances			
Prepaid expenses		(4,412)	20,447
Accounts payable and accrued liabilities		12,817	(3,051)
Net cash used in Operating Activities		\$ (125,567)	\$ (267,224)
INVESTING ACTIVITIES			
Additions to exploration assets	3	\$ -	\$ (2,500)
Net cash used in Investing Activities		\$ -	\$ (2,500)
FINANCING ACTIVITIES			
Proceeds from private placement	7	\$ 124,170	\$ -
Payments of lease liabilities	5	-	(4,660)
Net cash provided by (used in) Financing Activities		\$ 124,170	\$ (4,660)
Net cash decrease for period		\$ (1,397)	\$ (274,384)
Cash at beginning of period		52,526	528,958
Impact of foreign exchange on cash		(1,324)	333
Cash at end of period		\$ 49,805	\$ 254,907

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



Ensign Minerals Inc.
Interim Condensed Consolidated Statements of Changes in Shareholders' Equity
Stated in United States Dollars except number of shares
(Unaudited)

	Common Shares	Common Shares Amount	Share Based Compensation Reserve	Warrant Reserve	Deficit	Accumulated Other Comprehensive Income (loss)	Total Shareholder's Equity
Balance, December 31, 2022	49,967,182	\$13,166,207	\$ 827,854	\$1,223,222	\$(10,117,690)	\$ (51,940)	\$5,047,653
Net loss for the period	-	-	-	-	(524,970)	-	(524,970)
Share based compensation	-	-	224,092	-	-	-	224,092
Foreign currency translation	-	-	-	-	-	333	333
Balance, March 31, 2023	49,967,182	\$13,166,207	\$ 1,051,946	\$1,223,222	\$(10,642,660)	\$ (51,607)	\$4,747,108
Net loss for the period	-	-	-	-	(1,377,351)	-	(1,377,351)
Share based compensation	-	-	80,934	-	-	-	80,934
Shares issued for private placement	1,009,294	377,478	-	-	-	-	377,478
Foreign currency translation	-	-	-	-	-	28,235	28,235
Balance, December 31, 2023	50,976,476	\$13,543,685	\$ 1,132,880	\$1,223,222	\$(12,020,011)	\$ (23,372)	\$3,856,404
Net loss for the period	-	-	-	-	(330,803)	-	(330,803)
Share based compensation	-	-	183,198	-	-	-	183,198
Shares issued for private placement	493,381	124,170	-	-	-	-	124,170
Shares issued for debentures and grant	1,136,748	280,566	-	-	-	-	280,566
Foreign currency translation	-	-	-	-	-	(1,324)	(1,324)
Balance, March 31, 2024	52,606,605	\$13,948,421	\$ 1,316,078	\$1,223,222	\$(12,350,814)	\$ (24,696)	\$4,112,211

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



Notes to the Unaudited Interim Condensed Consolidated Financial Statements
Three Months Ended March 31, 2024, and 2023
(Expressed in United States Dollars unless otherwise stated)

1. NATURE OF OPERATIONS

Ensign Minerals Inc. (the “Company”) was originally incorporated as Viking Strategic Metals Inc. under the Canada Business Corporations Act on August 31, 2018. The Company officially changed its name to Ensign Gold Inc. on July 13, 2020, and subsequently to Ensign Minerals Inc., effective on July 21, 2021. The Company is engaged in the acquisition, exploration, and development of precious metal mineral properties primarily in the state of Utah, United States through its subsidiary, Ensign Gold (US) Corp. The Company’s registered address is 1055 West Hastings Street, Suite 1700, Vancouver, BC V6E 2E9.

On October 23, 2023, the Company entered into an agreement with Taura Gold Inc. (“Taura”) whereby Taura would acquire all of the issued and outstanding shares of the Company by way of a three-cornered amalgamation, subject to shareholder approval. On January 9, 2024, the proposed transaction with Taura terminated by means of mutual agreement between the Company and Taura.

On April 9, 2024, subsequent to year-end, the Company entered into an agreement with Revival Gold Inc. (“Revival”), a publicly listed entity on the TSX Venture Exchange, whereby Revival will acquire all of the issued and outstanding common shares of the Company by way of a statutory three-cornered amalgamation. The transaction closed on May 30, 2024, with Revival issuing 61,376,098 common shares in exchange for the issued and outstanding shares of the Company. The Company continued as a subsidiary of Revival. See subsequent event note.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Statement of Compliance

The Company applies International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”). These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all disclosures required for the annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these interim condensed consolidated financial statements are based on IFRSs issued and outstanding as of August 6, 2024, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these interim condensed consolidated financial statements as compared with the most recent annual consolidated financial statements as at and for the year ended December 31, 2023. These interim condensed consolidated financial statements and the accompanying notes were prepared using the accounting policies described in note 3 to the annual consolidated financial statements except as discussed in note 2 herein.

b. Going Concern

During the three months ended March 31, 2024, the Company had a net loss of \$330,803 (March 31, 2023 - \$524,970) and negative cash flow from operations of \$406,133 (March 31, 2023 - \$267,224). The



Notes to the Unaudited Interim Condensed Consolidated Financial Statements
Three Months Ended March 31, 2024, and 2023
(Expressed in United States Dollars unless otherwise stated)

Company had an accumulated deficit as at March 31, 2024 of \$12,350,814 (December 31, 2023 – \$12,020,011). The Company is subject to risks and challenges similar to companies in a comparable stage of operation. The Company does not have revenue generating activities and will need to continue to obtain additional financing to execute exploration activities and discharge its day-to-day obligations. There is no assurance that the Company’s funding initiatives will be successful. As a result of these conditions, there is the existence of material uncertainties which may cast significant doubt as to the Company’s ability to continue as a going concern.

These unaudited condensed consolidated interim financial statements do not reflect the adjustments to carrying values of assets and liabilities in the consolidated statements of financial position that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

c. New Accounting Standards Adopted

Amendments to IAS 1 – Classification of Liabilities as Current or non-Current

In October 2022, the IASB made amendments to IAS 1. The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity. The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted.

The Company adopted this amendment on January 1, 2024, and it did not have a material impact on the interim condensed consolidated financial statements.

3. EXPLORATION ASSETS

As part of the Company’s exploration program, total bonding with the state of Utah at March 31, 2024 was \$121,300 (December 31, 2023 - \$121,300). The bond is recoverable after the property is reclaimed. The bond is treated as a permitting bond asset on the statement of financial position.

	West Mercur	South Mercur	Main Mercur	Total
Balance at December 31, 2022	799,605	885,475	2,259,165	3,924,245
Acquisition costs	-	-	2,500	2,500
Balance at December 31, 2023 and March 31, 2024	\$799,605	\$885,475	\$2,261,665	\$3,926,745



Notes to the Unaudited Interim Condensed Consolidated Financial Statements
Three Months Ended March 31, 2024, and 2023
(Expressed in United States Dollars unless otherwise stated)

Mineral property acquisitions and agreements

In May 2021, the Company entered into a Mineral Lease and Option to Purchase agreement (“Barrick Option”) with Barrick Resources (USA) Inc. and Barrick Gold Exploration Inc. (“Barrick”) where it paid \$822,886 (CAD \$1,000,000) and issued 3,000,000 warrants to purchase Ensign common shares. The warrants have a \$0.20 (CAD \$0.25) strike price and were valued at \$418,392. The agreement is for a two-year option to explore Barrick’s reclaimed Mercur mine property in Utah, United States. The Company has a work commitment to spend CAD \$6,000,000 on the Barrick property during that period, and then has the option to acquire Barrick and its Mercur mine property for CAD \$20,000,000 in cash or Ensign common shares.

In August 2021, the Company entered into a mining lease agreement with Mountainwest Minerals LC. (“Mountainwest”) to acquire Mountainwest’s interest in its mineral rights at the South Mercur property in Utah, United States. As consideration for the mineral rights, the Company issued 120,000 common shares at a price of \$0.39 (CAD \$0.50) per common share. The agreement treats the payment as a non-refundable advanced royalty.

On October 25, 2021, the Company entered into an option and assignment agreement with Geyser Marion Gold Mining Company (“Geyser Marion”) to acquire its private lands in the Main Mercur area in Utah, United States. The Company issued 1,050,000 restricted common shares at a price of \$0.39 (CAD \$0.50) per share and holds the option to purchase the properties by paying \$262,500, no earlier than two years, and no later than three after the date of the agreement. The shares are restricted from trading until the earlier of, exercise of the option, or for the duration of the option period, which is not to exceed 3 years.

On October 25, 2021, the Company entered into an option and assignment agreement with Sacramento Gold Mining Company (“Sacramento”) to acquire its private lands in the Main Mercur area in Utah, United States. The Company issued 150,000 restricted common shares at a price of \$0.39 (CAD \$0.50) per share and holds the option to purchase the properties by paying \$37,500 no earlier than two years, and no later than three after the date of the agreement. The shares are restricted from trading until the earlier of, exercise of the option, or for the duration of the option period, which is not to exceed 3 years.

In October and November 2021, the Company staked mining claims in various parts of the Mercur project. It spent \$19,869 as follows, \$13,775 in West Mercur, \$3,482 in South Mercur and \$2,612 in the Main Mercur areas.

On February 8, 2022, the Company entered into an exclusive exploration license and option agreement with Jose Pena for one claim in the Main Mercur area in Utah, United States by agreeing to pay \$197,500. If exercised, payments would be made as follows under the option agreement: (a) \$2,500 shall be paid on the effective date of the agreement; (b) \$2,500 is due on the first anniversary of the effective date of the agreement; (c) \$2,500 is due on the second anniversary of the effective date of the agreement; and (d) \$190,000 is due on the third anniversary of the effective date of the agreement. Accordingly, \$2,500 was paid on the effective date of agreement and another \$2,500 paid on the first anniversary in 2023.

On June 13, 2022, the Company executed an amendment to the Barrick Option extending the exploration period to January 2, 2024. As consideration for this extension, the Company agreed to extend the expiry



Notes to the Unaudited Interim Condensed Consolidated Financial Statements
Three Months Ended March 31, 2024, and 2023
(Expressed in United States Dollars unless otherwise stated)

date of the 3,000,000 warrants issued to Barrick as part of the original agreement to January 2, 2026. The warrants have a \$0.20 (CAD \$0.25) strike price. The extension was valued at \$528,832 using the Black Scholes option pricing model. The inputs were as follows; risk-free rate of 3.25%, annualized volatility of 105% based on comparable publicly traded companies; expected option life of 4 years; and dividend yield of nil.

On August 2, 2022, the Company entered into an agreement to acquire patented mining claims situated in the South Mercur area in Utah, United States (the “Overland” claims). In consideration the Company issued 90,000 common shares at a price of \$0.39 (CAD \$0.50) and paid \$4,197 in legal fees associated with the agreement.

On May 15, 2023, the Company executed a second amendment to the Barrick Option extending the exploration period to January 2, 2026. As consideration for this extension the Company agreed to extend the expiry date of the 3,000,000 warrants issued to Barrick to January 2, 2028. The extension did not have an impact on the valuation of the warrants, and as a result, the Company’s warrant reserve remains unchanged.

On February 6, 2024, the Board approved the terms and subsequently executed a third amendment to the Barrick Option whereby the \$20,000,000 payment was amended to pay \$5,000,000 on option exercise and \$5,000,000 on each of the first, second, and third anniversary of commercial production. As consideration, the Company agreed to add 1,000,000 warrants and extend the expiry date of the 4,000,000 total warrants to January 2, 2029. The warrants are valued using the Black Scholes option pricing model. The change in the number of warrants was offset by the change in other inputs; as a result, the Company’s warrant reserve remains unchanged. The inputs were as follows; risk-free rate of 3.69%, annualized volatility of 149% based on comparable publicly traded companies; expected option life of 5 years; and dividend yield of nil.

Exploration expenditures incurred for the periods ended March 31, 2024, and 2023 are as follows:

Exploration Costs Table	Three Months Ended	
	March 31	
	2024	2023
Lab and professional services	\$ 82,012	\$ 132,040
Licenses, permits and fees	15,974	2,280
Operating supplies	3,626	2,130
Balance	\$ 101,612	\$ 136,450



Notes to the Unaudited Interim Condensed Consolidated Financial Statements
Three Months Ended March 31, 2024, and 2023
 (Expressed in United States Dollars unless otherwise stated)

A summary of mineral royalties as at March 31, 2024 is as follows:

Project Area	Range of Royalty Interests	
Main Mercur	0.5% to 7.0%	
South Mercur	0.5% to 3.5%	
West Mercur	1.0% to 6.5%	(1% capped at \$10M)
North Mercur	0.0% to 2.0%	
Total Project	0.0% to 7.0%	

4. EQUIPMENT

	Mobile Equipment	Right of Use Assets	Total
Cost			
Balance, January 1, 2023	\$ 163,718	\$ 35,665	\$ 199,383
Right of use asset purchased - lease end		(35,665)	(35,665)
Additions for the period	36,662	-	36,662
Balance, December 31, 2023, and March 31, 2024	\$ 200,380	-	\$ 200,380
Accumulated Depreciation			
Balance, January 1, 2023	\$ 48,128	\$ 28,234	\$ 76,362
Additions for the period	50,867	7,431	58,298
Leases terminated	-	(35,665)	(35,665)
Balance, December 31, 2023	\$ 98,995	-	\$ 98,995
Additions for the period	13,633	-	13,633
Balance, March 31, 2024	\$ 112,628	-	\$ 112,628
Carrying amount at December 31, 2023	\$ 101,385	\$ -	\$ 101,385
Carrying amount at March 31, 2024	\$ 87,752	-	\$ 87,752

Assets are depreciated on a straight-line basis over the useful life of the asset.



Notes to the Unaudited Interim Condensed Consolidated Financial Statements
Three Months Ended March 31, 2024, and 2023
 (Expressed in United States Dollars unless otherwise stated)

5. LEASE LIABILITY

	March 31, 2024	December 31, 2023
Opening lease liability	\$ -	\$ 5,916
Additions during the year	-	-
Interest on lease liabilities	-	57
Payments of lease liabilities	-	(5,973)
Ending lease liability	-	-

During the year ended December 31, 2023, the Company purchased the only asset under lease. As a result, no lease liability exists as at March 31, 2024 (December 31, 2023 - nil).

6. CONVERTIBLE DEBENTURES

The Company issued various convertible debentures to officers of the Company between November 6, 2023, and November 15, 2023, for total proceeds of \$177,607. The debentures are non-interest bearing and matured on the earlier of the closing or cancellation of the proposed transaction with Taura, as described in note 1 above. The debentures are convertible into common shares of the Company at the discretion of the Company on the following basis:

- I. If the conversion occurs prior to closing of the proposed Taura transaction, or in the event of the close of the Taura transaction, the debentures are convertible into common shares of the Company at a conversion price of CAD \$0.40 per common share.
- II. If the proposed Taura transaction is terminated, the debentures are convertible into common shares of the Company at a conversion price of CAD \$0.34 per common share.

The Company made the irrevocable election as permitted under IFRS 9 Financial Instruments to measure the convertible debentures, including the conversion feature embedded derivative, at FVTPL. The Company has determined that that carrying amount of the debentures approximates its fair value as at December 31, 2023.

On January 12, 2024, the Company settled the debentures outstanding as at December 31, 2023 by issuing 716,177 common shares at a conversion price of CAD \$0.34 per common share (see below).

7. SHARE CAPITAL

- a. Authorized Unlimited number of common shares without par value as at March 31, 2024.
- b. On January 12, 2024, the Company issued 1,136,748 common shares at a deemed price of CAD \$0.34 per share as follows:



Notes to the Unaudited Interim Condensed Consolidated Financial Statements
Three Months Ended March 31, 2024, and 2023
(Expressed in United States Dollars unless otherwise stated)

- converted the \$177,607 convertible debentures held by directors and officers from debt to equity.
 - settled liabilities outstanding as at December 31, 2023 amounting to \$42,895 for services rendered payable to officers and \$35,247 for equipment purchased to a director of the Company.
 - shares valued at \$24,817 were granted to an officer on exercise of a consulting agreement.
- c. On March 22, 2024, two Company directors participated in a private placement offering, providing subscription proceeds of C\$100,000 and \$50,000 for 439,381 common shares at CAD \$0.34 per share.
- d. Share Capital and Share Purchase Warrant Table

	Common Shares	Total Share Capital	Outstanding Warrants	Weighted Avg Strike	Warrant Reserve
Balance, January 1, 2023, and March 31, 2023	49,967,182	13,166,207	13,506,245	\$0.81	1,223,222
Balance, December 31, 2023	50,976,476	\$13,543,685	6,886,896	\$0.89	\$1,223,222
Warrants issued to Barrick (note 3)	-	-	1,000,000	0.25	-
Warrants expired	-	-	(3,578,911)	1.42	-
Debentures converted (b)	716,177	177,607	-	-	-
Shares for debt agreements (b)	320,571	78,142	-	-	-
Shares granted (b)	100,000	24,817	-	-	-
Private placement (c)	493,381	124,170	-	-	-
Balance, March 31, 2024	52,606,605	\$13,948,421	4,307,985	\$0.30	\$1,223,222

d. Stock Options

The Company has a share incentive plan (the "Plan"), which allows the Board of Directors to grant options to directors, officers, employees, and consultants. Under the terms of the Plan, options may be granted to a maximum of 10% of the issued common shares at the grant date of an option. Options issued under the Plan may be exercised during a period determined by the Board of Directors which cannot exceed 5 years from the grant date.



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The following table reflects the stock options outstanding as at March 31, 2024:

Expiry Date	Exercise Price	2024 Opening Balance #	Granted #	Exercised #	Expired/ Canceled #	Closing Balance #
July 24, 2024	\$0.78	225,000	-	-	-	225,000
July 1, 2025	\$0.20	700,000	-	-	-	700,000
March 22, 2026	\$0.39	500,000	-	-	-	500,000
June 10, 2026	\$0.39	65,000	-	-	-	65,000
November 2, 2026	\$0.39	100,000	-	-	-	100,000
December 1, 2026	\$0.39	100,000	-	-	-	100,000
December 22, 2026	\$0.39	175,000	-	-	-	175,000
February 3, 2027	\$0.39	328,333	-	-	-	328,333
February 22, 2027	\$0.39	180,000	-	-	-	180,000
March 5, 2028	\$0.37	1,059,647	-	-	-	1,059,647
July 28, 2028	\$0.38	50,000	-	-	-	50,000
January 31, 2029	\$0.25	-	200,000	-	-	200,000
February 12, 2029	\$0.25	-	900,000	-	-	900,000
Total		3,482,980	1,100,000	-	-	4,582,980
Weighted Average Exercise Price		\$0.37	\$0.25	-	-	\$0.34

The Company uses the fair value method of accounting for all stock-based compensation awards and accordingly, \$183,198 of expense was recorded for the three months ended March 31, 2024 (three months ended March 31, 2023 – \$224,092) There were 4,407,980 options vested and exercisable as of March 31, 2024 (March 31, 2023 – 2,833,536).

- No options were exercised during the period.
- The weighted average remaining life of the outstanding stock options is 3.11 years..

For purposes of the options granted, the fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model, with the following assumptions:

*Volatility calculated based on stock prices of comparable publicly traded companies and/or historical Ensign Minerals share prices.

	2024	2023
Risk Free Rate	3.43% to 3.69%	3.52%
Annualized Volatility*	72%	79.6%
Expected Dividend	Nil	Nil
Expected Option Life	5	5
Expected Forfeiture Rate	Nil	Nil



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8. RELATED PARTY TRANSACTIONS

Key management personnel comprise the President & Chief Executive Officer, Chief Financial Officer, VP of Exploration, VP Generative Geology and Land, VP Investor Relations, and Directors of the Company. The remuneration of the key management personnel is as follows:

	Three Months Ended	
	March 31	
	2024	2023
Key Management & Director Fees		
Key management personnel	\$ 13,000	\$ 82,683
Directors	-	-
Share Compensation		
Key management personnel	33,635	54,121
Directors	134,226	161,009
Total Compensation	\$ 180,861	\$ 297,813

Related party transactions in addition to the above:

- a. Two Company directors participated in a March 2024 private placement offering, providing subscription proceeds of C\$100,000 and \$50,000 at CAD \$0.34 per share for 493,381 common shares.
- b. On January 12, 2024, the Company issued 1,136,748 common shares at a deemed price of CAD \$0.34 per share as follows:
 - converted the \$177,607 convertible debentures held by directors and officers from debt to equity.
 - settled liabilities outstanding as at December 31, 2023 amounting to \$42,895 for services rendered payable to officers and \$35,247 for equipment purchased to a director of the Company.
 - shares valued at \$24,817 were granted to an officer on exercise of a consulting agreement.
- c. A senior executive for the Company is:
 - The sole owner of Catena Resources (Catena). Catena provides geologic services to the Company and was paid \$13,000 for professional services in the three months ended March 31, 2024 (three months ended March 31, 2023 - nil).
 - The sole owner of Ash-ley Woods LLC, which owns interests in certain mineral properties. These properties were leased to Rush Valley and later assigned to the Company. Ash-ley Woods received lease payments of nil from the Company during the three months ended March 31, 2024, and 2023.



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9. NET LOSS PER SHARE

The weighted average number of shares outstanding used in the computation of loss per share for the three months ended March 31, 2024, and 2023 were 52,012,119 and 49,967,182, respectively.

	Three months ended March 31	
	2024	2023
Loss attributable to shareholders	\$ (330,803)	\$ (524,970)
Weighted average shares outstanding	52,012,119	49,967,182
Net loss per share – basic and diluted	(\$0.01)	(\$0.01)

The Company’s stock option and common share purchase warrants outstanding were excluded from the calculations of net loss per share for the three months ended March 31, 2024, and 2023 as their impact would be anti-dilutive.

10. SUBSEQUENT EVENTS

On April 9, 2024, the Company entered into a definitive business combination agreement whereby Revival will acquire all the issued and outstanding shares of the Company by way of a statutory three-cornered amalgamation under the Business Corporations Act (British Columbia).

Subject to regulatory approval, the Company will amalgamate with a wholly owned subsidiary of Revival incorporated for the purpose of completing the amalgamation. Under the proposed transaction, the shareholders of the Company would receive an aggregate of 61,376,126 million shares of Revival based on a share exchange ratio of 1.1667 Revival shares for each Ensign share. The consideration implies a purchase price of C\$0.3569 per Ensign Share, or gross consideration of approximately C\$21.9 million.

The transaction closed on May 30, 2024, with the Company continuing as a subsidiary of Revival.