



**NEVGOLD CORP.**

Condensed Consolidated Interim Financial Statements

Three and Nine Months ended September 30, 2024 and 2023

(Unaudited - Expressed in Canadian Dollars unless Otherwise Stated)

## **NOTICE TO READERS**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The unaudited condensed interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of the condensed interim financial statements and are in accordance with IAS 34 – Interim Financial Reporting.

The Company's independent auditor has not performed a review of these unaudited condensed interim financial statements in accordance with standards established by the Canadian Chartered Professional Accountants for a review of interim financial statements by an entity's auditor.

# NEVGOLD CORP.

## Condensed Consolidated Interim Statements of Financial Position

(Unaudited - Expressed in Canadian dollars)

	Note	September 30, 2024	December 31, 2023
		\$	\$
<b>Assets</b>			
<b>Current assets:</b>			
Cash and cash equivalents (Note to sub event)		548,061	151,520
Short-term investment		1,500,735	-
Receivable	9	300,605	72,574
Prepaid expense		103,464	17,776
		2,452,865	241,870
<b>Non-current assets:</b>			
Prepaid expense		7,881	7,723
Property and equipment	4	38,858	41,144
Right of use assets	7	132,005	177,703
Exploration and evaluation assets	5	25,987,892	21,791,694
Reclamation bond	6	18,711	18,372
<b>Total assets</b>		<b>28,638,212</b>	<b>22,278,506</b>
<b>Liabilities and Shareholders' Equity</b>			
<b>Current liabilities:</b>			
Accounts payable and accrued liabilities		1,295,629	1,924,002
Derivative liability – convertible debenture	8	380,000	-
Lease obligation, current	7	65,306	63,703
		1,740,935	1,987,705
<b>Non-current liabilities:</b>			
Lease obligation, non- current	7	98,166	147,033
Convertible debenture	8	3,015,023	-
Liabilities - flow through shares		332,625	332,625
<b>Total liabilities</b>		<b>5,186,749</b>	<b>2,467,363</b>
<b>Shareholders' equity:</b>			
Share capital	5,8,9	27,305,209	21,729,205
Subscription receipt		-	280,000
Reserve	9	4,459,758	4,442,566
Accumulated other comprehensive loss		611,729	375,405
Non-controlling interest	10	834,022	1,003,527
Deficits		(9,759,255)	(8,019,560)
<b>Total shareholders' equity</b>		<b>23,451,463</b>	<b>19,811,143</b>
<b>Total liabilities and shareholders' equity</b>		<b>28,638,212</b>	<b>22,278,506</b>

### Commitments

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These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on November 28, 2024. They are signed on behalf of the Board of Directors by:

*“Brandon Bonifacio”*

Director, President and CEO

*“Victor Bradley”*

Director

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

# NEVGOLD CORP.

## Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Unaudited - Expressed in Canadian dollars)

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
	\$	\$	\$	\$
Accretion (Note 7, 8)	44,936	4,940	52,523	15,157
Business development	109,377	137,373	435,374	688,378
Consulting fees and salaries (Note 11)	406,390	66,352	410,000	310,444
Depreciation (Note 4, 7)	17,141	15,637	51,322	46,912
Occupancy, administrative, and general expenses	44,614	88,588	136,107	180,612
Transfer agents and listing fees	33,624	19,975	71,520	37,418
Professional fees	131,293	9,873	148,972	45,683
Share-based compensation	-	3,299	-	44,124
Loss before the following items:	(787,375)	(346,037)	(1,305,817)	(1,368,728)
Finance charges – convertible debenture (Note 8)	(17,851)	-	(17,851)	-
Interest income	343	1,671	5,592	19,976
Impairment of mineral interests (Note 5)	-	-	(591,124)	-
Net loss	(804,883)	(344,366)	(1,909,200)	(1,348,752)
<b>Attributable to:</b>				
Non-controlling interests	-	(15,892)	(169,505)	(15,892)
Shareholders of Nevgold Corp.	(804,883)	(328,474)	(1,739,695)	(1,332,860)
Net loss	(804,883)	(344,366)	(1,909,200)	(1,348,752)
Other comprehensive income (loss)	(208,223)	207,155	236,324	452,551
Comprehensive loss	(1,013,106)	(137,211)	(1,672,876)	(896,201)
<b>Attributable to:</b>				
Non-controlling interests	(169,505)	-	(169,505)	-
Shareholders of Nevgold Corp.	(843,601)	(137,211)	(1,503,371)	(896,201)
Comprehensive loss	(1,013,106)	(137,211)	(1,672,876)	(896,201)
Basic and diluted loss per share	(0.01)	(0.00)	(0.02)	(0.02)
Weighted average number of outstanding common shares, basic and diluted	94,020,722	71,418,219	92,636,560	71,418,219

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

# NEVGOLD CORP.

## Condensed Consolidated Interim Statements of Cash Flows

(Unaudited - Expressed in Canadian dollars)

Nine months ended September 30,	2024	2023
	\$	\$
<b>Cash provided by (used in):</b>		
<b>Operating activities</b>		
Net loss	(1,909,200)	(1,348,752)
Items not involving cash:		
Accretion expense	52,523	15,157
Depreciation	51,322	46,913
Impairment on mineral properties	591,124	-
Share-based compensation	-	44,124
Changes in non-cash working capital:		
Accounts payable and accrued liabilities	(580,366)	(199,708)
Prepaid expense	(85,688)	165,189
Receivable	(228,031)	50,155
<b>Net cash provided by (used in) operating activities</b>	<b>(2,108,316)</b>	<b>(1,226,922)</b>
<b>Financing activities</b>		
Payment of lease obligation	(56,070)	(57,238)
Receipt of unpaid subscription for private placement in prior period	-	100,000
Issuance of common shares of a subsidiary	-	495,000
Cash receipt for issuance of a convertible debenture	3,455,579	-
Share issuance for cash	2,058,196	72,800
<b>Net cash provided by (used in) financing activities</b>	<b>5,457,705</b>	<b>610,562</b>
<b>Investing activities</b>		
Acquisition of short-term investment	(1,800,000)	-
Redemption of short-term investment	299,265	-
Exploration and evaluation cost	(1,442,968)	(1,592,059)
Acquisition of reclamation bond	-	(5,887)
<b>Net cash used in investing activities</b>	<b>(2,943,703)</b>	<b>(1,597,946)</b>
<b>Effect of foreign exchange on cash</b>	<b>(9,145)</b>	<b>(2,633)</b>
Decrease in cash and cash equivalents	396,541	(2,216,939)
Cash and cash equivalents, beginning of period	151,520	2,495,565
<b>Cash and cash equivalents, end of period</b>	<b>548,061</b>	<b>278,626</b>

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

# NEVGOLD CORP.

## Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

(Unaudited - Expressed in Canadian dollars)

	Share capital		Subscription receipt	Reserve		Other comprehensive income	Deficit	Non-controlling interests	Total
	No of outstanding	\$		Warrant	Option				
December 31, 2022	67,759,683	18,456,548	-	2,346,791	2,130,381	93,523	(5,430,967)	-	17,596,276
Issuance of shares for acquisition of mineral properties	7,768,125	3,000,000	-	-	-	-	-	-	3,000,000
Issuance of shares of Subco to non-controlling shareholders	-	-	-	-	-	-	-	1,045,000	1,045,000
Issuance of shares - warrant exercise	208,000	151,529	-	(78,729)	-	-	-	-	72,800
Issuance of shares - debt settlement	403,761	121,128	-	-	-	-	-	-	121,128
Translation of subsidiary	-	-	-	-	-	281,882	-	-	281,882
Subscription received	-	-	280,000	-	-	-	-	-	280,000
Share-based compensation	-	-	-	-	44,123	-	-	-	44,123
Loss of the year	-	-	-	-	-	-	(2,588,593)	(41,473)	(2,630,066)
December 31, 2023	76,139,569	21,729,205	280,000	2,268,062	2,174,504	375,405	(8,019,560)	1,003,527	19,811,143
Issuance of shares for acquisition of mineral properties	10,000,000	3,000,000	-	-	-	-	-	-	3,000,000
Issuance of shares for cash	7,343,750	2,321,004	(280,000)	17,192	-	-	-	-	2,058,196
Issuance of shares - debt settlement	421,875	135,000	-	-	-	-	-	-	135,000
Issuance of convertible debenture	342,857	120,000	-	-	-	-	-	-	120,000
Translation of subsidiary	-	-	-	-	-	236,324	-	-	236,324
Loss for the period	-	-	-	-	-	-	(1,739,695)	(169,505)	(1,909,200)
September 30, 2024	94,248,051	27,305,209	-	2,285,254	2,174,504	611,729	(9,759,255)	834,022	23,451,463

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

# NEVGOLD CORP.

Notes to the Consolidated Interim Financial Statements  
Three and Nine months Ended September 30, 2024 and 2023  
(Unaudited Expressed in Canadian dollars)

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## 1. Nature of Operations and Going Concern

On June 23, 2021, Silver Mountain Mines Inc. (“SMM”) and Nevgold BC Holding Inc. (“Nevgold BC”), an entity formed by way of an amalgamation between Nevgold BC and Newco, a subsidiary of SMM, completed a business combination which was considered a reverse takeover (“RTO”) whereby SMM is the legal parent and Nevgold BC is considered the acquirer. After the RTO, SMM has changed its name to Nevgold Corp. (the “Company” or “Nevgold”).

Nevgold’s principal business activity is the exploration of mineral properties in North America. The head office of the Company is located at Suite 801 - 1112 West Pender Street, Vancouver, BC V6E 2S1.

Nevgold is in the process of exploring its mineral property interests including the properties acquired in 2021 as a result of the Transaction. Nevgold has not yet determined whether the projects contain mineral resources or mineral reserves that are economically recoverable.

### Going concern

These condensed consolidated interim financial statements have been prepared based on accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Company is a resource exploration stage company, which does not generate any revenue and has been relying on equity-based financing to fund its operations. The Company has incurred recurring losses since inception and, without revenue and cashflow, is therefore unable to finance its exploration activities business through these sources. Hence the Company requires additional financing either through equity or debt financing, sale of assets, joint venture arrangements or a combination thereof to meet its long-term business objectives. There is no assurance that sufficient future funding will be available on a timely basis or on terms acceptable to the Company. These conditions indicate the existence of material uncertainties that cast significant doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern is in significant doubt.

The application of the going concern concept is dependent upon the Company’s ability to generate future profitable operations and maintain an adequate level of financial resources to discharge its ongoing obligations. Management seeks to raise capital, when necessary, to meet its funding requirements and has undertaken available cost-cutting measures. There can be no assurance that management’s plan will be successful, as it is dependent on prevailing capital market conditions and the availability of other financing opportunities. These consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

## 2. Statement of Compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards - 34 Interim Financial Reporting and should be read in conjunction with the annual financial statements for the recent year ended December 31, 2023, which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and Interpretations of the International Financial Reporting Interpretations Committee.

# NEVGOLD CORP.

Notes to the Consolidated Financial Statements  
Three and Nine months Ended September 30, 2024 and 2023  
(Unaudited - Expressed in Canadian dollars)

## 3. Significant Accounting Policies

### Basis of preparation

These condensed consolidated interim financial statements have been prepared on a historical cost basis, except for certain financial instruments carried at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These condensed consolidated interim financial statements incorporate the accounts of the Company and its subsidiaries as follows:

<b>Subsidiary Name</b>	<b>Interest Held as at September 30, 2024 and December 31, 2023</b>	<b>Functional Currency</b>
Nutmeg Gold, LLC	100%	US Dollars
Nevgold USA	100%	US Dollars
Nevgold BC 1416753 B.C. Ltd. ("141 BC")	100%	Canadian Dollars
	71.33%	Canadian Dollars

A subsidiary is an entity in which the Company has control, where control requires exposure or rights to variable returns and the ability to affect those returns through power over the investees. All intercompany transactions and balances have been eliminated on consolidation.

### Non-controlling interests

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statements of operations and net income (loss), consolidated statements of changes in shareholders equity and consolidated statements of financial position, respectively.

The Company treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Company. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

### Significant estimates and judgments

Apart from making estimates and assumptions as described below, the Company's management makes critical judgments in the process of applying its accounting policies that have a significant effect on the amounts recognized in the Company's consolidated financial statements. The significant judgments that the Company's management has made in the process of applying the Company's accounting policies, apart from those involving estimation uncertainties, that have the most significant effect include, but are not limited to:

- The indicators of impairment of long-lived assets

Assets or cash-generating units ("CGUs") are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's property and equipment, right of use assets and exploration and evaluation assets.

Significant judgment is required when determining whether facts and circumstances suggest that the carrying amount of resource properties may exceed its recoverable amount. The retention of regulatory permits and licenses; the Company's ability to obtain financing for exploration and development activities and its future plans on the resource properties; current and future metal prices; and market sentiment are all factors considered by the Company.

In respect of the carrying value of property and equipment and right of use assets recorded on the consolidated statements of financial position, management has determined that it continues to be appropriately recorded, as there has been no obsolescence or physical damage to the assets and there are no indications that the value of the assets have declined more than what is expected from the passage of time or normal use.

# NEVGOLD CORP.

Notes to the Consolidated Financial Statements  
Three and Nine months Ended September 30, 2024 and 2023  
(Unaudited - Expressed in Canadian dollars)

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## 3. Significant Accounting Policies (Continued)

### Significant estimates and judgments (continued)

- The determination of the Company and its subsidiaries' functional currency

The determination of the functional currency for the Company and each of its subsidiaries was based on management's judgment of the underlying transactions, events, and conditions relevant to the primary economic environment of each entity.

- The recognition of deferred income tax assets

Management applies judgment whether it is probable that taxable profit will be available in the near future against which a deductible temporary difference can be utilized.

- 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 and meet its liabilities for the ensuing year as they fall due involves judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.

- Right-of-use assets and lease obligations

The Company applies judgment in determining whether the contract contains an identified asset, whether they have the right to control the asset, and the lease term. The lease term is based on considering facts and circumstances, both qualitative and quantitative, that can create an economic incentive to exercise renewal options. Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option.

- Flow through shares

The Company is required to spend proceeds received from the issuance of flow-through shares on qualifying resource expenditures. Management's judgment is applied in determining whether qualified expenditures have been incurred. Differences in judgment between management and regulatory authorities could materially increase the flow-through share obligations and flow-through expenditure commitment.

Management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of expenses during the reporting period. Significant areas requiring the use of management estimates include:

- The inputs used in the Black-Scholes model to calculate the fair value of options and warrants.
- Estimates are made in determining the fair value of assets acquired for non monetary consideration.
- The incremental borrowing rate used to measure the lease obligations, specific to the asset, underlying currency, and geographic location involve estimates. Where the rate implicit in the lease is not readily determinable, the discount rate of the lease obligations are estimated using a discount rate similar to the Company's specific borrowing rate. This rate represents the rate that the Company would incur to obtain the funds necessary to purchase the asset of a similar value, with similar payment terms and security in a similar environment.
- Estimates of potential flow-through share penalties and obligations related to the shortfall of flow-through share expenditure requirements.

While management believes that these estimates are reasonable, actual results could differ from those estimates and could impact future results of operations and cash flows.

# NEVGOLD CORP.

Notes to the Consolidated Financial Statements  
Three and Nine months Ended September 30, 2024 and 2023  
(Unaudited - Expressed in Canadian dollars)

## 3. Significant Accounting Policies (Continued)

### Adoption of new accounting policies

The Company has not adopted new accounting policies since its most recent financial year ended December 31, 2023.

## 4. Property and Equipment

As at September 30, 2024 and December 31, 2023, the Company's property and equipment consisted solely of a building acquired with the RTO. There was no addition nor disposition of property and equipment during the nine months ended September 30, 2024. The Company incurred \$2,286 of amortization during the nine months ended September 30, 2024 (2023 - \$1,215) Details are as follows:

	Cost	Accumulated amortization	Net carrying value
	\$	\$	\$
September 30, 2024	47,240	8,382	38,858
December 31, 2023	47,240	6,096	41,144

## 5. Exploration and Evaluation Assets

The continuity of the Company's exploration and evaluation assets are as follows:

	Ptarmigan BC, Canada	Option Project BC, Canada	Cedar Wash Nevada, USA	Limo Nevada, USA	Zeus Idaho, USA	Idaho, USA	Nutmeg Total
	\$	\$	\$	\$	\$	\$	\$
<b>December 30, 2022</b>	<b>3,036,120</b>	-	<b>1,716,937</b>	<b>7,127,461</b>	-	<b>3,214,200</b>	<b>15,094,718</b>
Effect of change of foreign exchange	-	-	28,486	117,376	-	95,029	240,891
Acquisition and renewal of permits	-	500,000	17,758	279,217	-	3,199,567	3,996,542
Drilling	-	-	-	-	-	1,552,862	1,552,862
Exploration	20,738	81,924	14,651	159,616	-	63,602	340,531
Geo analysis	-	-	-	23,381	-	33,678	57,059
Technical Staff	319,821	-	0	84,120	-	105,150	509,091
<b>December 31, 2023</b>	<b>3,376,679</b>	<b>581,924</b>	<b>1,777,832</b>	<b>7,791,171</b>	-	<b>8,264,088</b>	<b>21,791,694</b>
Effect of change of foreign exchange	-	-	36,169	151,681	-	69,660	257,510
Acquisition and permit maintenance of mineral properties	-	-	74,462	254,959	435,697	3,180,426	3,945,544
Drilling	-	-	-	-	-	3,264	3,264
Exploration	5,561	9,200	8,384	55,101	45,092	28,199	151,537
Geo analysis	-	-	-	19,178	10,786	14,528	44,492
Technical Staff	-	-	-	190,720	-	194,255	384,975
Impairment	-	(591,124)	-	-	-	-	(591,124)
<b>September 30, 2024</b>	<b>3,382,240</b>	-	<b>1,896,847</b>	<b>8,462,810</b>	<b>491,575</b>	<b>11,754,420</b>	<b>25,987,892</b>

# NEVGOLD CORP.

Notes to the Consolidated Financial Statements  
Three and Nine months Ended September 30, 2024 and 2023  
(Unaudited - Expressed in Canadian dollars)

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## 5. Exploration and Evaluation Assets (Continued)

### Cedar Wash and the Limousine Butte Properties

The Company entered into an asset purchase and sale agreement (“Asset Purchase Agreement”) dated December 14, 2020 with McEwen Mining Inc. and certain of McEwen Mining’s affiliates (collectively, “McEwen”) pursuant to which the Company acquired the Limousine Butte and Cedar Wash properties in Nevada. The Asset Purchase Agreement was closed on June 23, 2021 (“Closing Date”) with the following terms:

- Payment of \$700,000 totally in three instalments from 2021 to 2023 (paid).
- Issuance 4,963,455 common shares at a fair value of \$0.40 per share and 2,481,727 share purchase warrants of the Company (issued). The share purchase warrants had an exercise price of \$0.60 per common share and term of 2 years;
- Granting McEwen a 0.5% Net Smelter Return (“NSR”) Royalty on the Limousine Butte property; and
- Granting McEwen a 2.5% NSR Royalty on the Cedar Wash property, with specified options to reduce the percentage of the Cedar Wash NSR Royalty (Note 14).

### Nutmeg Gold Property Idaho: Purchase Option Agreement

On July 4, 2022, Nevgold closed an option and financing agreement (the “Option Agreement”) with GoldMining Inc. (“GMI”) relating to the acquisition of the Nutmeg Mountain Gold Project in Idaho (the “Option”). Under the Option Agreement, Nevgold, GMI, and their respective US subsidiaries agreed to:

- 1) In consideration for the grant of the Option, Nevgold issued 4,444,444 common shares to GMI at a price of \$0.675 per share, representing \$3.0 million of Nevgold shares;
- 2) Concurrent with the above issuance, GMI made the initial investment of \$1 million, subscribing for 1,481,481 Nevgold shares at a price of \$0.675 per share;
- 3) GMI committed to a further lead order in an amount up to the lessor of \$1.25 million and 40% of the gross proceeds raised in a financing by Nevgold scheduled completed by November 30, 2022. This lead order did not occur as of November 30, 2022; however, the date was deferred by mutual agreement until December 5, 2022 when the financing closed and the GMI commitment was met;
- 4) In order to exercise the Option, Nevgold is required to pay the following amounts, or at its discretion, issue shares to GMI with an equivalent value, on the following schedule:
  - January 1, 2023: \$1.5 million in cash (3,658,536 common shares were issued in January 2023 with equivalent value) (Note 8);
  - July 1, 2023: \$1.5 million in cash (4,109,589 common shares were issued in July 2023 with equivalent value) (Note 9);
  - January 1, 2024: \$3.0 million (10,000,000 common shares were issued in January 2024 with equivalent value) (Note 9); and
  - Nevgold will also be required to make qualifying expenditures totaling \$2.25 million, as to \$1.5 million on or before June 1, 2023 and a further \$0.75 million on or before December 31, 2023 (completed).

### Exercise of Nutmeg Purchase Option

In January 2024 Nevgold completed the equity issuances and/or cash payments to GMI totaling \$9 million, and total \$2.25 million in qualifying expenditures made by the Company and exercised its option to acquire 100% of the Nutmeg Mountain Gold Project; and;

Nevgold is also committed to a schedule of future success-based contingent payments totaling \$7.5 million to GMI, payable in cash or shares at the discretion of Nevgold:

- \$0.5 million on completion of a Preliminary Economic Assessment (“PEA”) on the Project;
- \$2.5 million on completion of a Preliminary Feasibility Study (“PFS”) on the Project; and
- \$4.5 million on completion of a Feasibility Study (“FS”) on the Project.

# NEVGOLD CORP.

Notes to the Consolidated Financial Statements  
Three and Nine months Ended September 30, 2024 and 2023  
(Unaudited - Expressed in Canadian dollars)

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## 5. Exploration and Evaluation Assets (Continued)

### Zeus Copper Property, Idaho (“Zeus”)

During the nine months ended September 30, 2024, the Company acquired approximately 20 square kilometers of mineral claims which is located approximately 40 kilometres northwest of the Nutmeg Gold Property.

### Ptarmigan Property, BC

The Company acquired Ptarmigan Properties in 2021 upon the completion of the RTO (Note 1). This property is located in Purcell Mountains, approximately 35 kilometres west of the village of Radium Hot Springs in southeastern British Columbia. The Ptarmigan property was transferred in July 2023 to the Company’s subsidiary 141 BC.

### Project Option, BC

In May 2023, the Company closed an option agreement (the “Option Agreement”) with Eagle Plains Resources Ltd. (“EPL”), whereby the Company’s subsidiary 141 BC has an option (the “Option”) to acquire a portfolio of mineral properties including two copper-gold-silver projects and three lithium projects in British Columbia (collectively, the “Option Projects”) from EPL. The Company intends to list the common shares of 141 BC on Canadian stock exchanges in the future (the “Going Public Transaction”).

### Project Option Termination.

On August 13, 2024, EPL terminated the Option Agreement. As a result, the Company has fully impaired the Option Projects as at September 30, 2024 and \$591,124 impairment charges have been recorded.

## 6. Reclamation Bond

The accumulated amount paid for the surety bonds of the Company’s mineral properties are as follows:

	<b>September 30, 2024</b>	December 31, 2023
Ptarmigan Property	\$2,025	\$2,025
Nutmeg Property	1,666	1,632
Cedar Wash and Limousine Butte Properties	15,020	14,715
<b>Total</b>	<b>\$18,711</b>	<b>\$18,372</b>

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Notes to the Consolidated Financial Statements  
Three and Nine months Ended September 30, 2024 and 2023  
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## 7. Right-of-Use Assets and Lease Obligations

The Company recognizes an asset (right to use the leased item) and a financial liability to account for its rentals with terms of more than 12 months, unless the underlying asset is of low value. The lease liabilities are measured at the present value of the remaining lease payments, discounted using the Company's estimated incremental borrowing rate, which was 8.00%. As at September 30, 2024 and December 31, 2023, the Company's recognized right-of-use assets and liabilities were mainly comprised of the present values of all future lease payments of a lease of an office located in Reno, US.

This lease started on November 15, 2021 and will end on November 30, 2026. The Company was charged \$60,438 of rent during the nine months ended September 30, 2024 (2023- \$56,967)

The continuity of the assets arising from this office lease is as follows:

	<b>Nine months ended September 30, 2024</b>	Year ended December 31, 2023
Balances, beginning of the period	\$ 177,703	\$ 238,633
Amortization	(45,698)	(60,930)
<b>Balances, end of the period</b>	<b>\$ 132,005</b>	<b>\$177,703</b>

During the nine months ended September 30, 2024, amortization expenses of \$45,698 (2023 – \$45,698) were charged.

The continuity of the liabilities arising from this office lease is as follow:

	<b>Current</b>	<b>Non-Current</b>
	\$	\$
Balances, December 31, 2023	63,703	147,033
Effect of foreign exchange	103	(297)
Accretion	1500	9,897
Lease payments	-	(58,467)
<b>Balances, September 30, 2024</b>	<b>65,306</b>	<b>98,166</b>

## 8. Convertible Debenture

On August 26, 2024, the Company closed an unsecured convertible security ("the Financing") with Mercer Street Global Opportunity Fund II, LP, managed by C/M Global GP, LLC ("Mercer") for gross proceeds of \$3.5 million, whereby the Company issued a convertible debenture (the "First CD") to Mercer with the principal of \$3,500,000 convertible into up to 10,000,000 common shares of the Company, until August 30, 2026, at a conversion price equal to the greater of (i) 90% of the volume-weighted average price per share for the five consecutive trading days immediately prior to the applicable conversion notice date, and (ii) \$0.35 per share

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## 8. Convertible Debenture (Continued)

The First CD has an original issue discount of \$650,000 accruing over the 24-month term for the purpose of conversion that may be settled in cash or Nevgold Shares at the election of Mercer. The Company is obligated to repay \$4,150,000 on August 30, 2026 if the First CD is not converted into common shares of the Company.

The Company has applied a discount rate of 18% per annum for 24 months to value the present value of this First CD as \$2,973,430 at inception. The Company has also recorded a derivative liability of \$380,000 to account for the fair value of the conversion feature associated with the First CD.

The carrying value of this First CD on September 30, 2024 was \$3,014,782 and an accretion expense of \$50,128 has been recorded accordingly (2023 - \$Nil)

The Company also issued 5,000,000 warrants ("Nevgold Warrant") (Note 9(c)), issued 342,857 common shares to Mercer (Note 9(b)) with a fair value of \$120,000, and paid \$44,421 in legal fees on behalf of Mercer (totalling \$164,421 transaction cost). Each Nevgold Warrant is exercisable by the holder thereof into one Nevgold Share at an exercise price of \$0.525 per share until August 30, 2026.

The transaction cost associated with the liability of the First CD has been applied to offset the liability and the transaction cost associated with the derivative liability has been fully expensed.

## 9. Share Capital and Reserves

### (a) Authorized Share Capital

The Company has authorized an unlimited number of common shares without nominal or par value.

### (b) Issued Share Capital

## 2024

During the nine months ended September 30, 2024, the Company issued the following common shares:

- 10,000,000 common shares issued to GMI with the fair value of \$3,000,000 pursuant to the terms of the Nutmeg Mountain Gold Project Option Agreement (Note 5).
- 421,875 common shares issued with a fair value of \$135,000 (\$0.32 per share) to settle a payable of \$135,000 payable owing to an arm's-length supplier.
- 7,343,750 common shares issued for cash for gross proceeds of \$2,350,000 (\$0.32 per share) with an issuance cost of \$11,804 in cash. The Company also issued 135,375 warrants to brokers as commissions. These broker warrants have an exercise price of \$0.32 per share and will expire one year after issuance. As at September 30, 2024, there was a receivable of \$272,670 in connection with the issuance of these 7,343,750 common shares.
- The Company issued 342,857 common shares with fair value of \$120,000 in connection with the issuance of the First CD (Note 8)

## 2023

- (i) On January 1, 2023 and July 13, 2023, the Company issued 3,658,536 common shares and 4,109,589 common shares with the fair value of \$1.5 million and \$1.5 million respectively to fulfil the Company's obligation in connection with the acquisition of Nutmeg Properties (Note 5).
- (ii) On September 7, 2023, 208,000 common shares were issued for warrants exercised at \$0.35 per share.
- (iii) On October 13, 2023, the Company issued 403,761 common shares with a fair value of \$121,128 to settle accounts payable of \$ 169,580 with two creditors. Accordingly, a gain on debt settlement of \$48,452 has been recorded.
- (iv) In December 2023 the Company initiated a private placement for the issuance of common shares at \$0.32 per share. As at December 31, 2023, the Company received \$280,000 for the subscription.

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## 9. Share Capital and Reserves (Cont'd)

### (c) Warrants

	Number.	Warrant Reserve	Exercise Price
<b>Balance, December 31, 2022</b>	<b>17,289,986</b>	<b>\$2,346,791</b>	
Warrants Expired	(10,887,127)	-	\$0.35 - \$0.60
Warrants Exercised	(208,000)	(78,729)	\$0.35
<b>Balance, December 31, 2023</b>	<b>6,194,859</b>	2,268,062	
Broker warrants issuance	135,375	17,192	\$0.32
Warrants Expired	(969,233)	-	\$0.65-\$0.85
Warrants issued (Note 8)	5,000,000	-	\$0.525
<b>Balance, September 30, 2024</b>	<b>10,361,001</b>	<b>\$2,615,254</b>	

Warrants outstanding as at September 30, 2024 are summarized as follows:

Exercise price	Number of outstanding	Expiry date
\$0.600	4,883,197	12/5/2024
\$0.420	342,429	12/5/2024
\$0.320	135,375	1/8 to 2/25/2025
\$0.525	5,000,000	August 30, 2026
	<b>10,361,001</b>	

As at September 30, 2024, the weighted average exercise price of the outstanding warrants is \$0.55 per share (2023 - \$0.59) with a remaining life of 1.02 years (2023/12/31 – 0.88years).

### d) Share Purchase Options

The Company has a share purchase option plan under which employees, directors, and key consultants and/or advisors are eligible to be granted options. Under the share purchase option plan, which was approved by the shareholders, the maximum number of outstanding share purchase options under the plan is 10% of the number of the common shares outstanding. The number of share purchase options and the exercise price is set by the Company's Board of Directors based on the market value at the time of granting.

Options issued and outstanding are as follows:

	Number	Exercise Price
<b>Balance December 31, 2022</b>	<b>5,266,000</b>	<b>\$0.43</b>
Options, Expired	(150,000)	\$0.40
<b>Balance December 31, 2023</b>	<b>5,116,000</b>	<b>\$0.43</b>
Options expired	(616,000)	\$0.55
<b>Options outstanding and exercisable, September 30, 2024</b>	<b>4,500,000</b>	<b>\$0.41</b>

As at September 30, 2024, the weighted average exercise price of the outstanding stock options is \$0.41 per share (2023 - \$0.43) with a remaining life of 1.63 years (2023/12/31– 2.71 years).

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## 10. Non-controlling Interest

The non-controlling interests represents third party partial ownership of 141 BC.

The continuity of non-controlling interest is as follows:

Balance, January 1, 2023	\$	-
Issuance of 5,000,000 141 BC shares to EPL for the acquisition of the Option Project (Note 5)		500,000
Issuance of 4,150,000 141 BC shares for cash at \$0.10 per share		415,000
Issuance of 400,000 141 BC shares for cash at \$0.20 per share		80,000
Issuance of 500,000 141 BC shares to a law firm of which a director is a partner		50,000
Share of net loss of 141 BC		(41,473)
Balance, December 31, 2023	\$	1,003,527
Share of net loss of 141 BC		(169,505)
Balance, September 30, 2024	\$	834,022

As at September 30, 2024 and December 31, 2023, the Company owned 25,000,000 common shares of 141 BC (71.3 %) while non-controlling shareholders held 10,550,000 common shares (28.7%).

## 11. Related Party Transactions

<u>Nine months ended September 30,</u>	<u>Nature</u>	<u>2024</u>	<u>2023</u>
		\$	\$
Key management	Consulting fees	221,250	85,000
Director (i)	Professional fees	46,916	38,931

Other than the above transactions, the Company had the following non-cash transactions with related parties:

- The Company issued 10,000,000 common shares to GMI in connection with the acquisition of Nutmeg Gold Properties during the nine months ended September 30, 2024 (2023 – issuance of 7,768,125 common shares) , which holds more than 10% of the Company (Note 9b).
- During the nine-month period ended September 30, 2023, 141BC issued 500,000 common shares of 141BC to settle an account payable of \$50,000 with the same law firm at which a director is a partner. There were no similar transactions in the same period in 2024.
- During the nine-month ended September 30, 2023, directors and officers subscribed for 1,000,000 common shares of 141 BC at \$0.10 per share. There were no similar transactions in the same period in 2024.

As at September 30, 2024 and December 31, 2023, the Company's accounts payable and accrued liabilities included the following amounts due to related parties:

	<u>Nature</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>
		\$	\$
Key management	Consulting fees	276,953	228,471
Chief Executive Officer	Short-term loan	-	183,189
EPL	Exploration cost	26,432	26,432
Director (i)	Professional fees	156,940	118,287

(i) *The professional fees were charged by a law firm of which a director is a partner.*

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## 12. Financial Instruments

The Company's financial instruments are exposed to several financial and market risks, including credit, interest rate, liquidity, and commodity risks. The Company may, or may not, establish from time-to-time active policies to manage these risks. The Company does not currently have in place any active hedging or derivative trading policies to manage these risks since the Company's management does not believe that the current size, scale, and pattern of cash flow of its operations would warrant such hedging activities.

### Fair value of financial instruments

The fair value hierarchy established by IFRS 13 *Fair Value Measurement* has three levels to classify the inputs to valuation techniques used to measure fair value described as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the assets or liabilities either directly or indirectly;  
and

Level 3 – Inputs that are not based on observable market data.

The fair values of the Company's cash, receivable, accounts payable and accrued liabilities are equivalent to their carrying values due to their short-term nature. The Company's lease obligations are measured using Level 3 inputs.

### 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.

The financial instruments that potentially subjects the Company to a significant concentration of credit risk is cash. The Company mitigates its exposure to credit loss associated with cash by placing its cash in major financial institutions.

### Liquidity risk and fair value hierarchy

Liquidity risk is the risk that the Company may be unable to meet its financial obligations as they fall due or that it will be required to meet them at excessive cost. The Company reviews its working capital position regularly to ensure there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company's cash is invested in business accounts, which are available on demand. The Company manages its liquidity risk mainly through raising funds from private placements and amounts from related parties.

The Company's operating cash requirements are continuously monitored and adjusted as input variables change. As these variables change, liquidity risks may necessitate the need for the Company to pursue equity issuances, obtain project or debt financing, or enter into joint arrangements. There is no assurance that the necessary financing will be available in a timely manner.

### Commodity risk

The Company is subject to commodity price risk arising from the fluctuation of metal price beyond the Company's control. The Company may have difficulties to identify and acquire economically viable projects for the Company to invest in if metal prices are depressed for an extended period.

### Interest rate risk

The Company is exposed to the risk that the value of financial instruments will change due to movements in market interest rates. As of September 30, 2024 and December 31, 2023, the Company did not have debt instruments exposed to variable interest rate. Interest rate risk is not significant.

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## 12. Financial Instruments (cont'd)

### Foreign currency risk

Foreign currency risk is the risk that the fair value of the Company's 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 its functional currency. The Company does not manage currency risk through hedging or other currency management tools.

As at September 30, 2024 and December 31, 2023, the Company's exposure to foreign currency risk on its financial instruments is as follows:

	September 30, 2024	December 31, 2023
Cash	US\$ 39,400	US\$ 9,484
Accounts payable and accrued liabilities	(541,600)	(751,845)
Lease liability	(123,730)	(159,334)
Net liabilities denominated in foreign currency	US\$ (625,940)	US\$ (901,695)
Canadian dollar equivalent	\$ (612,150)	\$ (1,192,581)

A 10% change in the US dollar against the Canadian dollar at September 30, 2024 would have an impact of \$61,000 (2023/12/31 - \$120,000) to the Company's comprehensive loss.

## 13. Segments

The Company operates primarily in one business segment, which is the exploration and development of resource properties located in two areas, Canada and the United States.

As of September 30, 2024, a breakdown of the Company's non-current assets and liabilities by area is as follows:

September 30, 2024	USA	Canada	Total
	\$	\$	\$
Prepaid expense, non-current	7,881	-	7,881
Property and equipment	-	38,858	38,858
Right-of-use assets	-	132,005	132,005
Exploration and evaluation assets	22,605,652	3,382,240	25,987,892
Reclamation bond	16,686	2,025	18,711
Convertible debenture	-	3,015,023	3,014,782
Lease obligations, non-current	(98,166)	-	(98,166)

  

December 31, 2023	USA	Canada	Total
	\$	\$	\$
Prepaid expense, non-current	7,723	-	7,723
Property and equipment	-	41,144	41,144
Right-of-use assets	177,102	-	177,702
Exploration and evaluation assets	17,833,091	3,958,603	21,791,694
Reclamation bond	16,347	2,025	18,372
Lease obligations, non-current	(151,725)	-	(151,725)

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## 14. Commitments

### *Lease*

The Company has a lease for office space. As at September 30, 2024 and December 31, 2023, minimum lease payments in relation to the office lease are payable as follows:

	September 30, 2024	December 31, 2023
Not later than 1 year	US\$ 61,068	US\$ 59,178
Later than 1 year and not later than 5 years	74,256	120,372
Total lease commitments	US\$ 135,324	US\$ 179,550

### *Flow-through exploration expenditures*

In connection with the flow-through shares issued in 2022, the Company was required to incur \$1,120,000 exploration expenditures on Ptarmigan Property or other BC mineral properties before December 31, 2023 pursuant to the look-back rule in accordance with Canadian income tax regulations. The full required expenditures have not been met as of December 31, 2023. As a result, the Company has accrued \$294,717 in contingent flow-through share penalties and obligations for this non-compliance at September 30, 2024 and December 31, 2023.

### *Net Smelter Royalty*

The Company has various royalties on its Limousine Butte Project in Nevada. There is a 2.5% Net Smelter Royalty Agreement (“NSR”) with Franco-Nevada Corporation. On select claims at the project, the Company has a 1% NSR owed to Amselco Minerals Inc., and a 2.5% NSR owed to Teck Resources Limited. As part of the acquisition of Limousine Butte from McEwen, the Company granted a 0.5% NSR to McEwen on a majority of the claims (Note 5).

As part of the consideration for the acquisition of the Cedar Wash Project in Nevada from McEwen (Note 5), the Company granted a 2.5% NSR to McEwen. The royalty has buydown options of 0.5% for US\$500,000, 0.5% for US\$500,000, and a final 0.5% for US\$750,000. If all buydown options are exercised, the NSR owed to McEwen on Cedar Wash is 1%.

The Company has an NSR Agreement on its Ptarmigan Project in British Columbia. The NSR requires the Company to pay a 3% royalty on the gross value of all products shipped from the lease to a third-party smelter less allowable expenses. If the minerals are shipped to a party other than a smelter, the royalty is decreased to 2% of the value of the recoverable metals and minerals determined by third party testing. The royalty has a 1% buydown option for \$1,000,000.

## 15. Subsequent Event

On November 27, 2024, the Company granted an aggregate of 4,025,000 stock options of the Company (each, a “**Stock Option**”) to certain directors, officers and consultants of the Company. Each Stock Option entitles the holder to acquire one common share of the Company at an exercise price of \$0.25 per share at varying expiry dates between November 27, 2026 and November 27, 2029. The Stock Options were issued pursuant to the terms of the Company’s stock option plan. The Stock Options granted to directors, officers, and consultants of the Company vest immediately, and the Stock Options granted to investor relations service providers vest in the amount of 25% every three months following the date of grant over a 12-month period.