



AMERICAN EAGLE GOLD

American Eagle Gold Corp.

Condensed Consolidated Interim Financial Statements

For the three and nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

Notice of No Auditor Review of Interim Financial Statements

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 financial statements have not been reviewed by an auditor. The accompanying condensed consolidated interim financial statements of the company have been prepared by and are the responsibility of the company's management. The company's independent auditor has not performed an audit or review of these condensed consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants.

American Eagle Gold Corp.
Condensed Consolidated Interim Statements of Financial Position
(Unaudited – Expressed in Canadian dollars)

As at	Notes	September 30, 2022	December 31, 2021
ASSETS			
Current			
Cash		\$1,040,625	\$2,901,307
GST/HST receivable		183,960	97,578
Due from related party	11	739	17,512
Prepaid expenses and deposits		25,382	397,495
Total current assets		1,250,706	3,413,892
Surface management bond		36,711	17,178
Investment	5	90,000	165,000
Equipment	6	54,007	69,687
TOTAL ASSETS		\$1,431,424	\$3,665,757
LIABILITIES			
Current			
Accounts payable and accrued liabilities		722,221	\$511,483
Equipment loan – current portion	8	10,565	9,475
Due to related party		32,339	-
Total current liabilities		765,125	520,958
Equipment loan – long-term portion	8	46,496	49,915
TOTAL LIABILITIES		811,621	570,873
SHAREHOLDERS' EQUITY			
Share capital	10	6,961,361	6,961,361
Share-based reserve	10	1,695,723	1,668,657
Deficit		(8,037,281)	(5,535,134)
TOTAL SHAREHOLDERS' EQUITY		619,803	3,094,884
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$1,431,424	\$3,665,757

Nature of operations (Note 1)

Going concern (Note 2)

Commitments and contingencies (Note 12)

Approved on behalf of the Directors:

“Alex Stewart”

Alex Stewart – Director

“Stephen” Stewart”

Stephen Stewart – Director

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

American Eagle Gold Corp.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Unaudited – Expressed in Canadian dollars)

	Notes	Three months ended September 30		Nine months ended September 30	
		2022	2021	2022	2021
EXPENSES					
Exploration and evaluation expenses	7	\$904,768	\$408,504	\$1,933,116	\$680,077
Consulting and management fees	11	89,567	70,002	264,711	202,145
Office, general and administrative		2,206	7,152	28,006	13,065
Amortization	6	5,227	-	15,680	-
Audit, accounting and legal		5,880	14,606	53,359	173,366
Transfer agent, filing fees and shareholder communications		45,743	31,713	105,209	370,624
Share-based compensation	10	2,105	-	27,066	655,706
Unrealized loss (gain) on investment		30,000	50,000	75,000	400,000
TOTAL EXPENSES		\$1,085,496	\$581,977	\$2,502,147	\$2,494,983
Loss from operations for the year		1,085,496	581,977	2,502,147	2,494,983
NET LOSS FOR THE YEAR		\$1,085,496	\$581,977	\$2,502,147	\$2,494,983
Weighted average number of shares - basic and diluted		69,746,791	52,388,493	69,746,791	52,388,493
Loss per share – basic and diluted		0.02	0.01	\$0.04	0.05

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

American Eagle Gold Corp.
Condensed Consolidated Interim Statements of Changes in Equity
(Unaudited - Expressed in Canadian dollars)

	Number of shares	Amount	Share-based Reserve	Retained Earnings (Deficit)	Total Equity
Balance at December 31, 2020	38,449,398	\$2,613,857	-	(1,783,025)	\$830,832
Loss for the period	-	-	-	(2,494,983)	(2,494,983)
Shares issued on private placements	17,991,149	3,598,230	-	-	3,598,230
Shares issued for exploration and evaluation expense	200,000	34,000	-	-	34,000
Fair market value of warrants	-	(577,000)	577,000	-	-
Broker units issued	315,000	63,000	13,344	-	76,344
Broker warrants issued	-	-	75,933	-	75,933
Share issue costs	-	(248,738)	-	-	(248,738)
Share-based payments	-	-	655,706	-	655,706
Balance at September 30, 2021	56,955,547	\$5,483,349	\$1,321,983	(4,278,008)	\$2,527,324
Loss for the period	-	-	-	(1,257,126)	(1,257,126)
Shares issued for exploration and evaluation expense	2,000,000	300,000	-	-	300,000
Shares issued on flow-through private placement	10,791,244	1,510,775	-	-	1,510,775
Fair market value of warrants	-	(254,000)	240,656	-	(13,344)
Broker warrants issued	-	-	34,714	-	34,714
Share issue costs	-	(78,763)	(62,804)	-	(141,567)
Share-based payments	-	-	134,108	-	134,108
Balance at December 31, 2021	69,746,791	\$6,961,361	\$1,668,657	\$(5,535,134)	\$3,094,884
Loss for the period	-	-	-	(2,502,147)	(2,502,147)
Share-based payments	-	-	27,066	-	27,066
Balance at September 30, 2022	69,746,791	\$6,961,361	\$1,695,723	\$(8,037,281)	\$619,803

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

American Eagle Gold Corp.
Consolidated Interim Statements of Cash Flows
(Expressed in Canadian dollars)

<i>For the nine months ended</i>	September 30, 2022	September 30, 2021
Operating activities		
(Loss) for the period	\$(2,502,147)	\$(2,494,983)
Items not involving cash		
Amortization	15,680	-
Share-based payments	24,961	655,706
Unrealized loss on investment	75,000	400,000
Unrealized foreign exchange loss	6,435	-
Shares issued for exploration and evaluation expense	-	34,000
Changes in non-cash working capital items		
Prepaid expenses	372,113	(8,845)
Surface management bond	(19,533)	(17,178)
GST/HST receivable	(86,382)	(73,182)
Due from related party	49,112	-
Accounts payable and accrued liabilities	210,738	10,153
Net cash (used in) operating activities	\$(1,851,918)	\$(1,494,329)
Financing activities		
Issue of common shares	-	3,598,230
Share issue costs	-	(96,461)
Share subscription liability	-	(25,000)
Payments on equipment loan	(8,764)	-
Net cash (used in) provided by financing activities	\$(8,764)	\$3,476,769
Investing activities		
Advances to related parties	-	(11,478)
Net cash used in investing activities	\$-	\$(11,478)
Net (decrease) in cash	(1,860,682)	1,970,962
Cash, beginning of period	2,901,307	136,237
Cash, end of period	\$1,040,625	\$2,107,199

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

American Eagle Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements

Three and nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

1. NATURE OF OPERATIONS

American Eagle Gold Corp. (“American Eagle Gold” or “Company”), was incorporated under the Business Corporations Act (Canada) on June 22, 2018. The Company’s principal business is the acquisition and exploration of mineral properties. To date, the Company has not earned revenue as it is in the exploration stage. The ability of the Company to carry out its business plan rests with its ability to secure equity and other financing. The head and principal office of the Company is located at 55 University Avenue, Suite 1805, Toronto, Ontario, M5J 2H7.

2. GOING CONCERN

The Company is in the process of exploring its mineral properties and has not yet determined whether the properties contain reserves that are economically recoverable. The business of mining and exploration involves a high degree of risk and there can be no assurance that the Company’s exploration programs will result in profitable mining operations. The Company’s continued existence is dependent upon the discovery of economically recoverable reserves and resources, securing and maintaining title and beneficial interest in its properties, making the required payments pursuant to mineral property option agreements and/or securing additional financing; all of which are uncertain.

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

The Company has raised funds in recent periods and will utilize these funds for its exploration programs and working capital requirements. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, control of the Company may change and existing shareholders may have their interest diluted. If adequate financing is not available, the Company may be required to relinquish rights to certain of its interests or terminate its operations.

As at September 30, 2022, the Company had working capital of \$485,581 (December 31, 2021 - \$2,892,934) and an accumulated deficit of \$8,037,281 (December 31, 2021 - \$5,535,134).

The Company has no proven history of performance, earnings or success. However, management believes that the Company has sufficient working capital and investments to continue operating over the next 12 months.

These consolidated interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Accordingly, it does not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than in the normal course of business and at amounts that may differ from those shown in these consolidated interim financial statements. Such adjustments could be material.

American Eagle Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements

Three and nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION**a) Statement of compliance and basis of measurement**

These unaudited condensed consolidated interim financial statements (“interim financial statements”) have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) with interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) which the Canadian Accounting Standards Board has approved for incorporation into Part I of the CPA Canada Handbook – Accounting, as applicable to the preparation of interim financial statements, including International Accounting Standard 34, “Interim Financial Reporting” (“IAS 34”). These interim financial statements should be read in conjunction with the December 31, 2021 consolidated annual financial statements. These interim financial statements were authorized for issuance by the Audit Committee on behalf of the Board of Directors on November 29, 2022.

These interim financial statements follow the same accounting principles and methods of application as disclosed in the consolidated financial statements as at and for the year ended December 31, 2021. The interim consolidated financial statements may condense or omit certain disclosures that otherwise would be present in annual financial statements prepared in accordance with IFRS.

b) Significant accounting judgments and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts and the valuation of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period reported.

Management uses its best estimates for these purposes, based on assumptions that it believes reflect the most probable set of economic conditions and planned courses of action. However, actual results could differ materially from these estimates. The significant areas of estimation and uncertainty considered by management in preparing the condensed consolidated interim financial statements for the three and nine-month period ended September 30, 2022 are the same as those described in the Company’s annual financial statements for the year ended December 31, 2021.

c) Significant accounting policies

The Company’s accounting policies applied to all periods presented in these Financial Statements are the same as those applied by the Company in its annual consolidated financial statements as at and for the year ended December 31, 2021, except as detailed in note 4.

4. FUTURE ACCOUNTING PRONOUNCEMENTS

At the date of authorization of these consolidated interim financial statements, the IASB has issued new and revised Standards and Interpretations which are not yet effective for the relevant reporting period. Many are not applicable or do not have a significant impact to the Company. Management is currently evaluating the impact of these pronouncements on the Company’s consolidated interim financial statements.

American Eagle Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements

Three and nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

5. INVESTMENTS

Investment in Orefinders Resources Inc.	No. of Shares	\$/share	Value
Balance, January 1, 2022	3,000,000	0.055	\$165,000
Unrealized (loss) gain on fair value	-	(0.025)	(45,000)
Balance, September 30, 2022	3,000,000	0.030	\$90,000

During the three and nine months ended September 30, 2022, the Company recorded an unrealized loss on investment of \$30,000 and \$75,000, respectively (three and nine months September 30, 2021 – \$50,000 and \$400,000, respectively).

6. EQUIPMENT

	Automotive equipment	Total
Cost		
Balance, January 1, 2021	\$-	\$-
Additions	73,355	73,355
Balance, December 31, 2021	73,355	73,355
Additions	-	-
Balance, September 30, 2022	\$73,355	\$73,355
Accumulated amortization		
Balance, January 1, 2021	\$-	\$-
Amortization	3,668	3,668
Balance, December 31, 2021	3,668	3,668
Amortization	15,680	15,680
Balance, September 30, 2022	19,348	19,348
Net book value, December 31, 2021	69,687	69,687
Net book value, September 30, 2022	\$ 54,007	\$ 54,007

7. EXPLORATION AND EVALUATION EXPENSES

The following are details of the Company's exploration and evaluation expenses for the nine months ended September 30:

	September 30, 2022	September 30, 2021	Accumulated From Property Inception
Kuta Ridge, Papua New Guinea	\$-	\$-	\$154,541
Golden Trend and Garden Gate (Golden Gate) and Cerros Rojas, Nevada, USA	856,558	680,077	3,195,869
NAK Property, British Columbia	1,076,558	-	1,486,558
	\$1,933,116	680,077	\$4,836,968

American Eagle Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements

Three and nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

8. EQUIPMENT LOAN PAYABLE

On October 14, 2021, the Company entered into a secured loan agreement in the amount of US\$48,218 (\$60,942). The loan bears an interest rate of 2.89% and is payable in seventy-two monthly installments of US\$731(\$924) commencing November 28, 2021 and maturing on November 29, 2027.

The following table presents the loan obligation for the Company:

Balance as January 1, 2022	\$59,390
Additions	\$-
Interest expenses on obligation	1,302
Payments	(8,764)
Foreign exchange	5,133
Balance at September 30, 2022	57,061
Less: current portion	10,565
Non-current portion at September 30, 2022	\$46,496

9. FINANCIAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Fair value of financial instruments

The fair value of financial instruments approximates their carrying value due to the short-term maturity of these instruments. As at September 30, 2022 and December 31, 2021, the Company's investment was carried at fair value. It was classified at Level 1 in the fair value hierarchy.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is on its cash held in bank accounts. Cash is held with major banks in Canada. Management assesses credit risk of cash as remote.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company strives to ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. The Company's accounts payable and accrued liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms. In the long-term, the Company may have to issue additional equity to ensure there is sufficient capital to meet long-term objectives.

Currency and interest rate risk

The Company is exposed to foreign currency risk on financial assets and liabilities that are denominated in a currency other than the Canadian dollar. The currencies giving rise to this risk are the US dollar.

Market price risk

The Company was exposed to market risk relating to its investment and unfavourable market conditions could result in dispositions of its investment at less than favourable prices. The Company's investment is comprised of a publicly traded corporation. The Company's investment is subject to fair value fluctuations. As at September 30, 2022, if the fair value of the investments fluctuated by 10% all other factors held constant, consolidated net loss would change by approximately \$12,000 (December 31, 2021 - \$16,500).

American Eagle Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements

Three and nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	September 30, 2022	December 31, 2021
Financial assets at amortized costs:		
Cash	\$1,040,625	\$2,901,307
Due from related party	739	17,512
Financial assets at FVPL:		
Investment in Orefinders	90,000	165,000
	\$1,131,364	\$3,083,819
	September 30, 2022	December 31, 2021
Financial liabilities at amortized costs:		
Accounts payable and accrued liabilities	\$722,221	\$511,483
Equipment loan	57,061	59,390
Due to related party	32,339	-
	\$811,621	\$570,873

10. SHARE CAPITAL**Authorized share capital**

Unlimited number of voting common shares without par value.

Warrants

A summary of the changes in the Company's warrants is set out below:

For the nine months ended	September 30, 2022		
	Number of warrants	Weighted average exercise price	Weighted average life (years)
Outstanding, beginning of period	15,995,337	\$ 0.27	1.44
Issued	-	-	-
Exercised	-	-	-
Expired	-	-	-
Outstanding, end of period	15,995,337	\$ 0.27	0.84

As at September 30, 2022, the following warrants were outstanding:

Number of warrants outstanding	Exercise Price	Expiry Date
8,995,574	\$ 0.30	May 3, 2023
701,354	\$ 0.20	May 3, 2023
197,400	\$ 0.30	May 3, 2023
5,395,622	\$ 0.25	December 24, 2023
705,387	\$ 0.14	December 24, 2023
15,995,337	\$ 0.27	

American Eagle Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements
 Three and nine months ended September 30, 2022 and 2021
 (Unaudited - Expressed in Canadian dollars)

Stock option plan

The Company has adopted a 20% fixed stock option plan.

A summary of the changes in the Company's stock options is set out below:

<i>For the nine months ended</i>	September 30, 2022		
	Number of options	Weighted average exercise price	Weighted average life (years)
Outstanding, beginning of period	6,475,000	\$0.20	4.48
Granted	410,000	0.13	4.50
Exercised	-	-	-
Forfeited	(200,000)	0.20	4.20
Outstanding, end of period	6,685,000	\$0.20	3.77
Exercisable, end of period	6,585,000	\$0.20	3.76

The following incentive stock options were outstanding and exercisable at September 30, 2022:

Number of options outstanding	Number of options exercisable	Exercise Price	Expiry Date
5,000,000	5,000,000	\$0.20	May 3, 2026
1,275,000	1,275,000	\$0.20	December 20, 2026
410,000	310,000	\$0.13	April 1, 2027
6,685,000	6,585,000	\$0.20	

11. RELATED PARTY TRANSACTIONS**Key management personnel compensation**

Key management includes directors, CEO, and CFO. The remuneration of the key management of the Company during the three and nine months ended September 30, 2022 and 2021 was as follows:

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Geological consulting included in exploration expenses	\$47,300	-	\$121,900	-
Management and consulting fees	81,864	40,000	239,299	122,000
Share-based payments	-	-	24,961	-
	\$129,164	\$40,000	\$38,160	\$122,000

Standard Ore Corporation ("Standard Ore"), a company controlled by a director that holds 11.58% ownership in the Company as at September 30, 2022, provides corporate and administrative services to the Company.

The following is the balance due from related party as at:

	September 30, 2022	December 31, 2021
Due from Standard Ore Corporation	\$ 739	\$ 17,512

American Eagle Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements

Three and nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

The balance receivable is unsecured, non-interest bearing and due on demand.

As at September 30, 2022, the Company held 3,000,000 common shares of Orefinders Resources Inc. at a fair value of \$120,000 (December 31, 2021 – 3,000,000 common shares -\$165,000) based on the quoted market price of the Orefinders' shares. The Company has directors in common with Orefinders.

12. COMMITMENTS AND CONTINGENCIES

- (a) The Company's exploration activities are subject to various federal and state laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.
- (b) Flow-through common shares require the Company to spend an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures. The Company may be required to indemnify the holders of such shares for any tax and other costs payable by them in the event the Company has not made the required exploration expenditures in the period permitted. On December 24, 2021, the Company received \$1,510,775 through the issue of flow-through shares. As at September 30, 2022, the Company requires additional flow-through expenditures of \$509,216 by December 31, 2022 to fulfill its commitments.
- (c) In March 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy, capital markets and the Company's financial position cannot be reasonably estimated at this time. The Company is monitoring developments and will adapt its business plans accordingly. The actual and threatened spread of COVID-19 globally could adversely impact the Company's operations and ability to raise capital.

13. SUBSEQUENT EVENTS

- a) On October 11, 2022, the Company entered into an option agreement ("Option Agreement") and a call option agreement ("Call Option Agreement") with Orefinders Resources Inc. ("Orefinders"). Pursuant to the Option Agreement, American Eagle Gold, as optioner, granted Orefinders, as optionee, an option to acquire a 20% interest ("the Interest") in the NAK Project. Consideration for acquiring the interest is the carrying out by Orefinders of an aggregate of \$1,000,000 in work obligations to enable the carrying out of exploration work on the project by not later than December 31, 2022. Pursuant to the Call Option Agreement, Orefinders, as vendor, agreed to sell the Interest in the Project to American Eagle, as purchaser, on the closing date. Such closing date to be on or before thirty days after American Eagle has given notice to Orefinders of its desire to exercise its call option (the "Closing Date"). Such call option is American Eagle Gold's right to acquire the Interest at any time after February 28, 2023 but before April 30, 2024 (the "Call Option"). The purchase price payable by American Eagle Gold to Orefinders for the Interest on the Closing Date is \$1,500,000, which may be paid, at the sole option of American Eagle Gold, in cash or in common shares of American Eagle Gold ("American Eagle Shares"). If paid in American Eagle Shares, the price per share shall be equal to the 15 day VWAP of such shares on the TSX Venture Exchange (the "Exchange") ending three business days prior to the Closing Date. The Interest is subject to the NSR.

The exercise of the Call Option and the completion of the transfer of Interest from Orefinders to American Eagle at the Closing Date shall be subject to the prior approval of the Exchange. There is no assurance that Exchange approval of the Call Option will be obtained.

- b) On October 13, 2022, the Company granted stock options to directors, officers, employees, and consultants, allowing for the acquisition of up to 4,025,000 shares of the Company. These options vest in 12 months and are exercisable at CAD \$0.10 for five years from the date of grant and are subject to regulatory policies.
- c) In November 2022, the Company issued 477,500 shares for gross proceeds of \$111 thousand as a result of warrant exercises.