

# **Relevant Gold Corp.**

## **Condensed Interim Consolidated Financial Statements**

**For the three and nine months ended September 30, 2023 and 2022**

(Unaudited - Expressed in Canadian dollars)

**Notice of Disclosure of Non-auditor Review of the Condensed Interim Consolidated Financial Statements for the Three and Nine Months Ended September 30, 2023 and 2022**

Pursuant to National Instrument 51-102 Continuous Disclosure Obligations, part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, 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 consolidated financial statements of Relevant Gold Corp. for the interim periods ended September 30, 2023 and 2022, have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as issued by the International Accounting Standards Board, and are the responsibility of management.

The independent auditors, Smythe LLP, have not performed a review of these unaudited condensed interim consolidated financial statements.

November 21, 2023

**RELEVANT GOLD CORP.**  
**Condensed Interim Consolidated Statements of Financial Position**  
(Unaudited - Expressed in Canadian dollars)

	Note	September 30, 2023	December 31, 2022
		\$	\$
<b>ASSETS</b>			
<b>Current</b>			
Cash		2,399,036	1,197,916
Goods and services tax recoverable		16,218	5,682
Prepaid expenses		31,295	64,894
		<b>2,446,549</b>	1,268,492
Reclamation bond	5	134,320	80,160
<b>Total assets</b>		<b>2,580,869</b>	1,348,652
<b>LIABILITIES</b>			
<b>Current</b>			
Accounts payable and accrued liabilities	8	703,850	229,152
		<b>703,850</b>	229,152
Decommissioning liability	5(a)	85,398	94,273
<b>Total liabilities</b>		<b>789,248</b>	323,425
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	6(b)	12,214,854	9,173,907
Reserves		1,030,627	1,003,145
Deficit		(11,453,860)	(9,151,825)
<b>Total shareholders' equity</b>		<b>1,791,621</b>	1,025,227
<b>Total liabilities and shareholders' equity</b>		<b>2,580,869</b>	1,348,652

Nature of operations and going concern (Note 1)

Approved and authorized for issue on behalf of the Board of Directors;

/s/ "Sarah Weber"  
Director

/s/ "Rob Bergmann"  
Director

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

**RELEVANT GOLD CORP.****Condensed Interim Consolidated Statements of Loss and Comprehensive Loss**

(Unaudited - Expressed in Canadian dollars, except for number of shares)

	Note	Three months ended September 30,		Nine months ended September 30,	
		2023	2022	2023	2022
		\$	\$	\$	\$
<b>Operating expenses</b>					
Consulting	8	15,000	15,000	65,000	52,100
Exploration and evaluation expenditures	5, 8	1,275,224	2,058,450	1,538,162	2,516,140
Filing fees		50,267	14,646	76,205	35,486
General and administrative	8	50,398	67,274	64,599	164,140
Investor relations	8	17,825	-	57,542	1,020
Management fees	8	114,690	113,191	345,145	250,538
Professional fees	8	59,735	181,763	119,770	254,852
Share-based compensation	6(d), 8	-	16,489	27,482	945,375
		<b>1,583,139</b>	<b>2,466,813</b>	<b>2,293,905</b>	<b>4,219,651</b>
<b>Other income (expenses)</b>					
Foreign exchange		(11,303)	(65,235)	(20,750)	(54,288)
Other expense		(25)	-	(5,326)	-
Other income		8,633	9,453	17,946	9,453
<b>Net loss and comprehensive loss</b>		<b>(1,585,834)</b>	<b>(2,522,595)</b>	<b>(2,302,035)</b>	<b>(4,264,486)</b>
<b>Net loss per share</b>					
Basic and diluted		<b>(0.03)</b>	<b>(0.05)</b>	<b>(0.04)</b>	<b>(0.09)</b>
<b>Weighted average number of shares outstanding</b>					
Basic and diluted		<b>62,291,226</b>	<b>50,042,224</b>	<b>55,157,999</b>	<b>46,209,602</b>

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

**RELEVANT GOLD CORP.**  
**Condensed Interim Consolidated Statements of Cash Flows**  
(Unaudited - Expressed in Canadian dollars)

	Nine months ended September 30,	
	2023	2022
	\$	\$
<b>Operating activities:</b>		
Net loss and comprehensive loss	<b>(2,302,035)</b>	(4,264,486)
Items not affecting cash:		
Decommissioning expense, net of accretion included in exploration and evaluation expenditures	<b>(8,650)</b>	-
Share-based compensation	<b>27,482</b>	945,375
Unrealized foreign exchange	<b>(225)</b>	-
Changes in non-cash working capital:		
Goods and services tax recoverable	<b>(10,536)</b>	(4,550)
Prepaid expenses	<b>33,599</b>	(6,122)
Accounts payable and accrued liabilities	<b>474,698</b>	362,856
<b>Cash used in operating activities</b>	<b>(1,785,667)</b>	(2,966,927)
<b>Investing activities:</b>		
Reclamation bond paid	<b>(54,160)</b>	(80,160)
<b>Cash used in investing activities</b>	<b>(54,160)</b>	(80,160)
<b>Financing activities:</b>		
Settlement of subscriptions receivable	-	12,000
Proceeds from issuance of shares, net of issuance costs	<b>3,040,947</b>	5,538,737
Proceeds from issuance of shares on exercise of warrants	-	65,000
Repayment of rescinded common shares	-	(35,000)
<b>Cash provided by financing activities</b>	<b>3,040,947</b>	5,580,737
Change in cash	<b>1,201,120</b>	2,533,650
Cash, beginning of the period	<b>1,197,916</b>	508,999
<b>Cash, end of the period</b>	<b>2,399,036</b>	3,042,649
<b>Supplemental cash flow information:</b>		
Cash interest income received	<b>17,946</b>	-

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

**RELEVANT GOLD CORP.****Condensed Interim Consolidated Statements of Changes in Shareholders' Equity**

(Unaudited - Expressed in Canadian dollars, except number of shares)

	<b>Common shares</b>	<b>Share capital</b>	<b>Subscription receivable</b>	<b>Reserves</b>	<b>Deficit</b>	<b>Total shareholders' equity</b>
	<b>#</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance, December 31, 2021	33,304,884	3,603,450	(12,000)	43,000	(3,063,880)	570,570
Settlement of subscriptions receivable	-	-	12,000	-	-	12,000
Shares issued in private placement, net of issuance costs	16,293,862	5,538,737	-	-	-	5,538,737
Shares rescinded	(100,000)	(35,000)	-	-	-	(35,000)
Shares issued on exercise of warrants	500,000	66,720	-	(1,720)	-	65,000
Share-based compensation	-	-	-	945,375	-	945,375
Net loss and comprehensive loss for the period	-	-	-	-	(4,264,486)	(4,264,486)
Balance, September 30, 2022	49,998,746	9,173,907	-	986,655	(7,328,366)	2,832,196
Share-based compensation	-	-	-	16,490	-	16,490
Net loss and comprehensive loss for the period	-	-	-	-	(1,823,459)	(1,823,459)
Balance, December 31, 2022	49,998,746	9,173,907	-	1,003,145	(9,151,825)	1,025,227
Units issued in private placement, net of issuance costs	12,292,480	3,040,947	-	-	-	3,040,947
Share-based compensation	-	-	-	27,482	-	27,482
Net loss and comprehensive loss for the period	-	-	-	-	(2,302,035)	(2,302,035)
<b>Balance, September 30, 2023</b>	<b>62,291,226</b>	<b>12,214,854</b>	<b>-</b>	<b>1,030,627</b>	<b>(11,453,860)</b>	<b>1,791,621</b>

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

## **RELEVANT GOLD CORP.**

### **Notes to the Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2023 and 2022

(Unaudited - Expressed in Canadian dollars, except where noted)

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#### **1. NATURE OF OPERATIONS AND GOING CONCERN**

Relevant Gold Corp. (the "Company") was incorporated under the Business Corporations Act in British Columbia on July 30, 2020. The Company has interests in exploration and evaluation assets in United States, and its principal business is the exploration and development of those assets. The head office, principal address, registered address, and records office of the Company is located at Suite# 3000, Bentall Four-1055 Dunsmuir Street, Vancouver, BC, V7X 1K8.

The Company was listed on the Canadian Securities Exchange ("CSE") under the symbol "RGC" from August 11, 2022 to August 8, 2023. On August 9, 2023, the Company's common shares commenced trading on the TSX Venture Exchange ("TSX-V") under the symbol "RGC".

On September 18, 2023 the Company's common shares commenced trading on the OTCQB Venture Market under the symbol "RGCCF".

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of exploration and evaluation expenditures is dependent upon several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of mineral properties.

These condensed interim consolidated financial statements for the three and nine months ended September 30, 2023 and 2022 (the "financial statements") have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due. As at September 30, 2023, the Company has not generated any revenues from operations and has an accumulated deficit of \$11,453,860 (December 31, 2022 - \$9,151,825). The Company's ability to continue as a going concern is dependent on the Company's ability to obtain additional debt or equity financing to successfully advance the exploration and development of mineral property interests in its exploration portfolio and to be able to derive material proceeds from the sale or divestiture of those properties and/or other assets, such as sale proceeds and equity interests. These factors create material uncertainties, which in turn cast significant doubt as to the Company's ability to continue as a going concern.

Should the Company be unable to continue as a going concern, asset and liability realization values may be substantially different from their carrying values. These financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

#### **2. BASIS OF PREPARATION**

##### **a) Statement of compliance**

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee applicable to the preparation of interim financial statements including International Accounting Standard 34 *Interim Financial Reporting*. These financial statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited financial statements for the years ended December 31, 2022 and 2021 (the "Annual Financial Statements").

These financial statements were approved and authorized for issue by the Board of Directors on November 21, 2023.

##### **b) Basis of presentation**

The financial statements have been prepared using the historical cost basis, except for certain financial instruments which are measured at fair value. In addition, the financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

##### **c) Functional and presentation currency**

These financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiary. References to "US\$" are to United States dollars.

**RELEVANT GOLD CORP.**

**Notes to the Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2023 and 2022

(Unaudited - Expressed in Canadian dollars, except where noted)

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**2. BASIS OF PREPARATION (continued)**

**d) Basis of consolidation**

These financial statements include the accounts of the Company and its subsidiary. All intercompany transactions and balances are eliminated on consolidation. Control exists where the parent entity has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The subsidiary is included in the financial statements from the date control commences until the date control ceases.

The Company's only subsidiary is Relevant Gold Holdings US, Inc. which is incorporated in the United States of America, is wholly owned and uses the Canadian dollar as its functional currency.

**e) Reclassification of prior period presentation**

Certain prior period amounts have been reclassified to conform to the current period presentation. These reclassifications had no effect on the reported results of operations.

**3. SIGNIFICANT ACCOUNTING POLICIES**

In the preparation of these financial statements, the Company used the same accounting policies as those applied and disclosed in Note 3 to the Annual Financial Statements.

**4. SIGNIFICANT ESTIMATES AND JUDGEMENTS**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenues and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances and which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and further periods if the revision affects both current and future periods.

In the preparation of these financial statements, the Company used the same accounting estimates and judgments as those applied and disclosed in Note 3 to the Annual Financial Statements.

**RELEVANT GOLD CORP.****Notes to the Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2023 and 2022

(Unaudited - Expressed in Canadian dollars, except where noted)

**5. EXPLORATION AND EVALUATION EXPENDITURES**

A summary of the Company's exploration and evaluation expenditures is as follows:

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2023	2022	2023	2022
	\$	\$	\$	\$
<b>Golden Buffalo Gold Property</b>				
Acquisition cost	-	-	-	380,010
Analysis	(864)	-	138,090	-
Claim fees	158,243	154,023	158,243	162,129
Drilling and trenching	37,356	1,131,361	37,356	1,131,361
Decommissioning liability, net of accretion	(4,090)	-	(8,650)	-
Equipment rental	-	29,280	-	29,280
Field work	3,756	196,581	37,926	203,507
Lease payments	275,765	130,563	328,180	168,866
Materials and supplies	1,386	54,823	2,040	54,823
Vehicle expense	1,167	8,439	1,906	9,202
Other	39,318	90,646	62,310	100,781
	<b>512,037</b>	<b>1,795,716</b>	<b>757,401</b>	<b>2,239,959</b>
<b>Lewiston Gold Property</b>				
Claim fees	134,684	131,093	134,684	137,676
Drilling and trenching	404,562	-	404,562	-
Equipment rental	463	-	463	-
Field work	23,071	-	23,071	-
Materials and Supplies	1,079	-	1,079	-
Vehicle expense	1,876	-	1,876	-
Other	11,112	-	11,112	20
	<b>576,847</b>	<b>131,093</b>	<b>576,847</b>	<b>137,696</b>
<b>General exploration</b>				
Claim fees	134,684	131,094	134,684	133,380
Dues and Subscriptions	4,923	-	4,923	-
Equipment Rental	-	283	-	283
Field work	36,216	-	36,216	47
Repairs & Maintenance	2,683	-	2,683	-
Vehicle expense	1,477	135	1,477	135
Other	6,357	129	23,931	4,640
	<b>186,340</b>	<b>131,641</b>	<b>203,914</b>	<b>138,485</b>
	<b>1,275,224</b>	<b>2,058,450</b>	<b>1,538,162</b>	<b>2,516,140</b>

A summary of the Company's reclamation bonds are as follows:

	September 30,	December 31,
	2023	2022
	\$	\$
Golden Buffalo Gold Property	80,160	80,160
Lewiston Gold Property	54,160	-
	<b>134,320</b>	<b>80,160</b>

## RELEVANT GOLD CORP.

### Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2023 and 2022

(Unaudited - Expressed in Canadian dollars, except where noted)

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## 5. EXPLORATION AND EVALUATION EXPENDITURES (continued)

### a) Golden Buffalo Gold Property

The Golden Buffalo Gold Property comprises a block of unpatented claims and private lands surrounding smaller areas of private lands, state lands, and other unpatented claims. The total land area controlled by the Company in the Golden Buffalo Gold Property is about 3,845 hectares (9,500 acres). The Company controls a total of 459 unpatented BLM lode mining claims which includes a lease with an option-to-purchase agreement on 87 claims controlled by Golden Buffalo Mining Company. The Company has a lease with option to purchase agreement with claims and private patented lands controlled by Hay Hook Ranch LLC which includes 320 acres of private patented land.

On August 20, 2021, the Company entered into a lease agreement with option to purchase the Golden Buffalo Gold Property. The Company can acquire a 100% undivided interest in the property by exercising the option to purchase at any time prior to the 7th anniversary of the date of the agreement for total purchase consideration of US\$15,000,000 and 1,500,000 common shares of the Company.

Until such time as the option to purchase is exercised, the Company is required to pay the following acquisition costs:

- US\$300,000 (\$378,087) cash and 500,000 common shares of the Company payable on August 20, 2021, the effective date of the agreement (fully paid and issued);
- US\$300,000 (\$380,010) payable within 30 days of the earlier of the Company completing an initial public offering and January 1, 2022 (fully paid).

Additionally, the Company is required to make a series of lease payments to keep the agreement in good standings as follows:

- US\$100,000 payable on August 20, 2022 (fully paid \$130,563);
- US\$200,000 payable on August 20, 2023 (fully paid \$268,280);
- US\$300,000 payable on August 20, 2024;
- US\$300,000 payable on August 20, 2025;
- US\$300,000 payable on August 20, 2026; and
- US\$300,000 payable on August 20, 2027.

These lease payments are not credited towards the purchase price if the option to purchase is exercised. In addition to the lease payments, the Company must spend US\$250,000 in mineral exploration expenditures during the seven-year term of the agreement.

The Company will be granted the exclusive and unrestricted right to access, explore, and develop the properties for the duration of the agreement. The claims are subject to a 3% net smelter royalty regardless of whether the option to purchase is exercised. The Company can reduce the net smelter royalty to 1% by paying US\$5,000,000 at any time during the term of the agreement.

During the year ended December 31, 2022, the Company paid for a reclamation bond of \$80,160 (US\$62,000) for drilling permit at Golden Buffalo Gold Property. The bond will be returned when the Company has fulfilled its decommissioning liabilities related to the property.

As at September 30, 2023, the Company has estimated the total discounted future cash flows to settle the decommissioning liability relating to the property to be \$85,398 (December 31, 2022 - \$94,273). These cash flows are expected to be incurred within approximately 5 years and have been discounted using a risk-free rate of 3.99% (2022 - 3.99%) and an inflation rate of 3.70% (2022 - 6.45%).

## RELEVANT GOLD CORP.

### Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2023 and 2022

(Unaudited - Expressed in Canadian dollars, except where noted)

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## 5. EXPLORATION AND EVALUATION EXPENDITURES (continued)

### Hay Hook Property

On May 23, 2022, the Company entered into a lease agreement with Hay Hook Ranch, LLC, with option to purchase 640 acres of surface lands, known as split-estate under the Stock Raising Homestead Act, as well as approximately 320 acres of patented fee lands, including both the surface and mineral rights located in Fremont County, Wyoming (the "Hay Hook Property"). The Hay Hook Property is contiguous to the Golden Buffalo Gold Property.

The Company has the option to purchase the Hay Hook Property for a purchase price of US\$3,500,000. Until such time as the option is exercised, the Company is required to make a series of lease payments in the amounts and by the dates as follows:

- US\$30,000 payable on May 23, 2022, the effective date of the agreement (fully paid \$38,303);
- US\$30,000 payable on May 23, 2023 (fully paid \$40,285);
- US\$30,000 payable on May 23, 2024;
- US\$60,000 payable on May 23, 2025;
- US\$66,000 payable on May 23, 2026;
- US\$72,600 payable on May 23, 2027;
- US\$79,860 payable on May 23, 2028; and
- US\$87,846 payable on May 23, 2029.

The lease payments are not credited towards the purchase price if the option is exercised. The lease payments will be credited towards future royalty payments if the option is exercised.

The lands are subject to a 2% net smelter returns royalty. The Company can reduce the net smelter returns royalty to 1% by paying US\$4,000,000 at any time during the term of the agreement.

### **b) Lewiston Gold Property**

On October 13, 2020, the Company purchased a 100% interest in the Fremont and Carbon County, Wyoming project from Relevant Resources LLC for purchase consideration of 12,000,000 common shares of the Company with a fair value of \$161,000. Relevant Resources LLC is controlled by the Chief Executive Officer ("CEO") and Chief Operations Officer of the Company.

During the period ended September 30, 2023, the Company paid for a reclamation bond of \$54,160 (US\$45,000) for drilling permit at Lewiston Property.

### Gyorvary claims

On December 18, 2020 ("Agreement Date"), the Company entered into a lease agreement with Gyorvary Mining Company, Inc., with option to purchase a series of claims located in the state of Wyoming (the "Gyorvary claims"). The Company can acquire a 100% undivided interest in the claims by exercising the option to purchase at any time prior to the 50th anniversary of the date of the agreement for total purchase consideration of US\$4,000,000. Gyorvary claims are contiguous to the Lewiston Gold Property.

Until such time as the option to purchase is exercised, the Company is required to make a series of annual lease payments totaling US\$68,000 on or before each anniversary of the Agreement Date, with the exception of the first series of lease payments, half of which were due upon entering the agreement and half of which are payable on the six-month anniversary of the agreement date. These lease payments are not credited towards the purchase price if the option to purchase is exercised.

The Company will be granted the exclusive and unrestricted right to access, explore, and develop the properties for the duration of the agreement.

The claims are subject to a 3% net smelter royalty regardless of whether the option to purchase is exercised. However, 50% of all lease payments made prior to the exercise of the option to purchase shall be credited against future royalties.

**RELEVANT GOLD CORP.****Notes to the Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2023 and 2022

(Unaudited - Expressed in Canadian dollars, except where noted)

**6. SHAREHOLDERS' EQUITY****a) Authorized share capital**

Unlimited number of common shares without par value.

**b) Issued and outstanding**

During the nine months ended September 30, 2023, the Company had the following share capital transaction:

- On June 8, 2023, the Company completed a non-brokered private placement of 12,292,480 units at \$0.25 per unit for gross proceeds of \$3,073,120. Each unit consists of one common share and one-half share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at a price of \$0.35 per common share for a period of 36 months from the date of issuance. On initial recognition, the warrants had a fair value of \$nil. The Company incurred total unit issuance costs of \$32,173.

During the year ended December 31, 2022, the Company had the following share capital transactions:

- On March 2, 2022, the Company completed a non-brokered private placement of common shares for gross proceeds of \$5,702,852. The Company issued 16,293,862 shares at \$0.35 per share, of which 100,000 shares are rescinded on August 10, 2022. Cash finder's fees of \$164,115 were associated with the financing, of which \$13,710 is unpaid and included in accounts payable and accrued liabilities as of September 30, 2023.
- On April 7, 2022, the Company received \$12,000 of the subscription receivable outstanding as at December 31, 2021.
- On May 13, 2022, the Company issued 500,000 common shares pursuant to the exercise of common share purchase warrants at a price of \$0.13 per share for proceeds of \$65,000.
- On August 10, 2022, the Company rescinded the issuance of 100,000 common shares at a price of \$0.35 per share and repaid \$35,000 to the affected shareholders.

**c) Warrants**

A summary of the Company's warrant activity is as follows:

	Number of warrants	Weighted average exercise price
	#	\$
Balance, December 31, 2021	12,500,000	0.13
Exercised	(500,000)	0.13
Balance, December 31, 2022	12,000,000	0.13
Issued	6,146,240	0.35
<b>Balance, September 30, 2023</b>	<b>18,146,240</b>	<b>0.20</b>

The weighted average share price on the date of the warrant exercise for the year ended December 31, 2022 was \$0.18 per share.

A summary of the Company's warrants outstanding and exercisable as at September 30, 2023, is as follows:

Date of expiry	Outstanding	Exercisable	Weighted average exercise price	Weighted average remaining life
	#	#	\$	Years
October 13, 2025	12,000,000	12,000,000	0.13	2.04
June 8, 2026	6,146,240	6,146,240	0.35	2.69

**RELEVANT GOLD CORP.****Notes to the Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2023 and 2022

(Unaudited - Expressed in Canadian dollars, except where noted)

**6. SHAREHOLDERS' EQUITY (continued)****d) Stock options**

The Company's stock option plan (the "Option Plan") was approved by the Company's Board of Directors effective as at May 2, 2022, and by the Company's shareholders on May 13, 2022. The Company established the Option Plan for the benefit of employees, officers, directors, and consultants of the Company and its affiliates. The maximum number of outstanding options available under the Option Plan is limited to 10% of the issued common shares and the options are exercisable within a maximum of ten years from the grant date. The Board of Directors has the exclusive power over the granting of stock options, the exercise price, the term, and their vesting and cancellation provisions.

A summary of the Company's stock option activity is as follow:

	Number of stock options	Exercise price
	#	\$
Balance, December 31, 2021	-	-
Granted	3,750,000	0.35
Balance, December 31, 2022	3,750,000	0.35
Expired	(75,000)	0.35
<b>Balance, September 30, 2023</b>	<b>3,675,000</b>	<b>0.35</b>

A summary of the Company's assumptions used in the Black-Scholes option pricing model for stock options granted during the year ended December 31, 2022 is as follows:

Expected life (in years)	5.00
Fair value of stock price	\$0.35
Dividend yield	0.00%
Volatility rate	100.00%
Risk-free interest rate	2.70%

A summary of the Company's stock options outstanding and exercisable as at September 30, 2023, is as follows:

Date of expiry	Outstanding #	Exercisable #	Weighted average exercise price \$	Weighted average remaining life Years
May 20, 2027	3,675,000	3,675,000	0.35	3.64

During the three and nine months ended September 30, 2023, the Company recorded share-based compensation of \$nil and \$27,482, respectively (2022 - \$16,489 and \$945,375, respectively) related to the vesting of stock options.

The expected life in years represents the period of time the options granted are expected to be outstanding. The volatility rate is based on comparable companies with a historical volatility. The risk-free rate is based on Canada government bonds with a remaining term equal to the expected life of the options.

**e) Escrowed securities**

Upon obtaining a public listing on the CSE, 15,104,643 common shares, 2,550,000 stock options and 12,000,000 warrants (the "Escrowed Securities") were subject to an Escrow Agreement. The Escrowed Securities are subject to a timed release in equal tranches over a period of 36 months with 10% released upon listing on the CSE on August 11, 2022. The remaining Escrowed Securities are released in equal tranches of 15% every 6 months thereafter. As at September 30, 2023, 17,792,787 securities were in escrow comprising: 9,062,787 common shares, 1,530,000 stock options and 7,200,000 warrants.

## RELEVANT GOLD CORP.

### Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2023 and 2022

(Unaudited - Expressed in Canadian dollars, except where noted)

## 7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

### a) Fair value information

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

As at September 30, 2023, the fair value of the Company's cash approximates its carrying value due to the relatively short term to maturity of this instrument. This financial instrument is classified as Level 1 in the fair value hierarchy. The Company's reclamation bond, accounts payable and accrued liabilities are classified as and measured at amortized cost.

### b) Credit risk

Credit risk is the risk of loss to the Company associated with the counterparty's inability to fulfill its payment obligations. The Company's credit risk relates primarily to cash and other receivables. The Company minimizes its credit risk related to cash by placing cash with major financial institutions. The Company believes it has no significant credit risk.

### c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and seeking equity financing when needed.

As at September 30, 2023, the Company had cash of \$2,399,036 (December 31, 2022 - \$1,197,916) and accounts payable and accrued liabilities of \$703,850 (December 31, 2022 - \$229,152) with contractual maturities of less than one year. The Company had sufficient cash to meet its current liabilities as at September 30, 2023. The Company assessed its liquidity risk as low as at September 30, 2023, however, will require additional financing to fund future operations.

### d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company is not exposed to market risk.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's financial assets and financial liabilities are not exposed to interest rate risk as the Company has no financial instruments that are subject to variable interest rates. The Company is not exposed to interest rate risk as at September 30, 2023.

#### Foreign currency risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies (US\$).

A summary of the Company's financial assets and liabilities that are denominated in US\$ is as follows:

	<b>September 30,</b>	December 31,
	<b>2023</b>	2022
	\$	\$
Cash	<b>363,835</b>	118,324
Accounts payable and accrued liabilities	<b>(660,840)</b>	(187,853)

**RELEVANT GOLD CORP.****Notes to the Condensed Interim Consolidated Financial Statements**

For the three and nine months ended September 30, 2023 and 2022

(Unaudited - Expressed in Canadian dollars, except where noted)

**7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)**

As at September 30, 2023, the Company had exposure to foreign currency risk, as cash of \$363,835 and accounts payable and accrued liabilities of \$660,840 were denominated in US\$. A 5% change in the foreign exchange rates would result in an impact of approximately \$12,000 to the Company's net loss.

**8. RELATED PARTY TRANSACTIONS**

Key management personnel include those persons having the authority and responsibility of planning, directing and executing the activities of the Company. The Company has determined that its key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

A summary of the Company's related party transactions is as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
	\$	\$	\$	\$
Consulting	15,000	15,000	45,000	45,500
Exploration and evaluation expenditures	95,069	356,990	165,979	380,638
General and administrative	18,843	66,455	23,995	119,657
Investor relations	-	-	-	1,020
Management fees	114,690	111,632	345,145	248,979
Professional fees	-	18,428	-	46,046
Share-based compensation	-	-	-	778,286
	<b>243,602</b>	<b>568,505</b>	<b>580,119</b>	<b>1,620,126</b>

During the three and nine months ended September 30, 2023 and 2022, all expenses in the table above except share-based compensation were paid to companies controlled by the Chief Executive Officer, Chief Financial Officer and Chief Exploration Officer of the Company.

As at September 30, 2023, \$217,744 (December 31, 2022 - \$183,248) was due to the related parties and included in accounts payable and accrued liabilities. The amounts are unsecured, non-interest-bearing and have no fixed term of repayment.

**9. CAPITAL MANAGEMENT**

The Company's capital structure consists of all components of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the current operations including corporate and administrative functions to support operations. The Company obtains funding primarily through issuing common stock. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. There were no changes to the Company's approach to capital management during the three and nine months ended September 30, 2023. The Company is not subject to externally imposed capital requirements.