

Montage Gold Corp.

Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022 and 2021

Montage Gold Corp.
Condensed Interim Consolidated Statements of Financial Position
(All amounts expressed in Canadian Dollars, unless otherwise indicated)
(Unaudited)

	March 31, 2022	December 31, 2021
ASSETS		
Current assets		
Cash and cash equivalents	\$ 7,875,449	\$ 9,774,417
Receivables and other assets (Note 3)	1,246,608	1,499,959
	<u>9,122,057</u>	<u>11,274,376</u>
Equipment (Note 4)	296,196	355,084
Mineral properties (Note 5)	11,355,590	11,767,954
Other assets	12,001	12,274
	<u>\$ 20,785,844</u>	<u>\$ 23,409,688</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	1,116,134	\$1,100,936
EQUITY		
Equity attributed to common shareholders		
Share capital	65,644,295	65,460,448
Contributed surplus	2,100,504	2,068,802
Accumulated other comprehensive income	(1,242,255)	(655,893)
Deficit	(46,832,834)	(44,564,605)
	<u>19,669,710</u>	<u>22,308,752</u>
	<u>\$ 20,785,844</u>	<u>\$ 23,409,688</u>

Approved by the Board of Directors

(signed) "Peter Mitchell"
Director

(signed) "Richard P. Clark"
Director

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

Montage Gold Corp.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(All amounts expressed in Canadian Dollars, unless otherwise indicated)
(Unaudited)

	Three months ended March 31, 2022	Three months ended March 31, 2021
Administration costs (Note 7)	\$ 997,149	\$ 681,050
Exploration and project investigation costs (Note 8)	1,278,361	7,315,300
Foreign exchange loss	10,148	156,579
Interest income	(17,426)	-
Net loss for the period	<u>\$ 2,268,232</u>	<u>\$ 8,152,929</u>
Net loss for the period	\$ 2,268,232	\$ 8,152,929
Items that may be subsequently reclassified to net loss:		
Loss on translation to presentation currency	446,445	269,925
Items that will not be subsequently reclassified to net loss:		
Loss/(gain) in fair value of marketable securities	139,917	(48,071)
Comprehensive loss for the period	<u>\$ 2,854,594</u>	<u>\$ 8,374,783</u>
Basic and diluted loss per common share	<u>\$ 0.02</u>	<u>\$ 0.08</u>
Basic and diluted weighted average number of shares outstanding	<u>105,133,344</u>	<u>104,940,011</u>

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Montage Gold Corp.
Condensed Interim Consolidated Statement of Cash Flows
(All amounts expressed in Canadian Dollars, unless otherwise indicated)
(Unaudited)

	Three months ended March 31, 2022	Three months ended March 31, 2021
Cash flows for operating activities		
Net loss for the period	\$ (2,268,232)	\$ (8,152,929)
Add non-cash items		
Depreciation of equipment (Note 4)	50,057	36,770
Stock-based compensation expense (Note 6)	80,549	268,239
	<u>(2,137,626)</u>	<u>(7,847,920)</u>
Changes in non-cash working capital items		
Receivables and other assets	111,758	119,191
Accounts payable and accrued liabilities	(2,747)	2,609,703
	<u>(2,028,615)</u>	<u>(5,119,026)</u>
Cash flows for investing activities		
Purchase of equipment	<u>(7,211)</u>	<u>(80,959)</u>
Cash flows from financing activities		
Net proceeds from exercise of stock options	<u>135,000</u>	-
	<u>135,000</u>	-
Foreign exchange on cash and cash equivalents	<u>1,858</u>	<u>72,063</u>
Decrease in cash and cash equivalents	(1,898,968)	(5,127,922)
Cash and cash equivalents, beginning of period	9,774,417	32,751,159
Cash and cash equivalents, end of the period	<u>\$ 7,875,449</u>	<u>\$ 27,623,237</u>
Supplemental information		
Interest received	<u>17,426</u>	-

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Montage Gold Corp.
Condensed Interim Consolidated Statements of Changes in Equity
(All amounts expressed in Canadian Dollars, unless otherwise indicated)
(Unaudited)

	Number of Shares Issued and Outstanding	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income	Deficit	Total
Balance January 1, 2022	105,040,011	\$ 65,460,448	\$ 2,068,802	\$ (655,893)	\$ (44,564,605)	22,308,752
Net loss and other comprehensive loss	-	-	-	(586,362)	(2,268,229)	(2,854,591)
Stock option exercise	300,000	183,847	(48,847)	-	-	135,000
Stock-based compensation expense (Note 6)	-	-	80,549	-	-	80,549
Balance March 31, 2022	105,340,011	\$ 65,644,295	\$ 2,100,504	\$ (1,242,255)	\$ (46,832,834)	\$ 19,669,710
Balance January 1, 2021	104,940,011	\$ 65,410,020	\$ 667,783	\$ (427,010)	\$ (21,074,869)	\$ 44,575,924
Net loss and other comprehensive loss	-	-	-	(221,854)	(8,152,929)	(8,374,783)
Stock-based compensation expense (Note 6)	-	-	268,240	-	-	268,240
Balance March 31, 2021	104,940,011	\$ 65,410,020	\$ 936,023	\$ (648,864)	\$ (29,227,798)	\$ 36,469,381

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Montage Gold Corp.
Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2022 and 2021
(All amounts expressed in Canadian Dollars, unless otherwise indicated)
(Unaudited)

1. NATURE OF OPERATIONS

Montage Gold Corp. ("Montage" or the "Company") is a resource company engaged in the acquisition and exploration of mineral properties in Africa and has not yet determined whether these properties contain mineral reserves that are economically recoverable. The continued operations of Montage and the recoverability of the amounts shown for mineral properties are dependent upon the existence of economically recoverable reserves, the ability of Montage to obtain necessary financing to complete the exploration and development of such properties and upon future profitable production from or disposition of such properties.

Montage's registered office is located at Suite 2000, 885 West Georgia Street, Vancouver, British Columbia, Canada, V6C3E8.

2. BASIS OF PRESENTATION

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"), applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. As such, certain disclosures included in the annual financial statements prepared in accordance with IFRS have been condensed or omitted. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2021. In preparation of these condensed interim consolidated financial statements, the Company has consistently applied the same accounting policies as disclosed in Note 3 to the audited consolidated financial statements for the year ended December 31, 2021.

These condensed interim financial statements were authorized for issuance by the Board of Directors of the Company on May 30, 2022.

3. RECEIVABLES AND OTHER ASSETS

	March 31, 2022	December 31, 2021
Prepaid expenses	453,963	567,396
Marketable securities	792,645	932,563
Total receivables and other assets	1,246,608	1,499,959

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4. EQUIPMENT

Cost	Computer and Office Equipment	Vehicles and Mobile Equipment	Field and Camp Equipment	Total
As at January 1, 2021	42,556	296,534	556,763	895,853
Additions	83,451	2,886	83,609	169,946
Effects of foreign exchange on translation to presentation currency	(12,180)	(23,197)	(16,619)	(51,996)
As at December 31, 2021	113,827	276,223	623,753	1,013,803
Additions	6,268	-	943	7,211
Effects of foreign exchange on translation to presentation currency	(15,805)	(9,680)	(9,791)	(35,276)
As at March 31, 2022	104,290	266,543	614,905	985,738
Accumulated depreciation				
As at January 1, 2021	(22,624)	(117,219)	(373,091)	(512,934)
Depreciation	(32,337)	(94,587)	(54,083)	(181,007)
Effects of foreign exchange on translation to presentation currency	11,056	11,843	12,323	35,222
As at December 31, 2021	(43,905)	(199,963)	(414,851)	(658,719)
Depreciation	(11,732)	(22,708)	(15,617)	(50,057)
Effects of foreign exchange on translation to presentation currency	1,203	7,503	10,528	19,234
As at March 31, 2022	(54,434)	(215,168)	(419,940)	(689,542)
Net book amount				
As at December 31, 2021	69,922	76,260	208,902	355,084
As at March 31, 2022	49,856	51,375	194,965	296,196

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5. MINERAL PROPERTIES

Cost	Total
As at January 1, 2021	12,561,587
Effects of foreign exchange on translation to presentation currency	(793,633)
As at December 31, 2021	11,767,954
Effects of foreign exchange on translation to presentation currency	(412,364)
As at March 31, 2022	11,355,590

Mineral properties include the Koné Gold Project, Korokaha Gold Project and the Bobosso Gold Project.

6. STOCK OPTIONS

a) Stock option plan

The total stock-based compensation reported for the year ended March 31, 2022 was \$0.1 million (2021 \$0.3 million).

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	Number of shares (In thousands)	Weighted average exercise price CDN\$
Outstanding as at January 1, 2021	8,750	\$0.82
Granted	700	\$0.83
Exercised	(100)	\$0.45
Cancelled	(200)	\$1.30
Expired	(100)	\$1.30
Outstanding as at December 31, 2021	9,050	\$0.81
Exercised	(300)	\$0.45
Outstanding as at March 31, 2022	8,750	\$0.82
Exercisable as at March 31, 2022	7,083	\$0.74

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The following summarizes information about the stock options outstanding and exercisable at March 31, 2022:

Exercise prices (CDN\$)	Outstanding options			Exercisable options		
	Number of options outstanding (In thousands)	Weighted Average remaining contractual life (Years)	Weighted average exercise price (CDN\$)	Number of options exercisable (In thousands)	Weighted average remaining contractual life (Years)	Weighted average exercise price (CDN\$)
\$0.45	4,450	0.54	\$0.45	4,450	0.54	\$0.45
\$0.55	100	1.46	\$0.55	67	1.46	\$0.55
\$1.30	3,500	1.61	\$1.30	2,333	1.61	\$1.30
\$0.93	300	2.19	\$0.93	100	2.19	\$0.93
\$0.75	400	2.44	\$0.75	133	2.44	\$0.75
	<u>8,750</u>	1.12	\$0.82	<u>7,083</u>	0.96	\$0.74

7. ADMINISTRATION COSTS

	Three months ended March 31, 2022	Three months ended March 31, 2021
Management and consulting fees	412,406	297,270
Office and administration	176,759	56,474
Professional fees	188,364	58,897
Salaries and benefits	18,715	31,231
Stock based compensation expense (Note 6)	71,770	214,091
Travel and promotion	129,135	23,087
Total administration costs	997,149	681,050

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8. EXPLORATION AND PROJECT INVESTIGATION COSTS

Three months ended March 31, 2022		Côte d'Ivoire
	Depreciation	50,057
	Drilling	137,191
	Exploration support and administration	114,364
	Field operation and consumables	56,234
	Geological consulting	5,673
	Permitting and licensing fees	6,627
	Salaries and benefits	198,880
	Sampling, geological and other evaluation costs	681,202
	Stock-based compensation expense (Note 6)	8,779
	Travel and accommodation	19,354
	Total exploration and project investigation costs	1,278,361
2021	Depreciation	36,770
	Drilling	5,200,505
	Exploration support and administration	235,476
	Field operation and consumables	189,164
	Geological consulting	8,021
	Permitting and licensing fees	-
	Salaries and benefits	392,686
	Sampling, geological and other evaluation costs	1,158,315
	Stock-based compensation expense (Note 6)	54,148
	Travel and accommodation	40,215
	Total exploration and project investigation costs	7,315,300

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9. SEGMENT INFORMATION

The Company is principally engaged in the acquisition, exploration and development of mineral properties in Africa. The information regarding mineral properties and exploration and project investigation costs presented in Notes 5 and 8, respectively, represent the manner in which management reviews its business performance. The Company's mineral properties and exploration and project investigation costs are located in Côte d'Ivoire. The Company owns five permits and seven permit applications in Côte d'Ivoire. The Company's non-current assets are located in Côte d'Ivoire.

10. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, marketable securities, other receivables, and accounts payable and accrued liabilities. The carrying amounts of cash and cash equivalents, accounts payable and accrued liabilities approximate their fair value because of the immediate or short-term maturity of these financial instruments. The fair value of marketable securities is measured using Level 1 inputs using quoted market prices.

The Company's financial instruments are exposed to certain financial risks, including currency, credit and liquidity risk.

a) Currency risk

Foreign currency risk can arise when the Company or its subsidiaries transact in currencies other than their functional currencies or have net financial assets or liabilities which are denominated in currencies other than their respective functional currencies.

As at March 31, 2022, the Company did not have any material foreign currency risk exposure at its operations in Cote d'Ivoire.

b) Credit risk

As at March 31, 2022, the majority of the Company's cash and cash equivalents was held through Canadian institutions with investment grade ratings.

c) 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's financial liabilities are comprised of accounts payable and accrued liabilities. The Company frequently assesses its liquidity position by reviewing the timing of amounts due and the Company's current cash flow position to meet its obligations. The Company manages its liquidity risk by maintaining sufficient cash and cash equivalents balances to meet its anticipated operational needs. The Company's accounts payable and accrued liabilities arose as a result of exploration and development of its exploration and evaluation assets and other corporate expenses.

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The maturities of the Company's financial liabilities as at March 31, 2022 are as follows:

	Total	Less than 1 year	1-5 years	More than 5 years
Accounts payable and accrued liabilities	1,116,134	1,116,134	-	-