

Creating a *premier* African gold producer



Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2024 and 2023

Presented in thousands of Canadian Dollars

MONTAGE GOLD CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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MONTAGE GOLD CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND
COMPREHENSIVE LOSS

(All amounts presented in thousands of Canadian Dollars, unless otherwise indicated - Unaudited)

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2024	2023	2024	2023
Revenue	-	-	-	-
Administration costs (Note 11)	4,218	1,040	8,074	2,967
Exploration and project investigation costs (Note 12)	9,306	1,810	17,209	10,384
Share-based compensation (Note 10)	3,170	313	6,567	945
Restructuring costs (Note 13)	-	-	1,854	-
Gain on disposal of assets	-	-	(34)	-
Foreign exchange loss	64	24	45	43
Interest income (Note 14)	(1,535)	(165)	(2,177)	(409)
Net loss for the period	15,223	3,022	31,538	13,930
Items that may be subsequently reclassified to net loss:				
Loss/(gain) on translation to presentation currency	(922)	291	(965)	(1,094)
Items that will not be subsequently reclassified to net loss:				
Equity investments at fair value through other comprehensive income ("FVOCI") - net change in fair value	-	-	-	100
Comprehensive loss for the period	14,301	3,313	30,573	12,936
Basic and diluted loss per common share	0.06	0.02	0.13	0.08
Basic and diluted weighted average number of shares outstanding (in thousands)	295,258	185,005	243,992	175,851

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

MONTAGE GOLD CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(All amounts presented in thousands of Canadian Dollars, unless otherwise indicated - Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
CASH FLOWS USED IN OPERATING ACTIVITIES				
Net loss for the period	(15,223)	(3,022)	(31,538)	(13,930)
Add non-cash items:				
Depreciation (Note 4)	95	70	203	191
Gain on disposal of assets	-	-	(34)	-
Share-based compensation expense (Note 10)	3,170	313	6,567	945
Operating cash flows before changes in working capital	(11,958)	(2,639)	(24,802)	(12,794)
Changes in non-cash working capital items:				
Prepaid expenses and other assets	(127)	114	(195)	389
Accounts payable and accrued liabilities	1,297	(1,670)	5,593	(1,117)
Cash flows used in operating activities	(10,788)	(4,195)	(19,404)	(13,522)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES				
Additions to property, plant and equipment (Note 4)	(1,921)	(70)	(2,265)	(269)
Deposits on fixed asset purchases	(5,001)	-	(5,001)	-
Proceeds on disposal of assets	-	-	39	-
Lease payments (Note 6)	(51)	-	(89)	-
Sale of marketable securities	-	-	-	570
Cash flows generated from (used in) investing activities	(6,973)	(70)	(7,316)	301
CASH FLOWS FROM FINANCING ACTIVITIES				
Private placement - gross proceeds (Note 8)	180,000	-	215,210	17,150
Private placement - share issue costs (Note 8)	(2,970)	-	(3,044)	(1,286)
Exercise of share options	574	-	962	-
Cash flows generated from financing activities	177,604	-	213,128	15,864
Foreign exchange on cash and cash equivalents	(210)	(104)	(235)	(64)
Increase / (decrease) in cash and cash equivalents	159,633	(4,369)	186,173	2,579
Cash and cash equivalents, beginning of period	33,260	14,969	6,720	8,021
Cash and cash equivalents, end of period	192,893	10,600	192,893	10,600
Supplemental information				
Interest received	1,535	165	2,177	409

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

MONTAGE GOLD CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(All amounts presented in thousands of Canadian Dollars, unless otherwise indicated - Unaudited)

	As at September 30, 2024	As at December 31, 2023
ASSETS		
Current assets		
Cash and cash equivalents	192,893	6,720
Prepaid expenses and other assets	674	461
Total current assets	193,567	7,181
Non-current assets		
Prepayments on property, plant and equipment (Note 3)	5,099	20
Property, plant and equipment (Note 4)	3,686	711
Mineral properties (Note 5)	38,949	37,776
Total assets	241,301	45,688
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Note 6, 15)	7,127	1,204
Lease liabilities (Note 7)	225	41
Total current liabilities	7,352	1,245
Non-current liabilities		
Lease liabilities (Note 7)	482	98
Total liabilities	7,834	\$ 1,343
EQUITY		
Share capital (Note 8)	338,123	119,080
Contributed surplus	3,603	2,951
Deficit	(110,306)	(78,768)
Accumulated other comprehensive income	2,047	1,082
Equity attributable to shareholders of the Corporation	233,467	44,345
Non-controlling interests (Note 9)	-	-
Total equity	233,467	44,345
TOTAL EQUITY AND LIABILITIES	241,301	45,688

Subsequent events (Note 19)

Approved by the Board of Directors: November 21, 2024

/s/ Alessandro Bitelli

Director

/s/ Martino De Ciccio

Director

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

MONTAGE GOLD CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(All amounts presented in thousands of Canadian Dollars, unless otherwise indicated - Unaudited)

	Number of shares issued and outstanding (In thousands)	Share Capital	Contributed Surplus	Deficit	Accumulated Other Comprehensive Income	Total
Balance January 1, 2023	160,504	102,994	1,995	(54,348)	(843)	49,798
Net loss and other comprehensive income	-	-	-	(13,929)	994	(12,935)
Share-based compensation expense (Note 10)	-	-	945	-	-	945
Private placement (Note 8)	24,501	17,150	-	-	-	17,150
Share issue costs (Note 8)	-	(1,286)	-	-	-	(1,286)
Balance September 30, 2023	185,005	118,858	2,940	(68,277)	151	53,672
Balance January 1, 2024	185,346	119,080	2,951	(78,768)	1,082	44,345
Net loss and other comprehensive income	-	-	-	(31,538)	965	(30,573)
Incentive shares issued to escrow (Note 10)	4,564	5,417	(5,417)	-	-	-
Share-based compensation expense (Note 10)	-	-	6,567	-	-	6,567
Private placements (Note 8)	153,158	215,210	-	-	-	215,210
Share issue costs (Note 8)	-	(3,044)	-	-	-	(3,044)
Share options exercised (Note 10)	1,284	1,310	(348)	-	-	962
Deferred share units exercised (Note 10)	231	150	(150)	-	-	-
Balance September 30, 2024	344,583	338,123	3,603	(110,306)	2,047	233,467

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

MONTAGE GOLD CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2024 and 2023

(All amounts presented in thousands of Canadian Dollars, unless otherwise indicated - Unaudited)

1. NATURE OF OPERATIONS

Montage Gold Corp. (the "Company" or "Montage") was incorporated under the Business Corporations Act (British Columbia) on July 4, 2019. Montage is a Mineral Resource company engaged in the exploration and development of mineral properties in Côte d'Ivoire including the Koné gold project ("Koné project") which is at the feasibility stage. The Koné project includes the Koné Exploitation Permit (PE0061), the Farandougou Exploration Permit (PR 748), the Sisséplé North Exploration Permit (PR 879b), the Mankono acquired properties ("Mankono Acquisition"), and two Exploration Permit applications located in the area near the Koné project. The Mankono Acquisition includes the Sisséplé Exploration Permit (PR 920), the Gbongogo Exploitation Permit (PE0062) and the Sissédougou Exploration Permit (PR 842).

Other mineral properties include the Diawala Exploration Permit Application and the Bobosso Gold Project, which comprises the Dabakala and the Wendené Exploration Permit (PR 572) applications. The Diawala Exploration Permit Application and the Korokaha South Permit were previously combined as the Korokaha Gold Project.

On July 10, 2024, the Council of Ministers of Côte d'Ivoire approved the mining permits for both its Koné and Gbongogo deposits, which are valid for 20 years and 8 years, respectively, with opportunities to extend as further mine life is added through exploration success. The official decrees were received on August 8, 2024, and the Mining licenses were granted under the 2014 Mining Code ("Mining Code"). The awarding of mining permits represents the last governmental authorisation required to enable the development and operation of the Koné project.

As required by the Mining Code in Côte d'Ivoire, the Company incorporated two new operating entities in September 2024 (K1 Mining for the Koné deposit and 3G Mining for the Gbongogo deposit) to hold the mining licenses, and in which the Government has a right to a 10% free carried interest with Montage owning the remainder. Transfer of the 10% interest was acknowledged effective October 1, 2024.

Following the incorporation of K1 Mining and 3G Mining, the Company initiated the transfer of the mining licenses from the wholly owned subsidiary Shark Mining to the new operating entities. All associated fees have been paid and the Company is now awaiting the "Ministerial arrete" enacting the transfers.

Montage's registered office is located at Suite 2800, Four Bentall Center, 1055 Dunsmuir Street, Vancouver, BC Canada V7X 1L2.

2. MATERIAL ACCOUNTING POLICIES

a) 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 Accounting Standards"), applicable to the preparation of interim financial statements under International Accounting Standard 34, Interim Financial Reporting. As such, certain disclosures included in the annual financial statements prepared in accordance with IFRS Accounting Standards 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, 2023. 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, 2023.

MONTAGE GOLD CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2024 and 2023

(All amounts presented in thousands of Canadian Dollars, unless otherwise indicated - Unaudited)

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of the parent company and a Canadian holding company is the Canadian dollar. The functional currency of Mankono Exploration SA, Orca Gold CDI, Shark Mining CDI S.a.r.l, Hammerhead Resources CDI and XMI S.a.r.l is the West African Franc. The condensed interim consolidated financial statements are presented in Canadian dollars.

These condensed interim consolidated financial statements were authorized for issuance by the Board of Directors of the Company on November 21, 2024.

b) New standards and interpretations

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the International Accounting Standards Board.

The following amendment was adopted by the Company on January 1, 2024:

- IAS 1: In October 2022, the IASB issued amendments to IAS 1 titled Non-current Liabilities with Covenants. These amendments sought to improve the information that an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within 12 months after the reporting period. These amendments to IAS 1 override but incorporate the previous amendments, Classification of Debt as Current or Non-current, issued in January 2020, which clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities should be classified as non-current if a company has a substantive right to defer settlement for at least 12 months at the end of the reporting period. The amendment had no impact on adoption to the Company.

The following new standard was issued but is not yet effective:

- IFRS 18: In April 2024, the IASB issued IFRS 18, Presentation and Disclosure of Financial Statements, which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces new requirements for all companies to present specific categories and defined subtotals in the statement of profit and loss, disclose explanations of management defined performance measures if used in the financial statements, and improve aggregation and disaggregation. The standard is effective for periods beginning on or after January 1, 2027. Retrospective application is required and early adoption is permitted. The Company is currently evaluating the impact of this new standard on the Company's financial statements.

3. PREPAYMENTS ON PROPERTY, PLANT AND EQUIPMENT

Prepayments on property, plant and equipment consist of advance payments for equipment purchases to be delivered at a future date.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2024 and 2023

(All amounts presented in thousands of Canadian Dollars, unless otherwise indicated - Unaudited)

4. PROPERTY, PLANT AND EQUIPMENT

Cost	Computer and Office Equipment	Building (Leased)	Vehicles and Mobile Equipment	Field and Camp Equipment	Total
As at January 1, 2023	199	-	366	719	1,284
Additions	52	-	131	199	382
Additions – leased assets	-	143	-	-	143
Effects of foreign exchange on translation to presentation currency	2	-	3	4	9
As at December 31, 2023	253	143	500	922	1,818
Additions	250	164	224	1,835	2,473
Additions – leased assets	-	644	-	-	644
Disposal	-	-	(45)	-	(45)
Effects of foreign exchange on translation to presentation currency	14	13	19	45	91
As at September 30, 2024	517	964	698	2,802	4,981
Accumulated depreciation					
As at January 1, 2023	(105)	-	(294)	(472)	(871)
Depreciation	(64)	(4)	(114)	(50)	(232)
Effects of foreign exchange on translation to presentation currency	(2)	-	(2)	-	(4)
As at December 31, 2023	(171)	(4)	(410)	(522)	(1,107)
Depreciation	(46)	(118)	(10)	(29)	(203)
Disposal	-	-	40	-	40
Effects of foreign exchange on translation to presentation currency	(7)	(1)	(13)	(4)	(25)
As at September 30, 2024	(224)	(123)	(393)	(555)	(1,295)
Net book amount					
As at December 31, 2023	82	139	90	400	711
As at September 30, 2024	293	841	305	2,247	3,686

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2024 and 2023

(All amounts presented in thousands of Canadian Dollars, unless otherwise indicated - Unaudited)

5. MINERAL PROPERTIES

Cost	Total
As at January 1, 2023	42,179
Additions:	
Effects of foreign exchange on translation to presentation currency	1,969
Less:	
Impairment charge on Wendené exploration permit	(6,372)
As at December 31, 2023	37,776
Additions:	
Effects of foreign exchange on translation to presentation currency	1,173
As at September 30, 2024	38,949

Mineral properties include the Mankono Acquisition in 2022 for \$30.3 million, and the Koné Exploitation Permit (PR 262) acquired in 2019 for \$5.4 million.

The majority of Montage's deposits are subject to a 2% net smelter royalty ("NSR"), except for the Farandougou Exploration Permit (PR 748) and the Sisséplé North Exploration Permit (PR 879b) both of which are royalty free. The 2% NSR that applies to the Sissédougou Exploration Permit (PR 842), the Gbongogo Exploitation Permit (PR 919), and the Sisséplé Exploration Permit (PR 920), has a partial buy-back option in favour of the Company for a purchase price of US\$10 million, through which the Company can reduce the 2% NSR to a 1% NSR, with the option expiring on November 21, 2024. On November 20, 2024, Montage elected to exercise the Purchase Option with Barrick (0.7% NSR) for US\$7.0 million, as well as exercise the Purchase Option with Endeavour (0.3% NSR) for US\$3.0 million. The Options Closing Date will be December 5, 2024.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities as at September 30, 2024 were \$7.1 million (December 31, 2023: \$1.2 million). The balances consist primarily of trade payables and accruals, and employee related accruals.

7. LEASE LIABILITIES

The Company leases office space for its various locations. Future minimum payments under the lease obligations are as follows:

	As at September 30, 2024	As at December 31, 2023
No later than one year	285	55
Later than one year and no later than three years	537	108
Total minimum lease payments	822	163
Less: interest portion at a rate of 12%	115	24
Total lease liabilities	707	139
Less: current portion	225	41
Long-term portion	482	98

MONTAGE GOLD CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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(All amounts presented in thousands of Canadian Dollars, unless otherwise indicated - Unaudited)

8. SHARE CAPITAL

The Company has authorized an unlimited number of voting Common Shares without par value

On March 18, 2024, in connection with the appointment of two new executive officers, the Company issued an aggregate of 3,377,406 common shares which are subject to a three-year contractual escrow, to be released to the executives on each anniversary of the commencement date over the three-year period, provided that the executives remain employed by the Corporation on the applicable anniversary dates.

On July 1, 2024, in connection with the appointment of a new executive officer, the Company issued an aggregate of 1,186,656 common shares which are subject to a three-year contractual escrow, to be released to the executive on each anniversary of the commencement date over the three-year period, provided that the executive remains employed by the Corporation on the applicable anniversary dates.

On August 14, 2024, 102,857,143 common shares of the Company were issued through a brokered private placement at a price of \$1.75 per share, resulting in gross proceeds of \$180.0 million (the "Offering") and share issue costs of \$2.8 million. Prior to that, on March 12, 2024, 50,300,000 common shares of the Company were issued through a non-brokered private placement at a price of \$0.70 per share, resulting in gross proceeds of \$35.2 million (the "Offering") and share issue costs of \$0.1 million.

Following completion of the Offerings on March 12, 2024 and August 14, 2024, trusts controlled by the family of the late Adolf H. Lundin hold ownership interests in the Company of 19.9%, and Zijin Mining holds a 9.9% ownership interest.

9. NON-CONTROLLING INTEREST

As at September 30, 2024, the Company owns 100% of its subsidiaries and Mineral Properties.

On July 10, 2024, the Council of Ministers in Côte d'Ivoire approved the mining licenses for Koné and Gbongogo for 20 and 8 years, respectively. The official decrees were received on August 8, 2024, with the permits awarded under the 2014 Mining Code.

As required by the Mining Code, the Company incorporated two new operating entities in late September (K1 Mining for the Koné deposit and 3G Mining for the Gbongogo deposit) to hold the mining licenses, and in which the Government has a right to a 10% free carried interest. The transfer of the 10% ownership was acknowledged by the Government on October 1, 2024 as effective date.

MONTAGE GOLD CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2024 and 2023

(All amounts presented in thousands of Canadian Dollars, unless otherwise indicated - Unaudited)

10. SHARE-BASED COMPENSATION

On June 7, 2024, the company adopted the Omnibus Incentive Plan (the "New Plan") which provides for the grant of Options, Restricted Share Units ("RSUs"), Deferred Share Units ("DSUs") similar to the former plan, and allows for Performance Share Units ("PSUs") and Stock Appreciation Rights ("SARs"), collectively referred to as "Awards".

The New Plan is the successor to and continuation of the 2022 Plan, RSU Plan and DSU Plan (the "Prior Plans"). As of the effective date of the New Plan, (i) no additional awards may be granted under the Prior Plans; (ii) all outstanding awards granted under the Prior Plans will remain subject to the terms of the Prior Plans.

The maximum number of Common Shares issuable at any time, (i) pursuant to outstanding Options under the New Plan and options under the Prior Plans shall be 10% of the issued and outstanding shares, as measured as at the date of any Option grant; and (ii) pursuant to all Awards other than Options, shall be 23,908,998.

Expenses for share-based compensation are calculated based on the fair value of grants at the issue date and amortized over their vesting period.

Total share-based compensation expense for the three and nine months ended September 30, 2024 was \$3.2 million and \$6.6 million, respectively (September 30, 2023: \$0.3 million and \$0.9 million)

a) Stock option plan

Montage has a stock option plan in which common shares of Montage have been made available for the grant of incentive stock options to certain directors, officers, employees and consultants of Montage. Vesting and terms of the options are at the discretion of the Montage Board of Directors.

The total share-based compensation expense related to the stock option plan for the three and nine months ended September 30, 2024 was \$1.1 million and \$3.0 million, respectively (September 30, 2023: \$0.1 million and \$0.3 million).

Stock options outstanding

On February 2, 2024, the Company granted an aggregate 4,605,000 incentive stock options to certain officers, directors and other eligible persons of the Company. The options are exercisable, subject to vesting provisions, over a period of three years at a price of \$0.72 per share.

On February 22, 2024, the Company granted an aggregate 8,632,594 incentive stock options to certain officers, directors and other eligible persons of the Company. The options are exercisable, subject to vesting provisions, over a period of five years at a price of \$0.70 per share.

On March 22, 2024, the Company granted an aggregate 2,813,334 incentive stock options to an eligible person of the Company. The options are exercisable, subject to vesting provisions, over a period of five years at a price of \$0.91 per share.

On March 25, 2024, the Company granted an aggregate 1,000,000 incentive stock options to an eligible person of the Company. The options are exercisable, subject to vesting provisions, over a period of five years at a price of \$1.17 per share.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2024 and 2023

(All amounts presented in thousands of Canadian Dollars, unless otherwise indicated - Unaudited)

On June 28, 2024, the Company granted an aggregate 983,680 incentive stock options to certain officers, directors and other eligible persons of the Company. The options are exercisable, subject to vesting provisions, over a period of five years at a price of \$1.32 per share.

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

	Number of Options (In thousands)	Weighted average exercise price CDN\$
Outstanding at January 1, 2023	8,500	0.94
Expired	(3,600)	1.28
Outstanding at December 31, 2023	4,900	0.68
Issued	18,034	0.80
Exercised	(1,284)	0.75
Outstanding at September 30, 2024	21,650	0.77
Exercisable at September 30, 2024	3,917	0.69

The weighted average share price on the exercise date for the share options exercised during the three and nine months ended September 30, 2024 was \$1.69 and \$1.68, respectively.

The following summarizes information about the stock options outstanding and exercisable at September 30, 2024:

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\$)
\$0.75	100	0.05	0.75	100	0.05	0.75
\$0.81	300	0.59	0.81	300	0.59	0.81
\$0.60	200	0.94	0.60	200	0.94	0.60
\$0.65	3,198	1.15	0.65	1,965	1.15	0.65
\$0.72	4,422	1.87	0.72	1,352	1.87	0.72
\$0.70	8,633	4.39	0.70	-	-	-
\$0.91	2,813	4.46	0.91	-	-	-
\$1.17	1,000	4.48	1.17	-	-	-
\$1.32	984	4.74	1.32	-	-	-
	21,650	3.32	0.77	3,917	1.32	0.69

The fair value method of accounting was applied to options granted to employees and directors on the date of the grant using the Black Scholes pricing model with the following weighted average assumptions.

	February 2, 2024	February 22, 2024	March 18, 2024	March 25, 2024	June 28, 2024
Risk-free interest rate:	3.52%	3.24%	3.42%	3.42%	3.49%
Volatility:	53.33%	54.35%	56.04%	55.91%	55.13%
Expected life:	3 years	5 years	5 years	5 years	5 years
Expected dividends:	Nil	Nil	Nil	Nil	Nil
Weighted average fair value per option:	\$0.27	\$0.33	\$0.65	\$0.61	\$0.67

MONTAGE GOLD CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2024 and 2023

(All amounts presented in thousands of Canadian Dollars, unless otherwise indicated - Unaudited)

b) Restricted Share Units

On February 2, 2024, the Company granted a total of 193,615 Restricted Share Units ("RSUs") to executives and senior management, on February 22, 2024, the Company granted a total of 2,400,000 RSUs to senior management and on July 1, 2024, the Company granted an aggregate 1,350,000 RSUs in connection with the appointment of two new executive officers. The RSUs were granted in accordance with the Company's Restricted Share Unit Plan.

Total share-based compensation expensed to the Condensed Interim Consolidated Statement of Loss and Comprehensive Loss related to the RSU plan for the three and nine months ended September 30, 2024 was \$1.0 million and \$1.7 million, respectively (September 30, 2023: \$0.1 million and \$0.3 million).

Movements in the number of RSUs outstanding and their related weighted average share prices at grant date are as follows:

	Number of RSUs (In thousands)	Weighted average price at grant date CDN\$
Outstanding at January 1, 2023	1,023	0.65
RSUs converted into common shares on vesting	(341)	0.65
Outstanding at December 31, 2023	682	0.65
RSUs granted	3,944	0.89
Outstanding at September 30, 2024	4,626	0.86

c) Performance Share Units

On June 28, 2024, the Company granted a total of 1,636,200 Performance Share Units ("PSUs") to executives in accordance with the Company's Omnibus Plan. The PSUs vest over a period of 3 years based on specified performance criteria which consider the status of the financing, permitting, project development and exploration.

Total share-based compensation expensed to the Condensed Interim Consolidated Statement of Loss and Comprehensive Loss related to the PSU plan for the three and nine months ended September 30, 2024 was \$0.2 million and \$0.2 million, respectively (September 30, 2023: Nil and Nil).

Movements in the number of PSUs outstanding and their related weighted average share prices at grant date are as follows:

	Number of PSUs (In thousands)	Weighted average price at grant date CDN\$
Outstanding at January 1, 2024	-	-
PSUs granted	1,636	1.32
Outstanding at September 30, 2024	1,636	1.32

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d) Deferred Share Units

The Company did not grant any new deferred share units ("DSU"s) during the three and nine months ended September 30, 2024 or September 30, 2023. Total share-based compensation expensed to the Condensed Interim Consolidated Statement of Loss and Comprehensive Loss related to the DSU plan for the three and nine months ended September 30, 2024 was Nil and Nil (September 30, 2023: \$0.1 million and \$0.3 million).

Movements in the number of DSUs outstanding and their related weighted average share prices at grant date are as follows:

	Number of RSUs (In thousands)	Weighted average price at grant date CDN\$
Outstanding at January 1, 2023	577	0.65
DSUs granted	-	-
Outstanding at December 31, 2023	577	0.65
DSUs granted	-	-
DSUs exercised	(231)	0.65
Outstanding at September 30, 2024	346	0.65

e) Incentive Shares

On March 18, 2024, in connection with the appointment of two new executive officers, the Company issued an aggregate of 3,377,406 common shares. On July 1, 2024 in connection with the appointment of a new executive officer, the Company issued an aggregate of 1,186,656 common shares. The shares issued are subject to a three-year contractual escrow to be released to the executives on each anniversary of the commencement date over the three-year period, provided that the executives remain employed by the Corporation on the applicable anniversary dates. The common shares issued resulted in total share-based compensation expense to the Condensed Interim Consolidated Statement of Loss and Comprehensive Loss for the three and nine months ended September 30, 2024 of \$0.9 million and \$1.7 million (September 30, 2023: Nil and Nil).

11. ADMINISTRATION COSTS

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Interest expense	18	-	37	-
Management and director fees	1,140	568	2,763	1,520
Office and administration	124	21	334	112
Professional fees	2,139	219	3,145	667
Salaries and benefits	149	41	359	99
Travel and promotion	648	191	1,436	569
Total administration costs	4,218	1,040	8,074	2,967

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12. EXPLORATION AND PROJECT INVESTIGATION COSTS

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Depreciation	95	70	203	191
Drilling	2,394	287	5,122	6,530
Exploration and project support and administration	2,117	167	2,731	530
Field operation and consumables	707	132	1,187	645
Land and crops compensation	139	-	139	-
Project and geological consulting	2,773	779	5,553	1,312
Permitting and licensing fees	201	3	267	59
Salaries and benefits	705	344	1,694	1,047
Travel and accommodation	175	28	313	70
Total exploration and project investigation costs	9,306	1,810	17,209	10,384

13. RESTRUCTURING COSTS

There was no restructuring costs during the three months ended September 30, 2024. For the nine months ended September 30, 2024, the Company has incurred \$1.9 million of costs related to terminations of former management team members (September 30, 2023 – Nil and Nil).

14. INTEREST INCOME

For the three and nine months ended September 30, 2024, \$1.5 million and \$2.2 million of interest income was earned on cash balances. (September 30, 2023: \$0.2 million and \$0.4 million).

15. RELATED PARTY TRANSACTIONS

Under the normal course of operations, the Company may undertake transactions or hold balances with related parties. During the three and nine months ended September 30, 2024, the following related party transactions were recorded:

Orange Mining Pty Ltd.

Effective June 14, 2024, the Company has signed a Master Service Agreement ("MSA") with Orange Mining Pty Ltd. ("Orange Mining"), a related party to the Company by way of officers and shareholders in common. Under the terms of this arrangement, Orange Mining will provide comprehensive services aimed at development of the Kone Gold Project towards construction and operational status.

In connection with the MSA, for the three and nine months ended September 30, 2024, net consulting fees of \$0.8 million and \$1.2 million were charged by Orange Mining relating to study and design management (September 30, 2023 - Nil and Nil). The net payable balances to Orange Mining as at September 30, 2024 are \$0.5 million (December 31, 2023 - Nil).

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16. 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 4 and 11, 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 seven permits and six permit applications in Côte d'Ivoire. The Company's non-current assets, excluding financial instruments and exploration and project investigation costs are located in Côte d'Ivoire.

17. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company has estimated the fair values of its financial instruments based on appropriate valuation methodologies. These values are not materially different from their carrying value.

The Company classifies the fair values of its financial instruments according to the following hierarchy based on the significance of observable inputs used to value the instrument:

Level 1 – Quoted price (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted market prices included within Level 1 that are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The Company's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payables and accrued liabilities with carrying values considered to be reasonable approximations of fair value due to the short-term nature of these instruments.

18. MANAGEMENT OF FINANCIAL RISK

The Company's financial instruments are exposed to certain financial risks, including currency, credit and liquidity risk. The Company implemented a treasury policy in 2024 to address management of these risks.

a) Currency risk

Foreign currency risk is the risk that the fair value of the Company's financial instruments will fluctuate due to changes in exchange rates. The Company carries cash, receivables, and accounts payable balances denominated in West African Franc which is pegged to the Euro, British pounds and U.S. dollars which are subject to currency risk due to fluctuations in the exchange rates with the Canadian dollar.

Due to the volatility of the exchange rates between the Canadian dollar, the West African Franc, British pounds, and the U.S. dollar, such currency risk could result in future gains or losses to the Company. Based on the Company's net monetary assets denominated in foreign currencies as at September 30, 2024, a 10% fluctuation in the exchange rates of these currencies would result in a gain or loss of approximately \$1.5 million (December 31, 2023 - \$0.1 million).

To manage currency risk, the Company maintains only the minimum amount of foreign cash that is necessary to fund its ongoing exploration activities. Accounts payable denominated in foreign currencies are settled in a timely manner.

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b) Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. As at September 30, 2024, the majority of the Company's cash and cash equivalents was held through a Canadian financial institution with an investment grade credit rating of AA, with \$8.3 million or 4% held in financial institutions with a credit rating of B or lower.

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 an increase in its exploration and project investigation activities, along with other corporate expenses.

The maturities of the Company's financial liabilities as at September 30, 2024 are as follows:

	Total	Less than 1 year	1-3 years	More than 3 years
Accounts payable and accrued liabilities	7,127	7,127	-	-
Commitments	34,495	34,495		
Lease liabilities	822	285	537	-
Total	42,444	41,907	537	-

19. SUBSEQUENT EVENTS

a) US\$825m financing package secured from strategic partners Wheaton Precious Metals and Zijin Mining

On October 23, 2024, The Company announced that it has entered into final documentation with Wheaton Precious Metals™ Corp. (through its wholly owned subsidiary Wheaton Precious Metals International Ltd., together with its affiliates, "Wheaton") and Zijin Mining Group Co. Ltd. (through its subsidiary and non-operating division, together with its affiliates, "Zijin") with respect to an aggregate US\$825 million financing package to fund the development of its flagship Koné project in Côte d'Ivoire.

The financing package is well aligned with Montage's goal of obtaining significant financial and strategic flexibility while minimizing equity dilution. The financing package increases Montage's liquidity sources to US\$968 million, inclusive of its US\$143 million cash position as at September 30, 2024, and is comprised of the following instruments:

- › **\$625 million gold stream** provided by Wheaton (the "Wheaton Stream")
- › **US\$75 million senior secured loan facility** provided by Wheaton (the "Wheaton Loan Facility")
- › **US\$75 million fully redeemable subordinated gold stream** provided by Zijin (the "Zijin Stream" and together with the Wheaton Stream, the "Streams")
- › **US\$50 million senior secured loan facility** provided by Zijin (the "Zijin Loan Facility", and together with the Wheaton Loan Facility, the Loan Facilities")

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Closing of the Loan Facilities and the Streams are subject to closing conditions as set forth in the definitive agreements and are expected to be satisfied in the coming weeks.

b) Revenue protection programme

On November 5, 2024, the Company implemented a revenue protection programme, aimed at hedging against fluctuations in the value of gold during first two years of stream obligations. The Company purchased a European-style put option for a notional quantity of 400,000 ounces of gold at a strike price of USD 2,500 per ounce. The premium for this option was CAD\$73.4 million (US\$52.7 million), paid on November 5, 2024. Settlement is to be done in equal monthly quantities of 19,048 ounces, between January 2027 and September 2028, which can be cash or physically settled.