



SNOWLINE
GOLD CORP

SNOWLINE GOLD CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the three and nine months ended September 30, 2022 and August 31, 2021
(Unaudited - Expressed in Canadian Dollars)

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

The accompanying unaudited condensed interim consolidated 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 a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants for a review of interim financial statements by an entity's auditor.

Snowline Gold Corp.Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	Notes	September 30, 2022 \$	December 31, 2021 \$
Assets			
Current assets			
Cash		26,331,671	8,741,162
Accounts receivable		520,908	26,326
Prepaid expenses		416,975	148,012
		27,269,554	8,915,500
Property, plant, and Equipment	5	444,952	17,993
Right of use asset		81,346	-
Exploration and evaluation assets	3	6,000,675	6,000,675
Total Assets		33,796,527	14,934,168
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		2,475,637	214,488
Deferred acquisition payments - current	3	178,502	160,742
Lease liability - current		15,254	-
Flow through share premium	6	1,715,929	2,185,203
		4,385,322	2,560,433
Lease liability		75,240	-
Deferred acquisition payments	3	441,627	642,355
Total Liabilities		4,902,189	3,202,788
Equity (Deficiency) Attributable to Shareholders			
Share capital	7	41,152,212	16,619,873
Contributed surplus	7 (b)(c)	5,285,860	2,300,541
Deficit		(17,543,734)	(7,189,034)
Total Shareholders' Equity		28,894,338	11,731,380
Total Liabilities and Shareholders' Equity		33,796,527	14,934,168

Nature of operations and going concern (Note 1 and 2)

Subsequent events (Note 9)

Approved by the Board of Directors on November 28, 2022:

"Gunther Roehlig" Director
Gunther Roehlig

"J. Scott Berdahl" Director
J. Scott Berdahl

Snowline Gold Corp.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
For the three and nine months ended September 30, 2022, and August 31, 2021
(Unaudited - Expressed in Canadian Dollars)

	Note	For the three months ended September 30, 2022 \$	For the three months ended August 31, 2021 \$	For the nine months ended September 30, 2022 \$	For the nine months ended August 31, 2021 \$
Expenses					
Exploration expenditures	4	8,489,932	2,750,681	11,710,012	3,179,718
Depreciation		40,359	4,395	81,055	4,395
General and administrative		47,747	22,745	168,312	41,758
Consulting		8,138	27,241	22,543	30,249
Marketing		87,397	133,328	237,294	240,722
Professional fees	8	118,845	251,156	208,520	315,204
Wages and salaries		88,322	269,266	267,308	381,390
Share based payment expense	8	373,184	155,631	741,919	312,753
Transfer agent and regulatory fees		17,744	46,946	58,327	86,152
Total expenses		(9,271,668)	(3,661,389)	(13,495,290)	(4,592,341)
Other income (expenses)					
Accretion expense	3	(26,324)	(25,693)	(71,899)	(52,970)
Foreign exchange (loss) gain		(738)	(942)	(792)	(696)
Finance cost		2,341	(1,293)	6	(1,759)
Recovery on flow through share premium	6	2,403,508	-	3,213,274	-
Other expenses		-	-	-	(1,500)
Total other income (expenses)		2,378,787	(27,928)	3,140,589	(56,925)
Net loss		(6,892,881)	(3,689,317)	(10,354,701)	(4,649,266)
Other Comprehensive Income (Items that will not be reclassified to net loss)					
Unrealized gain on change in fair value of digital currency		-	-	-	9,164
Net loss and comprehensive loss		(6,892,881)	(3,689,317)	(10,354,701)	(4,640,102)
Loss per share – basic and diluted		(0.06)	(0.04)	(0.08)	(0.07)
Weighted average number of shares outstanding – basic and diluted		112,666,601	89,596,699	122,584,385	62,134,549

Snowline Gold Corp.

Condensed Interim Consolidated Statements of Cash Flows
For the nine months ended September 30, 2022, and August 31, 2021
(Unaudited - Expressed in Canadian Dollars)

	For the nine months ended September 30, 2022 \$	For the nine months ended August 31, 2021 \$
Cash Provided From (Used In)		
Operating Activities		
Loss for the period	(10,354,701)	(4,649,266)
Items not affecting cash:		
Depreciation	81,055	4,395
Accretion expense	71,899	52,970
Change in flow through share premium	(469,274)	-
Unrealized loss on change in fair value of digital currency	-	-
Share-based payment expense	741,919	312,753
Cash used in operations before working capital items	(9,929,102)	(4,279,148)
Net change in working capital items		
Accounts receivable	(494,582)	(115,430)
Digital currency	-	10,467
Prepaid expenses	(268,963)	(263,350)
Accounts payable and accrued liabilities	2,261,149	991,428
	(8,431,498)	(3,656,033)
Investing Activity		
Acquisition of property, plant, equipment	(503,733)	-
Acquisition of exploration and evaluation assets	-	(1,149,485)
Deferred acquisition payment	(250,000)	-
	(753,733)	(1,149,485)
Financing Activities		
Proceeds from private placement, net of issuance costs	22,483,866	8,664,977
Proceeds from warrant exercise	4,055,873	40,000
Proceeds from option exercise	236,000	-
Deferred financing fees	-	5,000
	26,775,739	8,709,977
Change in cash	17,590,508	3,904,459
Cash – beginning of the period	8,741,162	13,295
Cash – end of the period	26,331,670	3,917,754

Snowline Gold Corp.

Condensed Interim Consolidated Statements of Changes in Equity
For the nine months ended September 30, 2022, and August 31, 2021
(Unaudited - Expressed in Canadian Dollars)

	Common Shares #	Share Capital \$	Contributed Surplus \$	Accumulated Other Comprehensive Income \$	Deficit \$	Total \$
Balance – December 31, 2021	102,694,968	16,619,873	2,300,541	-	(7,189,034)	11,731,380
Issued during the period:						
Pursuant to private placements	19,342,293	19,624,645	2,859,221			22,483,866
Pursuant to warrants exercised	7,750,383	4,659,664	(513,791)	-	-	4,055,873
Pursuant to options exercised	980,000	338,030	(102,030)			236,000
Share-based payment expense	-	-	741,919	-	-	741,919
Net loss for the period	-	-	-	-	(10,354,700)	(3,461,820)
Balance – September 30, 2022	130,767,644	41,152,212	5,285,860	-	(17,543,734)	28,894,338
Balance – November 30, 2020	32,067,104	845,714	21,090	4,666	(895,612)	(24,142)
Issued during the period:						
Pursuant to private placements	34,336,506	7,871,634	940,675	-	-	8,812,309
Less: Issue costs - cash	-	(147,332)	-	-	-	(147,332)
Pursuant to property acquisition	25,650,000	3,847,500	-	-	-	3,847,500
Pursuant to warrants exercised	400,000	61,090	(21,090)	-	-	40,000
Share-based payment expense	-	-	312,753	-	-	312,753
Net loss for the period	-	-	-	-	(4,649,266)	(4,649,266)
Transfer on sale of digital currency	-	-	-	(4,666)	4,666	-
Balance – August 31, 2021	92,453,610	12,478,606	1,253,428	-	(5,540,212)	8,191,822

Snowline Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2022, and August 31, 2021

(Unaudited - Expressed in Canadian Dollars)

1. Corporate Information

Snowline Gold Corp. (the "Company" or "Snowline") was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on November 29, 2017. The Company's corporate head office is located at 1201 – 1166 Alberni Street, Vancouver, British Columbia, Canada. The Company's principal business is the acquisition and exploration of mineral properties. The Company's common shares are listed on the Canadian Securities Exchange under the symbol "SGD".

2. Basis of Preparation

Statement of Compliance with International Financial Reporting Standards ("IFRS")

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2021, which have been prepared in accordance with IFRS.

The Company has used the same accounting policies and methods of computation in these condensed consolidated interim financial statements as in the annual financial statements for the year ended December 31, 2021.

The Company's interim results are not necessarily indicative of its results for a full year.

Basis of Measurement

These consolidated financial statements have been prepared on the historical cost basis, except for certain assets and liabilities measured at fair value.

The consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency.

The preparation of consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

Going Concern and Continuation of Operations

These consolidated interim financial statements have been presented on the basis that the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. Realization values may be substantially different from the carrying values shown and these consolidated 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. At September 30, 2022, the Company had an accumulated deficit of \$17,543,734 (December 31, 2021 \$7,189,034) since inception, and the Company's working capital was \$22,884,232 (December 31, 2021: 6,355,066). The Company is expected to incur further losses in the development of its business.

Basis of consolidation

These condensed interim consolidated financial statements include the results or financial information of Snowline Gold Corp. and its wholly owned subsidiary, Senoa Gold Corp.

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Snowline Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2022, and August 31, 2021

(Unaudited - Expressed in Canadian Dollars)

The Company's business financial condition and results of operations may be further negatively affected by economic and other consequences from Russia's military action against Ukraine and the sanctions imposed in response to that action in late February 2022. While the Company expects any direct impacts, of the pandemic and the war in the Ukraine, to the business to be limited, the indirect impacts on the economy and on the mining industry and other industries in general could negatively affect the business and may make it more difficult for it to raise equity or debt financing. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about on its business, results of operations, financial position and cash flows in the future.

3. Exploration and Evaluation Assets

The Company has capitalized the following acquisition costs of its mineral property interests:

Balance, August 31, 2021 (a)	\$	5,710,675
Share issuance – acquisition cost (b)		240,000
Cash component – acquisition cost (b)		50,000
Balance September 30, 2022 & December 31, 2021	\$	6,000,675

a) Acquisition of Senoa Gold Corp.

On December 1, 2020, the Company entered into the Purchase Agreement, pursuant to which the Company agreed to acquire all of the issued and outstanding shares in the capital of Senoa then held by 18526 Yukon Inc. As a result of the Transaction, the Company now owns the Einarson (as to 70% with the balance owned by a third party), Rogue, Tosh, Cliff, Rainbow, Cynthia and Ursa claims located in the Yukon (the "Properties"). The consideration of the Transaction consists of:

- (i) 25,650,000 common shares; and
- (ii) cash payments to 18526 as follows:
 - \$1,000,000 on closing of the Transaction;
 - \$250,000 on the first anniversary of closing of the Transaction;
 - \$250,000 on the second anniversary of closing of the Transaction;
 - \$250,000 on the third anniversary of the closing of the Transaction;
 - \$250,000 on the fourth anniversary of closing of the Transaction; and
 - a contingent \$1,000,000 resource bonus (to be paid on each of the seven Properties for an aggregate of up to \$7,000,000 (the "Resource Bonus") upon Snowline establishing a Measured Mineral Resource, an Indicated Mineral Resource or an Inferred Mineral Resource (or any combination thereof) of at least 1,000,000 ounces of gold on any of the seven Properties. The Resource Bonus is a one-time payment for each of the Properties. As at September 30, 2022, there has been no independent resource established on the Company's properties.

18526 will retain a royalty equal to 2.0% of the net smelter returns in respect of each of the Properties, of which the Company may buy back one half (1.0%) at any time for 1,000 ounces of gold (.9999 fine) which may be satisfied in cash or in kind. The Transaction received Canadian Securities Exchange approval on February 25, 2021.

The Transaction does not meet the definition of a business combination and has therefore been accounted for as an asset purchase of mineral property interests. The consideration for the acquisition has been

Snowline Gold Corp.

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allocated to the relative fair values of the assets acquired and liabilities assumed, based on management's best estimate and taking into account all available information on the acquisition date.

The acquisition price of the mineral property interests was determined to be \$5,710,675 and is comprised of the following consideration:

25,650,000 common shares issued	\$ 3,847,500
Cash payment	1,000,000
Deferred cash payments	713,690
Transaction costs	149,485
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Acquisition price allocated to mineral property interests	\$ 5,710,675

The 25,650,000 common shares issued were determined to have a fair value of \$3,847,500 at a price of \$0.15 per share. The fair value of the deferred payments of \$1,000,000 over a four-year period was determined to be \$713,690 on the acquisition date using a discounted cash flow model. A discount rate of 15% was used.

The Company has elected not to recognize a liability for the contingent consideration related to the Resource Bonus at the acquisition date. Any liability for the Resource Bonus will be recognized when it becomes probable that the precedent conditions will be met. The Company incurred costs of \$149,485 associated with the Transaction.

The changes in the deferred acquisition payments are as follows:

Balance, August 31, 2021	766,660
Accretion	36,437
Balance, December 31, 2021	\$ 803,097
Accretion	67,032
Payment	(250,000)
Balance, September 30, 2022	\$ 620,129

b) Property option agreement

On September 1, 2021, the Company (the "Optionee") entered into a property option agreement with Epica Gold Inc., a wholly owned subsidiary of HighGold Mining Inc., and Carlin Gold Corporation (together the "Optionors"), pursuant to which the Company acquired the option (the "Option") to purchase a 100% interest in 812 mining claims.

Under the terms of the Agreement, the Company can acquire the properties in exchange for payments to the Optionors of \$100,000 (\$50,000 which was paid on signing and \$50,000 on the first anniversary), and issuing 1,000,000 common shares to the optionors, (500,000 common shares which were issued on signing and 500,000 on the first anniversary).

The agreement is subject to a 2% net smelter returns royalty, with a 1% buy-back provision for \$2,000,000.

The acquisition price of the mineral property interests was determined to be \$290,000 and is comprised of the following consideration:

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(Unaudited - Expressed in Canadian Dollars)

500,000 common shares issued	\$ 240,000
Cash payment	50,000
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Acquisition price allocated to mineral property interests	\$ 290,000

The 500,000 common shares issued were determined to have a fair value of \$240,000 at a price of \$0.48 per share.

On August 31, 2022, the Company amended the option agreement to allow for the optionee to extend the term of the option agreement by one year and to split the remaining option payment over two years as follows:

- On or before September 15, 2022 the Optionee will pay the Optionor \$50,000 cash and issue 200,000 common shares of Snowline Gold Corp. to the Optionor. This payment was made subsequent to September 30, 2022.
- On or before September 1, 2023, the Optionee will pay the Optionor 300,000 common shares of Snowline Gold Corp.

4. Exploration and evaluation assets and expenditures

Yukon Properties

During the nine months ended September 30, 2022, the Company incurred exploration expenses on its properties, as follows:

Exploration expenses	Cliff	Cynthia	Einarson	Rainbow	Rogue	Tosh	Ursa	Total
Consulting	1,375	6,514	207,497	31,683	407,705	73,595	51,656	780,025
Staking	-	59,829	56,951	-	85,470	-	-	202,250
Assaying	-	86	4,537	-	153,918	-	342	158,883
Camp	-	2,963	282,666	-	343,656	-	12,784	642,069
Drilling	-	-	-	-	3,013,971	-	-	3,013,971
Field labour and lodging	-	10,476	490,338	1,231	1,132,226	1,650	48,076	1,683,997
Field equipment and supplies	-	5,389	342,809	14,484	544,031	-	21,321	928,034
Fixed wing air support	-	13,027	707,361	-	1,334,421	315	53,811	2,108,936
Helicopters	-	-	-	3,900	2,064,346	25,140	-	2,093,386
Other	358	3,546	20,702	358	108,093	-	(34,596)	98,461
Total	1,733	101,830	2,112,862	51,657	9,187,837	100,701	153,393	11,710,012

Exploration expenses for the nine months ended August 31, 2021 were incurred at the following properties:

Snowline Gold Corp.

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(Unaudited - Expressed in Canadian Dollars)

Exploration expenses	Cliff	Cynthia	Einarson	Rainbow	Rogue	Tosh	Ursa	Total
Consulting	-	-	15,629	-	59,565	-	-	75,194
Licenses and permits	-	-	11,568	-	11,328	-	1,333	24,229
Staking	13,770	6,867	30,358	7,340	49,724	13,365	54,459	175,883
Other	10,832	5,645	19,456	6,035	57,251	9,737	44,775	153,731
	24,602	12,512	77,011	13,375	177,868	23,102	100,567	429,037

5. Property, Plant, and Equipment

	Camp	Equipment	Total
	\$	\$	\$
Cost			
Balance, December 31, 2021	-	-	-
Additions	379,090	142,635	521,725
Balance, September 30, 2022	379,090	142,635	521,725
Accumulated depreciation			
Balance, December 31, 2021	-	-	-
Depreciation	54,731	22,042	76,773
Balance, September 30, 2022	54,731	22,042	76,773
Net book value			
December 31, 2021	-	-	-
Balance, September 30, 2022	324,359	120,593	444,952

6. Flow Through Share Premium

Flow through share arrangements entitle the holder of the flow through share to a 100% tax deduction in respect of qualifying Canadian exploration expenses as defined in the Income Tax Act, Canada ("Qualifying CEE").

The flow through share premium liability does not represent a cash liability to the Company and is to be fully amortized to the statement of loss and comprehensive loss pro-rata with the amount of qualifying expenditures that will be incurred.

During the year ended December 31, 2021, the Company raised \$7,000,000 flow through dollars from the issuance of common shares and must spend \$7,000,000 of Qualifying CEE within one year to satisfy the flow through liability of \$2,185,203.

During the period ended September 30, 2022, the Company raised \$9,800,000 flow through dollars from the issuance of common shares and must spend \$9,800,000 of Qualifying CEE by December 31, 2023 to satisfy the flow through liability of \$2,744,000.

As at September 30, 2022, the company has incurred \$10,671,681 of Qualifying CEE and has a remaining flow through liability of \$1,715,929.

Snowline Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2022, and August 31, 2021

(Unaudited - Expressed in Canadian Dollars)

7. Share capital and Reserves

Common Shares

The Company is authorized to issue an unlimited number of common shares without par value.

a) Current period ended September 30, 2022

- i. In January 2022, 300,000 stock options with an exercise price of \$0.30 were exercised for total cash consideration of \$90,000.
- ii. On January 28, 2022, 50,000 share purchase warrants were exercised with an exercise price of \$0.50 for total cash consideration of \$25,000.
- iii. In February 2022, 619,832 share purchase warrants were exercised with an exercise price of \$0.50 for total cash consideration of \$309,916.
- iv. On February 28, 2022, 450,000 stock options with an exercise price of \$0.30 were exercised for total cash consideration of \$135,000.
- v. In March 2022, 83,333 share purchase warrants were exercised with an exercise price of \$0.50 for total cash consideration of \$41,667.
- vi. In April 2022, 1,190,300 share purchase warrants were exercised with an exercise price of \$0.50 for total cash consideration of \$595,150.
- vii. In May 2022, 105,000 share purchase warrants were exercised with an exercise price of \$0.50 for total cash consideration of \$52,500 and 50,000 share purchase warrants with an exercise price of \$0.75 were exercised for total cash consideration of \$37,500.
- viii. In June 2022, 25,000 share purchase warrants were exercised with an exercise price of \$0.50 for total cash consideration of \$12,500.
- ix. In July 2022, 2,249,416 share purchase warrants were exercised with an exercise price of \$0.50 for total cash consideration of \$1,124,708, and 378,787 share purchase warrants with an exercise price of \$0.75 were exercised for total cash consideration of \$284,090.
- x. On July 22, 2022, the Company completed a non-brokered private placement of 7,000,000 flow-through common shares ("FT Shares") at a price of \$1.40 per FT Share.

The Company has allocated \$7,056,000 of the proceeds from the private placement to the shares, and \$2,744,000 to the flow through share premium on a proportionate fair value basis.

- xi. On July 22, 2022, the Company completed a non-brokered private placement of 10,000,000 units of the Company at a price of \$1.25 per unit. Each unit is comprised of one common share of the Company and one-half of one common share purchase warrant, with each warrant being exercisable for one common share of the Company at an exercise price of \$2.50 until July 22, 2024.

The Company has allocated \$10,178,179 of the proceeds from the private placement to the shares, and \$2,321,821 to the warrants on a proportionate fair value basis. The following assumptions were used to determine the fair value of the warrants: expected dividend yield of 0%, expected volatility of 100%, risk free rate of return of 3.06%, expected life of 2 years, and share price of \$1.80.

- xii. On August 2, 2022, the Company completed a non-brokered private placement of 2,342,293 units of the Company at a price of \$1.25 per unit. Each unit is comprised of one common share of the Company and one-half of one common share purchase warrant, with each warrant being exercisable for one common share of the Company at an exercise price of \$2.50 until August 2, 2024.

The Company has allocated \$2,390,466 of the proceeds from the private placement to the shares, and \$537,400 to the warrants on a proportionate fair value basis. The following assumptions were

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used to determine the fair value of the warrants: expected dividend yield of 0%, expected volatility of 100%, risk free rate of return of 3.10%, expected life of 2 years, and share price of \$1.75.

- xiii. In August 2022, 20,000 stock options with an exercise price of \$0.55 were exercised for total cash consideration of \$11,000.
- xiv. In August 2022, 3,163,715 share purchase warrants were exercised with an exercise price of \$0.50 for total cash consideration of \$1,581,878.

b) For the period ended December 31, 2021

- i. On September 9, 2021, the Company issued 500,000 common shares per the terms of the Epica and Carlin Gold option agreement (note 3(b)).
- ii. On October 25, 2021, 50,000 stock options with an exercise price of \$0.30 were exercised for total cash consideration of \$15,000.
- iii. On November 2, 2021, 50,000 stock options with an exercise price of \$0.30 were exercised for total cash consideration of \$15,000.
- iv. On November 3, 2021, 50,000 stock options with an exercise price of \$0.30 were exercised for total cash consideration of \$15,000.
- v. On November 10, 2021, 25,000 share purchase warrants with an exercise price of \$0.50 were exercised for total cash consideration of \$12,500.
- vi. On December 17, 2021, the Company completed a non-brokered private placement of 757,575 flow-through common shares ("FT Shares") at a price of \$0.66 per FT Share and 8,783,783 premium flow-through common shares of the Company ("Premium FT Shares") at a price of \$0.74 per Premium FT Share, for aggregate gross proceeds of \$7,000,000. Each FT Share and Premium FT Share is accompanied by one-half of one common share purchase warrant. Each warrant is exercisable for one common share of the Company at an exercise price of \$0.75 until December 17, 2023.

The Company has allocated \$3,869,725 of the proceeds from the private placement to the shares, \$945,072 to the warrants, and \$2,185,203 to the flow through share premium on a proportionate fair value basis. The following assumptions were used to determine the fair value of the warrants: expected dividend yield of 0%, expected volatility of 100%, risk free rate of return of 0.50%, expected life of 2 years, and share price of \$0.65.

- vii. On December 23, 2021, 25,000 share purchase warrants with an exercise price of \$0.50 were exercised for total cash consideration of \$12,500.

b) Stock options

The Company has a stock option plan pursuant to which it may issue options to purchase common shares to directors, officers, and management company employees. Options issued under the stock option plan will have an exercise price not less than the market price of the Company's common shares on the grant date and expire no later than ten years from the grant date. The aggregate number of common shares reserved for issuance under the stock option plan is 10% of the number of issued and outstanding common shares.

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Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2022, and August 31, 2021

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During the nine months ended September 30, 2022, the Company granted 2,671,950 stock options to directors, officers and consultants of the Company (August 31, 2021 – 5,450,000) and recorded share-based payment expense of \$741,919 (August 31, 2021 – \$312,753).

The fair value of the stock options granted during the nine months ended September 30, 2022, were calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

i) January 18, 2022 option grant:

Risk free interest rate	2.39%
Expected life in years	5
Expected volatility	100%
Expected dividends	Nil

ii) March 8, 2022 option grant

Risk free interest rate	2.83%
Expected life in years	5
Expected volatility	100%
Expected dividends	Nil

iii) August 23, 2022 option grant

Risk free interest rate	3.48%
Expected life in years	2
Expected volatility	100%
Expected dividends	Nil

A summary of stock options outstanding as at September 30, 2022 and December 31, 2021 and the changes for the periods then ended is presented below:

	Number of stock options	Weighted average exercise price \$	Weighted average remaining life (Years)
Balance outstanding – December 31, 2021	4,950,000	0.31	3.71
Granted	2,671,950	0.61	4.59
Exercised	(980,000)	0.30	3.66
Cancelled	(1,050,000)	0.31	3.66
Balance outstanding – September 30, 2022	5,591,950	0.41	3.99

As at September 30, 2022, options enabling the holders to acquire common shares are as follows:

Snowline Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2022, and August 31, 2021

(Unaudited - Expressed in Canadian Dollars)

Expiry date	Number of options	Number of vested options	Weighted average remaining life in years	Weighted average exercise price
February 25, 2026	2,750,000	1,650,000	3.41	\$ 0.30
July 12, 2026	190,000	70,000	3.78	\$ 0.35
January 18, 2027	1,170,000	286,000	4.30	\$ 0.55
March 8, 2027	350,000	70,000	4.44	\$ 0.80
July 22, 2027	1,000,000	-	4.81	\$1.76
August 23, 2024	131,950	-	1.9	\$3.02
	5,591,950	2,006,000	3.96	\$ 0.71

c) Warrants:

A summary of warrants outstanding as at September 30, 2022 and December 31, 2021 and the changes for the periods then ended is presented below:

	Number of warrants	Exercise price \$
Balance outstanding – December 31, 2021	16,450,593	0.58
Exercised	(7,750,383)	0.51
Issued	6,171,646	2.50
Balance outstanding – September 30, 2022	14,871,856	

As at September 30, 2022 warrants enabling the holders to acquire common shares are as follows:

Expiry date	Number of warrants	Exercise Price
February 24, 2023	2,930,247	\$0.50
July 16, 2023	1,428,572	\$0.53
December 17, 2023	4,341,891	\$0.75
July 22, 2024	5,000,000	\$2.50
August 2, 2024	1,171,146	\$2.50
	14,871,856	

f) Escrow shares:

On February 25, 2021, the Company entered into an escrow agreement with certain shareholders of the Company. 25,650,000 common shares of the Company were placed into escrow. These escrow shares will be released as follows:

Date of Automatic Timed Release	Amount of Escrow Shares Released
On the date that the Company's common shares were listed on the CSE under new Name and new ticker symbol, March 1, 2021	1/10 of the escrow shares
6 months after the listing date (September 1, 2021)	1/6 of the remainder of the escrow shares
12 months after the listing date (March 1, 2022)	1/5 of the remainder of the escrow shares
18 months after the listing date (September 1, 2022)	1/4 of the remainder of the escrow shares
24 months after the listing date (March 1, 2023)	1/3 of the remainder of the escrow shares
30 months after the listing date (September 1, 2023)	1/2 of the remainder of the escrow shares

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(Unaudited - Expressed in Canadian Dollars)

36 months after the listing date (March 1, 2024)

The remainder of the escrow shares

As at September 30, 2022, a total of 11,542,500 (December 31, 2021 – 19,612,501) common shares remained in escrow.

8. Related party transactions

During the nine months ended September 30, 2022 and August 31, 2021, the Company incurred the following expenditures charged by directors and officers of the Company and/or companies controlled or significantly influenced by directors and officers:

	Nine months ended September 30, 2022	Nine months ended August 31, 2021
	\$	\$
Professional fees	72,900	55,761
Share-based payment expense	286,216	189,076
	334,816	244,840

At September 30, 2022, accounts payable and accrued liabilities included \$nil (December 31, 2021 - \$nil) owing to directors and officers of the Company or companies controlled or significantly influenced by directors and officers.

9. Subsequent events

- i) On September 13, 2022, the Company entered into an agreement with Strikepoint Gold, whereby the Company will acquire 4,713 mineral claims from Strikepoint Gold in exchange for (i) the payment of \$500,000 in cash, and (ii) the issuance of 500,000 common shares of the Company. On October 20, 2022, the Company received the necessary approvals from the Canadian Securities Exchange, a necessary closing condition to complete the acquisition.