



# FREMONT

GOLD LTD

## **Fremont Gold Ltd.**

An Exploration Stage Company

CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS  
(Unaudited)

SIX MONTHS ENDED SEPTEMBER 30, 2021

**NOTICE**

These unaudited interim consolidated financial statements have been prepared by management and have not been the subject of a review by the Company's independent auditor.

## Fremont Gold Ltd.

### Condensed interim consolidated statements of financial position

(Expressed in Canadian Dollars)

	Notes	Sept. 30, 2021	March 31, 2021
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		\$ 549,978	\$ 213,870
Marketable securities		-	42,500
Accounts receivable		53,216	50,946
Prepaid expenses		9,056	20,061
<b>Total Current assets</b>		<b>612,250</b>	<b>327,377</b>
<b>Non-current assets</b>			
Mineral properties	4	2,254,314	2,052,671
Fixed assets		12,460	17,794
Reclamation bonds	5	117,058	115,533
<b>Total Assets</b>		<b>\$ 2,996,082</b>	<b>\$ 2,513,375</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities		\$ 110,615	\$ 158,600
Due to related parties	8	162,324	23,589
<b>Total Current liabilities</b>		<b>272,939</b>	<b>182,189</b>
<b>Shareholders' equity</b>			
Share capital	6(a)	16,492,210	15,888,325
Warrant reserve	6(b)	291,763	286,947
Stock option reserve	6(c)	1,593,563	1,504,620
Accumulated other comprehensive income		27,523	(6,796)
Accumulated deficit		(15,681,916)	(15,341,910)
<b>Total Shareholders' equity</b>		<b>2,723,143</b>	<b>2,331,186</b>
<b>Total Liabilities and Shareholders' equity</b>		<b>\$ 2,996,082</b>	<b>\$ 2,513,375</b>
<b>Nature of operations and going concern (Note 1)</b>			
<b>Subsequent event (Notes 5 and 8)</b>			

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

Approved by the Board of Directors

"Randall Chatwin"  
Randall Chatwin, Director

"Michael Williams"  
Michael Williams, Director

## Fremont Gold Ltd.

### Condensed interim consolidated statements of income and loss

(Expressed in Canadian Dollars except number of shares)

	Notes	3 months ended Sept. 30, 2021	3 months ended Sept. 30, 2020	6 months ended Sept. 30, 2021	6 months ended Sept. 30, 2020
<b>Expenses</b>					
Stock-based compensation	6(c)	\$ 36,176	\$ 45,986	\$ 88,943	\$ 127,756
Management	8	44,331	71,617	86,739	142,986
Exploration and evaluation	7	50,098	434,814	79,842	550,734
General and administration		13,289	41,466	28,793	61,059
Marketing		5,289	65,557	18,343	142,152
Travel		16,927	-	16,927	-
Professional fees		7,736	12,009	14,016	16,696
Listing and transfer agent		9,932	5,201	11,561	24,098
Reclamation (net)		(11,760)	-	10,441	-
Business development		4,905	-	4,905	-
Depreciation		2,172	2,473	4,288	4,423
		<u>179,095</u>	<u>679,123</u>	<u>364,798</u>	<u>1,069,904</u>
<b>Other income and expenses</b>					
Loss on sale of marketable securities		-	-	9,162	-
Other income		(28,750)	-	(28,750)	-
Foreign exchange loss (gain)		(6,054)	2,867	(4,809)	10,394
Interest income		(121)	(2,572)	(395)	(5,551)
Loss on sale of mineral properties		-	876,850	-	919,633
		<u>-</u>	<u>876,850</u>	<u>-</u>	<u>919,633</u>
<b>Net loss for the period</b>		<b>\$ 144,170</b>	<b>\$ 1,556,268</b>	<b>\$ 340,006</b>	<b>\$ 1,994,380</b>
<b>Other comprehensive income and loss</b>					
Unrealised foreign currency translation items		(59,542)	35,361	(34,669)	139,734
		<u>(59,542)</u>	<u>35,361</u>	<u>(34,669)</u>	<u>139,734</u>
<b>Total comprehensive loss for the period</b>		<b>\$ 84,628</b>	<b>\$ 1,591,629</b>	<b>\$ 305,337</b>	<b>\$ 2,134,114</b>
Loss per share, Basic and diluted		\$ 0.00	\$ 0.02	\$ 0.00	\$ 0.02
Weighted average shares outstanding, Basic and diluted		140,029,656	81,559,514	132,745,580	81,507,361

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

## Fremont Gold Ltd.

### Condensed interim consolidated statements of changes in shareholders' equity

(Expressed in Canadian Dollars)

	Issued common shares	Share capital	Reserves, Warrants	Reserves, Stock options	Accumulated other comprehensive income (loss)	Accumulated deficit	Total shareholders' equity
<b>Balance at March 31, 2020</b>	<b>81,454,634</b>	<b>\$ 13,688,913</b>	<b>\$ 251,639</b>	<b>\$ 1,257,593</b>	<b>\$ 239,618</b>	<b>(\$ 11,736,860)</b>	<b>\$ 3,700,903</b>
Shares issued for cash:							
Exercise of warrants	173,325	17,333	-	-	-	-	17,333
Shares issued for mineral property	750,000	67,500	-	-	-	-	67,500
Share issuance costs	-	(119)	-	-	-	-	(119)
Stock-based compensation	-	-	-	127,756	-	-	127,756
Comprehensive loss	-	-	-	-	(139,734)	(1,994,380)	(2,134,114)
<b>Balance at Sept. 30, 2020</b>	<b>82,377,959</b>	<b>\$ 13,773,627</b>	<b>\$ 251,639</b>	<b>\$ 1,385,349</b>	<b>\$ 99,884</b>	<b>(\$ 13,731,240)</b>	<b>\$ 1,779,259</b>
<b>Balance at March 31, 2021</b>	<b>125,381,459</b>	<b>\$ 15,888,325</b>	<b>\$ 286,947</b>	<b>\$ 1,504,620</b>	<b>(\$ 6,796)</b>	<b>(\$ 15,341,910)</b>	<b>\$ 2,331,186</b>
Shares issued for cash:							
Private placement	20,732,833	621,635	-	-	-	-	621,635
Share issuance costs	-	(17,750)	4,816	-	-	-	(12,934)
Stock-based compensation	-	-	-	88,943	-	-	88,943
Comprehensive loss	-	-	-	-	34,319	(340,006)	(305,687)
<b>Balance at Sept 30, 2021</b>	<b>146,114,292</b>	<b>\$ 16,492,210</b>	<b>\$ 291,763</b>	<b>\$ 1,593,563</b>	<b>\$ 27,523</b>	<b>(\$ 15,681,916)</b>	<b>\$ 2,723,143</b>

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

## Fremont Gold Ltd.

### Condensed interim consolidated statements of cash flows

(Expressed in Canadian Dollars)

	6 months ended Sept. 30, 2021	6 months ended Sept. 30, 2020
<b>OPERATING ACTIVITIES</b>		
Net loss for the period	(\$ 340,006)	(\$ 1,994,380)
Adjustments for items not involving cash:		
Stock-based compensation	88,943	127,756
Loss on sale of marketable securities	9,162	-
Depreciation	4,288	4,423
Unrealised foreign exchange items	700	13,095
Gain on sale of fixed assets	(274)	-
Loss (gain) on sale of mineral properties	-	919,633
	<b>(237,187)</b>	<b>(929,473)</b>
Net changes in non-cash working capital:		
Accounts receivable	(2,270)	(6,131)
Prepaid expenses	11,005	7,847
Accounts payable and accrued liabilities	(47,985)	39,369
Due to related parties	138,735	10,813
<b>Cash used in operating activities</b>	<b>(137,702)</b>	<b>(877,575)</b>
<b>INVESTING ACTIVITIES</b>		
Additions to mineral properties	(170,431)	(182,702)
Additions to fixed assets	-	(11,533)
Proceeds on sale of marketable securities	33,338	-
Proceeds on sale of fixed assets	1,436	-
Proceeds on sale of mineral properties	-	37,039
<b>Cash used in investing activities</b>	<b>(135,657)</b>	<b>(157,196)</b>
<b>FINANCING ACTIVITIES</b>		
Issuance of share capital, net of cash share issuance costs	608,701	17,214
<b>Cash provided by financing activities</b>	<b>608,701</b>	<b>17,214</b>
<b>Effect of change in exchange rate on cash</b>	<b>766</b>	<b>(5,348)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>336,108</b>	<b>(1,022,905)</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>213,870</b>	<b>1,130,028</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 549,978</b>	<b>\$ 107,123</b>

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

# **Fremont Gold Ltd.**

## **NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Unaudited, Expressed in Canadian Dollars)

SIX MONTHS ENDED SEPTEMBER 30, 2021

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

Fremont Gold Ltd. (the “**Company**”) was incorporated under the laws of British Columbia, Canada, on June 6, 2007. The principal business activity of the Company is the acquisition and exploration of mineral properties located in the United States. The Company is listed on the TSX Venture Exchange (“**TSXV**”) under the trading symbol ‘FRE’, on the OTCQB Venture Market under the trading symbol ‘FRERF’ and on the Frankfurt Stock Exchange under the symbol ‘FR2’. The head office and records office of the Company are located at Suite 1500 – 409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2. The Company’s registered office is located at 1200 – 750 West Pender Street, Vancouver, British Columbia, Canada, V6C 2T8.

#### *Going concern*

The nature of the Company’s operations results in significant expenditures for the acquisition and exploration of mineral properties. To date, the Company has not generated any revenue from mining or other operations and it is considered to be in the exploration stage.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) applicable to a going concern, which assumes the Company will be able to realise its assets and settle its liabilities in the normal course of business. For the six months ended September 30, 2021, the Company reported a net loss of \$340,006 (six months ended September 30, 2020: \$1,994,380) and cash flow used in operations of \$137,702 (six months ended September 30, 2020: \$877,575), and as at that date had a net working capital balance of \$339,311 (March 31, 2021: \$145,188).

The Company does not currently have sufficient working capital to meet its corporate development, administrative and property objectives and obligations for the remainder of the fiscal year through March 31, 2022.

The Company’s ability to continue as a going concern is dependent upon its ability to obtain additional funding from equity financings provided by the Company’s existing shareholders and/or new shareholders or through other arrangements. There is no assurance that the Company will be successful in this regard.

The recoverability of the carrying value of mineral properties and deferred expenditures is dependent upon a number of factors including the existence and discovery of economically recoverable reserves, and the ability of the Company to obtain financing to maintain properties in good standing and continue exploration.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material.

In the event the Company is unable to arrange appropriate financing, the carrying value of its assets and liabilities could be subject to material adjustment and the Company may not be able to meet its obligations as they become due in the normal course of business.

# Fremont Gold Ltd.

## NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Expressed in Canadian Dollars)

SIX MONTHS ENDED SEPTEMBER 30, 2021

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### 2. BASIS OF PREPARATION

These condensed interim consolidated financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board applicable to the preparation of interim financial statements, including IAS 34, 'Interim Financial Reporting'. The accounting policies followed in these condensed interim consolidated financial statements are the same as those applied in the Company's annual consolidated financial statements for the year ended March 31, 2021.

The condensed interim consolidated financial statements do not contain all disclosures required under IFRS and should be read in conjunction with Company's annual consolidated financial statements and the notes thereto for the year ended March 31, 2021.

Certain of the prior year's figures have been reclassified to reflect the account classification adopted in the current year.

### 3. RECENT ACCOUNTING PRONOUNCEMENTS

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended March 31, 2022, and have not been applied in preparing these consolidated financial statements.

The Company has determined that these new accounting standards and amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or will not have a significant impact on the Company's consolidated financial statements.

### 4. MINERAL PROPERTIES

<b>6 months ended</b>		Incurred	Foreign	
<b>Sept. 30, 2021</b>	Mar. 31, 2021	during period	exchange	Sept. 30, 2021
Hurricane	\$ 742,051	\$ 1,232	\$ 9,825	\$ 753,108
Griffon	524,778	18,269	7,368	550,415
North Carlin	388,382	46,888	6,259	441,529
Cobb Creek	378,107	104,042	7,503	489,652
Other properties	19,353	-	257	19,610
	<b>\$2,052,671</b>	<b>\$ 170,431</b>	<b>\$ 31,212</b>	<b>\$2,254,314</b>



## Fremont Gold Ltd.

### NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Expressed in Canadian Dollars)

SIX MONTHS ENDED SEPTEMBER 30, 2021

<b>Year ended</b>							
<b>March 31, 2021</b>	Mar. 31, 2020	Incurred during period	Sold during period	Dropped during period	Foreign exchange	Mar. 31 2021	
Hurricane	\$ 800,184	\$ 34,464	\$ -	\$ -	(\$ 92,597)	\$ 742,051	
Griffon	260,912	308,518	-	-	(44,652)	524,778	
North Carlin	346,021	85,854	-	-	(43,493)	388,382	
Cobb Creek	143,851	263,413	-	-	(29,157)	378,107	
Goldrun	955,055	-	(889,824)	-	(65,231)	-	
Other properties	65,636	-	-	(40,803)	(5,480)	19,353	
	<b>\$2,571,659</b>	<b>\$ 692,249</b>	<b>(\$ 889,824)</b>	<b>(\$ 40,803)</b>	<b>(\$ 280,610)</b>	<b>\$2,052,671</b>	

The capitalised costs of mineral properties relate to the claim maintenance and acquisition costs associated with exploration and evaluation assets.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee their titles. Property title may be subject to unregistered prior agreements or transfers and may be affected by undetected defects.

It is possible that economically recoverable reserves may not be discovered and accordingly a material portion of the carrying value of mineral properties could be written off in the future.

#### 5. RECLAMATION BONDS

Reclamation bonds were previously paid in connection with the trenching program undertaken at Hurricane in 2018, the drill program undertaken at Gold Bar and Gold Canyon in 2018, the drill program that had been proposed for Gold Canyon in 2019 and the North Carlin drill program in early 2021. The bonds will be refunded in full after reclamation work has been completed and accepted by the United States Bureau of Land Management.

The net balance of reclamation bonds held as at September 30, 2021 totalled US\$ 91,875 (\$117,058) (March 31, 2021: US\$ 91,875 (\$115,533)).

USD 33,640 of the Hurricane bond was recovered in October 2021.

#### 6. SHAREHOLDERS' EQUITY

##### (a) Share capital

The Company has authorized capital of an unlimited number of common voting shares without nominal or par value.

The Company has authorized capital of an unlimited number of preferred voting shares without nominal or par value.

## **Fremont Gold Ltd.**

### **NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Unaudited, Expressed in Canadian Dollars)

SIX MONTHS ENDED SEPTEMBER 30, 2021

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#### ***July 2021 non-brokered private placement***

In July 2021, the Company closed a non-brokered private placement for gross proceeds of \$621,985 through the issuance of 20,732,833 units at a price of \$0.03 per unit. Each unit was comprised of one common share of the Company and one common share purchase warrant. Each common share purchase warrant entitles the holder to acquire one common share of the Company at a purchase price of \$0.05 for a period of 24 months following closing of the private placement through July 27, 2023.

Fremont issued 280,000 share purchase warrants to finders, equivalent to up to 7% of the number of applicable units included in the financing. Each finder's warrant entitles the holder to purchase one common share of the Company at a purchase price of \$0.05 for a period of up to 24 months following closing of the financing.

All securities issued in connection with the private placement were subject to a statutory hold period of four months plus a day following issuance.

#### **(b) Share purchase warrants**

A continuity of the Company's share purchase warrants is as follows:

## Fremont Gold Ltd.

### NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Expressed in Canadian Dollars)

SIX MONTHS ENDED SEPTEMBER 30, 2021

	Expiry date	Number of warrants	Weighted average exercise price
<b>March 31, 2020</b>		<b>35,616,863</b>	<b>0.13</b>
Issued:			
Warrants (November 2020 private placement)	Nov. 2, 2023	40,000,000	0.10
Finder warrants (November 2020 private placement)	Nov. 2, 2023	1,051,200	0.10
Exercised:			
Warrants (February 2020 private placement)	Feb. 13, 2021	(100,000)	0.10
Finder warrants (February 2020 private placement)	Feb. 13, 2021	(76,825)	0.10
Expired			
Warrants (June 2017 private placement)	June 29, 2020	(5,023,566)	0.25
Warrants (June 2017 private placement)	June 30, 2020	(105,000)	0.25
Warrants (December 2018 private placement)	Dec. 5, 2020	(4,394,965)	0.20
Warrants (February 2020 private placement)	Feb. 13, 2021	(1,316,175)	0.10
Finder warrants (February 2020 private placement)	Feb. 13, 2021	(24,600,332)	0.10
<b>March 31, 2021</b>		<b>41,051,200</b>	<b>0.10</b>
Issued:			
Warrants (July 2021 private placement)	July 27, 2023	20,732,833	0.05
Finder warrants (July 2021 private placement)	July 27, 2023	280,000	0.05
<b>September 30, 2021</b>		<b>62,064,033</b>	<b>0.08</b>

The Company had the following share purchase warrants outstanding as at September 30, 2021:

	Expiry date	Exercise price	Number of warrants
Warrants (July 2021 private placement)	July 27, 2023	0.05	20,732,833
Finder warrants (July 2021 private placement)	July 27, 2023	0.05	280,000
Warrants (November 2020 private placement)	Nov. 2, 2023	0.10	40,000,000
Finder warrants (November 2020 private placement)	Nov. 2, 2023	0.10	1,051,200
		<b>0.08</b>	<b>62,064,033</b>

The weighted average remaining life of outstanding share purchase warrants as at September 30, 2021 was 24 months (March 31, 2021: 31 months).

#### (c) Stock options

A continuity of the Company's stock options is as follows:

## Fremont Gold Ltd.

### NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Expressed in Canadian Dollars)

SIX MONTHS ENDED SEPTEMBER 30, 2021

	Expiry date	Number of options	Weighted average exercise price
<b>March 31, 2020</b>		<b>3,825,000</b>	<b>0.15</b>
Issued:			
April 17, 2020	April 15, 2025	3,250,000	0.10
January 18, 2021	January 18, 2026	3,000,000	0.08
<b>March 31, 2021</b>		<b>10,075,000</b>	<b>0.11</b>
Forfeited		(1,050,000)	0.11
Expired		(3,925,000)	0.13
<b>September 30, 2021</b>		<b>5,100,000</b>	<b>0.10</b>

The Company had the following stock options outstanding as at September 30, 2021:

Expiry date	Exercise price	Number of options
July 10, 2022	0.15	350,000
December 10, 2023	0.15	250,000
July 25, 2024	0.10	250,000
April 15, 2025	0.10	2,250,000
January 18, 2026	0.08	2,000,000
	<b>0.10</b>	<b>5,100,000</b>

The weighted average remaining life of outstanding stock options as at September 30, 2021 was 43 months (March 31, 2021: 38 months).

Stock-based compensation totalled \$88,943 in the six months ended September 30, 2021 (six months ended September 30, 2020: \$127,756).

Of the 5,100,000 stock options outstanding as at September 30, 2021, 3,000,000 stock options were exercisable as at this date at a weighted average exercise price of \$0.11.

## Fremont Gold Ltd.

### NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Expressed in Canadian Dollars)

SIX MONTHS ENDED SEPTEMBER 30, 2021

#### 7. EXPLORATION AND DEVELOPMENT EXPENDITURES

6 months ended Sept. 30, 2021				
	Cobb Creek	North Carlin	VP Exploration	Total
Assay	\$ -	\$ 7,068	\$ -	\$ 7,068
Payroll	10,629	507	-	11,136
Field supplies	2,040	59	-	2,099
Travel	14,417	336	-	14,753
VP Exploration	-	-	44,786	44,786
	<b>\$ 27,086</b>	<b>\$ 7,970</b>	<b>\$ 44,786</b>	<b>\$ 79,842</b>

6 months ended Sept. 30, 2020				
	Griffon	Other properties	VP Exploration	Total
Drilling	\$ 311,386	\$ -	\$ -	\$ 311,386
Assay	90,476	-	-	90,476
Payroll	46,427	-	-	46,427
Travel	41,154	-	-	41,154
Field supplies	6,486	1,657	-	8,143
Third party services	4,232	-	-	4,232
VP Exploration	-	-	48,916	48,916
	<b>\$ 500,161</b>	<b>\$ 1,657</b>	<b>\$ 48,916</b>	<b>\$ 550,734</b>

#### 8. RELATED PARTY TRANSACTIONS

The Company incurred the following expenses resulting from transactions with related parties including officers and directors or entities that are controlled by officers and directors of the Company:

## Fremont Gold Ltd.

### NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Expressed in Canadian Dollars)

SIX MONTHS ENDED SEPTEMBER 30, 2021

	6 months ended Sept. 30, 2021	6 months ended Sept. 30, 2020
Remuneration of officers of the Company (1)	\$ 131,526	\$ 191,902
Stock-based compensation relating to stock options issued to officers and directors of the Company	72,030	92,600
Recharge of exploration, claim and local administrative expenditures (2)	31,664	40,532
	<b>\$ 235,220</b>	<b>\$ 325,034</b>

(1) Comprises remuneration of the Company's President, Chief Executive Officer, Chief Financial Officer and Vice President Exploration and includes fees charged by companies controlled by officers of the Company

(2) Certain exploration, local administrative and claim acquisition expenditures are charged to the Company by Tectonex LLC, a company owned by the Company's VP Exploration. Such charges totalled US\$ 25,452 (\$31,664) in the six months ended September 30, 2021 (six months ended September 30, 2020: US\$ 29,830 (\$40,532)). All such expenditures are recharged to the Company without margin or discount at the actual cost incurred by Tectonex

The Company owed the following amounts to related parties including officers and directors or companies that are controlled by officers and directors of the Company:

	Sept. 30, 2021	March 31, 2021
Amounts owing to officers and directors relating to deferred remuneration	\$ 109,201	\$ -
Amounts owing to officers and directors relating to the reimbursement of expenses	40,509	9,431
Amount owing to Tectonex relating to the recharge of exploration, claim and local administrative expenditures	12,614	14,158
	<b>\$ 162,324</b>	<b>\$ 23,589</b>

As at November 26, 2021, the balance owing to Tectonex had been repaid, the balances owing to directors and officers relating to the reimbursement of expenses had been partially repaid and none of the balances owing to directors and officers relating to deferred remuneration had been repaid.

## 9. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration and development of mineral properties. The Company's assets are located in Canada and the United States as follows:

## Fremont Gold Ltd.

### NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Expressed in Canadian Dollars)

SIX MONTHS ENDED SEPTEMBER 30, 2021

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	Canada	United States	Total
<b>Non-current assets:</b>			
Sept. 30, 2020	\$ -	\$ 2,383,832	\$ 2,383,832
March 31, 2021	1,162	2,184,836	2,185,998
<b>Net loss:</b>			
6 months ended Sept. 30, 2021	182,666	157,340	340,006
6 months ended Sept. 30, 2020	\$ 438,955	\$ 1,555,425	\$ 1,994,380

#### 10. CAPITAL MANAGEMENT

The Company manages its capital structure, which consists of working capital and share capital, and makes adjustments to it depending on the funds available to the Company for acquisition, exploration and development of mineral property assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

All of the exploration and evaluation assets in which the Company has interests are in the exploration stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out its planned exploration and pay for ongoing general and administrative expenses, the Company will use existing working capital and expects to raise additional funds through equity private placements as required in the future. The Company will continue to assess new exploration and evaluation assets and seeks to acquire additional interests if sufficient geologic or economic potential is established and adequate financial resources are available.

Management reviews its capital management approach on an on-going basis and believes that this approach, given the relatively small size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements and there were no significant changes in its approach to capital management during the period ended September 30, 2021.

Additional information relating to the Company's ability to continue as a going concern is presented in Note 1.

#### 11. RISK MANAGEMENT

##### *Credit risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with one major bank in Canada so there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies.

## **Fremont Gold Ltd.**

### **NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Unaudited, Expressed in Canadian Dollars)

SIX MONTHS ENDED SEPTEMBER 30, 2021

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#### ***Foreign currency risk***

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the Company's functional currency. The Company's exploration activity is situated entirely in the United States and it is therefore exposed to foreign exchange risk arising from transactions and monetary balances denominated in United States dollars. The Company has no program in place for hedging foreign currency risk.

#### ***Interest rate risk***

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The risk is considered minimal.

#### ***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 has a planning and budgeting process in place to assist in determining the funds required to support the Company's normal operating requirements on an ongoing basis. The Company attempts to ensure there is sufficient access to funds to meet ongoing business requirements, taking into account its current cash position and potential funding sources.

With the exception of accrued liabilities totalling \$22,500, the provision for estimated restoration costs totalling \$38,223 and balances due to related parties (see Note 8), all accounts payable and accrued liabilities are due within 90 days of September 30, 2021. Amounts due to related parties as at September 30, 2021 are unsecured, non-interest bearing and have no set terms of repayment.

Additional information relating to the Company's ability to continue as a going concern is presented in Note 1.