



FREMONT

GOLD LTD

Fremont Gold Ltd.

An Exploration Stage Company

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

MANAGEMENT’S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of the Company were prepared by management in accordance with International Financial Reporting Standards, and within the framework of the significant accounting policies in the notes to these financial statements. Management is responsible for the preparation and presentation of the consolidated financial statements and Management Discussion and Analysis (“MD&A”).

A system of accounting and control is maintained in order to provide reasonable assurance that the assets are safeguarded and that transactions are properly recorded and executed in accordance with management’s authorization. The system includes established policies and procedures, the selection and training of qualified persons, and the appropriate delegation of authority and segregation of responsibilities for a corporation of the size of Fremont Gold Ltd.

The Board of Directors, based on recommendations from its Audit Committee, reviews and approves the consolidated financial statements and MD&A. The Audit Committee meets with management and the Company’s independent auditors to ensure that management is fulfilling its responsibility to maintain financial controls and systems and to make recommendations to the Board of Directors for approval of all financial information released to the public. The Audit Committee also meets with the independent auditors to discuss the scope and the results of the audit and the audit report prior to submitting the consolidated financial statements to the Board of Directors for approval.

The consolidated financial statements for the year ended March 31, 2024 have been audited on behalf of the shareholders by the Company’s independent auditors, DeVisser Gray LLP, in accordance with Canadian generally accepted auditing standards. The auditor’s report outlines the scope of their audit and their opinion on these consolidated financial statements.

“Dennis Moore”

Dennis Moore
Chief Executive Officer

“Paul Hansed”

Paul Hansed
Chief Financial Officer

July 29, 2024

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Fremont Gold Ltd.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Fremont Gold Ltd. (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2024 and 2023 and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of the material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2024 and 2023 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company has no source of revenue and is considered to be in the exploration stage. As stated in Note 1, 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. These matters, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there is the following key audit matter to communicate in our auditor's report.

Key audit matter:	How our audit addressed the key audit matter:
Assessment of impairment indicators of Mineral properties assets.	Our approach to addressing the matter included the following procedures, among others:
<i>Refer to note 3(b) – Critical accounting judgements, note 3(d) – Accounting policy Mineral properties and exploration expenditures and note 8 Mineral properties</i>	Evaluated the reasonableness of management's assessment of impairment indicators, which included the following:

Management assesses at each reporting period whether there is an indication that the carrying value of mineral property assets may not be recoverable. Management applies significant judgement in assessing whether indicators of impairment exist that necessitate impairment testing. Internal and external factors, such as (i) a significant decline in the market value of the Company's share price; (ii) changes in the Company's assessment of whether commercially viable quantities of mineral resources exist within the properties; and (iii) changes in metal prices, capital and operating costs, are evaluated by management in determining whether there are any indicators of impairment.

We considered this a key audit matter due to (i) the significance of the mineral properties asset balance and (ii) the significant audit effort and subjectivity in applying audit procedures to assess the factors evaluated by management in its assessment of impairment indicators, which required significant management judgement.

- Assessed the Company's market capitalization in comparison to the Company's net assets, which may be an indication of impairment.
- Assessed the completeness of the factors that could be considered indicators of impairment, including consideration of evidence obtained in other areas of the audit.
- Confirmed that the Company's right to explore the properties had not expired.
- Obtained management's written representations regarding the Company's future plans for the mineral properties.
- Assessed the reasonability of the Company's financial statement disclosure regarding their mineral property assets.

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis" but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is James Roxburgh.

The image shows a handwritten signature in black ink that reads "De Visser Gray LLP". The signature is written in a cursive, flowing style.

Chartered Professional Accountants

Vancouver, BC, Canada
July 29, 2024

Fremont Gold Ltd.

Consolidated statements of financial position

(Expressed in Canadian Dollars)

	Notes	March 31, 2024	March 31, 2023
ASSETS			
Current assets			
Cash and cash equivalents		\$ 298,594	\$ 523,948
Marketable securities	5	32,000	90,000
Accounts receivable		254,161	50,992
Prepaid expenses		80,532	8,532
Total Current assets		665,287	673,472
Non-current assets			
Mineral properties	8	218,658	2,545,572
Long-term receivable	7	67,750	-
Fixed assets		4,013	3,061
Reclamation bonds	9	12,782	72,139
Total Assets		\$ 968,490	\$ 3,294,244
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		\$ 125,873	\$ 68,110
Due to related parties	14	623,743	370,721
Total Current liabilities		749,616	438,831
Long-term liabilities		13,816	-
		763,432	438,831
Shareholders' equity			
Share capital	10(a)	18,952,598	17,788,002
Warrant reserve	10(b)	291,763	291,763
Stock option reserve	10(c)	1,790,445	1,661,598
Accumulated other comprehensive income		178,682	179,170
Accumulated deficit		(21,008,430)	(17,065,120)
Total Shareholders' equity		205,058	2,855,413
Total Liabilities and Shareholders' equity		\$ 968,490	\$ 3,294,244
Nature of operations and going concern (Note 1)			
Subsequent events (Notes 5, 7, 8, 10 and 19)			

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

Approved by the Board of Directors

"Randall Chatwin"
Randall Chatwin, Director

"Dennis Moore"
Dennis Moore, Director

Fremont Gold Ltd.

Consolidated statements of loss and comprehensive loss

(Expressed in Canadian Dollars except number of shares)

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Expenses			
Exploration and evaluation	11	\$ 746,103	\$ 29,884
Management	14	212,467	183,183
Professional fees		176,676	50,349
Stock-based compensation	10(c)	128,847	23,543
General and administration		101,342	80,463
Marketing		55,242	11,151
Project development	12	54,564	124,473
Listing and transfer agent		40,247	36,402
Travel		25,602	27,304
Depreciation		4,546	7,307
Reclamation (net)		3,372	26,979
		<u>1,549,008</u>	<u>601,038</u>
Other income and expenses			
Write-off of mineral properties	8	1,739,674	228,124
Loss on sale of Intermont	7	682,752	-
Loss (gain) on marketable securities	5	34,500	(42,000)
Foreign exchange loss (gain)		3,301	(36,262)
Loss on sale of mineral property	8	-	244,065
Interest income		(7,761)	(6,437)
Gain on sale of Lithaur	6	(58,164)	-
		<u>\$ 3,943,310</u>	<u>\$ 988,528</u>
Other comprehensive loss			
Unrealised foreign currency translation items		488	(196,618)
		<u>\$ 3,943,798</u>	<u>\$ 791,910</u>
Total comprehensive loss for the year			
Loss per share, Basic and diluted		\$ 0.13	\$ 0.04
Weighted average shares outstanding,			
Basic and diluted		30,958,627	22,036,091

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

Fremont Gold Ltd.

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
Balance at March 31, 2022	14,611,431	\$ 16,492,210	\$ 291,763	\$ 1,638,055	(\$ 17,448)	(\$ 16,076,592)	\$ 2,327,988
Shares issued for cash:							
Private placement	10,007,666	1,200,920	-	-	-	-	1,200,920
Share issuance costs	-	(17,628)	-	-	-	-	(17,628)
Shares issued for mineral property	1,250,000	112,500	-	-	-	-	112,500
Stock-based compensation	-	-	-	23,543	-	-	23,543
Comprehensive loss	-	-	-	-	196,618	(988,528)	(791,910)
Balance at March 31, 2023	25,869,097	\$ 17,788,002	\$ 291,763	\$ 1,661,598	\$ 179,170	(\$ 17,065,120)	\$ 2,855,413
Shares issued for cash:							
Private placement	11,553,000	1,155,300	-	-	-	-	1,155,300
Shares issued for mineral property	500,000	35,000	-	-	-	-	35,000
Share issuance costs	-	(25,704)	-	-	-	-	(25,704)
Stock-based compensation	-	-	-	128,847	-	-	128,847
Comprehensive loss	-	-	-	-	(488)	(3,943,310)	(3,943,798)
Balance at March 31, 2024	37,922,097	\$ 18,952,598	\$ 291,763	\$ 1,790,445	\$ 178,682	(\$ 21,008,430)	\$ 205,058

In May 2022, the Company announced that it was consolidating its common shares on a ten for one basis (see Note 10(a)). For accounting purposes, recognition of the share consolidation has been made retroactively such that all share and per share numbers have been adjusted to reflect the share consolidation.

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

Fremont Gold Ltd.

Consolidated statements of cash flows

(Expressed in Canadian Dollars)

	Year ended March 31, 2024	Year ended March 31, 2023
OPERATING ACTIVITIES		
Net loss for the year	(\$ 3,943,310)	(\$ 988,528)
Adjustments for items not involving cash:		
Write-off of mineral properties	1,739,674	228,124
Loss on sale of Intermont	682,752	-
Stock-based compensation	128,847	23,543
Unrealised loss on marketable securities	28,000	(42,000)
Loss on sale of marketable securities	6,500	-
Depreciation	4,546	7,307
Unrealised foreign exchange items	139	(56,389)
Loss on sale of mineral properties	-	244,065
Gain on sale of Lithaur	(58,164)	-
	(1,411,016)	(583,878)
Net changes in non-cash working capital:		
Accounts receivable	81	(1,160)
Prepaid expenses	(72,000)	4,681
Accounts payable and accrued liabilities	69,812	(18,456)
Due to related parties	342,834	100,884
Cash used in operating activities	(1,070,289)	(497,929)
INVESTING ACTIVITIES		
Proceeds on sale on Lithaur (net)	135,539	-
Proceeds on sale on Intermont (net)	106,741	-
Proceeds on sale of marketable securities	23,500	-
Cash proceeds on sale of mineral properties	-	26,370
Additions to mineral properties	(535,415)	(385,113)
Additions to fixed assets	(11,590)	-
Reclamation bond refund (purchase) (net)	(3,678)	6,503
Cash used in investing activities	(284,903)	(352,240)
FINANCING ACTIVITIES		
Issuance of share capital (net)	1,129,596	1,183,292
Cash provided by financing activities	1,129,596	1,183,292
Effect of change in exchange rate on cash	242	49,006
Net increase (decrease) in cash and cash equivalents	(225,354)	382,129
Cash and cash equivalents, beginning of year	523,948	141,819
Cash and cash equivalents, end of year	\$ 298,594	\$ 523,948

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

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

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 year ended March 31, 2024, the Company reported a net loss of \$3,943,310 (year ended March 31, 2023: \$988,528) and cash flow used in operations of \$1,070,289 (year ended March 31, 2023: \$497,929), and as at that date had a net working capital deficit of \$84,329 (March 31, 2023: net working capital balance of \$234,641).

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. Furthermore, these conditions indicate the existence of a material uncertainty that raises significant doubt as to the Company’s ability to continue as a going concern.

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

2. BASIS OF PREPARATION

These consolidated financial statements, including comparatives, have been prepared in accordance with IFRS, as issued by the International Accounting Standards Board.

The policies applied in these consolidated financial statements are based on IFRS issued and outstanding as of July 29, 2024, the effective date the Board of Directors approved these financial statements. Any subsequent changes to IFRS after this date could result in changes to the consolidated financial statements as at and for the year ended March 31, 2024.

3. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of consolidation

These consolidated financial statements include the accounts of Fremont Gold Ltd. and its wholly owned subsidiaries as follows:

	Location	Ownership	Functional currency
Hayasa Resources Corp. (" HRC ")	Armenia	100%	AMD
Lithaur Inc. (" Lithaur ")	USA	0%	US\$
Intermont Exploration, Corp. (" Intermont ")	USA	0%	US\$

HRC is a wholly owned subsidiary of Fremont Gold Ltd. incorporated under the laws of the Republic of Armenia. The subsidiary was established to facilitate the operations of the Company in Armenia (see Note 12).

The Company's interest in Lithaur was sold in November 2023 (see Note 6).

The Company's interest in Intermont was sold in March 2024 (see Note 7).

Subsidiaries are all entities over which Fremont Gold Ltd. has control. The Company controls an entity when the Company is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is obtained by Fremont Gold Ltd. and are deconsolidated from the date that control ceases.

All intercompany transactions, balances, revenues and expenses have been eliminated.

(b) Critical accounting judgments

The preparation of consolidated financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

The following are critical judgments that management has made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements.

Going concern evaluation

As discussed in Note 1, these consolidated financial statements have been prepared under the assumptions applicable to a going concern. If the going concern assumption were not appropriate for these consolidated financial statements, then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the consolidated statement of financial position classifications used and such adjustments could be material.

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Impairment of mineral properties

Mineral properties are considered for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Assessment of impairment indicators involves the application of a number of significant judgments over internal and external factors including reserve and resource estimation, future precious metal prices, estimated costs of future production, changes in government legislation and regulations, estimated deferred income taxes, the availability of financing and various other operational factors. If any such indication exists, an estimate of the recoverable amount is undertaken. If the asset's carrying amount exceeds its recoverable amount, an impairment loss is recognised in the statement of loss.

(c) Foreign currency translation

Functional currency

Items included in the financial statements of the Company's subsidiaries are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency').

Transactions and balances

Foreign currency transactions are translated into the relevant functional currency using the exchange rate prevailing at the date of the transaction. Foreign currency gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of loss.

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

Subsidiaries

The results and financial position of the Company's subsidiaries that have a functional currency different from the Company's presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the reporting date
- Income and expenses are translated at average exchange rates for the period
- Equity is translated using historical rates
- All resulting exchange differences are recognised in other comprehensive income as cumulative translation adjustments.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are taken to the foreign currency translation reserve (a component of other comprehensive income/loss). When a foreign operation is sold, such exchange differences are recognised in the statement of loss as part of the gain or loss on sale.

(d) Mineral properties and exploration expenditures

Costs relating to the acquisition and claim maintenance of mineral properties (including option payments and annual fees to maintain the property in good standing) are capitalised and deferred by property until the project to which they relate is sold, abandoned, impaired or placed into production.

The Company expenses all exploration and evaluation expenditures until management concludes that a future economic benefit is more likely than not to be realised. In evaluating if expenditures meet this criterion to be capitalised, management considers the following:

- The extent to which reserves or resources, as defined in National Instrument 43-101, have been identified in relation to the property in question
- The conclusions of National Instrument 43-101 compliant preliminary economic assessment studies, preliminary feasibility studies and/or feasibility studies regarding the property in question
- The status of environmental permits, and
- The status of mining leases or permits.

Once the Company considers that a future economic benefit is more likely than not to be realised, all subsequent costs directly relating to the advancement of the related area of interest are capitalised.

Capitalised mineral property costs are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. If an indicator is identified, the asset's recoverable amount is calculated and compared to the carrying amount. For the purpose of measuring recoverable amounts, assets are grouped into cash-generating units ("CGUs"). An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

(e) Fixed assets

Fixed assets are recorded at cost. Depreciation of all depreciable fixed assets is provided on a straight-line basis over four years.

Fixed assets are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. If an indicator is identified, the asset's recoverable amount is calculated and compared to the carrying amount. For the purpose of measuring recoverable amounts, assets are grouped into CGUs. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use (being the present value of the expected future cash flows of the relevant asset or CGU, as determined by management). An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The Company evaluates impairment losses for potential reversals when events or circumstances warrant such consideration.

(f) Restoration and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The estimated value of future restoration cost estimates is charged to profit or loss and a corresponding increase in the restoration provision is established in the period incurred.

The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates (if applicable), effects of inflation and changes in estimates.

The estimated value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production is charged to profit or loss in the period incurred. The costs of restoration projects included in the provision are recorded against the provision as incurred.

(g) Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the consolidated statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity.

Current income tax is the expected income tax payable on the taxable income for the year, using income tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination. In addition, deferred income tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred income tax is measured at the tax rates that are expected to be applied to temporary

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred income tax asset is recognized to the extent that it is probable that future taxable income will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(h) Share capital

The proceeds from the issuance of units are allocated between common shares and share purchase warrants based on the residual value method; under this method, the proceeds are allocated first to share capital based on the fair value of the common shares at the time of issuance of the units and any residual value is allocated to the share purchase warrant reserve. Common shares issued for non-monetary consideration are valued based on the fair value of the common shares at the time of issuance.

Proceeds from the exercise of stock options and share purchase warrants are recorded as share capital in the amount for which the stock option or share purchase warrant enabled the holder to purchase a common share in the Company.

Costs directly attributable to the issuance of common shares, stock options and share purchase warrants are recognised as a deduction from equity, net of any related income tax effects.

(i) Stock-based compensation

The Company grants stock options to certain of its employees, directors and consultants. Each tranche in an award is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model. Compensation expense is recognised over the tranche's vesting period based on the number of awards expected to vest. This number is reviewed annually, with any change in estimate recognised immediately in compensation expense with a corresponding adjustment to reserves.

Upon exercise of a stock option, consideration paid together with the stock-based compensation amount previously recognised in reserves is recorded as an increase to share capital.

(j) Loss per share

Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. For all periods presented, the loss attributable to common shareholders equals the reported loss attributable to owners of the Company. Diluted loss per share is calculated by the treasury stock method pursuant to which the weighted average number of common shares outstanding for the calculation of diluted loss per share

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

In May 2022, the Company announced that it was consolidating its common shares on a ten for one basis (the “**Consolidation**”); see Note 10(a)). For accounting purposes, recognition of the Consolidation has been made retroactively such that all share, and per share, stock option and share purchase warrant numbers have been adjusted to reflect the Consolidation.

(k) Financial instruments

Management has assessed the classification and measurement of financial assets and financial liabilities under IFRS 9 as follows:

IFRS 9	
Financial assets:	
Cash and cash equivalents	Amortised cost
Marketable securities	FVTPL
Accounts receivable	Amortised cost
Long-term receivable	Amortised cost
Financial liabilities:	
Accounts payable and accrued liabilities	Amortised cost
Amounts due to related parties	Amortised cost

The classification of financial assets is based on how the entity manages its financial instruments and contractual cash flow characteristics of the financial asset. Transactions costs with respect to financial instruments classified as fair value through profit or loss (“**FVTPL**”) are recognised in the statements of loss and comprehensive loss.

Regular purchases and sales of financial assets are recognized on the trade-date, being the date on which the Company commits to purchase the asset.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

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

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly
- Level 3: Inputs that are not based on observable market data.

The fair value of marketable securities is measured using Level 1 inputs.

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

Impairment of financial assets

At each reporting date, the Company assesses whether there is objective evidence that a financial asset has been impaired. In the case of financial instruments measured at amortised cost, a significant and prolonged decline in the value of the instrument is considered to determine whether impairment has arisen.

4. RECENT ACCOUNTING PRONOUNCEMENTS

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended March 31, 2024, 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.

5. MARKETABLE SECURITIES

In January 2023, the Company sold its interest in the Coyote and Rossi claim blocks to Westward Gold Inc. ("**Westward**") for consideration which included 600,000 common shares of which 200,000 shares were subject to a statutory hold period that ended on May 18, 2023 and the remaining 400,000 shares were subject to a voluntary hold period of eight months that ended on September 17, 2023 (see Note 8(f)).

In August 2023, the Company sold 200,000 common shares of Westward for net proceeds of \$23,500.

The remaining 400,000 Westward shares were sold subsequent to March 31, 2024.

6. LITHAUR INC.

Lithaur is a company incorporated under the laws of the State of Nevada which was established by a member of management for the purpose of holding lithium claims in Nevada. Lithaur was formally acquired by Fremont Gold Ltd. for nominal consideration in July 2023.

As at the date of formal acquisition:

- Lithaur held 133 registered lithium claims and a further 210 staked lithium claims
- Lithaur had total liabilities of US\$ 142,870 owing to Tectonex LLC ("**Tectonex**"), a company owned by the Company's former VP Exploration, relating to the registration and staking of the claims (all such expenditures were charged by Tectonex to Lithaur without margin or discount at the actual cost incurred by Tectonex).

Additional lode claims were staked at various locations subsequent to the formal date of acquisition.

In November 2023, the Company completed the sale of Lithaur to a private Australian-based group. The terms of the transaction are as follows:

- A one-time payment to Fremont of US\$ 100,000 (received)

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

- A 2.0% royalty granted in favour of Fremont on each of four projects with a right for the purchaser to buy one half of each royalty (1.0%) for US\$ 2,000,000 (for each project)
- Buyer's assumption of up to US\$ 125,000 of debt owed by Lithaur and assumption of all ongoing Nevada-based lithium costs effective September 1, 2023
- A 'best efforts' commitment to take the Lithaur assets public via an initial public offering or reverse take over transaction or similar transaction on an Australian or Canadian stock market by October 31, 2024, with the possibility to extend to April 30, 2025 for a payment of US\$ 100,000
- Fremont to receive 30% of the new company post listing and the right to appoint one director to Lithaur's (or surviving listed entity's) board of directions upon completion of such listing, and
- In the case of a sale of Lithaur or its assets being sold to a third party in lieu of a go-public transaction, 30% of the net proceeds of such sale will be paid to Fremont.

Net proceeds received on the sale totalled \$135,539 and net assets of Lithaur as at the date of sale totalled \$77,375 resulting in a gain on sale of \$58,164.

Subsequent to the closing of the transaction, the Company was informed by the buyer that the staked lithium claims had not been restaked or registered. Accordingly, the royalty on these claims will not be enforceable unless and until the claims are restaked and registered by the buyer. Currently, the Company's existing royalty is limited to the 133 registered claims; the enforceability of the royalty on these claims will also be lost if the claims are not maintained in good standing including reregistration in August 2024.

7. INTERMONT EXPLORATION, CORP.

With the exception of its interest in the Hurricane property, the Company's interest in all of its Nevada properties were held by its wholly owned subsidiary, Intermont, a company incorporated under the laws of Nevada. The Company's interest in the Hurricane property was held by Fremont Gold Ltd. directly.

In March 2024, the Company entered into an agreement to sell Intermont to an individual representing an Australian consortium (the "**Buyer**"). Intermont holds the Cobb Creek asset in Elko County Nevada and previously held the Griffon asset in White Pine County, Nevada (dropped in November 2023). The purchase price totals US\$300,000 to be paid over two years as follows:

- On closing: US\$100,000 (received)
- May 29, 2024: US\$50,000
- August 29, 2024: US\$50,000
- February 28, 2025: US\$50,000
- February 28, 2026: US\$50,000.

As at July 29, 2024, the Buyer had paid US\$12,730 of the US\$50,000 that was owing as at this date. Management does not believe that a provision is required for the balance owing from Buyer.

Certain debts of Intermont owing to Fremont's former Vice President of Exploration have been transferred to Fremont. The Buyer will assume all ongoing costs of Intermont including option and BLM payments post closing.

Other than Hurricane, Cobb Creek was the last remaining Nevada gold asset held by Intermont.

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

Net proceeds received on the sale totalled \$407,100 and net assets of Intermont as at the date of sale totalled \$1,089,852 resulting in a loss on sale of \$682,752.

8. MINERAL PROPERTIES

Year ended		Incurred	Sold during	Dropped	Foreign	
March 31, 2024	Mar. 31, 2023	during period	period	during period	exchange	Mar. 31 2024
Vardenis	\$ -	\$ 200,157	\$ -	\$ -	\$ 2,395	\$ 202,552
Urasar	-	16,112	-	-	(8)	16,104
Hurricane	872,854	5,527	-	(879,503)	1,122	-
Cobb Creek (1)	861,499	130,898	(994,086)	-	1,689	-
Lithium assets (2)	-	245,055	(240,309)	-	(4,746)	-
Griffon	811,219	51,679	-	(860,171)	(2,727)	-
	\$2,545,572	\$ 649,428	(\$1,234,395)	(\$1,739,674)	(\$ 2,275)	\$ 218,656

(1) Cobb Creek was sold via the sale of Intermont (see Note 7)

(2) The Lithium assets were sold via the sale of Lithaur (see Note 6)

Year ended		Incurred	Sold during	Dropped	Foreign	
March 31, 2023	Mar. 31, 2022	during period	period	during period	exchange	Mar. 31 2023
Hurricane	\$ 769,867	\$ 38,118	\$ -	\$ -	\$ 64,869	\$ 872,854
Cobb Creek	565,743	242,565	-	-	53,191	861,499
Griffon	603,665	153,512	-	-	54,042	811,219
North Carlin	438,363	63,417	(318,435)	(207,818)	24,473	-
Other properties	19,232	-	-	(20,306)	1,074	-
	\$2,396,870	\$ 497,612	(\$ 318,435)	(\$ 228,124)	\$ 197,649	\$2,545,572

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.

(a) Vardenis

Vardenis, option to acquire Mendia

In June 2023, the Company executed a definitive option agreement to acquire up to a 100% interest in Mendia Resources Corp. (“Mendia”), an Armenian corporation, with Mendia’s sole shareholder

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

(the “**Optionor**”). Mendia holds the exploration license over the Vardenis copper-gold project in central Armenia. The agreement provides the Company with the exclusive option to acquire up to 100% of Mendia via staged option payments over 4.5 years as follows:

- On closing, the Company paid US\$ 100,000 in cash and issued 500,000 common shares to the Optionor and initiated specified exploration work on the Vardenis property to be completed within 18 months, including a minimum of 2,500 meters of diamond drilling, the completion of which will earn the Company a 51% equity ownership interest in Mendia
- 18 months following closing, the Company shall pay US\$ 150,000 in cash and issue 700,000 common shares to the Optionor, and initiate further exploration work on the Vardenis property including an additional 2,500 meters of drilling within three years following closing (increasing to 5,000 meters upon receipt of approval from the Armenian Ministry of Territorial Administration and Infrastructure), the completion of which will earn the Company an additional 29% equity ownership interest in Mendia increasing Fremont’s total interest therein to 80%
- 36 months following closing, the Company shall pay US\$ 100,000 in cash and issue 1,000,000 common shares to the Optionor, and initiate additional exploration work including a preliminary economic assessment level study within 4.5 years following closing, the completion of which will earn the Company an additional 10% equity ownership interest in Mendia increasing Fremont’s total interest therein to 90%
- Subsequent to Fremont’s acquisition of a 90% interest in Mendia, the Optionor has the right to retain a 10% interest in Mendia by contributing 10% of costs moving forward. If the Optionor declines this right, Fremont has the option to purchase the remaining 10% equity in Mendia for US\$ 3,500,000 in either cash or equivalent in common shares. If this option to purchase the remaining 10% is not exercised by Fremont and the Optionor does not meet their contribution commitments, the Optionor’s residual interest in Mendia will be converted to a 1.0% net smelter return royalty once their interest is diluted below 5%.

The option to acquire Mendia is held by Fremont Gold Ltd.

Vardenis, data acquisition

The Vardenis copper-gold property was formerly held by Dundee Precious Metals Inc. (“**DPMC**”) between 2015 and 2018. In June 2023, the Company entered into an agreement with DPMC to purchase its historic exploration data relating to Vardenis. The Company paid \$30,000 to DPMC and will issue \$20,000 worth of common shares by December 31, 2024, if the Company elects to continue the Mendia option agreement.

(b) Urasar

In October 2023, the Company was granted an exploration permit by the Armenian government comprising 33.8 km² over the Urasar mineral district in northern Armenia.

(c) Hurricane

1027344 B.C. entered into an agreement dated February 13, 2015 with Nevada Eagle, LLC (“**Nevada Eagle**”), a third party, pursuant to which 1027344 B.C. leased six unpatented mining claims in Nevada collectively known as Hurricane. Subject to various conditions, the lease agreement provided

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

1027344 B.C. with the exclusive right to prospect, explore and mine on the property for a period of twenty years with a right to renew thereafter.

1027344 B.C.'s rights and responsibilities associated with the agreement were subsequently transferred to Fremont Gold Ltd.

Nevada Eagle's rights and responsibilities associated with the lease agreement were assigned to Nevada Select Royalty, Inc. ("**Nevada Select**") pursuant to an assignment and assumption agreement dated May 4, 2016.

In May 2024, the Company notified Nevada Select that it was terminating the lease agreement and returning the Hurricane project to them. The termination of the lease agreement with Nevada Select follows from the Company's decision to shift focus to its copper-gold projects in the central Tethyan belt of Armenia.

The Company recognised a provision in the amount of \$879,503 writing off the carrying value of Hurricane in full in the fourth quarter of fiscal 2024.

(d) Cobb Creek

In September 2019, the Company entered into an option agreement with Clover Nevada II, LLC ("**Clover**"), a wholly owned subsidiary of Contact Gold Corp., to acquire a 100% interest in Cobb Creek. The option agreement was subject to subsequent amendments.

The Company effectively disposed of Cobb Creek when it sold Intermont in late February 2024 (see Note 7).

(e) Griffon

In December 2019, the Company entered into an option agreement with Pilot Gold (USA) Inc. ("**Pilot**"), a wholly owned subsidiary of Liberty Gold Corp., to acquire a 100% interest in the Griffon property based in White Pine County, Nevada.

In November 2023, the Company terminated the option agreement and returned the Griffon project to Pilot. The termination of the option agreement with Pilot follows from the Company's decision to shift focus to its copper-gold projects in the central Tethyan belt of Armenia.

A loss on disposal of the Griffon property totalling \$860,171 was recognised in the second and third quarters of fiscal 2024.

(f) North Carlin

The North Carlin property included both an optioned property and staked ground.

In October 2022, the Company entered into a claims acquisition agreement with Westward pursuant to which the Company would sell its 100% interest in the Coyote and Rossi claim blocks, which have historically comprised a significant part of the North Carlin property.

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

The Company announced the closing of the transaction in January 2023.

Pursuant to the terms of the agreement, Fremont received the following consideration:

- US\$ 19,647 payable in cash upon closing
- 600,000 common shares of Westward of which 200,000 shares are subject to a statutory hold period of four months plus a day from the date of issuance and the remaining 400,000 shares are subject to a voluntary hold period of eight months from the date of issuance; the hold periods end on May 18, 2023 and September 17, 2023, respectively (see Note 5)
- A 2.0% net smelter return royalty on the Coyote claims half of which (1.0%) may be repurchased by Westward at any time for US\$ 2,000,000
- A 1.0% net smelter return royalty on the Rossi claims of which half (0.5%) may be repurchased by Westward at any time for US\$ 1,500,000

The value of the consideration received by the Company as at the date of closing was \$74,370 (excluding the value of the two net smelter return royalties). The carrying value of the North Carlin property (excluding Alkali) as at the date of closing was \$318,435 thereby resulting in a loss on the disposal of the property of \$244,065.

(g) Other properties

The Company held interests in several secondary properties were all dropped in the year ended March 31, 2023 resulting in a write-off of \$20,306.

9. RECLAMATION BONDS

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

A partial refund of a reclamation bond was received in May 2022 in respect of Gold Bar totalling US\$ 4,929.

A partial refund of a reclamation bond was received in fiscal 2022 in respect of Hurricane totalling US\$ 33,640.

The net balance of reclamation bonds held prior to the disposal of Intermont (see Note 7) was US\$ 53,306 (March 31, 2023: US\$ 53,306 (\$72,139)).

Reclamation bonds provided to the Armenian state in connection with exploration work undertaken at Vardenis and Urasar amounted to \$9,570 and \$3,212, respectively, as at March 31, 2024 (March 31, 2023: \$nil).

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

10. 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.

Share consolidation

In May 2022, the Company announced that it was consolidating its common shares on a ten for one basis.

Immediately prior to completion of the Consolidation, the Company had 146,114,292 common shares issued and outstanding. After giving effect to the Consolidation, the Company had 14,611,431 common shares issued and outstanding.

The Company's outstanding incentive stock options and warrants were adjusted on the same ten for one basis to reflect the Consolidation in accordance with their respective terms, with proportionate adjustments being made to exercise prices.

The Company's common shares commenced trading on a post-consolidated basis effective at market opening on May 18, 2022.

For accounting purposes, recognition of the Consolidation has been made retroactively such that all share, per share, stock option and share purchase warrant numbers have been adjusted to reflect the Consolidation.

July 2024 non-brokered private placement

On July 23, 2024, the Company closed a non-brokered private placement financing pursuant to which a total of 20,150,000 units were issued at a price of \$0.10 per common share for gross proceeds of \$2,015,000 (see Note 19).

October 2023 non-brokered private placement

On October 27, 2023, the Company closed a non-brokered private placement financing pursuant to which a total of 11,553,000 units were issued at a price of \$0.10 per common share for gross proceeds of \$1,155,300.

Each unit was comprised of one common share of the Company and one half of a share purchase warrant. Each full warrant entitles the holder to acquire one common share at a purchase price of \$0.17 for a period of 24 months following closing of the private placement.

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

Certain directors and officers of the Company participated in the private placement subscribing for an aggregate of 1,100,000 common shares for proceeds of \$110,000.

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

July 2022 non-brokered private placement

On July 13, 2022, the Company closed a private placement financing pursuant to which a total of 10,007,666 common shares were issued at a price of \$0.12 per common share for gross proceeds of \$1,200,920.

Certain directors and officers of the Company participated in the private placement subscribing for an aggregate of 2,791,667 common shares for proceeds of \$335,000.

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

Shares issued for mineral properties

In December 2023, the Company issued 500,000 common shares in connection with the option to acquire the Vardenis copper-gold project in central Armenia (see Note 8(a)).

A total of 250,000 common shares were issued in December 2022 and a further 1,000,000 common shares were issued in January 2023 in connection with the acquisition of the Griffon project pursuant to the amended terms of the original option agreement (see Note 8(e)).

(b) Share purchase warrants

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

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

	Expiry date	Number of warrants	Weighted average exercise price
March 31, 2022		6,206,403	0.83
March 31, 2023		6,206,403	0.83
Issuance			
Warrants (October 2023 private placement)	October 27, 2025	5,776,500	0.17
Expiration			
Warrants (July 2021 private placement)	July 27, 2023	(2,073,283)	0.50
Finder warrants (July 2021 private placement)	July 27, 2023	(28,000)	0.50
Warrants (November 2020 private placement)	Nov. 2, 2023	(4,000,000)	1.00
Finder warrants (November 2020 private placement)	Nov. 2, 2023	(105,120)	1.00
March 31, 2024		5,776,500	0.17

The Company had the following share purchase warrants outstanding as at March 31, 2024:

	Expiry date	Exercise price	Number of warrants
Warrants (October 2023 private placement)	October 27, 2025	0.17	5,776,500
		0.17	5,776,500

The weighted average remaining life of outstanding share purchase warrants as at March 31, 2024 was 19 months (March 31, 2023: six months).

2,073,283 warrants and 28,000 finder warrants issued in connection with the July 2021 private placement expired on July 27, 2023. 4,000,000 warrants and 105,120 finder warrants issued in connection with the November 2020 private placement expired on November 2, 2023.

(c) Stock options

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

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

	Number of options	Weighted average exercise price
March 31, 2022	475,000	0.97
Forfeited	(100,000)	1.08
Expired	(25,000)	1.50
March 31, 2023	350,000	0.90
Issued	3,050,000	0.09
March 31, 2024	3,400,000	0.17

The Company had the following stock options outstanding as at March 31, 2024:

Expiry date	Number of options	Exercise price
April 15, 2025	175,000	1.00
January 18, 2026	175,000	0.80
April 23, 2028	1,950,000	0.09
December 20, 2028	1,100,000	0.09
	3,400,000	0.17

The weighted average remaining life of outstanding stock options as at March 31, 2024 was 48 months (March 31, 2023: 28 months).

Stock-based compensation totalled \$128,847 in the year ended March 31, 2024 (year ended March 31, 2023: \$23,543).

1,350,000 of the stock options outstanding as at March 31, 2024 were exercisable as at this date.

A total of 1,950,000 stock options were granted in April 2023. The stock options have an exercise price of \$0.09 and are exercisable through April 23, 2028. All of the stock options will vest in five equal tranches over 24 months including an initial tranche vesting on the date of issuance of the stock options.

A total of 1,100,000 stock options were granted in January 2024. The stock options have an exercise price of \$0.09 and are exercisable through December 20, 2028. All of the stock options will vest in five equal tranches over 24 months including an initial tranche vesting on the date of issuance of the stock options.

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

The fair values of the stock options granted in 2024 were estimated as at the date of issuance using the Black-Scholes option-pricing model applying the following assumptions:

	Jan. 2, 2024 (\$0.09)	April 27, 2023 (\$0.09)
Dividends	-	-
Expected volatility (average)	126%	122%
Risk-free interest rate	5.2%	4.0%
Expected life (months)	60	60
Expected rate of forfeiture	5.0%	5.0%

A total of 150,000 stock options having an exercise price of \$0.10 were issued subsequent to March 31, 2024 through July 29, 2024. The stock options have an exercise price of \$0.10 and are exercisable through July 4, 2029. All of the stock options will vest in five equal tranches over 24 months including an initial tranche vesting on the date of issuance of the stock options.

No stock options were exercised subsequent to March 31, 2024 through July 29, 2024.

11. EXPLORATION AND EVALUATION EXPENDITURES

Year ended March 31, 2024						
	Vardenis	Urasar	Armenia	NV lithium	NV gold	Total
Drilling	\$ 213,267	\$ -	\$ -	\$ -	\$ -	\$ 213,267
Third party services	89,653	-	-	-	27,634	117,287
Labour	96,046	32,757	-	-	-	128,803
Field activity	54,450	6,645	-	6,603	3,158	70,856
Assay	56,930	-	-	13,408	-	70,338
Travel	11,656	7,474	-	4,239	242	23,611
Reclamation	13,816	-	-	-	-	13,816
Local community	27,627	37,086	-	-	-	64,713
VP Exploration	-	-	-	14,495	5,814	20,309
Armenia country manager	8,038	4,698	10,367	-	-	23,103
	\$ 571,483	\$ 88,660	\$ 10,367	\$ 38,745	\$ 36,848	\$ 746,103

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

Year ended March 31, 2023					
	Cobb Creek	North Carlin	Other properties	VP Exploration	Total
Assay	\$ 3,382	\$ -	\$ -	\$ -	\$ 3,382
Travel	1,388	1,705	-	-	3,093
Field supplies	-	795	2,878	-	3,673
VP Exploration	-	-	-	19,736	19,736
	\$ 4,770	\$ 2,500	\$ 2,878	\$ 19,736	\$ 29,884

12. PROJECT DEVELOPMENT

Project development costs relate to costs incurred by the Company in connection with the search for and preliminary evaluation of mineral properties outside of North America. All project development costs incurred in the years ended March 31, 2023 and March 31, 2024 relate to expenditures incurred in connection with the Tethyan Mineral Belt in Armenia.

The Company established HRC, a wholly owned subsidiary of Fremont Gold Ltd. incorporated under the laws of the Republic of Armenia, to facilitate the operations of the Company in Armenia.

In June 2023, the Company executed a definitive option agreement to acquire up to a 100% interest in Mendia which holds the exploration license over the Vardenis copper-gold project in central Armenia (see Note 8(a)). In October 2023, the Company was granted an exploration permit comprising 33.8 km² over the Urasar mineral district in northern Armenia.

The Company is pursuing other exploration opportunities in the Tethyan Mineral Belt in Armenia and Georgia.

13. INCOME TAXES

A reconciliation of income taxes at the statutory rate is as follows:

	Year ended March 31, 2024	Year ended March 31, 2023
Net loss before income taxes	(\$ 3,943,310)	(\$ 988,528)
Statutory tax rate	25.13%	26.56%
Expected income tax recovery	(990,838)	(262,553)
Effect of non-deductible items for income tax purposes	1,033,704	242,113
Unrecognised benefit of non-capital losses	687,348	20,440
Effect of lost tax pools on disposition of subsidiaries	(730,214)	-
Deferred income tax expense	-	-

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

The Company's deductible temporary differences and unused tax losses consist of the following amounts:

	Year ended March 31, 2024	Year ended March 31, 2023
Non-capital losses	\$ 7,699,167	\$ 8,435,459
Capital losses	3,061,869	-
Mineral properties	-	(312,189)
Fixed assets	985	24,016
Share issue costs	52,546	73,913
	\$ 10,814,567	\$ 8,221,199

The Company has non-capital losses of approximately \$7,515,000 in its Canadian operations for income tax purposes which are available to reduce future taxable income.

The Company has non-capital losses of approximately \$180,000 in its Armenian operations for income tax purposes which are available to reduce future taxable income. Such losses are available to be carried forward for a maximum of five years.

14. 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:

	Year ended March 31, 2024	Year ended March 31, 2023
Remuneration of officers of the Company (1)	\$ 290,589	\$ 231,747
Recharge of exploration, claim and local administrative expenditures (2)	139,384	61,976
Stock-based compensation relating to stock options issued to officers and directors of the Company	89,871	19,537
	\$ 519,844	\$ 313,260

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

(2) Certain exploration, local administrative and claim acquisition expenditures were charged to Intermont by Tectonex LLC, a company owned by the Company's former VP Exploration. Such charges totalled US\$ 103,355 (\$139,384) in the year ended March 31, 2024 (year ended March 31, 2023: US\$ 46,975 (\$61,976)). All such expenditures were recharged to the Company without margin or discount at the actual cost incurred by Tectonex

Certain directors and officers of the Company participated in the July 2024 private placement subscribing for an aggregate of 600,000 common shares for proceeds of \$60,000.

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

Certain directors and officers of the Company participated in the October 2023 private placement subscribing for an aggregate of 1,100,000 common shares for proceeds of \$110,000.

Certain directors and officers of the Company participated in the July 2022 private placement subscribing for an aggregate of 2,791,667 common shares for proceeds of \$335,000.

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:

	March 31, 2024	March 31, 2023
Amount owing to Tectonex relating to the recharge of exploration, claim and local administrative expenditures	\$ 145,465	\$ 109,450
Amounts owing to directors and officers relating to deferred remuneration and the reimbursement of expenses	378,278	261,271
Advance provided by the President and CEO	100,000	-
	<u>\$ 623,743</u>	<u>\$ 370,721</u>

All amounts owing to related parties are non-interest bearing, unsecured and have no set terms of repayment.

In July 2023, the Company acquired Lithaur Inc. from a member of management for nominal consideration (see Note 6).

15. SEGMENTED INFORMATION

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

	Canada	United States	Armenia	Total
Non-current assets:				
March 31, 2024	\$ 68,737	\$ -	\$ 234,466	\$ 303,203
March 31, 2023	1,480	2,619,292	-	2,620,772
Net loss				
12 months ended March 31, 2024	603,813	2,544,685	794,812	3,943,310
12 months ended March 31, 2023	\$ 261,084	\$ 598,426	\$ 129,018	\$ 988,528

16. 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 evaluation of mineral property assets. The Board of Directors does not establish quantitative

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

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 year ended March 31, 2024.

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

17. 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.

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 Armenia and it is therefore exposed to foreign exchange risk arising from transactions and monetary balances denominated in United States dollars and Armenian drams. 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.

Fremont Gold Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

YEARS ENDED MARCH 31, 2024 AND MARCH 31, 2023

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 \$20,000, the provision for estimated restoration costs (short-term and long-term) totalling \$20,601, amounts owing to the former VP Business Development totalling \$17,193 and balances due to related parties (see Note 14), all accounts payable and accrued liabilities are due within 90 days of March 31, 2024. Amounts due to related parties as at March 31, 2024 were unsecured, non-interest bearing and had no set terms of repayment.

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

18. SUPPLEMENTARY CASH FLOW INFORMATION

The consolidated statements of cash flows exclude the following items that do not require the use of cash:

	12 months ended March 31, 2024	12 months ended March 31, 2023
Non-cash additions to mineral properties	\$ 35,000	\$ 112,500

19. SUBSEQUENT EVENTS

July 2024 non-brokered private placement

On July 23, 2024, the Company closed a non-brokered private placement financing pursuant to which a total of 20,150,000 units were issued at a price of \$0.10 per common share for gross proceeds of \$2,015,000.

Each unit was comprised of one common share of the Company and one half of a share purchase warrant. Each full warrant entitles the holder to acquire one common share at a purchase price of \$0.17 for a period of 18 months following closing of the private placement.

Certain directors and officers of the Company participated in the private placement subscribing for an aggregate of 600,000 common shares for gross proceeds of \$60,000.

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