FREEGOLD VENTURES LIMITED

(An Exploration Stage Company)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(UNAUDITED)

(Expressed in U.S. Dollars)

Second Quarter ended June 30, 2023

MANAGEMENT'S COMMENTS ON
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of Freegold Ventures Limited (the "Company") have been prepared by and are the responsibility of the Company's management. The unaudited condensed consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgements based on information currently available.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Freegold Ventures Limited
(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Financial Position

(unaudited)

(Expressed in U.S. Dollars)

ASSETS	**June 30, 2023**	**December 31, 2022**
Current		
Cash and cash equivalents	**$ 9,978,880**	$ 693,235
Amounts receivable	**64,795**	19,731
Prepaid expenses and deposits	**172,757**	93,816
	10,216,432	806,782
Exploration and Evaluation Properties *(Note 4)*	**80,900,712**	76,033,939
Property, Plant and Equipment *(Note 5(a))*	**411,293**	427,907
Right-of-Use Asset *(Note 5(b))*	**115,273**	131,665
	$ 91,643,710	$ 77,400,293

LIABILITIES		
Current		
Trade payables	**$ 880,790**	$ 376,608
Accrued liabilities	**10,000**	64,152
Current portion of lease liability *(Note 5(b))*	**29,145**	28,491
	919,935	469,251
Non-Current		
Lease liability (*Note 5(b))*	**86,461**	99,615
Restoration and environmental obligations *(Note 7)*	**362,045**	358,000
	1,368,441	926,866
SHAREHOLDERS' EQUITY		
Share Capital *(Note 8)*	**125,809,648**	115,505,151
Reserves	**37,490,287**	31,087,666
Deficit	**(73,024,666)**	(70,119,390)
	90,275,269	76,473,427
	$ 91,643,710	$ 77,400,293

Nature and Continuance of Operations *(Note 1)* and **Subsequent Events** *(Note 11)*

APPROVED AND AUTHORIZED FOR ISSUE ON BEHALF OF THE BOARD OF DIRECTORS:

"Garnet Dawson", Director *"David Knight"*, Director

Freegold Ventures Limited
(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(unaudited)

(Expressed in U.S. Dollars)

	Common Shares	Amount	Stock Options Reserve	Warrants Reserve	Foreign Currency Translation Reserve	Deficit	Total
Balance – December 31, 2021	**337,499,366**	**$ 108,591,573**	**$ 8,747,113**	**$ 24,386,267**	**$ 1,085,967**	**$ (69,316,430)**	**$ 73,494,490**
Issuance and allotment of shares for:							
- Exercise of warrants *(Note 8(b))*	14,992,503	5,251,407	-	(2,249,875)	-	-	3,031,532
- Exercise of options *(Note 8 (c))*	50,000	6,189	(2,189)	-	-	-	4,000
Foreign currency translation adjustment	-	-	-	-	74,178	-	74,178
Loss for the period	-	-	-	-	-	(591,929)	(591,929)
Balance – June 30, 2022	**352,541,869**	**113,879,169**	**8,744,924**	**22,136,392**	**1,160,145**	**(69,908,359)**	**76,012,271**
Balance – December 31, 2022	**368,189,021**	**$ 115,505,151**	**$ 8,739,451**	**$ 21,533,143**	**$ 815,072**	**$ (70,119,390)**	**$ 76,473,427**
Issuance and allotment of shares for:							
- Brokered private placement *(Note 8(a))*	41,310,000	12,242,632	-	-	-	-	12,242,632
- Brokered private placement *(Note 8(a))*	10,000,000	2,974,800	-	-	-	-	2,974,800
- Value assigned to warrants *(Note 8(a))*	-	(2,763,941)	-	2,763,941	-	-	-
- Value assigned to warrants *(Note 8(a))*	-	(732,548)	-	732,548	-	-	-
- Exercise of options *(Note 8 (c))*	250,000	30,337	(10,947)	-	-	-	19,390
- Share issue costs *(Note 8(a))*	-	(1,156,094)	-	-	-	-	(1,156,094)
- Share issue costs – agent warrants *(Note 8(a))*	-	(290,689)	-	290,689	-	-	-
- Share-based payments *(Note 8(c))*	-	-	2,535,913	-	-	-	2,535,913
Foreign currency translation adjustment	-	-	-	-	90,477	-	90,477
Loss for the period	-	-	-	-	-	(2,905,276)	(2,905,276)
Balance – June 30, 2023	**419,749,021**	**$ 125,809,648**	**$ 11,264,417**	**$ 25,320,321**	**$ 905,549**	**$ (73,024,666)**	**$ 90,275,269**

Freegold Ventures Limited
(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(unaudited)

(Expressed in U.S. Dollars)

		3 Months Ended June 30, 2023	3 Months Ended June 30, 2022	6 Months Ended June 30, 2023		6 Months Ended June 30, 2022
General and Administrative Expenses						
Accretion *(Note 5(b) & 7)*	$	**3,265**	1,637	**6,609**	$	3,370
Consulting fees *(Note 6)*		**5,569**	5,871	**15,016**		11,805
Depreciation *(Notes 5(a) & 5(b))*		**16,510**	24,306	**33,006**		47,635
Office and miscellaneous		**11,557**	15,494	**25,538**		38,805
Professional fees (*Note 6)*		**64,598**	18,590	**79,699**		34,732
Promotion and shareholder relations		**66,771**	53,257	**102,878**		80,141
Rent and utilities		**6,880**	6,689	**13,615**		13,451
Share-based payments *(Notes 6 & 8(c))*		**2,354,689**	-	**2,354,689**		-
Transfer, filing and other fees		**45,173**	34,486	**115,767**		104,180
Travel and transportation		**25,235**	57,508	**40,425**		57,569
Wages, salaries and benefits *(Note 6)*		**108,723**	115,499	**215,680**		245,132
Total General and Administrative Expenses		**(2,708,970)**	(333,337)	**(3,002,922)**		(636,820)
Foreign exchange gain (loss), net		**(4,094)**	31,368	**(3,934)**		6,264
Interest and bank charges		**(1,406)**	(2,143)	**(2,285)**		(3,285)
Overhead recovery fee		**-**	7,564	**-**		13,753
Interest income		**102,777**	16,340	**103,865**		28,159
		97,277	53,129	**97,646**		44,891
Net Loss for the Period	**$**	**(2,611,693)**	(280,208)	**(2,905,276)**	$	(591,929)
Loss per Share – Basic and Diluted	**$**	**(0.01)**	(0.00)	**(0.01)**	$	(0.00)
Weighted Average Number of Shares Outstanding – Basic and Diluted		**418,322,632**	343,492,751	**380,777,091**		339,022,939
Comprehensive Loss						
Net loss for the period	**$**	**(2,611,693**	(280,208)	**(2,905,276)**	$	(591,929)
Foreign currency translation adjustment		**127,321**	(58,199)	**90,477**		74,178
Total Comprehensive Loss for the Period	**$**	**(2,484,372)**	(338,407)	**(2,814,799)**	$	(517,751)

Freegold Ventures Limited
(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Cash Flows

For the Six Months Ended June 30,
(unaudited)

(Expressed in U.S. Dollars)

Cash Resources Provided By (Used In)		2023		2022
Operating Activities				
Loss for the period	**$**	**(2,905,276)**	$	(591,929)
Items not affecting cash:				
Depreciation		**33,006**		47,635
Accretion		**6,609**		3,370
Share-based payments		**2,354,689**		-
Net changes in non-cash working capital components:				
Amounts receivable		**(45,064)**		(20,698)
Prepaid expenses and deposits		**(78,941)**		1,617
Trade payables		**55,150**		144,882
Accrued liabilities		**(54,152)**		(37,886)
Project cost advance		**-**		(151,286)
		(633,979)		(604,295)
Investing Activities				
Exploration and evaluation property acquisition costs		**(169,201)**		(66,471)
Exploration and evaluation property exploration costs		**(4,248,540)**		(7,719,558)
Exploration and evaluation property exploration cost recovery		**-**		151,615
Purchase of equipment		**-**		(21,450)
		(4,417,741)		(7,655,864)
Financing Activities				
Share capital issued		**15,236,822**		3,035,532
Share issuance costs		**(1,156,094)**		-
Repayment of lease liability		**(12,500)**		(17,376)
Restricted cash		**-**		151,286
		14,068,228		3,169,442
Effect of Foreign Currency on Cash and Cash Equivalents		**269,137**		70,810
Net Increase (Decrease) in Cash and Cash Equivalents		**9,285,645**		(5,019,907)
Cash and Cash Equivalents - Beginning of Year		**693,235**		13,832,580
Cash and Cash Equivalents - End of Period	**$**	**9,978,880**	$	8,812,673
Interest received	**$**	**103,865**	$	28,159
Income taxes paid	**$**	**-**	$	-
Supplemental Disclosure of Non-Cash Items				
Exploration expenditures included in trade payables	**$**	**814,777**	$	1,110,738
Share-based payments included in mineral properties	**$**	**181,224**	$	-
Fair value of agent’s warrants	**$**	**290,689**	$	-

-See Accompanying Notes-

1. Nature and Continuance of Operations

Freegold Ventures Limited (the "Company") is in the process of acquiring, exploring and evaluating precious and base metal properties. The Company will attempt to bring the properties to production, structure joint ventures with others, option or lease properties to third parties or sell the properties outright. The Company has not determined whether these properties contain ore reserves and the Company is considered to be in the exploration stage. The recoverability of the amounts expended by the Company on acquiring and exploring mineral properties is dependent upon future profitable production or selling the property.

The head office, principal address and registered records office of the Company is Suite 888 – 700 West Georgia Street, Vancouver, British Columbia, Canada, V7Y 1G5.

The Company's condensed consolidated interim financial statements as at June 30, 2023 and for the six-month period then ended have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company had a comprehensive loss of $2,814,799 for the six-month period ended June 30, 2023 and had working capital of $9,296,497 at June 30, 2023.

Management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive, or raise additional debt and/or equity capital. If the Company is unable to raise additional capital in the immediate future, management expects that the Company will need to curtail operations, liquidate assets, seek additional capital on less favourable terms and/or pursue other remedial measures or cease operations. With the additional financing received during the six-month period ended June 30, 2023, management estimates it has sufficient working capital to continue operations for the next 12 months. These condensed consolidated Interim financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

In March 2020, the World Health Organization declared coronavirus (COVID-19) a global pandemic. The COVID-19 pandemic of three years has resulted in supply chain disruptions, record high inflation and rising interest rates which all have impeded adversely the global economy and tightened the financial markets. It is indeterminable when inflation will be back to a normal level and the economy will recover. In May 2023, the World Health Organization declared the coronavirus (COVID-19) was no longer a global pandemic.

2. Significant Accounting Policies

The financial statements of the Company and its subsidiaries (the "Group") have been prepared in accordance with International Accounting Standards ("IAS") 34, "*Interim Financial Reporting*" using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's annual consolidated financial statements for the year ended December 31, 2022.

a) **Consolidation**

These condensed consolidated Interim financial statements include the accounts of the Company's wholly-owned subsidiaries, Free Gold Recovery, USA, Freegold Ventures Limited, USA, Grizzly Bear Gold Inc., McGrath Gold Inc. and Dolphin Gold Inc. (inactive), all incorporated in the United States. All subsidiaries are US corporations which are involved in exploration and evaluation of properties. Inter-company transactions and balances are eliminated upon consolidation.

b) **Significant Accounting Judgments, Estimates and Assumptions**

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

The most significant accounts that require estimates and judgements as the basis for determining the stated amounts include the recoverability of exploration and evaluation properties, determination of functional currency, valuation of share-based compensation and recognition of deferred tax amounts.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

<u>Economic recoverability and probability of future economic benefits of exploration and evaluation properties</u>
Management assesses whether there are any impairment indicators at each reporting period and if any are determined, will perform a valuation test. Management has determined that there were no impairment indicators and exploration, evaluation, and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including, geologic and other technical information, a history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

<u>Determination of functional currency</u>
The Company determines the functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions within the reporting entity.

<u>Going concern of operations</u>
The financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The assessment of the Company's ability to source future operations and continue as a going concern involves judgement. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. If the

going concern assumption is not appropriate for the financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported revenue and expenses and the statement of financial position classifications used (Note 1).

Information about assumptions and estimation uncertainties that have a significant risk of resulting in significant adjustments are as follows:

Valuation of share-based compensation
The Company uses the Black-Scholes option pricing model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, risk-free interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

Asset retirement obligations

The Company's asset retirement obligations represent management's best estimate of the present value of the future cash outflows required to settle estimated reclamation and closure costs on the Company's exploration projects. The provision reflects estimates of future costs, inflation and assumptions of risks associated with the future cash outflows, and the applicable interest rates for discounting the future cash outflows. Changes in the above factors can result in a change to the provision recognized by the Company.

Changes to the asset retirement obligations are recorded with a corresponding change to the carrying amounts of related exploration and evaluation assets. Adjustments to the carrying amounts of related mining properties can result in a change to future depletion expense.

Business combination versus asset acquisition
Determination of whether a set of assets acquired and liabilities assumed constitute a business may required the Company to make certain judgments, taking into account all facts and circumstances. A business is presumed to be an integrated set of activities and assets capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or economic benefits. The transaction with Alaska Mining & Development Co., Inc. was determined to constitute an acquisition of assets (Note 4 vii).

c) **Cash and Cash Equivalents**

The Company considers cash and cash equivalents to include amounts held in banks and highly liquid investments with maturities at point of purchase of 90 days or less. The Company places its cash and cash equivalents with institutions of high-credit worthiness.

As at June 30, 2023, the Company holds cash of $11,311,634 (December 31, 2022 - $653,388) and cash equivalents of $39,879 (December 31, 2022 - $39,847).

d) **Financial Instruments**

Financial instruments consist of financial assets and financial liabilities, and are initially recognized at fair value net of transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit and loss.

The Company classifies its financial assets and financial liabilities in the following measurement categories:

a) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
b) those to be measured at amortized cost.

The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at the end of subsequent accounting periods. All other financial assets are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income. The Company's cash and cash equivalents, restricted cash, amounts receivable and deposits are recorded at amortized cost.

Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (irrevocable election at the time of recognition). Any fair value changes due to credit risk for liabilities designated at fair value through profit and loss are recorded in other comprehensive income.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Impairment of Financial Assets

An expected credit loss (ECL) model applies to financial assets measured at amortized cost, contract assets and debt investments at fair value through other comprehensive income, but not to investments in equity instruments. The Company's financial assets, measured at amortized cost and subject to the ECL model, include cash and cash equivalents, and amounts receivable.

An entity is required to recognize expected credit losses when financial instruments are initially recognized and to update the amount of expected credit losses recognized at each reporting date to reflect changes in the credit risk of the financial instruments. In addition, IFRS 9 requires additional disclosure requirements about expected credit losses and credit risk.

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods, if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as fair value through profit or loss ("FVTPL") or amortized cost. Financial liabilities classified as amortized cost are initially recognized at fair value less directly attributable transaction costs.

The Company's trade payables, accrued liabilities, lease liability and project cost advance received are classified at amortized cost. The Company does not currently have any FVTPL financial liabilities.

e) **Exploration and Evaluation Properties**

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Option payments received are treated as a reduction of the carrying value of the related exploration and evaluation properties and deferred costs until the receipts are in excess of costs incurred, at which time they are credited to income. Option payments are at the discretion of the optionee, and accordingly, are recorded on a cash basis.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

3. Approval

These condensed consolidated Interim financial statements were approved and authorized for issue by the Audit Committee of the Board of Directors on August 10, 2023.

(Expressed in U.S. Dollars)

4. Exploration and Evaluation Properties

2022:

	Golden Summit Property	Shorty Creek Property	Total
Acquisition costs			
Balance, December 31, 2021	$ 6,372,788	$ 198,546	$ 6,571,334
Additions	250,471	-	250,471
Balance, December 31, 2022	$ 6,623,259	$ 198,546	$ 6,821,805
Exploration and evaluation costs			
Balance, December 31, 2021	$ 47,385,692	$ 5,634,490	$ 53,020,182
Assaying	1,625,750	71,768	1,697,518
Camp costs	1,342,781	-	1,342,781
Drilling	10,575,960	-	10,575,960
Engineering and consulting	144,495	14,400	158,895
Environmental studies	9,984	-	9,984
Geological and field expenses	341,030	62,539	403,569
Geophysical	28,840	-	28,840
Land maintenance and tenure	84,430	113,520	197,950
Legal	26,514	-	26,514
Mineral resource update	15,795	-	15,795
Overhead cost	-	13,614	13,614
Personnel	1,621,212	38,316	1,659,528
Revision to restorative costs	108,000	-	108,000
Travel	92,760	10,000	102,760
Total incurred during the year ended December 31, 2022	$ 16,017,551	$ 324,157	$ 16,341,708
Less:			
Expenditure recovery	-	(149,756)	(149,756)
Balance, December 31, 2022	$ 63,403,243	$ 5,808,891	$ 69,212,134
Total	**$ 70,026,502**	**$ 6,007,437**	**$ 76,033,939**

(Expressed in U.S. Dollars)

2023:

	Golden Summit Property	Shorty Creek Property	Total
Acquisition costs			
Balance, December 31, 2022	$ 6,623,259	$ 198,546	$ 6,821,805
Additions	169,201	-	169,201
Balance, June 30, 2023	$ 6,792,460	$ 198,546	$ 6,991,006
Exploration and evaluation costs			
Balance, December 31, 2022	$ 63,403,243	$ 5,808,891	$ 69,212,134
Assaying	383,149	-	383,149
Camp costs	520,757	-	520,757
Drilling	2,949,615	-	2,949,615
Engineering and consulting	10,538	-	10,538
Environmental studies	12,620	-	12,620
Geological and field expenses	63,576	22,108	85,684
Geophysical	49,664	-	49,664
Legal	8,905	-	8,905
Mineral resource update	47,166	-	47,166
Personnel	604,045	-	604,045
Travel	25,429	-	25,429
Total incurred during the period ended June 30, 2023	$ 4,675,464	$ 22,108	$ 4,697,572
Balance, June 30, 2023	$ 68,078,707	$ 5,830,999	$ 73,909,706
Total	**$ 74,871,167**	**$ 6,029,545**	**$ 80,900,712**

a) **Golden Summit Property, Alaska, USA**

In 1997, the Company acquired certain mineral claims from Fairbanks Exploration Inc. ("FEI"), subject to a 7% carried working interest held in trust by the Company for FEI. After production is achieved, FEI must contribute 7% of any future approved budget. The same claims are also subject to a 2% NSR payable to FEI. The Company has a 30-day right of first refusal in the event that the 7% carried working interest of FEI or the NSR is to be sold. The Company can also purchase the NSR at any time following the commencement of commercial production, for a price equal to its then net present value as determined in accordance with an agreed upon formula.

(i) **Keystone Claims**

By an agreement dated May 17, 1992, the Company entered into a lease agreement, subsequently amended, with Keystone Mines Partnership whereby the Company agreed to make advance royalty payments. The Company has paid $2,330,000 to June 30, 2023 (December 31, 2022 - $2,330,000) and under the current agreement will pay $75,000 per annum for as long as the advance royalty payment is being paid or mining, permitting or processing is being conducted on the Property. The property is subject to a 3% NSR.

(ii) **Newsboy Claims**

By lease agreement dated February 28, 1986, subsequently amended, the Company assumed the obligation to make advance royalty payments. The Company has paid $273,000 to June 30, 2023 (December 31, 2022 - $261,000).

On February 22, 2022, the Company received a lease extension for an additional 5 years from March 1, 2022 to February 28, 2027. The minimum royalty payable under the amended lease will be $12,000 per year for the term of the lease. The lease payment for 2023 of $12,000 was paid.

The claims are subject to a 4% NSR. The Company has the option to purchase the NSR for the greater of the current value or US$1,000,000 less all advance royalty payments completed to date.

(iii) **Tolovana Claims**

In May 2004, the Company entered into an agreement with a third party (the "Seller") whereby the Seller transferred 100% of the rights via a Quit Claim Deed to a 20-year lease on the Tolovana Gold Property in Alaska.

Under the terms of the agreement, the Company assumed all of the Seller's obligations under the lease, which include making annual lease payments. The Company has paid $331,250 to June 30, 2023 (December 31, 2022 - $322,250) and under the current agreement will pay $18,000 per annum until 2024. The Company has the option to renew the lease for an additional 10-year term.

The property is subject to a sliding scale NSR as follows: 1.5% NSR if gold is below $300 per ounce, 2.0% NSR in the event the price of gold is between $300 to $400, and 3.0% NSR in the event that the price of gold is above $400.

The Company, at its option, can purchase 100% of the Tolovana Gold Property claims and NSR for $1,000,000 less any amounts paid.

(iv) **Green Claims**

On December 16, 2010, the Company entered into a 20-year lease agreement with Christina Mining Company, LLC to lease certain mineral claims in the Fairbanks Mining District of Alaska known as the Green Property. The Company has paid $1,350,000 to June 30, 2023 (December 31, 2022 - $1,250,000) and under the current agreement will pay $200,000 per annum until 2028 and $250,000 in 2029. Pursuant to the agreement, the Company was required to incur $1,000,000 in cumulative exploration expenditures (incurred).

The claims are subject to a 3% NSR.

The Company paid $100,000 in 2022 towards the 2022 advance royalty payment and the remaining $100,000 was paid during the six-month period ended June 30, 2023.

(v) **Chatham Claims**

On July 11, 2011, the Company entered into a 4-year lease agreement, subsequently amended, to lease certain mineral claims in the Fairbanks Mining District of Alaska known as the Chatham Property.

During the year ended December 31, 2021, the Company exercised its option to purchase the property and paid $610,000 to acquire the property. The claims are subject to a 1.75% to 2.00% NSR.

(vi) **Alaska Mental Health Trust Property**

By lease agreements from June 1, 2012 and subsequent, the Company entered into mining leases on certain mineral claims in the Fairbanks Mining District of Alaska known as the Alaska Mental Health Trust Property.

Lease for 403 acres:

The Company has paid lease payments of $107,615 to June 30, 2023 (December 31, 2022 - $97,540) and will pay $10,075 per annum until 2024. The Company has met the cumulative exploration expenditure requirements of $1,150,565 to December 31, 2022 (2021 - $1,007,500) and is required to incur exploration expenditures of $143,065 per annum until 2024.

Lease for 627 acres:

The Company has paid lease payments of $82,294 to June 30, 2023 (December 31, 2022 - $70,538) and will pay $11,756 per annum until 2024. The Company has met the cumulative exploration expenditure requirements of $1,047,090 to December 31, 2022 (2021 - $824,505) and is required to incur exploration expenditures of $222,585 per annum until 2024.

(Expressed in U.S. Dollars)

Lease for 546 acres:

The Company has paid lease payments of $24,570 to June 30, 2023 (December 31, 2022 - $16,380) and will pay $8,190 per annum until 2025 and $10,920 per annum from 2026 until 2028. The Company has met the cumulative exploration expenditure requirements of $204,750 to December 31, 2022 (2021 - $136,500) and is required to incur exploration expenditures of $128,310 per annum until 2025 and $193,830 per annum from 2026 to 2028.

Lease for 1,818 acres:

The Company has paid lease payments of $36,360 to June 30, 2023 (December 31, 2022 - $18,180) and will pay $18,180 per annum until 2024, $27,270 per annum from 2025 until 2027 and $36,360 per annum from 2028 to 2030. The Company has met the cumulative exploration expenditure requirements of $227,250 to December 31, 2022 (2021 - $Nil) and is required to incur exploration expenditures of $227,250 per annum until 2024, $454,500 per annum from 2025 to 2027 and $681,750 per annum from 2028 to 2030.The claims will be subject to the following NSR:

Price of Gold (per ounce)	Net Royalty
$500 or below	1.0%
$500.01 - $700.00	2.0%
$700.01 - $900.00	3.0%
$900.01 - $1,200.00	3.5%
above $1,200.00	4.5%

(vii) **Alaska Mining and Development Property**

By agreement effective September 9, 2020, the Company completed the acquisition of Alaska Mining & Development Co., Inc. (“Alaska Mining”, subsequently dissolved), for $1,100,000. Alaska Mining owned certain mineral claims in the Fairbanks Mining District of Alaska.

(viii) **Discovery Claims**

By agreement effective June 23, 2021, the Company purchased certain mineral claims in the Fairbanks Mining District of Alaska for cash consideration of $500,000.

b) **Shorty Creek Property, Alaska, USA**

By agreement dated July 17, 2014, the Company entered into a renewable 10-year lease agreement to lease certain mineral claims located northwest of Fairbanks, Alaska known as the Shorty Creek Property. On August 8, 2014, the Company issued 750,000 common shares as consideration for entering into the lease agreement. The vendor will retain a 2% NSR. The Company is responsible for ongoing annual assessment work as required by the State of Alaska. In 2014 and 2016, additional claims were staked within and outside the area of interest and the Company will be responsible for these annual State of Alaska rents.

On March 5, 2019, the Company entered into an agreement (the “SC Option Agreement”) subsequently amended with a wholly-owned subsidiary of South32 Limited (“South32”) whereby South32 had the option to earn a 70% interest in the Shorty Creek Property. To maintain the option in good standing under the SC Option Agreement, South32 was required to contribute minimum exploration funding of $10 million over a 4-year option period.

Expenditure funding of $149,756 (December 31, 2021 - $2,493,570) was received prior to the termination of the agreement during the year ended December 31, 2022.

During the six-month period ended June 30, 2023, no management fee revenue (June 30, 2022 - $13,753) was earned pursuant to the 10% operator fee. During the year ended December 31, 2022, South32 provided notice of its intention and election not to further fund any further Tranche Payments as defined in, and in terms of, the Option Agreement, and accordingly the Option Agreement has been terminated.

(Expressed in U.S. Dollars)

5 (a) Property, Plant and Equipment

2022:

	Automotive	Computer Equipment	Office Equipment	Exploration Office	Exploration Office Equipment	Land	Total
Costs							
Balance, December 31, 2021	$ 129,214	$ 12,209	$ 6,658	$ 179,944	$ 13,396	$ 218,892	$ 560,313
Additions	76,231	-	-	-	-	-	76,231
Balance, December 31, 2022	$ 205,445	$ 12,209	$ 6,658	$ 179,944	$ 13,396	$ 218,892	$ 636,544
Accumulated Depreciation							
Balance, December 31, 2021	$ (47,137)	$ (11,226)	$ (5,710)	$ (62,707)	$ (12,101)	$ -	$ (138,881)
Depreciation	(64,340)	(346)	(122)	(4,689)	(259)	-	(69,756)
Balance, December 31, 2022	$ (111,477)	$ (11,572)	$ (5,832)	$ (67,396)	$ (12,360)	$ -	$ (208,637)
Net Book Value	$ **93,968**	**$ 637**	**$ 826**	**$ 112,548**	**$ 1,036**	**$ 218,892**	**$ 427,907**

(Expressed in U.S. Dollars)

2023:

	Automotive	Computer Equipment	Office Equipment	Exploration Office	Exploration Office Equipment	Land	Total
Costs							
Balance, December 31, 2022	$ 205,445	$ 12,209	$ 6,658	$ 179,944	$ 13,396	$ 218,892	$ 636,544
Additions	-	-	-	-	-	-	-
Balance, June 30, 2023	$ 205,445	$ 12,209	$ 6,658	$ 179,944	$ 13,396	$ 218,892	$ 636,544
Accumulated Depreciation							
Balance, December 31, 2022	$ (111,477)	$ (11,572)	$ (5,832)	$ (67,396)	$ (12,360)	$ -	$ (208,637)
Depreciation	(14,095)	(117)	(47)	(2,251)	(104)	-	(16,614)
Balance, June 30, 2023	$ (125,572)	$ (11,689)	$ (5,879)	$ (69,647)	$ (12,464)	$ -	$ (225,251)
Net Book Value	**$ 79,873**	**$ 520**	**$ 779**	**$ 110,297**	**$ 932**	**$ 218,892**	**$ 411,293**

(Expressed in U.S. Dollars)

5 (b) Right-of-Use Asset and Lease Liability

The Company has an office lease for its head office in Vancouver, BC, with a lease term to September 30, 2026. On September 21, 2021, the Company renewed the office lease for an additional five-year term and recognized a right-of-use asset of $174,360 and a lease liability of $174,360.

The continuity of the right-of-use asset for the periods ended June 30, 2023, December 31, 2022, 2021 and 2020 is as follows:

	Right-of-Use Asset
January 1, 2020	$ 82,293
Amortization	(48,129)
December 31, 2020	$ 34,164
Additions	174,360
Amortization	(42,979)
December 31, 2021	$165,545
Amortization	(33,880)
December 31, 2022	$131,665
Amortization	(16,392)
June 30, 2023	$115,273

The continuity of the lease liability for the periods ended June 30, 2023, December 31, 2022, 2021 and 2020 is as follows:

	Lease Liability
January 1, 2020	$ 86,865
Lease payments	(52,474)
Accretion expense	3,108
December 31, 2020	$ 37,499
Additions	174,360
Lease payments	(50,649)
Accretion expense	5,806
December 31, 2021	$ 167,016
Lease payments	(45,165)
Accretion expense	6,255
December 31, 2022	$ 128,106
Lease payments	(15,064)
Accretion expense	2,564
June 30, 2023	$ 115,606
Less: Current portion of lease liability	(29,145)
Long-term portion of lease liability – June 30, 2023	$ 86,461

(Expressed in U.S. Dollars)

Future minimum lease payments are as follows:

		June 30, 2023
Less than 1 year	$	36,874
1 to 5 years		92,741
Total	$	129,615

Short-term leases are leases with a lease term of twelve months or less. As at June 30, 2023, the Company did not have any short-term leases.

The right-of-use asset and corresponding lease liability were initially measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate of 4.25% per annum.

6. Related Party Balances and Transactions

Key management personnel includes individuals having authority and responsibility for planning, directing and controlling the activities of the Company. The Company has determined that key management personnel consist of directors and officers of the Company, and any companies controlled by these parties.

A summary of key management compensation is as follows:

		Three months ended June 30, 2023	Three months ended June 30, 2022	Six months ended June 30, 2023	Six months ended June 30, 2022
Accounting – Chief Financial Officer	$	15,065	15,415	30,105	31,557
Consulting – Corporate Secretary		5,566	5,871	11,123	11,805
Salaries and benefits – President and Vice President		92,764	97,834	185,378	196,742
Total	$	113,395	119,120	226,606	240,104

(Expressed in U.S. Dollars)

7. Restoration and Environmental Obligations

The Company's restoration and environmental obligations consist of reclamation and land rehabilitation costs for the Golden Summit Property *(Note 4a)*. As at June 30, 2023, the present value of the estimated obligations relating to properties is $362,045 (December 31, 2022 – $358,000) using a discount rate of 2.47% (December 31, 2022 – 2.47%) and an inflation rate of 7.0% (December 31, 2022 – 7.0%). During the year ended December 31, 2022, the Company revised the estimated reclamation costs resulting in an increase of $108,000.

The undiscounted reclamation and closure cost obligation at June 30, 2023 is $400,000 (December 31, 2022 – $400,000). The impacts of inflation and discounting on the obligation and accretion are insignificant.

Movements in the reclamation and closure cost balance during the periods ended June 30, 2023 and December 31, 2022 are as follows:

	June 30, 2023	December 31, 2022
Balance, beginning of year	**$ 358,000**	$ 250,000
Estimate revision	**-**	108,000
Accretion	**4,045**	-
Balance, end of period	**$ 362,045**	$ 358,000

8. Share Capital

The Company has authorized an unlimited number of common shares with no par value. At June 30, 2023, the Company had 419,749,021 common shares outstanding (December 31, 2022 – 368,189,021).

a) Share Issuances

On March 30, 2023, the Company closed a brokered private placement (the "Private Placement") of 41,310,000 units (each, a "Unit") at a price of Cdn$0.40 per Unit for aggregate gross proceeds of Cdn$16,524,000. Each Unit is comprised of one common share of the Company and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant will be exercisable to acquire one common share of the Company (a "Warrant Share") for 24 months from the closing date of the Private Placement at an exercise price of $0.52 per Warrant Share.

The Company received net proceeds of Cdn$15,278,495 after deducting the agents 7% commission and costs. The agent was also granted 2,891,700 broker warrants entitling the agent to acquire one common share of the Company (a "Broker Warrant Share") for 24 months from the closing date of the Private Placement at an exercise price of $0.47 per Broker Warrant Share.

(Expressed in U.S. Dollars)

On April 12, 2023, the Company closed a brokered private placement (the "Private Placement") of 10,000,000 units (each, a "Unit") at a price of Cdn$0.40 per Unit for aggregate gross proceeds of Cdn$4,000,000. Each Unit is comprised of one common share of the Company and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant will be exercisable to acquire one common share of the Company (a "Warrant Share") for 24 months from the closing date of the Private Placement at an exercise price of $0.52 per Warrant Share.

The Company received net proceeds of Cdn$3,880,000 after deducting the agents 3% commission.

During the year ended December 31, 2022, the Company:

-issued 30,514,655 common shares on the exercise of warrants for proceeds of $4,039,219.

-issued 175,000 common shares on the exercise of options for proceeds of $13,573.

b) **Share Purchase Warrants**

The following is a summary of the changes in the Company’s share purchase warrants for the periods ended June 30, 2023 and December 31, 2022:

	June 30, 2023		December 31, 2022	
	Number of warrants	Weighted average exercise price (Cdn$)	Number of warrants	Weighted average exercise price (Cdn$)
Outstanding, beginning of the year	-	-	56,336,460	0.64
Exercised	-	-	(12,441,973)	0.28
Exercised	-	-	(150,000)	0.45
Exercised	-	-	(1,058,840)	0.225
Exercised	-	-	(1,341,690)	0.30
Exercised	-	-	(15,522,152)	0.081
Expired	-	-	(632,401)	0.28
Expired	-	-	(9,112,100)	0.45
Expired	-	-	(15,681,850)	1.65
Expired	-	-	(395,454)	1.34
Granted	20,655,000	0.52	-	-
Granted	2,891,700	0.47	-	-
Granted	5,000,000	0.52	-	-
Outstanding, end of the period	28,546,700	0.51	-	-

(Expressed in U.S. Dollars)

c) **Stock Options**

The Company has established a stock option plan (the "Stock Option Plan") whereby the Board of Directors (the "Board"), may from time to time, grant options to directors, officers, employees or consultants. At the Company's Annual General Meeting held on June 29, 2021, shareholders re-approved a resolution which reserves up to 10% of the issued and outstanding shares from time to time (including existing stock options), as a "rolling stock option plan". Stock options may be granted under the Stock Option Plan with an exercise period of up to ten (10) years from the date of grant or such lesser period as determined by the Board, subject to a short extension in the case of a Company imposed blackout period. Any stock options granted under the Stock Option Plan will not be subject to any vesting schedule, unless otherwise determined by the Board. The exercise price of an option will not be less than the closing price of the common shares on the day prior to grant. The policies of the TSX require the approval of all unallocated options, rights or entitlements under the Stock Option Plan by the Company's shareholders every three years with the next such renewal approval requested by shareholders on or before June 29, 2024.

A summary of the Company's stock options at June 30, 2023 and the changes for the period are as follows:

Number Outstanding December 31, 2022	Granted	Exercised	Cancelled	Expired	Number Outstanding June 30, 2023	Number Exercisable June 30, 2023	Exercise Price (Cdn$)	Expiry Date
2,170,000	-	(250,000)	-	-	1,920,000	1,920,000	0.10	July 23, 2023
100,000	-	-	-	-	100,000	100,000	0.07	May 15, 2024
4,315,000	-	-	-	-	4,315,000	4,315,000	0.70	Aug. 31, 2026
-	6,030,000	-	-	-	6,030,000	6,030,000	0.65	May. 2, 2028
-	50,000	-	-	-	50,000	25,000	0.55	June. 9, 2028
6,585,000	6,080,000	(250,000)	-	-	12,415,000	12,390,000	0.49	

A summary of the Company's stock options at December 31, 2022 and the changes for the year are as follows:

Number Outstanding December 31, 2021	Granted	Exercised	Cancelled	Expired	Number Outstanding December 31, 2022	Number Exercisable December 31, 2022	Exercise Price (Cdn$)	Expiry Date
2,345,000	-	(175,000)	-	-	2,170,000	2,170,000	0.10	July 23, 2023
100,000	-	-	-	-	100,000	100,000	0.07	May 15, 2024
4,315,000	-	-	-	-	4,315,000	4,315,000	0.70	Aug. 31, 2026
6,760,000	-	(175,000)	-	-	6,585,000	6,585,000	0.49	

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted average assumptions:

	June 30, 2023	December 31, 2022
Expected dividend yield	**-**	-
Historical volatility	**115.07%**	-
Risk-free interest rate	**2.85%**	-
Expected life of options	**5.00 yrs**	-

(Expressed in U.S. Dollars)

9. Segmented Information

The Company operates in the mineral property exploration sector.
Details on a geographic basis as at June 30, 2023 are as follows:

	USA	Canada	Total
Revenue for the period	**$ -**	**$ -**	**$ -**
Loss for the period	**$ (21,382)**	**$ (2,883,894)**	**$ (2,905,276)**
Comprehensive loss for the period	**$ (21,382)**	**$ (2,793,417)**	**$ (2,814,799)**
Current assets	**$ 1,007,397**	**$ 9,209,035**	**$ 10,216,432**
Right-of-use asset	**$ -**	**$ 115,273**	**$ 115,273**
Property, plant and equipment	**$ 409,994**	**$ 1,299**	**$ 411,293**
Exploration and evaluation properties	**$ 80,900,712**	**$ -**	**$ 80,900,712**
Total assets	**$ 82,318,103**	**$ 9,325,607**	**$ 91,643,710**

Details on a geographic basis as at December 31, 2022 are as follows:

	USA	Canada	Total
Revenue for the year	$ -	$ 13,614	$ 13,614
Loss for the year	$ (75,058)	$ (727,902)	$ (802,960)
Comprehensive loss for the year	$ (75,058)	$ (998,797)	$ (1,073,855)
Current assets	$ 333,175	$ 473,607	$ 806,782
Right-of-use asset	$ -	$ 131,665	$ 131,665
Property, plant and equipment	$ 426,444	$ 1,463	$ 427,907
Exploration and evaluation properties	$ 76,033,939	$ -	$ 76,033,939
Total assets	$ 76,793,558	$ 606,735	$ 77,400,293

Details on a geographic basis as at June 30, 2022 are as follows:

	USA	Canada	Total
Revenue for the period	$ -	$ 13,753	$ 13,753
Loss for the period	$ (34,842)	$ (557,087)	$ (591,929)
Comprehensive loss for the period	$ (34,842)	$ (482,909)	$ (517,751)

(Expressed in U.S. Dollars)

10. Financial Instruments and Risk Management

a) **Financial Instruments**

The carrying value of financial assets and liabilities at June 30, 2023 and December 31, 2022 are as follows:

		June 30, 2023		December 31, 2022
Financial Assets				
Amortized cost				
Cash and cash equivalents	**$**	**9,978,880**	$	693,235
Amounts receivable		**-**		270
Financial Liabilities				
Amortized cost				
Trade payables	**$**	**880,790**	$	376,608
Accrued liabilities		**10,000**		64,152
Lease liability		**115,606**		128,106

The carrying value of these financial instruments approximates their fair values.

Financial instrument hierarchy

Financial instruments measured at fair value on the condensed consolidated Interim statement of financial position are summarized into the following fair value hierarchy levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company does not carry any financial instruments measured at fair value through profit or loss.

b) **Capital Management**

The capital structure of the Company consists of equity attributable to common shareholders, comprising issued capital, accumulated other comprehensive income (loss) and deficit. The Company's objectives when managing capital are to: (i) preserve capital, (ii) obtain the best available net return, and (iii) maintain liquidity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents and investments.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended June 30, 2023. Neither the Company nor its subsidiaries are subject to externally imposed capital requirements.

c) **Credit Risk**

Credit risk is the risk of an unexpected loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises primarily from the Company's cash and cash equivalents and amounts receivable. The Company manages its credit risk relating to cash and cash equivalents by dealing only with highly-rated Canadian financial institutions. As at June 30, 2023, amounts receivable of $64,795 was comprised of goods and services tax receivable. As a result, credit risk is considered insignificant.

d) **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 manages liquidity risk by continuously monitoring actual and projected cash flows and matching the maturity profile of financial assets and liabilities. As at June 30, 2023, the Company had cash of $9,978,880 to settle current liabilities of $919,935 and accordingly the Company has limited exposure to liquidity risk.

e) **Currency Risk**

Foreign currency exchange risk is the risk that future cash flows, net income (loss) and comprehensive income (loss) will fluctuate as a result of changes in foreign exchange rates. As the Company's operations are conducted internationally, operations and capital activity may be transacted in currencies other than the functional currency of the entity party to the transaction.

The Company's objective in managing its foreign currency risk is to minimize its net exposures to foreign currency cash flows by obtaining most of its estimated annual U.S. cash requirements and holding the remaining currency in Canadian dollars. The Company monitors and forecasts the values of net foreign currency cash flow and condensed consolidated Interim statement of financial position exposures and from time to time could authorize the use of derivative financial instruments such as forward foreign exchange contracts to economically hedge a portion of foreign currency fluctuations.

The following table provides an indication of the Company's foreign currency exposures during the periods ended June 30, 2023 and December 31, 2022:

	June 30, 2023 (Cdn$)	December 31, 2022 (Cdn$)
Cash and cash equivalents	**11,811,973**	122,308
Trade payables and accruals	**54,205**	82,835

A 1% change in Canadian/US foreign exchange rate at period end would have changed the net loss of the Company, assuming that all other variables remained constant, by approximately $117,000 for the period ended June 30, 2023 (June 30, 2022 - $92,000).

The Company has not entered into any derivative instruments to offset the impact of foreign currency fluctuations.

f) **Interest Rate Risk**

The Company is not subject to interest rate risk.

g) **Commodity Price Risk**

The Company is in the exploration stage and is not subject to commodity price risk.

11. Subsequent Events

Subsequent to June 30, 2023, 1,910,000 options at Cdn$0.10 were exercised for proceeds of Cdn$191,000.