



**Allegiant Gold Ltd.  
1090 Hamilton Street  
Vancouver, B.C.  
V6B 2R9  
Canada**

**Management's Discussion and Analysis  
Three Month Period Ended  
December 31, 2021**

**(Stated in Canadian Dollars)**

**Report Date – February 28, 2022**

# **Allegiant Gold Ltd.**

Management's Discussion and Analysis  
Three Month Period Ended December 31, 2021  
(Expressed Canadian Dollars)

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## Allegiant Gold Ltd.

Management's Discussion and Analysis  
Three Month Period Ended December 31, 2021  
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This Management's Discussion and Analysis ("MD&A") focuses on significant factors that have affected Allegiant Gold Ltd. (the "Company" or "Allegiant") and its subsidiaries' performance and such factors that may affect its future performance. This MD&A should be read in conjunction with the Company's condensed interim consolidated financial statements for the three month period ended December 31, 2021 and the audited annual consolidated financial statements and related notes for the year ended September 30, 2021 which were prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). All figures in this MD&A are expressed in Canadian Dollars unless otherwise noted. The information contained in this MD&A is current to the Report Date as defined on the cover page.

### Forward looking information

This MD&A contains "forward-looking information and statements" that are subject to risk factors set out under the caption *Caution regarding forward looking statements* later in this document. The reader is cautioned not to place undue reliance on forward-looking statements.

### **Profile and Strategy**

Allegiant was incorporated on September 26, 2017 under the laws of the Province of British Columbia, Canada. The Company was a wholly-owned subsidiary of Orea Mining Corp. ("Orea")(formerly Columbus Gold Corp.), a Toronto Stock Exchange listed company, until January 25, 2018, when it was spun-out of Orea by way of a plan of arrangement (the "Arrangement") as a separate entity. The Company obtained its initial listing on the TSX Venture Exchange ("TSXV") on January 30, 2018. The common shares of the Company are also listed on the OTCQX effective February 26, 2018.

On October 1, 2017, the Company acquired Allegiant Gold Holding Ltd. ("AGHL") from Orea, which indirectly held all of Orea's exploration and evaluation assets located in the USA.

The Company's head office and principal address is located at 1090 Hamilton Street, Vancouver, British Columbia, V6B 2R9, Canada.

The Company's principal business activities are the acquisition, exploration and development of resource properties, with gold as a principal focus. The Company is in the process of exploring and developing its resource properties but has not yet determined whether the properties contain ore reserves that are economically recoverable. The Company maintains active generative (prospecting) and evaluation programs and, as a key element of its strategy, broadens exposure, diversifies funding sources and minimizes risk through joint ventures on selected projects.

The Company's financial condition is affected by general market conditions and conditions specific to the mining industry. These conditions include, but are not limited to, the price of gold and accessibility of debt or equity financing.

### **Overall Performance and Updates**

The following highlights the Company's overall performance for the three month periods and years ended September 30, 2021 and 2020:

	Three Months Ended			Years Ended		
	December 30, 2021	December 31, 2020	Change	September 30, 2021	September 30, 2020	Change
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Net income (loss)	(553,262)	(120,115)	(500,187)	(2,850,899)	127,933	(2,978,832)
Income (loss) per share – basic and diluted	(0.01)	(0.00)	(0.01)	(0.04)	0.00	(0.04)
Cash used in operating activities	(545,632)	(439,207)	(106,425)	(1,341,026)	(1,024,506)	(316,520)
Cash at end of period	3,766,214	4,256,565	(490,351)	4,256,565	2,875,470	1,381,095

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### Discussion of Operations

#### Exploration and Evaluation Assets

A summary of exploration and evaluation assets by property for the three month period ended December 31, 2021 is set out below:

Property	Balance at September 30, 2021	Additions	Option Payment(s) Received	Impairment	Foreign Exchange	Balance at December 31, 2021
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Bolo	3,286,587	-	(657,672)	-	18,917	2,647,832
Browns Canyon	1	-	-	-	-	1
Clanton Hills	6,751	-	-	-	34	6,785
Eastside	21,166,613	160,234	-	-	110,451	21,437,298
West Goldfield	1	-	-	-	-	1
Overland Pass	1	-	-	-	-	1
White Horse Flats	1	-	-	-	-	1
White Horse North	1	-	-	-	-	1
	<b>24,459,956</b>	<b>160,234</b>	<b>(657,672)</b>	<b>-</b>	<b>129,402</b>	<b>24,091,920</b>

A summary of exploration and evaluation assets by property for the year ended September 30, 2020 is set out below:

Property	Balance at September 30, 2020	Additions	Option Payment(s) Received	Impairment	Foreign Exchange	Balance at September 30, 2021
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Bolo	3,822,979	-	(351,145)	-	(185,247)	3,286,587
Browns Canyon	738,700	33,133	-	(728,657)	(43,175)	1
Clanton Hills	-	6,713	-	-	38	6,751
Eastside	20,125,946	2,031,082	-	-	(990,415)	21,166,613
West Goldfield	477,594	93,952	-	(543,389)	(28,156)	1
Overland Pass	112,300	18,812	-	(124,501)	(6,610)	1
White Horse Flats	120,439	18,812	-	(132,166)	(7,084)	1
White Horse North	103,652	16,126	-	(113,681)	(6,096)	1
	<b>25,501,610</b>	<b>2,218,630</b>	<b>(351,145)</b>	<b>(1,642,394)</b>	<b>(1,266,745)</b>	<b>24,459,956</b>

<sup>1</sup> Optioned to third party. Proceeds received exceed carrying value of property. Refer to "Four Metals" section for further details.

<sup>2</sup> Optioned to third party. Proceeds received exceed carrying value of property. Refer to "Mogollon" section for further details.

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A summary of the exploration and evaluation assets by cost category is set out below:

	<b>Amount</b>
	(\$)
<b>Balance at September 30, 2020</b>	<b>25,501,610</b>
Acquisition and land costs	513,114
Camp costs	1,769
Drilling	775,736
Geology, trenching and geophysics	384,012
Impairment	(1,642,394)
Management and administration	39,474
Option proceeds	(351,145)
Technical studies	421,597
Travel	82,928
Foreign exchange	(1,266,745)
<b>Balance at September 30, 2021</b>	<b>24,459,956</b>
Acquisition and land costs	54,860
Camp costs	64,102
Geology, trenching and geophysics	24,270
Management and administration	298
Option proceeds	(657,672)
Technical studies	6,880
Travel	9,824
Foreign exchange	129,402
<b>Balance at December 31, 2021</b>	<b>24,091,920</b>

### Eastside

The Eastside project is located approximately 32 km west of Tonopah, Nevada. The Company holds a 100% interest in Eastside, subject to underlying royalties.

In July 2021, the Company entered into a lease agreement (the "Hilger Agreement"), with option to purchase, for 84 mineral claims (the "Hilger Property") located adjacent to the Eastside project. The terms of the lease require escalating cash and common share payments over the initial six years with the subsequent years having a fixed aggregate annual payments of US\$75,000. The first two years of lease payments totaling US\$60,000 were settled through the issuance of 163,733 common shares of the Company valued at subsequent to year end.

The lease has a term of ten years with a renewal option for two additional ten year periods at the election of the Company.

At any time during the term of the lease, the Company has the option to purchase the Hilger Property for a cash payment of US\$750,000. On exercise of the option, the vendor will retain a 3% net smelter return royalty on production from the property, and the lease will terminate. The Company has the option to reduce the royalty by 2% in instalments of 1% each for payments of US\$1,000,000 per instalment. The Company must expend a minimum of US\$350,000 in expenditures on the Hilger Property before the fifth anniversary of the effective date of the Hilger Agreement, unless the option is exercised or the Hilger Agreement is terminated.

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On January 27, 2020, the Company announced an updated Inferred Resource Estimate for the Eastside gold project in Nevada. The updated resource estimate ("Updated Resource Estimate and NI 43-101 Technical Report, Eastside and Castle Gold-Silver Project Technical Report, Esmeralda County, Nevada") was conducted by Mine Development Associates ("MDA") of Reno, Nevada with an effective date of December 30, 2019. Contained pit-constrained Inferred Resources of 996,000 Au ounces and 7,838,000 Ag ounces were calculated in accordance with NI 43-101. The MDA Technical Report was subsequently revised, dated November 20, 2020, and was filed on SEDAR. This report builds on and supersedes the NI 43-101 reports of Ristorcelli (December 2016) and Ristorcelli (July 2017) titled "*Resource Estimate and Technical Report, Eastside Gold-Silver Project, Esmeralda County, Nevada*" prepared for Allegiant with an Effective Date of July 25, 2017.

A copy of the Eastside Technical Report can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

Preliminary metallurgical studies conducted by Kappes, Cassiday and Associates, in Reno, Nevada, indicate the mineralization is amenable to recovery by cyanidation. Heap-leach extractions are expected to be around 70% and 20% for gold and silver, respectively, but likely would require crushing. Milling with a fine grind is expected to result in extractions over 90% for gold and approximately 50% silver.

Ongoing field work at Eastside has generated a significant number of new targets from both geologic and alteration mapping, combined with geochemical sampling. Allegiant has determined that the Original Zone, Targets 1, 2, and 6, are actually part of a large and continuous zone or cell of hydrothermal alteration, which extends for 5.5 km north and south, and is about 1-2 km wide. The Original Zone, where essentially all drilling has occurred to date, lies completely within this large cell of hydrothermal alteration. The cell provides abundant drill targets for future drilling. In addition, geochemical targets exist at Targets 3, 5, and 7. Further, the east flank on the Allegiant claim block is "pediment" in nature, where only a few small bedrock exposures are present and rocks are mostly covered with a thin veneer (10-20 m) of alluvium. As announced back in December 2019, the Board, as part of its 2020 Exploration Budget, has approved an expansion of the permitted operating zone from the current 601 acres to approximately 3,600 acres in order to better understand and target these additional areas that warrant further exploration.

In April 2021, the Company completed 49 exploration reverse circulation ("RC") drill holes, totalling 5,850 metres, drilled in the Castle zone around the former-producing Boss mine, located within the Eastside gold project. The shallow at-surface mineralization at the Castle zone is important for the Eastside project for the following reasons:

- Potential increase in contained ounces;
- Potential for reasonably low strip-ratio mining;
- Potential starter pit for a future Eastside mine.

The drilling encountered shallow gold mineralization, best described as a blanket-like zone, that commences at an approximate depth of between zero and 30 metres and continues for 20 to 40 metres in thickness. Gold is hosted in Tertiary andesite and rhyolite tuff, associated with quartz stockworks, iron oxides along fractures, argillization, and occasionally massive silicification. The Tertiary volcanic rocks overlie Paleozoic rocks of the Palmetto formation, which were encountered at depth in nearly all the drill holes. Drill intercepts (using a 0.1-gram-per-tonne-gold cut-off) for the 49 holes. Most of the holes were angle holes drilled in a variety of directions at a dip of 45 degrees. Essentially all of the mineralization was deemed as oxide visually.

Forty-seven holes encountered mineralization within 45 metres of surface. Some of the highlights include:

- 5 metres of 1.85 grams per tonne from hole ES-196;
- 14 metres of 1.08 grams per tonne from hole ES-202;
- 4.5 metres of 2.32 grams per tonne from hole ES-211;
- 3.6 metres of 2.00 grams per tonne from hole ES-216;
- 1.5 metres of 3.86 grams per tonne from hole ES-222.

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In May 2021, the Company announced that it has found high-grade gold intercepts in the Original Pit zone. Gold and silver at the Original Pit zone are hosted mainly in young rhyolite domes and dikes cutting through andesite flows and lahar, lacustrine tuffs, and rhyodacite flows and plugs. Approximately 85% of the drilled gold intercepts are hosted in rhyolite. Important alteration includes multiple generations of quartz in stock works, replacement illite, adularia (both as flooding and in veins), and a variety of iron oxides mostly filling fractures. The domes at the Original Pit are the northernmost two of a highly prospective dome field, elongated north-south, and measuring 10 kilometres by two km. The dome field contains 41 separate domes and is entirely covered by Allegiant's claim block. Higher grade intercepts in Drill Hole 243 appear to be associated with stronger quartz veining than usual. Future work programs in the Original Pit zone will focus on defining the extent of this high-grade zone to better understand the implications on resource growth and mine planning and economics.

Highlights of the nine-hole (3,673 metre) RC drill program include:

- **Hole 243 included 2.55 g/t gold over 147.8 metres (3.17 g/t Au over 117.3 m);**
- **Hole 243 is the best drill intercept to date at the Eastside project;**
- **Hole 243 was a 100 metre step-out from the closest hole in the Original Pit and is open west, east and south;**
- **Hole 243 is well within an open pit modelling scenario;**
- **Significant silver intercepts in holes 243 and 239;**
- **Strong gold intercepts in holes 239, 243, 244 and 245;**
- **Mineralization encountered in seven of nine holes;**
- **Eastside remains open in all directions and at depth in both the Original Pit zone and the Castle zone.**

Over 284 metres of the 428 metres drilled in hole 243 were mineralized, and utilizing a 0.10 g/t Au cut-off, the hole delivered 2.55 g/t Au over 147.8 metres (3.17 g/t Au over 117.3 m using a 0.20 g/t Au cut-off) commencing from a depth of 172 metres. Further significant gold mineralization was encountered in Holes 239, 244 and 245 including the following highlights:

- **Hole 239 -- 111.3 metres of 1.45 g/t Au including 3.1 metres of 39 g/t at the bottom of the hole;**
- **Hole 244 -- 76 metres of hole is mineralized with best intercept being 6.1 metres of 1.48 g/t Au at 375 metres at depth;**
- **Hole 245 -- 15.2 metres of 3.4 g/t Au from relatively shallow depths commencing at 177 metres at depth**

Silver intercepts were also encountered during this most recent drilling program. Using a 10 g/t Ag cut-off, hole 239 encountered 6.1 metres of 113.35 g/t Ag at the bottom of the hole leading the company to believe that it remains open at depth. In hole 243, an intercept of 93.3 g/t Ag over 44.2 metres commencing at 184 metres at depth. Other silver intercepts were found in hole 241 and hole 244. The Original Pit zone at Eastside hosts approximately 7,800,000 ounces of silver per the most recent 43-101-compliant resource estimate dated January, 2020. Allegiant continues to believe that there remains upside potential to discover additional silver, though gold continues to be the primary mineralization.

### Bolo

The Bolo project is located approximately 60 km northeast of Tonopah, Nevada. The Company holds a 100% interest in Bolo, subject to underlying royalties.

On June 27, 2018, the Company entered into an agreement with New Placer Dome Gold Corp. ("NGLD") (formerly Barrian Mining Corp.), under which NGLD may acquire up to a 50.01% undivided interest in Bolo by issuing common shares of NGLD to the Company, with an aggregate value of \$1,310,000 (US\$1,000,000) over a three year period, and also incurring certain exploration and evaluation expenditures on Bolo with a minimum aggregate value of \$5,240,000 (US\$4,000,000) by December 31, 2022. On April 24, 2019, the Company received 1,672,750 shares of NGLD, representing an initial \$334,550 (US\$250,000) option payment. On January 29, 2020, the Company received 2,059,219 common shares of NGLD, based on a volume weighted average price, representing the first anniversary \$270,077 (US\$250,000) share option payment. On December 23, 2020, the Company received 1,170,483 common shares of NGLD, based on a volume weighted average price, representing the second anniversary \$351,145 (US\$250,000) share option payment. On December 17, 2021, the Company received 1,608,350 common shares of NGLD, based on a minimum price of \$0.20, representing the third anniversary \$144,752 share option payment.

On December 30, 2021, the Company received \$320,750 (US\$250,000) in cash and 2,402,119 valued at \$192,170 (US\$150,000) from NGLD in connection with the Bolo option agreement. The cash and share payments totaling US\$400,000 were accepted by the Company in lieu of the exploration and evaluation expenditures that were required to be expended by NGLD before December 31, 2021.

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Within 30 days of the completion of the initial option, NGLD must notify the Company in writing of its intention to earn an additional 24.99% interest in Bolo. This can be accomplished by incurring an additional \$5,240,000 (US\$4,000,000) in certain exploration and evaluation expenditures on Bolo within two years of acquiring the initial 50.01% interest in Bolo. If NGLD does not acquire the additional 24.99% interest, then NGLD will transfer a 0.02% interest in Bolo back to the Company.

During September 2019, NGLD completed a 10-hole reverse circulation drill program for a total of 1,838 metres. Seven of the drill holes, totalling 1,338 metres, were completed at the South mine fault zone, testing the extent of mineralization down dip and along strike. Previous RC drill intercepts at the South mine fault area include drill hole BL-38 that graded 3.24 grams per tonne (g/t) gold over 30.5 metres within a broader zone of mineralization averaging 1.28 g/t gold over 133 metres.\* One drill hole, totalling 177 metres, was completed between the South mine fault zone and Northern extension zone, testing both the continuity of mineralization along strike between the known zones, and a linear conductive anomaly identified by the 2019 induced polarization and resistivity geophysical survey. Two drill holes, totalling 323 metres, were completed at the historical Uncle Sam patented claim which has yielded high-grade silver plus gold channel rock chip samples including 3,146 g/t silver and 1.0 g/t gold over 2.6 metres, and 365 g/t silver and 1.9 g/t gold over 3.6 metres.\*\* Uncle Sam hosts high-grade silver plus gold mineralization at surface and in drill samples, and is the site of historical (circa 1880s) mine workings.

\* The true width of mineralization is estimated to be approximately 50 per cent of drilled width.

\*\* The true width of mineralization at Uncle Sam is unknown. For full descriptions of the Bolo property mineralized intercepts see: "Technical Report on the Bolo Property, Nye County, Nevada, USA" effective date Oct. 5, 2018, available at SEDAR

On July 23, 2020, NGLD announced the commencement of its 2020 summer drilling program at Bolo. In October 2020, the results from five reverse circulation ("RC") drill holes were released and stated that they have intersected significant oxide gold mineralization and expanded gold mineralization to depth. The South Mine fault zone remains open and has seven additional expansion drilling holes awaiting laboratory assay results.

On December 22, 2021, NGLD announced the commencement of a 1,700m diamond drill program at the Bolo gold-silver project. The diamond drill program will focus on expansion of existing at surface, Carlin-style, high-grade gold-silver-oxide-mineralized zones. The program is expected to significantly assist the development of a 3-D geological model for the South Mine fault zone.

### Four Metals

On April 19, 2018 the Company and MinQuest Ltd. entered into an option agreement with Arizona Standard (US) Corp. (the "Four Metals Optionee") and Barksdale Capital Corp. ("Barksdale") granting the Four Metals Optionee an option to acquire a 100% interest in the Four Metals project located in Santa Cruz County, Arizona. The Four Metals Optionee is a wholly-owned subsidiary of Barksdale. The common shares of Barksdale are listed for trading on the TSXV. The Company and MinQuest Ltd. each own a 50% interest in 16 unpatented lode mining claims that, in addition to 24 unpatented lode mining claims that are 100% owned by the Company, comprise the Four Metals project. The option agreement requires the Four Metals Optionee to pay \$294,750 (US\$225,000) in staged payments over a five-year period. In addition, Barksdale will issue common shares with a total value of \$294,750 (US\$225,000) in staged issuances over the same five-year period. The cash payments and share issuances are shared equally with MinQuest Ltd. so that the Company will receive 50% of the cash and share payments.

On April 21, 2021, the Company received cash of \$15,125 (2020 – \$17,316) and \$30,944 (2020 – 68,493) common shares of Barksdale, with a fair value of \$15,572 (2020 - \$15,753).



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### Mogollon

The Company holds a 100% interest in Mogollon, subject to underlying royalties.

On August 21, 2020, the Company entered into an agreement with Summa Silver Corp. ("Summa") wherein Summa can acquire a 75% interest in the Mogollon silver property in exchange for an initial cash payment of US\$50,000 and the issuance of 200,000 common shares of Summa, subsequent cash and share payments valued at US\$2,750,000 and by incurring exploration expenditures totalling US\$3,000,000 over a period of three years. Summa can further acquire the remaining 25% interest in Mogollon by paying the Company an additional US\$3,000,000 in either cash or common shares of Summa.

On August 26, 2020, the Company received a cash payment of \$65,826 (US\$50,000) and 200,000 common shares of Summa, with a fair value of \$424,000. On August 17, 2021, the Company received a cash payment of \$126,000 (US\$100,000) and 352,351 common shares of Summa, with a fair value of \$352,351.

On October 11, 2021, the Company received 150,000 common shares of Summa valued at \$126,030 in connection with the approval of a royalty buy-down with one of the underlying claim owners.

### Clanton Hills

The Clanton Hills project is located approximately 80 km west of Phoenix, Arizona.

The Company holds a 100% interest in Clanton Hills, subject to underlying royalties. On August 31, 2020, the Company entered into an option agreement with Supernova Metals Corp ("Supernova"), a corporation that shares an officer in common with the Company, granting Supernova an option to acquire a 50.1% interest in the Clanton Hills silver property. To acquire its interest Supernova was required to pay US\$550,000 in cash, issue 2,000,000 common shares (received) and incur US\$1,500,000 in exploration expenditures prior to September 15, 2023.

In December 2020, Supernova completed a five hole reverse circulation drill program totaling 1,000 metres. No significant assays were encountered. In March 2021, Supernova elected not to proceed with the Clanton Hills option agreement and returned the property to the Company.

### Other Projects

The Company's remaining projects, which are inclusive of Goldfield West, Overland Pass, White Horse Flats and White Horse North, are all considered to be highly prospective and the Company is focused on optioning them to quality partners for future development.

The Company has additional exploration and evaluation assets located in the USA, comprised of the following properties: Browns Canyon, Overland Pass, Goldfield West, White Horse Flats, and White Horse North. They are all considered to be highly prospective and the Company is focused on optioning them to quality partners for future development. However, due to the lack of recent exploration and planned future exploration on these properties, there is an indication of the existence of impairment on these properties. Accordingly, the Company recorded an aggregate impairment of \$1,642,394 for the year ended September 30, 2021 and reduced the carrying value of each property to a nominal value of \$1.

### Allegiant Qualified Person – U.S. properties disclosure only

*Andy B. Wallace is a Certified Professional Geologist (CPG) with the American Institute of Professional Geologists and is the Qualified Person under National Instrument 43-101 and has reviewed and approved the technical content relating to the properties located in the USA discussed herein. Mr. Wallace is a director of the Company and a principal of Cordilleran Exploration Company, LLC ("Cordex").*

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### Summary of Quarterly Information

	Dec 31, 2021	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Net income (loss) for the period	(553,262)	(1,733,347)	(314,573)	(682,864)	(120,115)	316,993	163,320	19,132
Basic and diluted income (loss) per share	(0.01)	(0.02)	(0.00)	(0.01)	(0.00)	0.00	0.00	0.00
	Dec 31, 2021	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Cash	3,766,214	4,256,565	389,774	999,922	1,916,954	2,875,470	1,954,483	237,678
Total assets	29,508,571	29,701,387	26,280,613	27,017,256	28,007,588	29,575,866	28,928,930	26,838,225
Total non-current financial liabilities	270,903	336,203	335,333	346,907	356,012	1,901,354	1,529,169	1,434,692

#### Notes on Material Quarterly Variations:

June 30, 2020 – Cash increased substantially due to the completion of a non-brokered private placement.

September 30, 2020 – Reported significant net income versus the traditional net loss due to a gain on short-term investments as well as the receipt of cash and common share option payments for the Clanton Hills and Mogollon properties.

December 31, 2020 – Reported a significant decline in non-current liabilities due to the settlement of the Orea note through the issuance of common shares.

March 31, 2021 – Reported an increase in net loss due to a loss on short-term investments. Furthermore, cash decreased due to the funding of a drill program as well as permitting application at Eastside.

September 30, 2021 – Cash and total assets increased substantially due to the completion of a short-form prospectus offering. Net loss for the period also increased due to the impairment recorded against certain non-core exploration and evaluation assets.

#### Review of Financial Results – Quarter

The Company didn't generate any revenue during the three month period ended December 31, 2021 ("Current Quarter") or the three month period ended December 31, 2020 ("Prior Year Quarter").

During the Current Quarter, the Company reported a net loss of \$553,262 which was a significant change from the Prior Year Quarter which recorded a loss of \$120,115. The primary reason for the difference was the share-based payments recognized in the Current Quarter due to vested stock options and RSUs.

#### **Subsequent Events**

Subsequent to December 31, 2021, a total of 809,000 share purchase warrants expired without being exercised.

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The Company's functional and presentation currency is the Canadian Dollar for all years presented.

	2021	2020	2019
	(\$)	(\$)	(\$)
Revenue	-	-	-
Net income (loss)	(2,850,899)	127,933	(2,384,503)
Earnings (loss) per share – basic and diluted	(0.04)	0.00	(0.04)
Total assets	29,701,387	29,575,866	25,431,350
Total non-current liabilities	336,203	1,901,354	1,331,645
Cash dividends	-	-	-

There was a substantial improvement in the net income/(loss) reported by the Company in 2020 versus 2019. The fundamental reason for this improvement is the cash and share proceeds (\$1,245,868) the Company received for optioning its Mogollon, Four Metals and Clanton Hills properties to other publicly traded companies in 2020. In addition, the Company reported a large impairment (\$993,149) on its exploration and evaluation assets in 2019.

### Liquidity and Capital Resources

The Company does not currently own or have an interest in any producing resource properties and does not derive any revenues from operations. The Company's activities have been funded primarily through private placements of the Company's common shares. The Company has been successful in its fundraising efforts in the past, but there can be no assurance that the Company will continue to be successful in the future. If such funds are not available or other sources of finance cannot be obtained, then the Company will be required to curtail its activities to a level for which funding is available and can be obtained. The Company's ability to access funding is also contingent on the ongoing demand for commodities and also a function of the demand for gold, both of which are subject to macroeconomic conditions and market fluctuations.

	Period Ended	
	December 31, 2021	December 31, 2020
	(\$)	(\$)
Cash used in operating activities	(545,632)	(439,207)
Cash provided by (used in) investing activities	95,647	(658,837)
Cash provided by financing activities	(46,071)	135,618
Cash, end of the period	3,766,214	1,915,964

As of December 31, 2021, the Company had working capital of \$4,829,060 compared to \$4,602,843 at September 30, 2021. Working capital increased due to option payments received on the Bolo property.

As of December 31, 2021, the Company had current liabilities of \$112,127 and non-current liabilities of \$270,903. In August 2021, the Company completed a brokered "bought deal" offering wherein it raised \$5,000,000. Accordingly, management is confident that it can meet its working capital requirements and obligations as they come due in the next twelve months.

## Allegiant Gold Ltd.

Management's Discussion and Analysis  
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### Commitments and Related Party Transactions

The following is a summary of related party transactions for the three month periods ended December 31, 2021 and 2020:

	December 31, 2021	December 31, 2020
	(\$)	(\$)
Office rent and administration services paid or accrued to Orea, a company that shares directors in common	4,500	4,500
Management fees paid or accrued to a corporation controlled by the former Chairman of the Company	-	9,000
Management and administration fees paid or accrued to the CEO of the Company	71,173	94,039
Professional fees paid to a corporation controlled by the CFO of the Company	38,400	48,000
Directors fees paid or accrued	27,000	27,000
Share-based compensation in the form of vested stock options and RSUs issued to directors and officers of the Company	381,127	43,206
Exploration and evaluation expenditures paid or accrued to a director of the Company	14,448	24,305
	<u>536,648</u>	<u>250,050</u>

### Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

### Critical Accounting Estimates

Significant accounting judgments, estimates and assumptions

The preparation of the Company's 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 financial statements and reported amounts of revenues 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 following areas required a significant degree of estimation and judgment:

#### Recoverability of exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment to determine whether future economic benefits are likely, from either future exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves.

#### Share-based payments

The fair value of stock options issued are subject to the limitation of the Black-Scholes option pricing model, which incorporates market data and involves uncertainty in estimates used by management in the assumptions. The Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, and, as a result, changes in subjective input assumptions can materially affect the fair value estimate.

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### Decommissioning provisions

Restoration costs will be incurred by the Company in connection with certain exploration activities conducted on exploration and evaluation assets. The Company estimates abandonment and reclamation costs based on a combination of publicly available industry benchmarks and internal site-specific information. The ultimate restoration liability is uncertain and can vary in response to many factors including changes to relevant legal requirements, the emergence of new restoration techniques, experience at other sites, or changes in the risk-free discount rate. The expected timing and amount of expenditure can also change in response to changes in laws and regulations or their interpretation. As a result, there could be significant adjustments to the provisions established which would affect future financial results.

### Functional currency

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currencies are as follows:

<u>Entity</u>	<u>Functional Currency</u>
Allegiant Gold Ltd.	Canadian dollar
Allegiant Gold Holding Ltd. ("AGHL")	Canadian dollar
Allegiant Gold (U.S.) Ltd. ("AGUS")	United States dollar

### **Proposed Transactions**

There are no material proposed transactions as at December 31, 2021 and the Report Date of this MD&A.

### **New Accounting Standards Adopted During the Period**

There were no new accounting standards adopted during the period.

### **Outstanding Share Information**

#### Outstanding Share Data

The Company has authorized capital of an unlimited number of common shares without par value. The table below represents Allegiant's capital structure as at December 31, 2021 and the Report Date of this MD&A:

	<u>Report Date</u>	<u>December 31, 2021</u>
Common shares	91,338,091	91,338,091
Warrants	6,546,250	6,546,250
Restricted stock units	3,106,250	3,106,250
Share options (exercisable at \$0.10 to \$0.60)	2,890,000	2,890,000

## **Allegiant Gold Ltd.**

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### **Financial Instruments**

The Company's financial instruments consist of cash, short-term investments, receivables, reclamation bonds, accounts payable, and the CEBA loan.

#### Classification

On initial recognition, the Company classifies its financial instruments in the following categories: at ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

An equity investment that is held for trading is measured at FVTPL. For other equity investments that are not held for trading, the Company may irrevocably elect to designate them as FVTOCI. This election is made on an investment-by-investment basis.

All financial assets not classified or measured at amortized cost or FVTOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has elected to measure them at FVTPL.

#### Measurement

##### *Financial assets at FVTOCI*

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

##### *Financial assets and liabilities at amortized cost*

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

##### *Financial assets and liabilities at FVTPL*

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are recognized in profit or loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

## **Allegiant Gold Ltd.**

Management's Discussion and Analysis

Three Month Period Ended December 31, 2021

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### *Impairment of financial assets at amortized cost*

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

### *Derecognition*

#### Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

#### Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

## **Risks and Uncertainties**

Prior to making an investment decision, investors should consider the investment risks set out below and those described elsewhere in this document, which are in addition to the usual risks associated with an investment in a business at an early stage of development. The directors of the Company consider the risks set out below to be the most significant to potential investors in the Company, but do not represent all of the risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Directors are currently unaware or which they consider not to be material in relation to the Company's business, actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects are likely to be materially and adversely affected.

### Exploration, development and production risks

An investment in the Company's shares is speculative due to the nature of the Company's involvement in the evaluation, acquisition, exploration and, if warranted, development and production of minerals. Mineral exploration involves a high degree of risk and there is no assurance that expenditures made on future exploration by the Company will result in new discoveries in commercial quantities.

While the Company has a limited number of specific identified exploration or development prospects, management will continue to evaluate prospects on an ongoing basis in a manner consistent with industry standards. The long-term commercial success of the Company depends on its ability to find, acquire, develop and commercially produce reserves. No assurance can be given that the Company will be able to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, the Company may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participations uneconomic. The Company has no earnings record, no reserves and no producing resource properties.

## **Allegiant Gold Ltd.**

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The Company's resource projects are in the exploration stage. Resource exploration, development, and operations are highly speculative, characterized by a number of significant risks, which even a combination of careful evaluation, experience and knowledge will not eliminate. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. The Company must rely upon consultants and contractors for exploration, development, construction and operating expertise. Substantial expenditures are required to establish mineral resources and mineral reserves through drilling, to develop metallurgical processes to extract the metal from mineral resources and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining.

There is no assurance that surface rights agreements that may be necessary for future operations will be obtained when needed, on reasonable terms, or at all, which could adversely affect the business of the Company.

No assurance can be given that minerals will be discovered in sufficient quantities at any of the Company's mineral projects to justify commercial operations or that funds required for additional exploration or development will be obtained on a timely basis. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices which are highly cyclical; the proximity and capacity of milling facilities; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot accurately be predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

### Additional Funding Requirements

From time to time, the Company will require additional financing in order to carry out its acquisition, exploration and development activities. Failure to obtain such financing on a timely basis could cause the Company to forfeit its interest in certain properties, miss certain acquisition opportunities, delay or indefinitely postpone further exploration and development of its projects with the possible loss of such properties, and reduce or terminate its operations. If the Company's cash flow from operations is not sufficient to satisfy its capital expenditure requirements, there can be no assurance that additional debt or equity financing will be available to meet these requirements or be available on favorable terms.

### Prices, Markets and Marketing of Natural Resources

Gold is a commodity whose price is determined based on world demand, supply and other factors, all of which are beyond the control of the Company. World prices for gold have fluctuated widely in recent years. The marketability and price of natural resources which may be acquired or discovered by the Company will be affected by numerous factors beyond its control. The Company has limited direct experience in the marketing of gold.

Government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of natural resources and environmental protection are all factors which may affect the marketability and price of natural resources. The exact effect of these factors cannot be accurately predicted, but any one or a combination of these factors could result in the Company not receiving an adequate return on investment for shareholders.

### Dilution

In order to finance future operations and development efforts, the Company may raise funds through the issue of shares or securities convertible into shares. The constating documents of the Company allow it to issue, among other things, an unlimited number of shares for such consideration and on such terms and conditions as may be established by the directors of the Company, in many cases, without the approval of shareholders. The Company cannot predict the size of future issues of shares or securities convertible into shares or the effect, if any, that future issues and sales of shares will have on the price of the shares. Any transaction involving the issue of previously authorized but unissued shares or securities convertible into shares would result in dilution, possibly substantial, to present and prospective shareholders of the Company.



## **Allegiant Gold Ltd.**

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### Environmental Risks

All phases of the natural resources business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions, and national, state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with operations. The legislation also requires that facility sites and mines be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. The discharge of tailings or other pollutants into the air, soil or water may give rise to liabilities to foreign governments and third parties and may require the Company to incur costs to remedy such discharge. No assurance can be given that environmental laws will not result in a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect the Company's financial condition, results of operations or prospects.

Companies engaged in the exploration and development of mineral properties generally experience increased costs, and delays as a result of the need to comply with applicable laws, regulations and permits. The Company believes it is in substantial compliance with all material laws and regulations which currently apply to its activities.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in natural resource exploration and development activities may be required to compensate those suffering loss or damage by reason of its activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of natural resources companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in developments of new properties.

### Reliance on Operators and Key Employees

The success of the Company will be largely dependent upon the performance of its management and key employees. The Company does not have any key man insurance policies and therefore there is a risk that the death or departure of any member of management or any key employee could have a material adverse effect on the Company. In assessing the risk of an investment in the Company's shares, potential investors should realize that they are relying on the experience, judgment, discretion, integrity and good faith of the management of the Company. An investment in the Company's shares is suitable only for those investors who are willing to risk a loss of their entire investment and who can afford to lose their entire investment.

### Regulatory Requirements

Mining operations, development and exploration activities are subject to extensive laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health, waste disposal, environmental protection and remediation, protection of endangered and protected species, mine safety, toxic substances and other matters. Changes in these regulations or in their application are beyond the control of the Company and could adversely affect its operations, business and results of operations.

Government approvals and permits are currently, and may in the future be, required in connection with the mineral projects in which the Company has an interest. To the extent such approvals are required and not obtained, the Company may be restricted or prohibited from proceeding with planned exploration or development activities. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may be liable for civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permitting requirements, or more stringent application of existing laws, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reductions in levels of production at producing properties or require abandonment or delays in development of properties.

## **Allegiant Gold Ltd.**

Management's Discussion and Analysis  
Three Month Period Ended December 31, 2021  
(Expressed Canadian Dollars)

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### Title Matters

Although title to the properties has been reviewed by the Company, formal title opinions have not been obtained by the Company for most of its mineral properties and, consequently, no assurances can be given that there are no title defects affecting such properties and that such title will not be challenged or impaired. The acquisition of title to resource properties is a very detailed and time-consuming process. Title to, and the area of, resource claims may be disputed. There may be valid challenges to the title of any of the mineral properties in which the Company holds an interest that, if successful, could impair development and/or operations thereof. A defect could result in the Company losing all or a portion of its right, title, estate and interest in and to the properties to which the title defect relates.

Any of the mineral properties in which the Company holds an interest may be subject to prior unregistered liens, agreements or transfers or other undetected title defects. There is no guarantee that title to the properties will not be challenged or impugned. The Company is satisfied, however, that evidence of title to each of the properties is adequate and acceptable by prevailing industry standards.

### Enforcement of Civil Liabilities

Certain of the Company's directors and certain of the experts named herein reside outside of Canada and, similarly, a majority of the assets of the Company are located outside of Canada. It may not be possible for investors to effect service of process within Canada upon the directors and experts not residing in Canada. It may also not be possible to enforce against the Company and certain of its directors and experts named herein judgements obtained in Canadian courts predicated upon the civil liability provisions of applicable securities laws in Canada.

### Permits and Licenses

The operations of the Company will require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration and development of its projects.

### Availability of Equipment and Access Restrictions

Natural resource exploration and development activities are dependent on the availability of drilling and related equipment in the particular areas where such activities will be conducted. Demand for such limited equipment or access restrictions may affect the availability of such equipment to the Company and may delay exploration and development activities.

### Conflict of Interest of Management

Certain of the Company's directors and officers are also directors and officers of other natural resource companies. Consequently, there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers relating to the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies.

### Competition

The Company actively competes for acquisitions, leases, licenses, concessions, claims, skilled industry personnel and other related interests with a substantial number of other companies, many of which have significantly greater financial resources than the Company.

The Company's ability to successfully bid on and acquire additional property rights to participate in opportunities and to identify and enter into commercial arrangements with other parties will be dependent upon developing and maintaining close working relationships with its future industry partners and joint operators and its ability to select and evaluate suitable properties and to consummate transactions in a highly competitive environment.

## **Allegiant Gold Ltd.**

Management's Discussion and Analysis  
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(Expressed Canadian Dollars)

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### Insurance

The Company's involvement in the exploration for and development of natural resource properties may result in the Company becoming subject to liability for certain risks, and in particular unexpected or unusual geological operating conditions, including rock bursts, cave ins, fires, floods, earthquakes, pollution, blow-outs, property damage, personal injury or other hazards. Although the Company will obtain insurance in accordance with industry standards to address such risks, such insurance has limitations on liability that may not be sufficient to cover the full extent of such liabilities. In addition, such risks may not, in all circumstances be insurable, or, in certain circumstances, the Company may elect not to obtain insurance to deal with specific risks due to the high premiums associated with such insurance or other reasons. The payment of such uninsured liabilities would reduce the funds available to the Company. The occurrence of a significant event that the Company is not fully insured against, or the insolvency of the insurer or such event, could have a material adverse effect on the Company's financial position, results of operations or prospects.

No assurance can be given that insurance to cover the risks to which the Company's activities will be subject will be available at all or at economically feasible premiums. Insurance against environmental risks (including potential for pollution or other hazards as a result of the disposal of waste products occurring from production) is not generally available to the Company or to other companies within the industry. The payment of such liabilities would reduce the funds available to the Company. Should the Company be unable to fund fully the cost of remedying an environmental problem, the Company might be required to suspend operations or enter into interim compliance measures pending completion of the required remedy.

### The Market Price of Shares May Be Subject to Wide Price Fluctuations

The market price of shares may be subject to wide fluctuations in response to many factors, including variations in the operating results of the Company, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for the Company, general economic conditions, changes in mineral reserve or resource estimates, results of exploration, changes in results of mining operations, legislative changes, and other events and factors outside of the Company's control.

In addition, stock markets have from time to time experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price for the shares.

The Company is unable to predict whether substantial amounts of shares will be sold in the open market. Any sales of substantial amounts of shares in the public market, or the perception that such sales might occur, could materially and adversely affect the market price of the shares.

### Global Financial Conditions

Global financial conditions over the last few years have been characterized by increased volatility and several financial institutions have either gone into bankruptcy or have had to be rescued by governmental authorities. These factors may affect the ability of the Company to obtain equity or debt financing in the future on terms favourable to it. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. If such increased levels of volatility and market turmoil continue, the operations of the Company may suffer adverse impact and the price of our shares may be adversely affected.

### Credit risk

Credit risk is the risk of an unexpected loss if a party to its financial instruments fails to meet its contractual obligations. The Company's financial assets exposed to credit risk will be primarily composed of cash and amounts receivable. While the Company will attempt to mitigate its exposure to credit risk, there can be no assurance that unexpected losses will not occur. Such unexpected losses could adversely affect the Company.

### Management's Responsibility for Financial Statements

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying consolidated financial statements.

## **Allegiant Gold Ltd.**

Management's Discussion and Analysis  
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### COVID 19

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

### Disclosure and Internal Controls

Disclosure controls and procedures have been established to provide reasonable assurance that material information relating to the Company is made known to management, particularly during the period in which annual filings are being prepared. Furthermore, internal controls over financial reporting have been established to ensure the Company's assets are safeguarded and to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS.

### Caution Regarding Forward Looking Statements

This document contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to as "forward-looking statements"). Often, but not always, forward-looking statements can be identified by the use of words such as "plans," "expects" or "does not expect," "is expected," "planned," "budget," "scheduled," "estimates," "continues," "forecasts," "projects," "predicts," "intends," "anticipates" or "does not anticipate," or "believes," or variations of such words and phrases, or statements that certain actions, events or results "may," "could," "would," "should," "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any of our future results, performance or achievements expressed or implied by the forward-looking statements; consequently, undue reliance should not be placed on forward-looking statements.

These risks, uncertainties and other factors include, but are not limited to: changes in Canadian/US dollar exchange rates; management's strategies, objectives and expectations; the Company's tax position and the tax and royalty rates applicable; the Company's ability to acquire necessary permits and other authorizations in connection with its projects; risks associated with environmental compliance, including without limitation changes in legislation and regulation, and estimates of reclamation and other costs; the Company's cost reduction and other financial and operating objectives; the Company's environmental, health and safety initiatives; the availability of qualified employees and labour for operations; risks that may affect operating or capital plans; risks created through competition for mining properties; risks associated with exploration projects, and mineral reserve and resource estimates, including the risk of errors in assumptions and methodologies; risks associated with dependence on third parties for the provision of critical services; risks associated with non-performance by contractual counterparties; risks associated with title; and general business and economic conditions.

Forward-looking statements are based on a number of assumptions that may prove to be incorrect, including, but not limited to, assumptions about: general business and economic conditions; the expected timing to complete a feasibility study and other exploration milestones, the timing of the receipt of required permits and approvals for operations; the availability of equity and other financing on reasonable terms; power prices; the Company's ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; the Company's ability to attract and retain skilled labour and staff; the impact of changes in Canadian/US dollar and other foreign exchange rates on costs and results; market competition; and ongoing relations with employees and with business partners and joint venturers.

We caution you that the foregoing list of important factors and assumptions is not exhaustive. Events or circumstances could cause our actual results to differ materially from those estimated or projected and expressed in, or implied by, these forward-looking statements. Management undertakes no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors, whether as a result of new information or future events or otherwise, except as may be required under applicable laws.

### **Additional Information**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com).

## **Allegiant Gold Ltd.**

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### **Corporate Information**

Head Office:	1090 Hamilton Street Vancouver, BC V6B 2R9 Canada
Director(s):	Peter Gianulis Shawn Nichols Andy Wallace Gordon Bogden
Officers:	Peter Gianulis, Chief Executive Officer Sean McGrath, Chief Financial Officer and Corporate Secretary
Auditor:	Davidson & Company LLP 1200 – 609 Granville Street Vancouver, BC V7Y 1G6
Legal Counsel:	McMillan LLP Suite 1500 - 1055 West Georgia Street Vancouver, BC V6E 4N7
Transfer Agent:	Computershare Investor Services Inc. 2 <sup>nd</sup> Floor – 510 Burrard Street Vancouver, BC V6C 3B9



**Allegiant Gold Ltd.  
1090 Hamilton Street  
Vancouver, B.C.  
V6B 2R9  
Canada**

**Condensed Interim Consolidated Financial Statements**

**Three Month Period Ended  
December 31, 2021**

**(Unaudited - Expressed in Canadian Dollars)**

## **NOTICE TO READER**

The accompanying unaudited condensed interim consolidated financial statements have been prepared by and are the responsibility of the management. The Company's independent auditor has not performed a review of these interim financial statements.

**ALLEGIANT GOLD LTD.****Condensed Interim Consolidated Statements of Financial Position**

(Expressed in Canadian dollars)

(Unaudited)

	<b>December 31,</b>	<b>September 30,</b>
	<b>2021</b>	<b>2021</b>
	(\$)	(\$)
<b>ASSETS</b>		
Current assets		
Cash	3,766,214	4,256,565
Short-term investments (Note 4)	1,078,941	555,424
Receivables	12,852	42,461
Prepaid expenses	83,180	21,064
Total current assets	4,941,187	4,875,514
Non-current assets		
Reclamation bonds (Note 6)	408,899	292,595
Right-of-use asset (Note 5)	66,565	73,322
Exploration and evaluation assets (Note 7)	24,091,920	24,459,956
<b>TOTAL ASSETS</b>	<b>29,508,571</b>	<b>29,701,387</b>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable and accrued liabilities (Note 11)	83,345	245,442
Current portion of lease liability (Note 5)	28,782	27,229
Total current liabilities	112,127	272,671
Non-current liabilities		
Asset retirement obligation (Note 9)	222,589	220,604
CEBA loan (Note 8)	-	60,000
Lease liability (Note 5)	48,314	55,599
<b>TOTAL LIABILITIES</b>	<b>383,030</b>	<b>608,874</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 10)	33,518,678	33,421,052
Reserves (Note 10)	5,132,609	4,643,945
Deficit	(9,525,746)	(8,972,484)
	29,125,541	29,092,513
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>	<b>29,508,571</b>	<b>29,701,387</b>

Nature of operations and going concern (Note 1)

Commitment (Note 14)

Subsequent events (Note 16)

On behalf of the Board of Directors:

"Peter Gianulis"  
Director

"Shawn Nichols"  
Director

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



**ALLEGIANT GOLD LTD.****Condensed Interim Consolidated Statements of Loss and Comprehensive Loss**

(Expressed in Canadian dollars)

(Unaudited)

	<b>Three Month Period Ended December 31, 2021</b>	<b>Three Month Period Ended December 31, 2020</b>
	(\$)	(\$)
<b>Operating expenses</b>		
Administration and office (Note 11)	26,647	24,896
Depreciation (Note 5)	7,034	7,272
Director fees (Note 11)	27,000	32,910
Investor relations	33,582	133,940
Management fees (Note 11)	67,471	88,134
Option payments received (Note 7)	(126,030)	-
Professional fees (Note 11)	172,316	104,742
Share-based payments (Notes 10 and 11)	405,411	66,525
Transfer agent and filing fees	10,580	26,428
Travel	32,390	10,222
	(656,401)	(495,069)
Interest expense	(1,448)	(2,530)
Gain (loss) on short-term investments (Note 4)	59,096	(73,155)
Impairment of exploration and evaluation assets (Note 7)	-	-
Gain on debt settlement	20,000	-
Gain on extinguishment of Grid Note (Note 11)	-	486,211
Accretion expense (Notes 9 and 11)	(845)	(13,962)
Foreign exchange gain (loss)	26,336	(21,610)
<b>Loss for the period</b>	(553,262)	(120,115)
<b>Item that may be reclassified to loss</b>		
Exchange differences on translating foreign operations	130,940	(1,181,942)
<b>Comprehensive loss for the period</b>	(422,322)	(1,302,057)
<b>Loss per share:</b>		
<b>Basic</b>	(0.01)	(0.00)
<b>Diluted</b>	(0.01)	(0.00)
<b>Weighted average common shares outstanding:</b>		
Basic	91,112,865	76,557,360
Diluted	91,112,865	76,557,360

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

**ALLEGIANT GOLD LTD.****Condensed Interim Consolidated Statements of Cash Flows**

(Expressed in Canadian dollars)

(Unaudited)

	<b>Three Month Period Ended December 31, 2021</b>	<b>Three Month Period Ended December 31, 2020</b>
	(\$)	(\$)
<b>CASH PROVIDED BY (USED IN)</b>		
<b>OPERATING ACTIVITIES</b>		
Loss for the period	(553,262)	(120,115)
Adjusted for items not involving cash:		
Accretion	844	13,962
Depreciation	7,034	7,272
Gain on debt settlement	(20,000)	-
Interest expense on lease liability	1,448	3,975
Loss (gain) on short-term investments	(59,096)	73,155
Gain on extinguishment of Grid Note	-	(486,211)
Option payments received	(126,030)	-
Share-based payments	405,411	66,525
Unrealized foreign exchange (gain) loss	(7,377)	(30,902)
Changes in non-cash working capital:		
Prepaid expenses and receivables	(32,507)	18,128
Accounts payable and accrued liabilities	(162,097)	15,004
	(545,632)	(439,207)
<b>INVESTING ACTIVITIES</b>		
Exploration and evaluation expenditures	(110,295)	(695,157)
Option payments received	320,750	-
Reclamation bonds	(114,808)	(3,297)
Proceeds from sale of short-term investments	-	39,617
	95,647	(658,837)
<b>FINANCING ACTIVITIES</b>		
Common shares issued	-	125,000
Payments on lease liability	(6,071)	(9,382)
CEBA loan	(40,000)	20,000
	(46,071)	135,618
<b>Change in cash</b>	(496,056)	(962,426)
<b>Effect of exchange rate changes on cash denominated in a foreign currency</b>	5,705	2,920
<b>Cash, beginning of period</b>	4,256,565	2,875,470
<b>Cash, end of period</b>	3,766,214	1,915,964

**Supplemental cash flow information (Note 15)**

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

## ALLEGIANT GOLD LTD.

### Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian dollars)

(Unaudited)

	Share Capital		Reserves				Shareholders' Equity
	Number of Shares	Amount	Subscriptions Receivable	Options, RSUs and Warrants	Accumulated Other Comprehensive Income (Loss)	Deficit	
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
<b>Balance at October 1, 2020</b>	73,993,342	27,913,934	(100,000)	3,501,915	2,172,519	(6,121,585)	27,366,783
Shares issued - RSU exercise (Note 10)	237,500	24,938	-	(24,938)	-	-	-
Shares issued - option exercise (Note 10)	250,000	51,850	-	(26,850)	-	-	25,000
Shares issued - debt settlement (Note 10)	3,201,766	1,072,592	-	-	-	-	1,072,592
Share-based payments (Note 10)	-	-	-	66,525	-	-	66,525
Subscriptions received	-	-	100,000	-	-	-	100,000
Comprehensive loss	-	-	-	-	(1,181,942)	(120,115)	(1,302,057)
<b>Balance at December 31, 2020</b>	77,682,608	29,063,314	-	3,516,652	990,577	(6,241,700)	27,328,843
Shares issued - RSU exercise (Note 10)	625,000	65,625	-	(65,625)	-	-	-
Units issued - cash (Note 10)	12,500,000	4,875,000	-	125,000	-	-	5,000,000
Share issuance costs (Note 10)	-	(612,087)	-	65,200	-	-	(546,887)
Shares issued - warrant exercise (Note 10)	73,000	29,200	-	-	-	-	29,200
Share-based payments (Note 10)	-	-	-	151,561	-	-	151,561
Comprehensive income	-	-	-	-	(139,420)	(2,730,784)	(2,870,204)
<b>Balance at September 30, 2021</b>	90,880,608	33,421,052	-	3,792,788	851,157	(8,972,484)	29,092,513
Share-based payments (Note 10)	-	-	-	405,411	-	-	405,411
Shares issued - RSU exercise (Note 10)	293,750	47,687	-	(47,687)	-	-	-
Shares issued - property agreement (Note 10)	163,733	49,939	-	-	-	-	49,939
Comprehensive loss	-	-	-	-	130,940	(553,262)	(422,322)
<b>Balance at December 31, 2021</b>	91,338,091	33,518,678	-	4,150,512	982,097	(9,525,746)	29,125,541

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

# **ALLEGIANT GOLD LTD.**

Notes to the Condensed Interim Consolidated Financial Statements

Three Month Period Ended December 31, 2021

(Unaudited - Expressed in Canadian Dollars)

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

Allegiant Gold Ltd. (the “Company” or “Allegiant”), was incorporated on September 26, 2017 under the laws of the Province of British Columbia, Canada. The Company was a wholly-owned subsidiary of Orea Mining Corp. (“Orea”)(formerly Columbus Gold Corp.), a Toronto Stock Exchange listed company, until January 25, 2018, when it was spun-out of Orea by way of a plan of arrangement (the “Arrangement”) as a separate entity. The Company trades on the TSX Venture Exchange (“TSXV”) under the symbol “AUAU” and on the OTCQX under the symbol “AUXXF”. The Company’s head office and principal address is located at 1090 Hamilton Street, Vancouver, British Columbia, V6B 2R9, Canada.

The Company’s principal business activities are the exploration and evaluation of resource properties located in the United States of America. The Company is in the process of exploring its resource properties, but it has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production or from proceeds of disposition. The Company’s exploration and evaluation activities are not dependent on seasonality and may operate year-round; however, the Company may adjust the level of exploration and evaluation activities to manage its capital structure in light of changes in global economic conditions. To date, the Company has not received any revenue from mining operations and is considered to be in the exploration stage.

The Company’s continuation as a going concern is dependent upon its ability to raise equity capital or borrowings sufficient to meet current and future obligations. If for any reason, the Company is unable to continue as a going concern, then this could result in adjustments to the amounts and classifications of assets and liabilities in the Company’s financial statements and such adjustments could be material. The above conditions cast significant doubt on the Company’s ability to continue as a going concern.

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or ability to raise funds.

## **2. BASIS OF PREPARATION**

### **Statement of Compliance**

These condensed interim financial statements, including comparatives, have been prepared in accordance with IAS 34, Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”) and the interpretations of the IFRS Interpretations committee. They do not include all disclosures required by International Financial Reporting Standards (“IFRS”) for annual financial statements, and therefore should be read in conjunction with the Company’s audited financial statements for the year ended September 30, 2021, prepared in accordance with IFRS as issued by the IASB

These condensed interim consolidated financial statements were approved by the Board of Directors of the Company on February 28, 2022.

### **Basis of Measurement**

These consolidated financial statements have been prepared on the historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

**ALLEGIANT GOLD LTD.**

Notes to the Condensed Interim Consolidated Financial Statements

Three Month Period Ended December 31, 2021

(Unaudited - Expressed in Canadian Dollars)

**2. BASIS OF PREPARATION** (continued)**Functional and Presentation Currency**

The functional currency of the Company is the Canadian dollar, which is also the presentation currency of the consolidated financial statements.

**Basis of Consolidation**

These consolidated financial statements include the accounts of Allegiant and its wholly-owned subsidiaries as follows:

<b>Entity</b>	<b>Ownership Interest</b>	<b>Place of Incorporation</b>
Allegiant Gold Holding Ltd.	100%	British Columbia, Canada
Allegiant Gold (U.S.) Ltd.	100%	Nevada, USA

All inter-company transactions and balances have been eliminated upon consolidation.

Control exists where the parent entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are included in the consolidated financial statements from the date control commences until the date control ceases.

**Use of Estimates and Judgements**Significant accounting judgments, estimates and assumptions

The preparation of the Company's 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 financial statements and reported amounts of revenues 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 following areas required a significant degree of estimation and judgment:

Recoverability of exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment to determine whether future economic benefits are likely, from either future exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves.

Share-based payments

The fair value of stock options issued are subject to the limitation of the Black-Scholes option pricing model, which incorporates market data and involves uncertainty in estimates used by management in the assumptions. The Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, and, as a result, changes in subjective input assumptions can materially affect the fair value estimate.

**ALLEGIANT GOLD LTD.**

Notes to the Condensed Interim Consolidated Financial Statements

Three Month Period Ended December 31, 2021

(Unaudited - Expressed in Canadian Dollars)

**2. BASIS OF PREPARATION** (continued)*Decommissioning provisions*

Restoration costs will be incurred by the Company in connection with certain exploration activities conducted on exploration and evaluation assets. The Company estimates abandonment and reclamation costs based on a combination of publicly available industry benchmarks and internal site-specific information. The ultimate restoration liability is uncertain and can vary in response to many factors including changes to relevant legal requirements, the emergence of new restoration techniques, experience at other sites, or changes in the risk-free discount rate. The expected timing and amount of expenditure can also change in response to changes in laws and regulations or their interpretation. As a result, there could be significant adjustments to the provisions established which would affect future financial results.

*Functional currency*

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currencies are as follows:

<b>Entity</b>	<b>Functional Currency</b>
Allegiant Gold Ltd.	Canadian dollar
Allegiant Gold Holding Ltd. (“AGHL”)	Canadian dollar
Allegiant Gold (U.S.) Ltd. (“AGUS”)	United States dollar

The preparation of the consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. 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 circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions used by management where there is risk of material adjustments to assets and liabilities in future accounting periods include the recoverability of the carrying value of exploration and evaluation assets, assumptions used in determination of the fair value of share-based payments, the recoverability and measurement of deferred tax assets, decommissioning obligations, restoration and similar liabilities and contingent liabilities.

**3. SIGNIFICANT ACCOUNTING POLICIES**

These condensed interim consolidated financial statements have been prepared using the same accounting policies as those used in the Company’s annual financial statements for the year ended September 30, 2021.

**ALLEGIANT GOLD LTD.**

Notes to the Condensed Interim Consolidated Financial Statements

Three Month Period Ended December 31, 2021

(Unaudited - Expressed in Canadian Dollars)

**4. SHORT-TERM INVESTMENTS**

<b>Carrying Value September 30, 2021</b>	<b>Additions</b>	<b>Dispositions</b>	<b>Unrealized Gain (Loss)</b>	<b>Fair Value December 31, 2021</b>
(\$)	(\$)	(\$)	(\$)	(\$)
555,424	464,421	-	59,096	1,078,941

  

<b>Carrying Value September 30, 2020</b>	<b>Additions</b>	<b>Dispositions</b>	<b>Unrealized Gain (Loss)</b>	<b>Fair Value September 30, 2021</b>
(\$)	(\$)	(\$)	(\$)	(\$)
659,149	718,194	(213,067)	(608,822)	555,424

**5. LEASE**

The Company's right-of-use asset, a storage facility lease in Reno, NV, is included in right of use asset.

	<b>Facility Lease</b>
	(\$)
Cost:	
At September 30, 2020	119,425
Additions	-
At September 30 and December 31, 2021	119,425
Accumulated amortization:	
At September 30, 2020	(12,391)
Depreciation for the year	(28,223)
At September 30, 2021	(40,614)
Depreciation for the period	(7,034)
At December 31, 2021	(47,648)
Foreign exchange:	
At September 30, 2020	-
Additions	(5,489)
At September 30, 2021	(5,489)
Additions	277
At December 31, 2021	(5,212)
Carrying amounts:	
At September 30, 2021	66,565
At December 31, 2021	73,322

**ALLEGIANT GOLD LTD.**

Notes to the Condensed Interim Consolidated Financial Statements

Three Month Period Ended December 31, 2021

(Unaudited - Expressed in Canadian Dollars)

**5. LEASE (continued)**

During the three month period ended December 31, 2021, the Company made lease payments of \$9,382 (2020 - \$9,382). In addition, the Company incurred finance expenses of \$1,448 (2020 - \$3,975) related to interest on its lease.

Lease liability recognized at December 31, 2021 is as follows:

	<b>Amount</b>
	(\$)
Lease liability as at September 30, 2020	110,673
Payment of lease liability	(36,410)
Interest expense on lease liability	13,088
Foreign exchange	(4,523)
Lease liability as at September 30, 2021	82,828
Payment of lease liability	(6,071)
Interest expense on lease liability	1,448
Foreign exchange	(1,109)
<b>Lease liability as at December 31, 2021</b>	<b>77,096</b>
<b>Current</b>	<b>28,782</b>
<b>Non-current</b>	<b>48,314</b>

**6. RECLAMATION BONDS**

The drilling permits for the following properties require refundable reclamation bonds, which are held by the USA Forest Service and the US Bureau of Land Management:

	<b>December 31,</b>	<b>September 30,</b>
	<b>2021</b>	<b>2021</b>
	(\$)	(\$)
Browns Canyon	8,083	8,042
Eastside	385,986	269,799
Hughes Canyon	7,040	7,004
Red Hills	7,790	7,750
	<b>408,899</b>	<b>292,595</b>



**ALLEGIANT GOLD LTD.**

Notes to the Condensed Interim Consolidated Financial Statements

Three Month Period Ended December 31, 2021

(Unaudited - Expressed in Canadian Dollars)

**7. EXPLORATION AND EVALUATION ASSETS**

A summary of exploration and evaluation assets by property for the three month period ended December 31, 2021 is set out below:

<b>Property</b>	<b>Balance at September 30, 2021</b>	<b>Additions</b>	<b>Option Payment(s) Received</b>	<b>Impairment</b>	<b>Foreign Exchange</b>	<b>Balance at December 31, 2021</b>
	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>
Bolo	3,286,587	-	(657,672)	-	18,917	2,647,832
Browns Canyon	1	-	-	-	-	1
Clanton Hills	6,751	-	-	-	34	6,785
Eastside	21,166,613	160,234	-	-	110,451	21,437,298
West Goldfield	1	-	-	-	-	1
Overland Pass	1	-	-	-	-	1
White Horse Flats	1	-	-	-	-	1
White Horse North	1	-	-	-	-	1
	<b>24,459,956</b>	<b>160,234</b>	<b>(657,672)</b>	<b>-</b>	<b>129,402</b>	<b>24,091,920</b>

A summary of exploration and evaluation assets by property for the year ended September 30, 2020 is set out below:

<b>Property</b>	<b>Balance at September 30, 2020</b>	<b>Additions</b>	<b>Option Payment(s) Received</b>	<b>Impairment</b>	<b>Foreign Exchange</b>	<b>Balance at September 30, 2021</b>
	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>
Bolo	3,822,979	-	(351,145)	-	(185,247)	3,286,587
Browns Canyon	738,700	33,133	-	(728,657)	(43,175)	1
Clanton Hills	-	6,713	-	-	38	6,751
Eastside	20,125,946	2,031,082	-	-	(990,415)	21,166,613
West Goldfield	477,594	93,952	-	(543,389)	(28,156)	1
Overland Pass	112,300	18,812	-	(124,501)	(6,610)	1
White Horse Flats	120,439	18,812	-	(132,166)	(7,084)	1
White Horse North	103,652	16,126	-	(113,681)	(6,096)	1
	<b>25,501,610</b>	<b>2,218,630</b>	<b>(351,145)</b>	<b>(1,642,394)</b>	<b>(1,266,745)</b>	<b>24,459,956</b>

**ALLEGIANT GOLD LTD.**

Notes to the Condensed Interim Consolidated Financial Statements

Three Month Period Ended December 31, 2021

(Unaudited - Expressed in Canadian Dollars)

**7. EXPLORATION AND EVALUATION ASSETS (continued)**

A summary of the exploration and evaluation assets by cost category is set out below:

	<b>Amount</b>
	<b>(\$)</b>
<b>Balance at September 30, 2020</b>	<b>25,501,610</b>
Acquisition and land costs	513,114
Camp costs	1,769
Drilling	775,736
Geology, trenching and geophysics	384,012
Impairment	(1,642,394)
Management and administration	39,474
Option proceeds	(351,145)
Technical studies	421,597
Travel	82,928
Foreign exchange	(1,266,745)
<b>Balance at September 30, 2021</b>	<b>24,459,956</b>
Acquisition and land costs	54,860
Camp costs	64,102
Geology, trenching and geophysics	24,270
Management and administration	298
Option proceeds	(657,672)
Technical studies	6,880
Travel	9,824
Foreign exchange	129,402
<b>Balance at December 31, 2021</b>	<b>24,091,920</b>

*Bolo, Nevada*

The Company holds a 100% interest in Bolo, subject to underlying royalties. On June 27, 2018, the Company entered into an agreement, as amended on October 24, 2018, December 14, 2018 and March 12, 2019, with New Placer Dome Gold Corp. ("NGLD"), under which NGLD may acquire up to a 50.01% undivided interest in Bolo by issuing common shares of NGLD to the Company, with an aggregate value of \$1,310,000 (US\$1,000,000) over a three year period, and also incurring certain exploration and evaluation expenditures on Bolo with a minimum aggregate value of \$5,240,000 (US\$4,000,000) by December 31, 2022. On April 24, 2019, the Company received 1,672,750 common shares of NGLD, representing an initial \$334,550 (US\$250,000) option payment. On January 29, 2020, the Company received 2,059,219 common shares of NGLD with a fair value of \$270,077, representing the first anniversary option payment of US\$250,000. On December 16, 2020, the Company received 1,170,483 common shares of NGLD with a fair value of \$351,145, representing the second anniversary option payment of US\$250,000.

In December 2021, the Company received 1,608,350 common shares of NGLD valued at \$144,752, representing the third anniversary option payment pursuant to the Bolo option agreement. In addition, the Company received \$320,750 (US\$250,000) in cash and 2,402,119 common shares valued at \$192,170 (US\$150,000) from NGLD in connection with the Bolo option agreement. The cash and share payments totaling US\$400,000 were accepted by the Company in lieu of the exploration and evaluation expenditures that were required to be expended by NGLD before December 31, 2021.

**ALLEGIANT GOLD LTD.**

Notes to the Condensed Interim Consolidated Financial Statements

Three Month Period Ended December 31, 2021

(Unaudited - Expressed in Canadian Dollars)

**7. EXPLORATION AND EVALUATION ASSETS (continued)**

NGLD may acquire an additional 24.99% interest in Bolo by incurring an additional \$5,240,000 (US\$4,000,000) in certain exploration and evaluation expenditures on Bolo within two years of acquiring the initial 50.01% interest in Bolo. If NGLD does not acquire the additional 24.99% interest, then NGLD will transfer a 0.02% interest in Bolo back to the Company.

*Eastside, Nevada*

The Company holds a 100% interest in Eastside, subject to underlying royalties.

In July 2021, the Company entered into a lease agreement (the "Hilger Agreement"), with option to purchase, for certain mineral claims (the "Hilger Property") located adjacent to the Eastside project. The terms of the lease require escalating cash and common share payments over the initial six years with the subsequent years having a fixed aggregate annual payments of US\$75,000. The first two years of lease payments totaling US\$60,000 were settled through the issuance of 163,733 common shares of the Company in October 2021.

The lease has a term of ten years with a renewal option for two additional ten year periods at the election of the Company.

At any time during the term of the lease, the Company has the option to purchase the Hilger Property for a cash payment of US\$750,000. On exercise of the option, the vendor will retain a 3% net smelter return royalty on production from the property, and the lease will terminate. The Company has the option to reduce the royalty by 2% in instalments of 1% each for payments of US\$1,000,000 per instalment. The Company must expend a minimum of US\$350,000 in expenditures on the Hilger Property before the fifth anniversary of the effective date of the Hilger Agreement, unless the option is exercised or the Hilger Agreement is terminated.

*Four Metals, Arizona*

The Company and MinQuest Ltd. each own a 50% interest in 16 unpatented lode mining claims that, in addition to 24 unpatented lode mining claims that are 100% owned by the Company, comprise the Four Metals project. On April 19, 2018 the Company and MinQuest Ltd. entered into an option agreement with Arizona Standard (US) Corp. (the "Four Metals Optionee") and Barksdale Metals Corp. ("Barksdale") granting the Four Metals Optionee an option to acquire a 100% interest in the Four Metals project. The option agreement requires the Four Metals Optionee to pay \$294,750 (US\$225,000) in staged payments over a five-year period. In addition, Barksdale will issue common shares with a total value of \$294,750 (US\$225,000) in staged issuances over the same five-year period. The cash payments and share issuances are shared equally with MinQuest Ltd. so that the Company will receive 50% of the cash and share payments.

In April 2021, the Company received cash of \$15,125 (2020 – \$17,316) and 30,944 (2020 – 68,493) common shares of Barksdale, with a fair value of \$15,572 (2020 - \$15,753).

*Mogollon, New Mexico*

The Company holds a 100% interest in Mogollon, subject to underlying royalties.

In May 2020, Mogollon was returned back to Allegiant by NGLD.

On August 21, 2020, the Company entered into an agreement with Summa Silver Corp. ("Summa") wherein Summa can acquire a 75% interest in the Mogollon silver property in exchange for an initial cash payment of US\$50,000 and the issuance of 200,000 common shares of Summa, subsequent cash and share payments valued at US\$2,750,000 and by incurring exploration expenditures totalling US\$3,000,000 over a period of three years. Summa can further acquire the remaining 25% interest in Mogollon by paying the Company an additional US\$3,000,000 in either cash or common shares of Summa.

## ALLEGIANT GOLD LTD.

Notes to the Condensed Interim Consolidated Financial Statements

Three Month Period Ended December 31, 2021

(Unaudited - Expressed in Canadian Dollars)

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### 7. EXPLORATION AND EVALUATION ASSETS (continued)

On August 26, 2020, the Company received a cash payment of \$65,826 (US\$50,000) and 200,000 common shares of Summa, with a fair value of \$424,000.

On August 17, 2021, the Company received a cash payment of \$126,000 (US\$100,000) and 352,351 common shares of Summa, with a fair value of \$352,351 (US\$300,000).

On October 11, 2021, the Company received 150,000 common shares of Summa valued at \$126,030 in connection with the approval of a royalty buy-down with one of the underlying claim owners.

#### *Clanton Hills, Arizona*

The Company holds a 100% interest in Clanton Hills, subject to underlying royalties. On August 31, 2020, the Company entered into an option agreement with Supernova Metals Corp (“Supernova”) granting Supernova an option to acquire a 50.1% interest in the Clanton Hills silver property. To acquire its interest Supernova was required to pay US\$550,000 in cash, issue 2,000,000 common shares (received) and incur US\$1,500,000 in exploration expenditures prior to September 15, 2023.

In March 2021, Supernova elected not to proceed with the Clanton Hills option agreement and returned the property to the Company.

#### *Other*

The Company has additional exploration and evaluation assets located in the USA, comprised of the following properties: Browns Canyon, Overland Pass, Goldfield West, White Horse Flats, and White Horse North. The Company determined that the lack of recent exploration and planned future exploration on these properties indicated the existence of impairment on these properties. Accordingly, the Company recorded an aggregate impairment of \$1,642,394 for the year ended September 30, 2021 and reduced the carrying value of each property to a nominal value of \$1.

### 8. CEBA LOAN

In May 2020, the Company received a \$40,000 loan from the Canada Emergency Business Account (“CEBA”). The terms of the loan are as follows:

- Repayment of 75%, or up to \$30,000, of the contribution amount, on or before December 31, 2022, will result in the forgiveness of 25%, or up to \$10,000 of the total contribution;
- No scheduled monthly repayments are required until after December 31, 2022;
- If 75% of the contribution amount is not repaid by December 31, 2022, the balance owing will be converted to an additional three (3) year term repayable contribution (with a fixed monthly repayment schedule), beginning January 2023, with no forgivable portion, and it will accrue interest at a rate of 5%;
- The full balance, of the contribution amount must be repaid no later than December 31, 2025.

In December 2020, the Company received an additional \$20,000 loan from CEBA under the same terms as the first loan advance, with the exception that if 50% of the loan is repaid on or before December 31, 2022, then the remaining \$10,000 will be forgiven.

On November 30, 2021, the Company repaid \$40,000 to fully extinguish the CEBA loan and recorded a \$20,000 gain on settlement of the debt.

**ALLEGIANT GOLD LTD.**

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**9. ASSET RETIREMENT OBLIGATION**

	<b>December 31, 2021</b>	<b>September 30, 2021</b>
	(\$)	(\$)
Balance, beginning	220,604	228,573
Addition	-	-
Accretion expense	844	3,391
Foreign exchange	1,141	(11,360)
Balance, end	<u>222,589</u>	<u>220,604</u>

The Company's provision for restoration and environmental obligations consists of costs accrued based on the current best estimate of reclamation activities that will be required at the completion of exploration and evaluation activities. The Company's provision for future site closure and reclamation costs is based on the level of known disturbance at the reporting date, known legal requirements and estimates prepared by management. It is not currently possible to estimate the impact on operating results, if any, of future legislative or regulatory developments.

The Company has calculated the fair value of the asset retirement obligation using a risk-free discount rate of 0.57% and an inflation rate of 1.9%. The estimated total future undiscounted cash flows to settle the asset retirement obligations are \$286,499 (US\$214,125) and are expected to be incurred over a period of approximately 14 years.

**10. SHARE CAPITAL**Common shares

Authorized - unlimited common shares without par value.

Three Month Period Ended December 31, 2021

On October 28, 2021, the Company issued 163,733 common shares with a fair value of \$49,939 in connection with the Hilger Agreement.

On November 18, 2021, the Company issued 225,000 common shares pursuant to the exercise of restricted stock units ("RSUs"), and accordingly transferred \$23,625 from reserves to share capital.

On December 20, 2021, the Company issued 68,750 common shares pursuant to the exercise of RSUs, and accordingly transferred \$24,062 from reserves to share capital.

Year Ended September 30, 2021

On October 21, 2020, the Company issued 3,201,766 common shares with a value of \$1,072,592 to Orea to settle a loan liability with a face value of \$1,604,405 (Note 11). A gain on extinguishment of debt totaling \$486,211 was recorded.

On December 21, 2020, the Company issued 250,000 common shares pursuant to the exercise of stock options for gross proceeds of \$25,000. Additionally, \$26,850 and has been transferred from reserves to share capital.

On December 21, 2020, the Company issued 237,500 common shares pursuant to the exercise of RSUs and accordingly transferred \$24,938 reserves to share capital.

**ALLEGIANT GOLD LTD.**

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**10. SHARE CAPITAL** (continued)

On April 22, 2021, the Company issued 350,000 common shares pursuant to the exercise of RSUs, and accordingly transferred \$36,751 reserves to share capital.

On June 1, 2021, the Company issued 53,000 common shares pursuant to the exercise of share purchase warrants for gross proceeds of \$21,200.

On June 4, 2021, the Company issued 275,000 common shares pursuant to the exercise of RSUs, and accordingly transferred \$28,874 reserves to share capital.

On August 19, 2021, the Company completed a bought deal financing under a short form prospectus wherein it issued 12,500,000 units at a price of \$0.40 per unit for aggregate proceeds of \$5,000,000. Each unit consisted of a common share and one half of a common share purchase warrant, and each whole warrant entitles the holder to acquire an additional common share at a price of \$0.70 for a period of two years from the date of closing. The warrants were valued at \$125,000. The Company paid cash fees totalling \$268,500 to the syndicate of Agents that completed the financing and issued a total of 296,250 Agent's Warrants, valued at \$65,200, which are exercisable at \$0.40 per share for a period of two years from the date of closing. The Company also incurred \$230,669 in legal fees and \$47,718 in filing fees.

On August 23, 2021, the Company issued 20,000 common shares pursuant to the exercise of share purchase warrants for gross proceeds of \$8,000.

**RSUs**

On December 20, 2019 the Company adopted a fixed restricted share unit ("RSU") plan to issue up to 4,400,000 RSUs to eligible participants. The Board of Directors may from time to time, grant RSUs to directors, officers, employees or consultants. The vesting terms of an RSU are at the discretion of the Board of Directors.

The continuity of the Company's RSUs is as follows:

	<b>Number of RSUs</b>
Balance, September 30, 2020	3,187,500
Granted	200,000
Exercised	(862,500)
Balance, September 30, 2021	2,525,000
Granted	1,100,000
Forfeited	(225,000)
Exercised	(293,750)
<b>Balance, December 31, 2021</b>	<b>3,106,250</b>

As at December 31, 2021 there are 3,106,250 RSUs outstanding that 1,875,000 expire December 31, 2023 and 1,231,250 expire December 31, 2024.

The fair value of RSUs recognized as an expense during the three month period ended December 31, 2021 was \$145,290 (2020 - \$57,461). The fair value of each RSU is determined using the closing price of the common shares of the Company on the date of grant. The RSUs have varying vesting periods.

**ALLEGIANT GOLD LTD.**

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**10. SHARE CAPITAL (continued)**Options

The Company has a share option plan to issue share options whereby the total share options outstanding may be up to 10% of its issued capital at the time of an applicable option grant. The Board of Directors may from time to time, grant options to directors, officers, employees or consultants. The exercise price of an option is not less than the closing price on the TSXV on the last trading day preceding the grant date.

The continuity of the Company's share options is as follows:

	Number of Options	Weighted Average Exercise Price (\$)
Balance, September 30, 2020	1,340,000	0.22
Exercised	(250,000)	0.10
Balance, September 30, 2021	1,090,000	0.25
Granted	1,800,000	0.35
<b>Balance, December 31, 2021</b>	<b>2,890,000</b>	<b>0.31</b>

A summary of the Company's options at December 31, 2021 is as follows:

Exercise Price (\$)	Options Outstanding		Options Exercisable	
	Number of Options Outstanding	Weighted Average Remaining Contractual Life (yrs)	Number of Options Exercisable	Weighted Average Remaining Contractual Life (yrs)
0.35	1,800,000	4.86	450,000	4.86
0.10	750,000	2.72	750,000	2.72
0.60	140,000	1.08	140,000	1.08
0.55	200,000	0.70	50,000	0.70
<b>0.25</b>	<b>1,090,000</b>	<b>3.84</b>	<b>940,000</b>	<b>4.69</b>

The fair value of share options recognized as an expense during the three month period ended December 31, 2021 was \$260,122 (2020 - \$9,063).

The fair value of each share option is estimated on the date of grant using the Black-Scholes Option Pricing Model that uses the assumptions noted in the table below. Expected volatilities are based on historical volatility of the Company's shares, and other factors. The expected term of share options granted represents the period of time that share options granted are expected to be outstanding. The risk-free rate of periods within the contractual life of the share option is based on the Canadian government bond rate. Assumptions used for share options granted during the three month period ended December 31, 2021 were as follows:

Grant Date	Number of Share Options	Expected Price Volatility (%)	Risk Free Interest Rate (%)	Expected Life (yrs)	Expected Dividend Yield (%)	Fair Value Per Option (\$)	Total Fair Value (\$)
November 10, 2021	1,800,000	114	1.47	5.00	-	0.28	507,100

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**10. SHARE CAPITAL (continued)**Warrants

The continuity of the Company's warrants is as follows:

	Number of Options	Weighted Average Exercise Price (\$)
Balance, September 30, 2020	6,445,096	0.40
Issued	6,546,250	0.69
Exercised	(73,000)	0.40
Balance, September 30, 2021	12,918,346	0.55
Expired	(5,563,096)	0.40
<b>Balance, December 31, 2021</b>	<b>7,355,250</b>	<b>0.65</b>

A summary of the Company's warrants at December 31, 2021 is as follows:

Number of Warrants	Weighted Average Exercise Price (\$)	Expiry Date	Weighted Average Remaining Contractual Life (yrs)
809,000	0.40	January 6, 2022	0.02
296,250	0.40	August 19, 2023	1.63
6,250,000	0.70	August 19, 2023	1.63
7,355,250	0.55		1.46

Reserves*RSUs, Share options and warrants*

The RSUs, share options and warrants reserve records items recognized as share-based payments expense until such time that the RSUs, stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

*Accumulated other comprehensive income (loss)*

The accumulated other comprehensive income (loss) reserve records unrealized exchange differences arising on translation of foreign operations that have a functional currency other than the Company's reporting currency.



**ALLEGIANT GOLD LTD.**

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**11. RELATED PARTY TRANSACTIONS**

The following is a summary of related party transactions for the three month periods ended December 31, 2021 and 2020:

	<b>December 31,</b>	<b>December 31,</b>
	<b>2021</b>	<b>2020</b>
	(\$)	(\$)
Office rent and administration services paid or accrued to Orea, a company that shares directors in common	4,500	4,500
Management fees paid or accrued to a corporation controlled by the former Chairman of the Company	-	9,000
Management and administration fees paid or accrued to the CEO of the Company	71,173	94,039
Professional fees paid to a corporation controlled by the CFO of the Company	38,400	48,000
Directors fees paid or accrued	27,000	27,000
Share-based compensation in the form of vested stock options and RSUs issued to directors and officers of the Company	381,127	43,206
Exploration and evaluation expenditures paid or accrued to a director of the Company	14,448	24,305
	<b>536,648</b>	<b>250,050</b>

As at December 31, 2021, there was \$nil (September 30, 2021 - \$23,190) owing to directors of the Company and included in accounts payable.

**12. SEGMENTED INFORMATION**

The Company has one reportable business segment, being mineral exploration and evaluation. All of the Company's long-term assets are located in the USA.

**13. FINANCIAL RISK AND CAPITAL MANAGEMENT**Financial risk

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments at December 31, 2021 are summarized below. The Board of Directors periodically reviews with management the principal risks affecting the Company and the systems that have been put in place to manage these risks.

Credit risk

The credit risk exposure on cash is limited to its carrying amount at the date of the statements of financial position. Cash is held as cash deposits with creditworthy banks in Canada and the USA, and risk is assessed as low.

## ALLEGIANT GOLD LTD.

Notes to the Condensed Interim Consolidated Financial Statements

Three Month Period Ended December 31, 2021

(Unaudited - Expressed in Canadian Dollars)

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### 13. FINANCIAL RISK AND CAPITAL MANAGEMENT (continued)

The credit risk exposure on reclamation bonds is limited to its carrying amount at the date of the statements of financial position. Reclamation bonds are held by the USA Forest Service and the US Bureau of Land Management, and risk is assessed as low.

The credit risk exposure on receivables is limited to its carrying amount at the date of the statements of financial position. Receivables are due primarily from the Canada Revenue Agency for GST/HST refunds.

#### Liquidity risk

Liquidity risk arises from the Company's general and capital financing needs. The Company manages liquidity risk by attempting to maintain sufficient cash balances. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short term obligations. As at December 31, 2021, the Company had a working capital of \$4,829,060 (September 30, 2021 – \$4,602,843) so liquidity risk is assessed as low.

#### Market risks

##### (i) Foreign currency risk

The Company's presentation currency is the Canadian dollar, however the functional currency of AGUS is the US dollar. The Company is exposed to the currency risk related to the fluctuation of foreign exchange rates in its US subsidiary. The Company also has certain assets and liabilities denoted in US dollars. A significant change in the currency exchange rates between the Canadian dollar relative to the US dollar could have an effect on the Company's results of operations, financial position and/or cash flows. The Company has not hedged its exposure to currency fluctuations.

##### (ii) Commodity price risk

The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market price of gold. The Company closely monitors commodity prices to determine the appropriate course of action to be taken.

##### (iii) Interest rate risk

The Company does not have any variable interest-bearing debt and is therefore not exposed to interest rate risk.

#### Sensitivity analysis

A 10% change in interest rates does not have a significant effect on the Company's profit or loss.

The Company has certain assets and liabilities in US Dollars, a currency other than the functional currency of Company. The Company estimates that a +/-10% change in the value of the Canadian dollar relative to the US dollar would affect the Company's profit or loss by \$45,758 and \$530,581 on net assets.

**ALLEGIANT GOLD LTD.**

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(Unaudited - Expressed in Canadian Dollars)

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**13. FINANCIAL RISK AND CAPITAL MANAGEMENT** (continued)Capital management

The Company considers the components of equity as being capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. As the Company is in the exploration stage, its principal source of funds is from equity financings.

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, enter into joint venture property arrangements, acquire or dispose of assets or adjust the amount of cash and investments.

Fair value

The fair value of the Company's financial instruments, including cash, short-term investments, receivables, accounts payable, CEBA loan and due to Orea approximates their carrying value due to the immediate or short-term maturity of these financial instruments. These items are measured at amortized cost.

The fair value of the reclamation bonds approximates their fair value based on current interest rates and high liquidity.

The fair value of the short-term investments is measured using level 1 of the fair value hierarchy.

IFRS 9, Financial Instruments: Disclosure establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

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

The Company has determined the estimated fair values of its financial instruments based upon appropriate valuation methodologies.

**14. COMMITMENT**

The Company entered into a lease agreement on May 1, 2020 for the rental of storage space in Reno, Nevada with a term that expires on April 30, 2022 with an option to renew the lease for a further term of 2 years expiring on April 30, 2024. The remaining rent payable under the lease is \$12,268 (US\$9,600) up until the lease expires.

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**15. SUPPLEMENTAL CASH FLOW INFORMATION**

The Company's non-cash investing and financing transactions are as follows:

	<b>December 31, 2021</b>	<b>December 31, 2020</b>
	(\$)	(\$)
Amount transferred from reserves to share capital in connection with exercise of RSUs.	47,687	24,937
Amount transferred from reserves to share capital in connection with exercise of stock options.	-	26,850
Received short-term investments as an option payment for the Bolo property.	336,921	354,677
Issued common shares in connection with the Hilger Agreement.	49,939	-
Issued common shares to Orea to settle Grid Note.	-	1,072,592
	<u>434,547</u>	<u>1,479,056</u>

**16. SUBSEQUENT EVENTS**

Subsequent to December 31, 2021, a total of 809,000 share purchase warrants expired without being exercised.