



TROILUS

TROILUS GOLD CORP.

CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS

AMENDED AND RESTATED

For the three and nine months ended
April 30, 2024 and 2023

(expressed in Canadian dollars)

TROILUS GOLD CORP.

NOTICE TO READER:

The attached amended and restated interim consolidated financial statements of Troilus Gold Corp. (the “Company”) replace the version filed on June 14, 2024. The restatement has been made to amend the accounting treatment of the Company’s holdings of shares in Prospector Metals Corp. (“Prospector”). The Company initially valued the investment at fair market value in accordance with IFRS 9 Financial Instruments. After further review and reflection, it was determined that the Company had significant influence in Prospector, and as such, has used the equity method in accordance with IAS 28 Investment in Associates and Joint Ventures to account for this investment. Please see Note 6.

These amended and restated interim consolidated financial statements and the related amended and restated Management’s Discussion and Analysis (“MD&A”) for the three and nine months ended April 30, 2024 replace and supersede the respective previously filed original financial statements and related MD&A. The Board of Directors has approved these amended and restated financial statements on September 23, 2024.

TROILUS GOLD CORP.**Amended Condensed Interim Consolidated Statements of Financial Position****(Expressed in Canadian dollars)**

As at	Notes	April 30, 2024 <i>restated</i>	July 31, 2023
ASSETS			
Current assets			
Cash and cash equivalents		\$ 14,891,676	\$ 3,901,133
Tax credit receivable	14	7,705,019	11,490,000
Amounts receivable		461,704	415,249
Investments	5	748,401	14,002,843
Prepaid expenses		786,756	666,224
Total current assets		24,593,556	30,475,449
Reclamation deposits	7	844,595	844,595
Investment in associate	6	1,715,376	-
Property and equipment	8	5,156,297	5,506,856
TOTAL ASSETS		\$ 32,309,824	\$ 36,826,900
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		\$ 6,563,523	\$ 3,160,672
Current portion of lease liabilities	9	267,229	688,365
Current portion of reclamation provision	7	174,430	139,738
Total current liabilities		7,005,182	3,988,775
Long-term portion of lease liabilities	9	253,076	384,290
Reclamation provision	7	2,555,822	2,570,641
Total liabilities		9,814,080	6,943,706
SHAREHOLDERS' EQUITY			
Share capital	10	210,075,545	184,023,099
Share purchase warrant reserve	11	506,110	539,966
Share-based payment reserve	12	4,837,558	12,049,119
Accumulated deficit		(192,923,469)	(166,728,990)
Total shareholders' equity		22,495,744	29,883,194
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 32,309,824	\$ 36,826,900
Nature of operations	1		
Commitments and contingencies	19		
Subsequent events	20		
Approved on behalf of the Board of Directors:			
<i>"Tom Olesinski"</i>		<i>"Justin Reid"</i>	
Director		Director	

-- see accompanying notes to the consolidated financial statements --

TROILUS GOLD CORP.

Amended Condensed Interim Consolidated Statements of Operations and Comprehensive Loss

(Expressed in Canadian dollars)

	Note	Three months ended		Nine months ended	
		April 30,		April 30,	
		2024	2023	2024	2023
Expenses		<i>restated</i>		<i>restated</i>	
Exploration and evaluation expenses	14	\$ 5,157,439	\$ 6,313,415	\$ 15,929,022	\$ 17,070,676
Reclamation estimate	7	24,843	(106,396)	208,687	(272,830)
General and administrative expenses	15	1,189,679	1,376,637	3,991,525	5,039,721
Share-based payments	12	874,775	1,476,309	2,335,939	5,808,293
Total expenses before other items		(7,246,736)	(9,059,965)	(22,465,173)	(27,645,860)
Other income/(expenses)					
Interest income		140,292	12,594	279,139	132,390
Interest on lease liabilities	9	(18,266)	(34,064)	(71,304)	(103,584)
Flow-through share premium recovery	10	503,745	-	1,190,512	-
Accretion of reclamation provision	7	(30,491)	(24,342)	(74,806)	(74,025)
Gain on sale of mineral claims	5	1,844,433	40,500	1,874,433	39,687,799
Realized loss on sale of investment	5	(6,505,549)	(835,988)	(14,677,165)	(1,304,676)
Unrealized gain/(loss) on investments	5	6,487,887	(7,383,587)	7,272,357	(2,767,781)
(Loss) from investment in associate	6	(129,057)	-	(129,057)	-
Other gains/(losses)	16	(3,193)	(26,667)	66,619	6,278
Net income/(loss) and comprehensive income/(loss) for the period		\$ (4,956,935)	\$ (17,311,519)	\$ (26,734,445)	\$ 7,930,541
Net income/(loss) per share					
Basic		\$ (0.02)	\$ (0.08)	\$ (0.10)	\$ 0.04
Diluted		\$ (0.02)	\$ (0.08)	\$ (0.10)	\$ 0.03
Weighted average common shares outstanding					
Basic		279,910,387	226,675,694	260,893,679	216,948,892
Diluted		279,910,387	226,675,694	260,893,679	229,125,120

-- see accompanying notes to the consolidated financial statements --

TROILUS GOLD CORP.**Amended Condensed Interim Consolidated Statements of Cash Flows****(Expressed in Canadian dollars)**

	Notes	Nine months ended April 30,	
		2024 <i>restated</i>	2023
CASH FLOWS FROM:			
Operating activities			
Net (loss)/income for the period		\$ (26,734,445)	\$ 7,930,541
Items not involving cash			
Share-based payments	12	2,335,939	5,808,293
Depreciation	8	1,100,663	1,157,762
Value of shares received on sale of mineral claims	5	(1,874,433)	(40,040,500)
Flow-through share premium	10	(1,190,512)	-
Reclamation estimate adjustment	7	208,687	(272,830)
Reclamation costs incurred	7	(263,620)	(84,512)
Realized and unrealized losses on investment	5	7,404,808	4,072,457
Loss from investment in associate	6	129,057	-
Other (gains)	16	(147,680)	(89,572)
Accretion of reclamation estimate	7	74,806	74,025
		<u>(18,956,730)</u>	<u>(21,444,336)</u>
Net change in non-cash working capital items:			
Amounts receivable and prepaid expenses		(166,987)	(68,458)
Tax credit receivable		3,784,981	(6,217,025)
Accounts payable and accrued liabilities		3,402,850	(1,604,785)
		<u>7,020,844</u>	<u>(7,890,268)</u>
Cash flows used in operating activities		<u>(11,935,886)</u>	<u>(29,334,604)</u>
Financing activities			
Financing proceeds	10	16,508,000	10,000,000
Share issue costs	10	(1,446,057)	(102,211)
Exercise of warrants	11	3,139,625	304,000
Lease payments	9	(790,525)	(627,351)
Cash flows provided by financing activities		<u>17,411,043</u>	<u>9,574,438</u>
Investing activities			
Property and equipment	8	(364,249)	(375,106)
Acquisition of investment		-	(551,412)
Proceeds from sale of investment	5	5,879,635	11,655,492
Cash flows provided by investing activities		<u>5,515,386</u>	<u>10,728,974</u>
Net change in cash and cash equivalents		10,990,543	(9,031,192)
Cash and cash equivalents, beginning of the period		3,901,133	9,498,921
Cash and cash equivalents, end of the period		<u>\$ 14,891,676</u>	<u>\$ 467,729</u>
CASH AND CASH EQUIVALENTS CONSIST OF:			
Cash		\$ 14,811,676	\$ 387,729
Cash equivalents		80,000	80,000
		<u>\$ 14,891,676</u>	<u>\$ 467,729</u>
SUPPLEMENTARY INFORMATION			
Equipment purchased through leases	8, 9	\$ 390,028	\$ 597,165

-- see accompanying notes to the consolidated financial statements --

TROILUS GOLD CORP.

Amended Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian dollars)

	Note	Number of Shares	Share Capital	Share purchase warrant reserve	Share-based payment reserve	Accumulated Deficit	Total Shareholders' equity
Balance as at July 31, 2022		199,986,685	\$ 169,479,704	\$ 6,597,944	\$ 8,988,801	\$ (167,136,836)	\$ 17,929,613
Private placement		20,408,163	10,000,000	-	-	-	10,000,000
Cost of issue		-	(102,211)	-	-	-	(102,211)
Share-based payments		6,242,929	4,052,394	-	(4,052,394)	-	-
Value of share-based compensation		-	-	-	7,321,991	-	7,321,991
Exercise of warrants		464,418	309,200	-	-	-	309,200
Allocation of value on exercise of warrants		-	284,012	(284,012)	-	-	-
Allocation of value on expiry of warrants		-	-	(5,773,966)	-	5,773,966	-
Allocation of value on expiry of options		-	-	-	(209,279)	209,279	-
Net loss for the year		-	-	-	-	(5,575,399)	(5,575,399)
Balance as at July 31, 2023		227,102,195	\$ 184,023,099	\$ 539,966	\$ 12,049,119	\$ (166,728,990)	\$ 29,883,194
Private placement	10	2,325,581	1,000,000	-	-	-	1,000,000
Cost of issue	10	-	(72,598)	-	-	-	(72,598)
Unit financing	10	41,708,570	15,508,000	-	-	-	15,508,000
Value of warrants on unit financing	10	-	(870,708)	870,708	-	-	-
Cost of issue	10	-	(1,373,459)	-	-	-	(1,373,459)
Flow-through share premium	10	-	(1,190,512)	-	-	-	(1,190,512)
Exercise of warrants	10	6,279,250	3,504,223	(364,598)	-	-	3,139,625
Expiry of warrants	11	-	-	(539,966)	-	539,966	-
Share-based payments	12	6,365,000	9,547,500	-	(9,547,500)	-	-
Value of share-based compensation	12	-	-	-	2,335,939	-	2,335,939
Net loss for the period		-	-	-	-	(26,734,445)	(26,734,445)
Balance as at April 30, 2024		283,780,596	\$ 210,075,545	\$ 506,110	\$ 4,837,558	\$ (192,923,469)	\$ 22,495,744

-- see accompanying notes to the consolidated financial statements --

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS

Troilus Gold Corp. (the “Company”) was continued under the laws of Ontario, Canada. The Company owns a 100% interest in a past-producing gold mine located near Chibougamau, within the Frotêt-Evans Greenstone Belt in Quebec (the “Troilus project”). The Company acquired additional mineral claims adjacent to the Troilus project through various transactions, including the acquisition of UrbanGold Minerals Inc. (“UrbanGold”). Collectively, these properties are referred to as the “Troilus Gold property”. The principal business of the Company is the exploration and future development of the Troilus Gold property. The Company’s head office is located in Montreal at 715 Square Victoria, Suite 705, Montreal, Quebec, H2Y 2H7. The Company’s registered office is located at 36 Lombard Street, 4th Floor, Toronto, Ontario, M5C 2X3. The Company’s shares trade on the Toronto Stock Exchange (“TSX”) under the symbol “TLG” as well as on the OTCQX under the symbol “CHXMF” and on the Frankfurt Stock Exchange under the symbol “CM5R”. All dollar amounts are Canadian dollars unless otherwise noted.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory, environmental and social requirements. The Company’s assets may also be subject to increases in taxes and royalties, renegotiation of contracts, and political uncertainty.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interests in the underlying properties, the achievement of profitable operations, or the ability of the Company to raise additional financing, as necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

These amended consolidated financial statements of the Company for the three and nine months ended April 30, 2024 were approved and authorized for issue by the Board of Directors on September 23, 2024.

2. BASIS OF PRESENTATION AND COMPLIANCE

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including International Account Standard (“IAS”) 34, “Interim Financial Reporting”. The policies set out in the Company’s annual consolidated financial statements for the year ended July 31, 2023 were consistently applied to all periods presented unless otherwise noted below.

The preparation of condensed interim financial statements in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting, requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company’s accounting policies. Certain disclosures included in annual financial statements have been condensed or omitted.

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

2. BASIS OF PRESENTATION AND COMPLIANCE (continued)

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company has no current source of operating cash flow, and there can be no assurances that sufficient funding, including adequate financing, will be available to explore and develop its property and to cover general and administrative expenses necessary for the maintenance of a public company. The Company's status as a going concern is contingent upon raising the necessary funds through the issuance of equity or debt. These matters represent material uncertainties that cast significant doubt about the ability of the Company to continue as a going concern. These consolidated financial statements do not include any adjustments that may result from the inability to continue as a going concern. Such adjustments could be material.

These consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

3. SIGNIFICANT ACCOUNTING POLICIES

These condensed interim consolidated financial statements reflect the accounting policies described in Note 3 to the Company's audited consolidated financial statements for the years ended July 31, 2023 and 2022, with the exception of any changes set out below.

New and future accounting policies

Investments in Associates

Investments in associates are accounted for using the equity method where there is significant influence. Significant influence is the ability to participate in the financial and operating policy decisions of the investee without having control or joint control over those policies. In general, significant influence is presumed to exist when the Company has between 20% and 50% of voting power. Significant influence may also be evidenced by factors such as the Company's representation on the board of directors, participation in policy-making of the investee, material transactions with the investee, interchange of managerial personnel or the provision of essential technical information. Investments of this nature are recorded at their original cost. The investment is adjusted periodically for the Company's share of the profit or loss of the investment after the date of acquisition. Distributions received reduce the carrying amount of the investment. At the end of each reporting period, the Company assesses whether there is any objective evidence that its investment in associate is impaired.

IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") was amended in February 2021 to introduce the definition of an accounting estimate and include other amendments to IAS 8 to help entities distinguish changes in accounting estimates from changes in accounting policies. The amendments were effective for annual reporting periods beginning on or after January 1, 2023 and changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. The Company adopted this policy with no material impact to the Company's financial statements.

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2024 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IAS 1 – Presentation of Financial Statements (“IAS 1”) was amended to clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and is unaffected by expectations about whether or not an entity will exercise their right to defer settlement of a liability. The amendments further clarify requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. The amendments were effective for annual reporting periods beginning on or after January 1, 2024.

IFRS 10 – Consolidated Financial Statements (“IFRS 10”) and IAS 28 – Investments in Associates and Joint Ventures (“IAS 28”) were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined; however early adoption is permitted.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. These consolidated financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised, on a prospective basis. The revision may affect current or both current and future periods.

Information about critical judgments and estimates in applying accounting policies, and areas where assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following areas:

Mineral resource estimates and mineral reserves

The figures for mineral resources and mineral reserves are determined in accordance with National Instrument 43-101, “Standards of Disclosure for Mineral Projects”, issued by the Canadian Securities Administrators. There are numerous uncertainties inherent in estimating mineral reserves and mineral resources, including many factors beyond the Company’s control. Such estimation is a subjective process, and the accuracy of any mineral reserve or mineral resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Differences between management’s assumptions, including economic assumptions such as metal prices and market conditions could have a material effect in the future on the Company’s financial position and results of operation.

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Estimation of decommissioning and reclamation costs and the timing of expenditure

Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements and constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities. Cost estimates are updated annually to reflect known developments and are subject to review at regular intervals.

Share-based payments and warrants

Management determines costs for share-based payments and warrants using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments for share-based payments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Assumptions and judgements for determining the value of warrants include estimating the future volatility of the share price, expected dividend yield and expected risk-free rate of return. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Leases under IFRS 16

Critical judgements are required in the application of IFRS 16, including identifying whether a contract (or part of a contract) includes a lease and determining whether it is reasonably certain that an extension or termination option will be exercised. Sources of estimation uncertainty include estimation of the lease term, determination of an appropriate discount rate and assessment of whether a ROU asset is impaired. Such judgments, estimates and assumptions are inherently uncertain, and changes in these assumptions affect the fair value estimates.

Fair value of investment in securities not quoted in an active market or private company investments

Where the fair values of financial assets recorded on the consolidated statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values.

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Income taxes and recoverability of potential deferred tax assets

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers whether relevant tax planning opportunities are within the Company's control, are feasible, and are within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Valuation of the refundable mining duties credit and the refundable tax credit for resources

The refundable mining duties credit and the refundable tax credit for resources for the current and prior periods are measured at the amount expected to be recovered from the taxation authorities using the tax rates and tax laws that have been enacted or substantively enacted at the statement of financial position date. Uncertainties exist with respect to the interpretation of tax regulations, including the mining duties credit and the tax credit for resources for which certain expenditures could be disallowed by the taxation authorities in the calculation of credits, and the amount and timing of their collection. The calculation of the Company's mining duties credit and tax credit for resources necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until a notice of assessments and payments has been received from the relevant taxation authority. Differences arising between the actual results following the final resolution of some of these items and the assumptions made, or future changes to such assumptions, could necessitate adjustments to the mining duties credit and tax credit for resources and the exploration and evaluation expenses in future periods.

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Determination of significant influence of investment in associate

The Company classified Prospector Metals Corp. ("Prospector") as an associate based on management's judgment that the Company has significant influence through i) board representation as the Company had the right to nominate a board member to Prospector's board of directors; and ii) voting rights as the Company acquired 19.9% of the issued and outstanding shares of Prospector (please see Note 6).

Impairment exists when the carrying value of the investment in associate exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The determination of impairment requires significant judgment and can be triggered by significant adverse changes in the market, economic or legal environment in which the associate operates.

Contingencies

Refer to Note 19.

The amounts recognized in the consolidated financial statements are derived from the Company's best estimation and judgement as described above. However, the inherent uncertainty regarding the outcome of these items means that eventual resolution could differ from the accounting estimates and therefore impact the Company's financial position and its financial performance and cash flows.

5. INVESTMENTS (amended and restated)

Fair market value as at:	April 30, 2024	July 31, 2023
Public companies		
Sayona Mining Limited	\$ -	\$ 12,167,447
Other (shares)	688,290	1,388,256
Other (warrants)	44,261	339,040
	<u>\$ 732,551</u>	<u>\$ 13,894,743</u>
Private companies - Other	15,850	108,100
TOTAL INVESTMENTS	<u>\$ 748,401</u>	<u>\$ 14,002,843</u>

During the nine months ended April 30, 2024, the Company sold 3 non-core mineral claims to a publicly traded company for consideration of 1,500,000 units of this public company, where each unit is comprised of one common share and one common share purchase warrant. The combined value of the shares and warrants was estimated to be \$30,000 based on the fair market value of the shares of this public entity. This was recorded as a gain on sale of mineral claims. The warrants are exercisable at a price of \$0.15 until December 15, 2028. The Company retains a 2% Net Smelter Royalty on these mineral claims.

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

5. INVESTMENTS (continued)

During the comparative nine-month period, the Company sold certain mineral claims to a subsidiary of Sayona Mining Limited (“Sayona”) for consideration of 184,331,797 ordinary shares of Sayona issued at a price of \$0.217 per share for an aggregate value of \$40,000,000. The Company incurred costs of \$352,701 in relation to this transaction resulting in a gain on sale of mineral claims of \$39,647,229 recognized during the three and nine months ended April 30, 2023. The Company retained a 2% Net Smelter Royalty on these claims. As well, the Company sold non-core claims to a publicly traded company for consideration of 225,000 shares of that company. These were valued at \$40,500 which was the fair market value on the date of sale. A resulting gain on sale of mineral claims of \$40,500 was recorded for the nine months ended April 30, 2023.

During the three and nine months ended April 30, 2024, the Company sold Sayona shares for net proceeds of \$1,216,360 and \$5,879,601 respectively (three and nine months ended April 30, 2023: \$7,704,655 and \$11,627,700 respectively) and recognized a loss on sale of investments of \$6,505,549 and \$14,677,165 respectively (three and nine months ended April 30, 2023: \$836,812 and \$1,305,500 respectively). At April 30, 2024, the Company no longer holds Sayona shares.

The Company’s investments, which include shares and warrants, were initially measured at Fair Value through Profit and Loss (“FVPL”) on the date of the acquisition and were remeasured and recorded at an aggregate value of \$748,401 at April 30, 2024, which is the estimated fair market value based on the market price on that date for publicly traded securities, or based on other valuation techniques for private companies and warrants.

Unrealized gains of \$6,487,887 and \$7,272,357 were recognized for the three and nine months ended April 30, 2024 with respect to the Company’s investments (three and nine months ended April 30, 2023: unrealized losses of \$(7,383,587) and \$(2,767,781)). Unrealized losses with respect to investments that were sold were transferred to realized losses.

The original condensed interim financial statements filed on June 14, 2024 included as an investment the shares acquired in Prospector Metals Corp. These amended and restated financial statements have reclassified this investment as an investment in associate. Please see note 6.

6. INVESTMENT IN ASSOCIATE (amended and restated)

Balance, July 31, 2023	\$	-
Fair market value of shares acquired on March 5, 2024		1,844,433
Proportionate share of adjusted net loss and comprehensive loss		(129,057)
Balance, April 30, 2024	\$	1,715,376

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

6. INVESTMENT IN ASSOCIATE (amended and restated) (continued)

In March 2024, the Company closed on an agreement for the divestiture of its non-core Mike Lake properties in Yukon to Prospector Metals Corp. ("Prospector"). Prospector is a publicly traded company incorporated in British Columbia, Canada, trading on the TSX Venture Exchange with exploration assets in the Yukon and Ontario. Consideration for these claims included 9,222,164 shares of Prospector valued at a price of \$0.20 per share, reflecting the share price on the date of issuance. Additional consideration includes a one-time milestone payment where, upon the public announcement by Prospector of a mineral resource on the Mike Lake properties, a one-time payment shall be paid to the Company in either cash or shares of Prospector (or a combination thereof) at the election of Prospector. The milestone payment shall be either \$1,000,000 if Prospector's market capitalization is less than or equal to \$20,000,000, or \$2,000,000 if Prospector's market capitalization is greater than \$20,000,000. As the requirement for this contingent payment has not taken place, the Company has not reflected the milestone payment in the Company's financial statements.

After a more detailed review of the facts of the transaction, the Company determined that it has significant influence over Prospector based on the following:

- a. At the time of the transaction, the Company acquired 19.9% of Prospector's issued and outstanding shares;
- b. The Company had the right to nominate a director. The Company's nominee was appointed to the Board of Prospector in March 2024, 1 of 4 board members.

As a result of this re-assessment, the Company's interest in Prospector is accounted for using the equity method. The following is a summary of the financial information of Prospector on a 100% basis as at March 31, 2024. Prospector has a December 31 fiscal year end and it is impractical to prepare financial statements to April 30, 2024 as Prospector is a listed entity. It is expected that the difference in reporting is not material. Adjustments to non-current assets, and net loss and comprehensive loss reflect the difference in accounting policies on capitalization of exploration assets.

	As at March 31, 2024
Cash	\$ 2,115,685
Total Current Assets	2,558,187
Total Non-Current Assets, adjusted	71,839
Total Current Liabilities	389,501
Total Non-Current Liabilities	-

Prospector had a flow-through expenditure commitment of \$462,811 as at March 31, 2024.

	For the three months ended March 31, 2024
Net loss & comprehensive loss	\$ (523,414)
Adjustment for capitalized exploration and evaluation assets	(1,700,339)
Adjusted net loss & comprehensive loss	<u>\$ (2,223,753)</u>
Adjusted net loss & comprehensive loss since transaction date	\$ (645,606)
Proportionate share of adjusted net loss and comprehensive loss	(129,057)

The fair market value of 9,222,164 shares of Prospector at April 30, 2024 was \$1,475,546.

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

6. INVESTMENT IN ASSOCIATE (amended and restated) (continued)

The following table outlines the impact of the revised accounting treatment to the affected line items of these condensed interim consolidated financial statements.

	As at April 30, 2024		
	<u>Initially reported</u>	<u>Adjustment</u>	<u>Restated</u>
Condensed Interim Consolidated Statements of Financial Position			
Investments	2,223,947	(1,475,546)	748,401
Total current assets	26,069,102	(1,475,546)	24,593,556
Investment in associate	-	1,715,376	1,715,376
Total Assets	32,069,994	239,830	32,309,824
Accumulated deficit	(193,163,299)	239,830	(192,923,469)
Total liabilities and shareholders' equity	32,069,994	239,830	32,309,824
Condensed Interim Consolidated Statements of Operations and Comprehensive Loss			
Unrealized gain/(loss) on investments	6,903,471	368,886	7,272,357
(Loss) from investment in associate	-	(129,057)	(129,057)
Net income/(loss) and comprehensive income/(loss) for the period	(26,974,275)	239,830	(26,734,445)
Condensed Interim Consolidated Statements of Cash Flow			
Net (loss)/income for the period	(26,974,275)	239,830	(26,734,445)
Realized and unrealized losses on investment	7,773,694	(368,886)	7,404,808
Loss from investment in associate	-	129,057	129,057
Cash flows used in operating activities	(11,935,886)	-	(11,935,886)

7. RECLAMATION DEPOSITS AND PROVISION

Deposits:

The Company entered into a bonding facility with an insurance company in order to secure a reclamation deposit of \$3,972,976 with the government of Quebec. The reclamation deposit served as security against current and future estimated reclamation obligations at the Troilus site from historical mining activity. To purchase this insurance, the Company deposited \$794,595 into a Guaranteed Investment Certificate secured by a Letter of Credit and pays an annual fee of 2.5% of the insured amount.

The Company has also provided a \$50,000 deposit as security against current and future estimated reclamation obligations on the landfill site on the Troilus Gold property.

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

7. RECLAMATION DEPOSITS AND PROVISION (continued)

Provision:

The Company recognized a provision for future estimated reclamation and water treatment costs of the former Troilus mine. As at April 30, 2024, the estimated future undiscounted liability of approximately \$3,110,449 (July 31, 2023: \$3,027,000), was adjusted for inflation at an average rate of 2.13% (July 31, 2023: 2.08%), discounted at a rate of 3.68% (July 31, 2023: 3.29%) and recorded as \$2,730,252, \$174,430 as a current liability and \$2,555,822 as a long-term liability (July 31, 2023: \$2,710,379, \$139,738 as a current liability and \$2,570,641 as a long-term liability). This estimate assumes that future mining operations would never resume. As the Company continues its exploration program, works towards a future mining scenario, and carries out reclamation work, the underlying assumptions to the reclamation provision will be adjusted accordingly. As a result of this remeasurement, for the three and nine months ended April 30, 2024, a charge of \$24,843 and \$208,687 respectively was recorded as an adjustment to the reclamation estimate on the consolidated statements of operations (three and nine months ended April 30, 2023: credits of \$106,396 and \$272,830 respectively). Accretion of \$30,491 and \$74,806 was recognized for the three and nine months ended April 30, 2024 respectively on the consolidated statements of operations (three and nine months ended April 30, 2023: \$24,342 and \$74,025 respectively).

Balance as at July 31, 2023	\$	2,710,379
Accretion of discount		74,806
Adjustments resulting from remeasurement		208,687
Incurred costs applied against liability		(263,620)
Balance as at April 30, 2024	\$	2,730,252
Current portion of liability	\$	174,430
Long-term portion of liability		2,555,822
	\$	2,730,252

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

8. PROPERTY AND EQUIPMENT

	<u>Computer and office equipment</u>	<u>Leaseholds, improvements and furniture</u>	<u>Vehicles</u>	<u>Equipment</u>	<u>Exploration Camp</u>	<u>TOTAL</u>
<i>Cost</i>						
Balance, July 31, 2023	\$ 205,498	\$ 2,002,148	\$ 1,041,026	\$ 1,139,532	\$ 5,897,980	\$ 10,286,184
Additions	-	-	-	168,500	585,777	754,277
Disposals	-	(11,510)	(524,754)	-	-	(536,264)
Balance, April 30, 2024	\$ 205,498	\$ 1,990,638	\$ 516,272	\$ 1,308,032	\$ 6,483,757	\$ 10,504,197
<i>Depreciation</i>						
Balance, July 31, 2023	\$ (165,781)	\$ (1,438,058)	\$ (646,543)	\$ (330,060)	\$ (2,198,886)	\$ (4,779,328)
Expense for the period	(18,145)	(309,964)	(216,195)	(95,590)	(460,769)	(1,100,663)
Disposals	-	7,337	524,754	-	-	532,091
Balance, April 30, 2024	\$ (183,926)	\$ (1,740,685)	\$ (337,984)	\$ (425,650)	\$ (2,659,655)	\$ (5,347,900)
Net book value, July 31, 2023	\$ 39,717	\$ 564,090	\$ 394,483	\$ 809,472	\$ 3,699,094	\$ 5,506,856
Net book value, April 30, 2024	\$ 21,572	\$ 249,953	\$ 178,288	\$ 882,382	\$ 3,824,102	\$ 5,156,297

An amount of \$349,301 and \$1,100,663 was expensed in depreciation for the three and nine months ended April 30, 2024 respectively, where \$271,301 and \$853,039 was recorded as exploration and evaluation expenses and \$78,000 and \$247,624 was recorded as general and administrative expenses (three and nine months ended April 30, 2023: \$383,925 and \$1,157,762 respectively, where \$301,246 and \$906,849 was allocated to exploration and evaluation expenses and \$82,679 and \$250,913 was allocated to general and administrative expenses).

The Company recognized \$390,028 in assets acquired through leases (Note 9) during the nine months ended April 30, 2024 (nine months ended April 30, 2023: \$597,165). The Company acquired new pumping and mobile equipment on lease during the nine months ended April 30, 2024. The Company returned vehicles and other equipment on lease during the current period, resulting in a gain on disposal of \$28,704 and \$147,680 (Note 16) for the three and nine months ended April 30, 2024 respectively (three and nine months ended April 30, 2023: \$2,031 and \$89,572 respectively).

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

9. LEASE LIABILITIES

Balance as at July 31, 2023	\$	1,072,655
Assets acquired from leases and financing arrangements		390,028
Lease extinguishment		(151,853)
Payments made during the period		(790,525)
Balance as at April 30, 2024	\$	520,305
Current portion of lease liabilities	\$	267,229
Long-term portion of lease liabilities		253,076
	\$	520,305

During the nine months ended April 30, 2024, the Company's lease additions included a financing agreement for pumping equipment with a term of 6 months as well as a lease-to-buy arrangement for various mobile equipment over a term of 5 months. The Company's other leases include right-of-use leases for office space and vehicles, with terms of up to 2.4 years. Interest expense recognized on these leases for the three and nine months ended April 30, 2024 was \$18,266 and \$71,304 respectively (three and nine months ended April 30, 2023: \$34,064 and \$103,584 respectively).

During the three and nine months ended April 30, 2024, the Company incurred \$62,248 and \$465,627 respectively for short-term rental equipment (three and nine months ended April 30, 2023: \$299,351 and \$850,156 respectively) which was recorded in exploration and evaluation expenses on the consolidated statement of operations. Monthly short-term rentals are expected to amount to approximately \$25,000.

10. SHARE CAPITAL

	No. of Shares	Balance
Balance as at July 31, 2023	227,102,195	184,023,099
Private placement	2,325,581	1,000,000
Cost of issue	-	(72,598)
Unit financing	41,708,570	15,508,000
Cost of issue	-	(1,373,459)
Value of warrants on unit financing	-	(870,708)
Warrant exercises	6,279,250	3,139,625
Allocation of value of warrants on exercise	-	364,598
Flow through share premium	-	(1,190,512)
Share-based payments (Note 12)	6,365,000	9,547,500
Balance as at April 30, 2024	283,780,596	\$ 210,075,545

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

10. SHARE CAPITAL (continued)

In September 2023, the Company closed a non-brokered private placement financing issuing 2,325,581 flow-through common shares of the Company at a price of \$0.43 per share for gross proceeds of \$1,000,000. The Company incurred \$72,598 in costs related to this financing. The Company was required to spend \$1,000,000 in qualifying exploration expenditures by December 31, 2024 and has met this expenditure commitment as at April 30, 2024. A flow-through share premium liability of \$46,512 was recorded based on the calculated premium per dollar raised determined as the excess issue price over the quoted market price of the Company's shares at the date of issuance. The liability is reduced proportionately as the Company incurs eligible expenses. As a result of meeting its exploration commitment, the liability has been reduced to \$nil at April 30, 2024 and a flow-through share premium recovery of \$nil and \$46,512 was recorded on the consolidated statements of operations and comprehensive loss for the three and nine months ended April 30, 2024 respectively (three and nine months ended April 30, 2023: \$nil and \$nil).

In November 2023, the Company closed on a bought deal financing whereby the Company issued:

- 28,580,000 units at a price of \$0.35 per unit for gross proceeds of \$10,003,000;
- 7,150,000 traditional flow-through shares at a price of \$0.42 per traditional flow-through share for gross proceeds of \$3,003,000; and
- 4,550,000 Québec flow-through shares at a price of \$0.44 per Québec flow-through share for gross proceeds of \$2,002,000.

Each unit consisted of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share of the Company at an exercise price of \$0.50 per share for a period of 2 years following the closing. The value of the warrants was estimated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield - 0%; expected volatility - 57.49%; risk-free rate - 4.41% and expiry - 2 years.

As a result of the flow-through shares issued in this financing, the Company was required to incur qualified exploration expenditures by December 31, 2024. A flow-through share premium liability of \$1,144,000 was recorded based on the calculated premium per dollar raised determined as the excess issue price over the quoted market price of the Company's shares at the date of issuance. The liability is reduced proportionately as the Company incurs eligible expenses. As a result of meeting its exploration commitment, the liability has been reduced to \$nil at April 30, 2024 and a flow-through share premium recovery of \$503,745 and \$1,144,000 was recorded on the consolidated statements of operations and comprehensive loss for the three and nine months ended April 30, 2024 respectively (three and nine months ended April 30, 2023: \$nil and \$nil).

In December 2023, an additional 1,428,570 units of the Company were issued for gross proceeds of \$500,000 at a price of \$0.35 per unit in a private placement financing. The value of the warrants was estimated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield - 0%; expected volatility - 59.48%; risk-free rate - 4.07% and expiry - 2 years.

During the nine months ended April 30, 2024, 6,279,250 of the Company's outstanding warrants were exercised at an exercise price of \$0.50, generating gross proceeds of \$3,139,625.

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

11. SHARE PURCHASE WARRANT RESERVE

	Number of Warrants	Weighted Average Exercise Price	Value
Balance as at July 31, 2023	1,251,666	\$1.20	\$ 539,966
Issued	15,004,285	\$0.50	\$ 870,708
Exercised	(6,279,250)	\$0.50	\$ (364,598)
Expired unexercised	(1,251,666)	\$1.20	\$ (539,966)
Balance as at April 30, 2024	8,725,035	\$0.50	\$ 506,110

Exercise Price	Expiry Date	Number Outstanding	Number Exercisable	Value (\$)	Weighted Average Remaining Contractual Life (years)	Assumptions				
						Share price	Expected Dividend Yield	Expected Volatility	Risk-free Interest rate	Expected Average Life (years)
\$ 0.50	November 20, 2025	8,010,750	8,010,750	465,136	1.56	\$ 0.32	0%	57.49%	4.41%	2.00
\$ 0.50	December 1, 2025	714,285	714,285	40,974	1.59	\$ 0.32	0%	59.48%	4.07%	2.00
		8,725,035	8,725,035	\$ 506,110	1.56					

12. SHARE-BASED PAYMENT RESERVE

The Company has a stock-option plan whereby the Company may grant to directors, officers, employees and consultants of the Company options to purchase shares of the Company. Options granted under the plan will be for a term not to exceed five years.

The Company's Incentive Share Unit Plan ("ISU Plan") authorizes the grant of restricted Share Units ("RSU's") under the plan to directors, officers and employees or Deferred Share Units ("DSU's") under the plan to directors alone. A vested RSU represents the right to receive one common share of the Company. A vested DSU represents the right to receive one common share of the Company upon the date the participant director ceases to be a director of the Company. All Share Units, that is RSU's and DSU's, shall be settled through the issuance of common shares from treasury by the Company, and as such, the value of outstanding RSU's and DSU's is included in share-based payment reserve within equity. As at April 30, 2024, no DSU's have been granted.

The number of common shares reserved for issuance pursuant to the stock-option plan and the ISU Plan and all other security-based compensation arrangements shall, in aggregate, not exceed 10% of the Company's issued and outstanding capital.

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

12. SHARE-BASED PAYMENT RESERVE (continued)

	Stock option Value	RSU Value	TOTAL
Balance as at July 31, 2023	\$ -	\$12,049,119	\$ 12,049,119
RSU expense accrued	-	2,335,939	2,335,939
Value of RSUs vested and settled	-	(9,547,500)	(9,547,500)
Balance as at April 30, 2024	\$ -	\$ 4,837,558	\$ 4,837,558

The Company does not intend to issue any new stock options under the Company's stock option plan in favour of granting RSU's and DSU's.

Outstanding RSU's:

	Number of RSU's
Balance as at July 31, 2023	15,023,728
Granted	8,070,000
Vested, settled in common shares	(6,365,000)
Forfeited	(1,200,830)
Balance as at April 30, 2024	15,527,898

During the three and nine months ended April 30, 2024, the Company granted nil and 8,070,000 RSU's respectively to directors, officers and employees of the Company, vesting in three tranches over a period of two or three years. The weighted average fair value of these RSU's was estimated to be \$0.45 per unit based on the quoted market price of the Company's shares on the date of grant (three and nine months ended April 30, 2023: nil and 7,150,000 RSU's granted at a weighted average fair value of \$0.51 per unit.) For the three and nine months ended April 30, 2024, the Company has recorded \$874,775 and \$2,335,939 respectively as share-based payments expense representing an accrual for unvested RSU's on a front-loaded basis, based on the fair market value on the date of grant (three and nine months ended April 30, 2023: \$1,476,309 and \$5,808,293 respectively).

13. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities were classified as follows:

	Assets at amortized cost	Assets at fair value through profit or loss	Liabilities at amortized cost	Total
As at April 30, 2024				
Cash and cash equivalents	\$ 14,811,676	\$ 80,000	\$ -	\$ 14,891,676
Amounts receivable	40,799	-	-	40,799
Investments	-	748,401	-	748,401
Reclamation deposit	50,000	794,595	-	844,595
Accounts payable and accrued liabilities	-	-	6,563,523	6,563,523
Lease liabilities	-	-	520,305	520,305

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

13. FINANCIAL INSTRUMENTS (continued)

The carrying values of cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities approximate fair value due to the short-term nature of the financial instruments. The carrying value of investments is recorded at an estimated fair value based on a valuation technique using both observable and unobservable inputs. The carrying value of reclamation deposit approximates fair value as it is represented by a GIC. Management believes the carrying value of lease liabilities approximates fair value.

A fair value hierarchy prioritizes the methods and assumptions used to develop fair value measurements for those financial assets where fair value is recognized on the statement of financial position. These have been prioritized into three levels.

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 or indirectly

Level 3 – Inputs for the asset or liability that are not based on observable market data.

The following table sets forth the Company's financial assets and liabilities measured at fair value by level within the fair value hierarchy as at April 30, 2024:

	Level 1	Level 2	Level 3	TOTAL
As at April 30, 2024				
Cash equivalents	\$ 80,000	-	\$ -	\$ 80,000
Investments	688,290	44,261	15,850	748,401
Reclamation deposit	794,595	-	-	794,595

Some of the Company's investments are not publicly traded. Other valuation factors were used to estimate the fair value at April 30, 2024, such as recent financings of the private entities. The fair value of warrants was estimated using the Black-Scholes option pricing model.

Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgment.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no significant changes in the risks, objectives, policies and procedures for managing risk during the three and nine months ended April 30, 2024 and 2023.

Credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents, and reclamation deposit. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents consist of bank deposits and guaranteed investment certificates, which have been invested with reputable financial institutions, from which management believes the risk of loss to be remote. Amounts receivable primarily represent input tax credit refunds from government bodies. Management believes that the credit risk concentration with respect to these financial instruments is remote.

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

13. FINANCIAL INSTRUMENTS (continued)

Liquidity risk

The Company manages liquidity risk by maintaining adequate cash and cash equivalent balances. The Company continuously monitors and reviews both actual and forecasted cash flows, and also matches the maturity profile of financial assets and liabilities.

As at April 30, 2024, the Company had current assets of \$24,593,556 (July 31, 2023: \$30,475,449) to settle current liabilities of \$7,005,182 (July 31, 2023: \$3,988,775). Approximately \$3,840,000 of the Company's financial liabilities as at April 30, 2024 have contractual maturities of less than 30 days and are subject to normal trade terms.

Liability	Total	Payments due by period			
		< 1 year	1 - 3 years	4 - 5 years	> 5 years
Accounts payable and accrued liabilities	\$ 6,563,523	\$ 6,563,523	\$ -	\$ -	\$ -
Lease liabilities	520,305	267,229	253,076	-	-
Reclamation provision	2,730,252	174,430	414,392	412,644	1,728,786

Market risk - Price risk and currency risk

Some of the Company's current assets consist of shares acquired from the sale of mineral claims (Note 5), which the Company intends to sell when appropriate. The Company is exposed to price risk as unfavourable market conditions could result in disposition of investments at less than favourable prices.

Based on the investments held at April 30, 2024, a change in the fair value of investments by 5%, all other factors held constant, could result in a corresponding change in net income of approximately \$338,000.

14. EXPLORATION AND EVALUATION EXPENSES

The Company owns the Troilus Gold property, consisting of mineral claims and a past-producing mine property located near Chibougamau, within the Frotêt-Evans Greenstone Belt in Quebec, Canada. During the last several years, the Company acquired various claims extending its land package, including the Bullseye and Pallador claims acquired through the acquisition of UrbanGold. The Bullseye claims comprise a 50-50 joint arrangement with a third party, accounted for as a joint operation. As a result, the Company recognizes its proportionate share of any expenses related to this joint arrangement.

Of the claims initially acquired from First Quantum Minerals Inc. ("First Quantum"), a royalty of 1% remains on these claims, held by Sandstorm Gold Royalties.

As of the date of these condensed interim consolidated financial statements, the Company is subject to the following underlying royalties:

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

14. EXPLORATION AND EVALUATION EXPENSES (continued)

The claims acquired from Emgold in December 2018 are subject to underlying NSR royalties of 1% to Emgold, that the Company has the right to repurchase for \$1,000,000. The claims acquired from O3 in November 2019 are subject to royalties of 2% NSR to O3, half of which can be repurchased for \$1,000,000, and 2% NSR to an individual, half of which can be repurchased for \$1,000,000. The claims acquired from O3 in April 2020 are subject to royalties of 2% NSR to O3, of which half can be repurchased at any time for \$1,000,000 subject to the terms of the Buy Back agreement entered into between the Company and Sayona. Certain of the O3 claims acquired in April 2020 are subject to underlying royalties of 2% to Vale S.A. One-half of the royalty to Vale S.A. can be repurchased. The claims acquired from Globex Mining Enterprises Inc. ("Globex") are subject to a 2% Gross Metal Sales royalty ("GMR") to Globex, of which half can be repurchased at any time for \$1,000,000 subject to the terms of the Buy Back agreement entered into between the Company and Sayona. The claims acquired from Canadian Mining House ("CMH") are subject to a 1% NSR, of which half can be repurchased for \$500,000 and half can be repurchased for \$1,500,000 subject to the terms of the Buy Back agreement entered into between the Company and Sayona.

As well, the Company is subject to royalties on certain of the claims acquired through the UrbanGold acquisition, including a 2% NSR to O3 on certain Bullseye claims, of which half can be purchased at any time for \$500,000; a 1% NSR to Soquem on 71 Pallador claims, of which half can be purchased at any time for \$500,000 subject to the terms of the Buy Back agreement entered into between the Company and Sayona; and a 1% NSR on 55 Pallador claims.

	Three months ended April 30,		Nine months ended April 30,	
	2024	2023	2024	2023
Exploration and evaluation expenses:				
Drilling, assaying and geology	\$ 2,532,232	\$ 5,699,534	\$ 5,700,864	\$ 14,800,435
Salaries, payroll costs and consultants	1,103,717	1,934,678	4,478,936	6,331,282
Site and camp costs	943,732	756,788	3,321,621	2,060,534
Support and other costs	173,312	211,323	775,433	540,867
Studies	2,110,732	539,853	7,738,639	1,785,387
Government and community relations	85,961	35,562	138,395	138,106
Travel	115,733	177,831	263,376	590,814
Depreciation	271,301	301,246	853,039	906,849
Tax credits	(2,179,281)	(3,343,400)	(7,341,281)	(10,083,598)
	\$ 5,157,439	\$ 6,313,415	\$ 15,929,022	\$ 17,070,676

The Company has recorded expected tax credits against the exploration activity on which they are based. During the three and nine months ended April 30, 2024, the Company received \$11,126,262 in tax credit refunds related to the July 31, 2023 tax year. As at April 30, 2024, the Company is carrying a tax credit receivable balance of \$7,705,019, which includes a portion related to the July 31, 2023 tax year and amounts accrued for the current year.

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

15. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended April 30,		Nine months ended April 30,	
	2024	2023	2024	2023
General and administrative expenses :				
Salaries, payroll costs and consultants	\$ 530,344	\$ 597,012	\$ 1,980,615	\$ 2,573,933
Professional costs	159,475	111,575	321,703	388,743
Shareholder communications	285,204	428,375	977,170	1,235,732
Office and general	77,063	101,401	286,003	406,839
Travel	59,593	55,595	178,410	183,561
Depreciation	78,000	82,679	247,624	250,913
	<u>\$ 1,189,679</u>	<u>\$ 1,376,637</u>	<u>\$ 3,991,525</u>	<u>\$ 5,039,721</u>

16. OTHER GAINS AND (LOSSES)

	Three months ended April 30,		Nine months ended April 30,	
	2024	2023	2024	2023
Other expenses:				
Fee for reclamation bond	\$ (26,407)	\$ (24,831)	\$ (79,107)	\$ (77,465)
Gain on disposal of assets (Note 8)	28,704	2,031	147,680	89,572
Miscellaneous	(5,490)	(3,867)	(1,954)	(5,829)
	<u>\$ (3,193)</u>	<u>\$ (26,667)</u>	<u>\$ 66,619</u>	<u>\$ 6,278</u>

17. CAPITAL MANAGEMENT

The Company manages and adjusts its capital structure based on available funds in order to support the exploration and development of its mineral properties. The capital of the Company consists of share capital, share purchase warrants, RSU's and stock options. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company's properties are in the exploration stage and, accordingly, the Company is dependent upon external financing to fund activities. In order to carry out planned drilling and engineering work, and pay for administrative costs, the Company will spend working capital and expects to raise additional funds from time to time as required.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's capital management objectives, policies and processes have remained substantially unchanged during the three and nine months ended April 30, 2024 and 2023.

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

18. RELATED PARTY DISCLOSURES

The Company entered into the following transactions in the ordinary course of business with related parties that are not subsidiaries of the Company.

Related party balances and transactions

During the three and nine months ended April 30, 2024, the Company charged \$31,448 and \$86,372 in fees and reimbursable expenses related to shared office space to Lithium Ionic Corp. (three and nine months ended April 30, 2023: \$7,500 and \$17,500 respectively). At April 30, 2024, Lithium Ionic Corp. owed a balance of \$1,636 to the Company, recorded in accounts payable and accrued liabilities. One of the Company's directors, Mr. Tom Olesinski, is an officer of Lithium Ionic Corp. The Company's Senior Vice-President Technical Services, Mr. Ian Pritchard, is a director of Lithium Ionic Corp.

Mr. Justin Reid, the Company's CEO, is on the Board of Directors of Delta Resources Limited. At April 30, 2024, the Company held 3,395,000 shares and 1,500,000 warrants of Delta Resources Limited.

Compensation of key management personnel of the Company

The remuneration of directors and other members of key management personnel were as follows:

	Three months ended April 30,		Nine months ended April 30,	
	2024	2023	2024	2023
Management salaries and fees	\$ 534,791	\$ 509,395	\$ 1,915,743	\$ 2,218,281
Directors fees	77,476	89,866	247,838	269,597
Share-based payments	739,986	1,306,446	1,947,923	5,177,489
	<u>\$ 1,352,253</u>	<u>\$ 1,905,707</u>	<u>\$ 4,111,504</u>	<u>\$ 7,665,367</u>

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. The remuneration of directors and key executives is determined by the Board of Directors of the Company having regard to the performance of individuals and market trends.

TROILUS GOLD CORP.

Amended Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

19. COMMITMENTS AND CONTINGENCIES

The Company is party to certain management and employment contracts. As at the date of this report, these contracts provide that, in the event services are terminated by the Company, other than for cause, approximately \$1,700,000 would be paid out with respect to these contracts. Additional contingent payments of approximately \$3,940,000 would be paid upon the occurrence of a change of control. Also, the Company currently has 14,105,600 RSU's outstanding to directors, officers and employees of the Company which will vest over the next three years. Upon a change of control, unvested RSU's would vest immediately. As a triggering event for terminations or a change of control has not taken place, the contingent payments have not been reflected in these consolidated financial statements. Minimum commitments under these contracts due within one year are \$1,700,000.

The Company is obligated to make lease payments over the next 2-3 years. See Notes 9 and 13.

Underlying royalties on the Troilus Gold property are described in Note 14.

As a result of the Company's flow-through financings in September and November 2023, the Company was committed to incur qualifying exploration expense. The Company filed renunciation forms in January 2024 renouncing these expenditures effective December 31, 2023. The Company has met its expenditure commitment with respect to both its September 2023 and November 2023 financings.

In connection with the flow-through financings, the Company indemnifies the subscribers against certain tax related amounts that may become payable by the subscribers should the Company not meet its flow-through expenditure commitments.

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

20. SUBSEQUENT EVENTS

In August 2024, the Company closed on an agreement to sell non-core mineral properties to Comet Lithium Corporation ("Comet Lithium") for consideration of 1,500,000 common shares of Comet Lithium. The Company will retain a 2% Net Smelter Royalty on each of these properties and Comet Lithium will have the right to repurchase the Net Smelter Royalty for \$3,000,000 on each of the projects.