



**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**Unaudited - prepared by management**

**September 30, 2023**

**NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS**

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

The accompanying unaudited interim condensed consolidated financial statements of Independence Gold Corp. (the "Company") have been prepared by and are the responsibility of the Company's management.

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

**INDEPENDENCE GOLD CORP.**

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION (Unaudited)

(Expressed in Canadian Dollars)

	<u>September 30</u> <u>2023</u>	<u>December 31</u> <u>2022</u>
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	\$ 982,502	\$ 1,570,116
Receivables (Note 8)	32,850	20,013
Prepaid	15,495	23,565
Investments (Note 3)	14,014	12,304
	<u>1,044,861</u>	<u>1,625,998</u>
<b>Long term deposit</b>	39,278	39,278
<b>Land use deposits</b> (Note 4)	115,468	115,468
<b>Property and equipment</b> (Note 5)	368,220	442,302
<b>Mineral properties</b> (Note 7)	<u>4,255,059</u>	<u>4,235,978</u>
	<u>\$ 5,822,886</u>	<u>\$ 6,459,024</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (Note 8)	\$ 221,872	\$ 226,273
Current portion of lease liabilities (Note 6)	<u>108,721</u>	<u>102,340</u>
	330,593	328,612
<b>Non-current portion of lease liabilities</b> (Note 6)	<u>338,529</u>	<u>420,777</u>
	<u>669,122</u>	<u>749,390</u>
<b>Shareholders' equity</b>		
Share capital (Note 9)	42,865,292	41,243,808
Reserves	1,455,003	1,027,840
Deficit	<u>(39,166,531)</u>	<u>(36,562,014)</u>
	<u>5,153,764</u>	<u>5,709,634</u>
	<u>\$ 5,822,886</u>	<u>\$ 6,459,024</u>

**Nature and continuance of operations** (Note 1)**Subsequent Events** (Note 10)

Approved and authorized by the Board on November 27, 2023.

*"Randy Turner"*

Randy C. Turner, Director

*"John McDonald"*

John McDonald, Director

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

**INDEPENDENCE GOLD CORP.**

## CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS (Unaudited)

(Expressed in Canadian Dollars)

	<b>Three Months Ended September 30, 2023</b>	<b>Three Months Ended September 30, 2022</b>	<b>Nine Months Ended September 30, 2023</b>	<b>Nine Months Ended September 30, 2022</b>
<b>Expenses</b>				
Exploration expenditures (Note 7)	\$ 300,349	\$ 92,712	\$ 1,831,951	\$ 1,430,847
Depreciation	24,694	23,956	74,082	71,868
Insurance	6,023	-	18,070	26,410
Interest	7,930	9,277	24,845	28,689
Legal, audit and accounting	18,760	651	41,406	6,449
Management and director fees (Note 8)	73,498	70,463	220,536	211,388
Office and miscellaneous	8,643	8,875	29,946	32,828
Regulatory and transfer agent fees	16,277	2,922	52,445	31,769
Share-based compensation (Note 8)	-	-	216,673	205,869
Shareholder communications	29,434	14,649	77,136	46,429
Wages and benefits	28,161	13,505	76,689	53,546
	<u>(513,769)</u>	<u>(237,010)</u>	<u>(2,663,779)</u>	<u>(2,146,092)</u>
<b>Interest income</b>	338	285	2,614	2,184
<b>Rent Recovery</b>	19,935	19,935	54,938	59,379
<b>Unrealized gain/(loss) on investments</b>	<u>1,710</u>	<u>(10,176)</u>	<u>1,710</u>	<u>(41,798)</u>
	<u>21,983</u>	<u>10,044</u>	<u>59,262</u>	<u>19,765</u>
<b>Loss and comprehensive loss for the period</b>	\$ <u>(491,786)</u>	\$ <u>(226,966)</u>	<u>(2,604,517)</u>	\$ <u>(2,126,327)</u>
<b>Basic and diluted loss per common share</b>	\$ <u>(0.00)</u>	\$ <u>(0.00)</u>	<u>(0.02)</u>	\$ <u>(0.02)</u>
<b>Weighted average number of common shares outstanding</b>	143,013,704	103,781,821	134,798,304	103,781,821

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

**INDEPENDENCE GOLD CORP.**

## CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS (Unaudited)

(Expressed in Canadian Dollars)

	<b>Nine Months Ended September 30, 2023</b>	<b>Nine Months Ended September 30, 2022</b>
<b>Cash flows used in operating activities</b>		
Loss for the period	\$ (2,604,517)	\$ (2,126,327)
Items not affecting cash:		
Depreciation	74,082	71,868
Share-based compensation	216,673	205,869
Unrealized (gain) loss on investments	(1,710)	41,798
Interest Expense	24,845	28,689
Changes in non-cash working capital items:		
Decrease in prepaid expenses	8,070	-
(Increase) decrease in receivables	(12,836)	54,961
Decrease in accounts payable and accrued liabilities	(4,402)	(38,546)
Net cash used in operating activities	<u>(2,299,795)</u>	<u>(1,761,688)</u>
<b>Cash flows used in investing activities</b>		
Increase in land use deposits	-	(43,468)
Acquisition of mineral properties	(19,081)	-
Net cash provided by investing activities	<u>(19,081)</u>	<u>(43,468)</u>
<b>Cash flows from /(used in) financing activities</b>		
Proceeds from private placement	1,800,000	-
Lease liability payment	(100,712)	(96,457)
Proceeds received from warrant exercise	75,000	-
Share issuance costs	(43,026)	(10,605)
Net cash used in financing activities	<u>1,731,262</u>	<u>(107,062)</u>
<b>Change in cash and cash equivalents during the period</b>	(587,614)	(1,912,218)
<b>Cash and cash equivalents, beginning of the period</b>	1,570,116	1,969,024
<b>Cash and cash equivalents, end of the period</b>	<u>\$ 982,502</u>	<u>\$ 56,806</u>

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

**INDEPENDENCE GOLD CORP.****CONDENSED CONSOLIDATED INTERIM STATEMENTS OF SHAREHOLDER'S EQUITY (Unaudited)**

(Expressed in Canadian Dollars)

	<u>Share Capital</u>				
	<u>Number</u>	<u>Amount</u>	<u>Reserves</u>	<u>Deficit</u>	<u>Total</u>
Balance, December 31, 2021	103,781,821	\$ 39,626,306	\$ 1,223,518	\$ (34,623,326)	\$ 6,226,498
Share-based compensation	-	-	205,869	-	205,869
Share issuance costs	-	(10,605)	-	-	(10,605)
Reserves transferred on cancelled options (Note 9c)	-	-	(240,115)	240,115	-
Reserves transferred on cancelled warrants (Note 9e)	-	-	(365,285)	365,285	-
Loss for the period	-	-	-	(2,126,327)	(2,126,327)
Balance, September 30, 2022	103,781,821	\$ 39,615,701	\$ 823,987	\$ (36,144,253)	\$ 4,295,435
Shares issued on private placement for cash	26,666,666	1,600,000	-	-	1,600,000
Warrants issued on private placement	-	(437,134)	437,164	-	-
Share issuance costs	-	(40,481)	8,173	-	(32,308)
Reserves transferred on cancelled options (Note 9c)	-	-	(9,673)	(9,673)	-
Reserves transferred on cancelled warrants (Note 9e)	-	505,722	(231,781)	(273,941)	-
Loss for the period	-	-	-	(153,493)	(153,493)
Balance, December 31, 2022	130,448,487	\$ 41,243,808	\$ 1,027,840	\$ (36,562,014)	\$ 5,709,634
Share-based compensation	-	-	216,673	-	216,673
Shares issued on private placement for cash	15,000,000	1,800,000	-	-	1,800,000
Warrants issued on private placement	-	(213,445)	213,445	-	-
Reserves transferred on warrant exercise	-	21,488	(21,488)	-	-
Shares issued on warrants exercise	500,000	75,000	-	-	75,000
Share issuance costs	-	(61,559)	18,533	-	(43,026)
Loss for the period	-	-	-	(2,604,517)	(2,604,517)
Balance, September 30, 2023	145,948,487	\$ 42,865,292	\$ 1,455,003	\$ (39,166,531)	\$ 5,153,764

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

## **INDEPENDENCE GOLD CORP.**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023 (Expressed in Canadian Dollars)

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### **1. NATURE AND CONTINUANCE OF OPERATIONS**

Independence Gold Corp. (“Independence” or the “Company”) was incorporated under the Business Corporation Act (British Columbia) on November 1, 2011 and is considered to be in the exploration stage with respect to its mineral properties. Based on the information available to date, the Company has not yet determined whether its properties contain economically recoverable mineral reserves.

The Company’s head office and principal address is 580 - 625 Howe Street, Vancouver, British Columbia, Canada, V6C 2T6. The Company’s registered and records office is 2300 - 550 Burrard Street, Vancouver, British Columbia, Canada, V6C 2B5.

The recovery of the amounts comprised in mineral properties is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete their exploration and development, and upon future profitable production.

These condensed consolidated interim financial statements have been prepared by management on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred ongoing losses and has no source of recurring revenue. These material uncertainties may cast significant doubt about the Company’s ability to continue as a going concern. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due. Although the Company has been successful in obtaining financing in the past, there can be no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

These condensed consolidated interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

### **2. BASIS OF PREPARATION**

#### **Statement of Compliance**

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34, “Interim Financial Reporting” on a basis consistent with the accounting policies disclosed in the audited consolidated financial statements for the fiscal year ended December 31, 2022.

These condensed consolidated interim financial statements should be read in conjunction with the most recently issued audited consolidated financial statements, which include information necessary or useful to understanding the Company’s business and financial statement presentation. In particular, the Company’s significant accounting policies which were presented in Note 3 to the Consolidated Financial Statements for the fiscal year ended December 31, 2022 and have been consistently applied in the preparation of the Company’s consolidated interim financial statements.

The Company’s condensed consolidated interim financial statements are unaudited. Financial information in this report reflects any adjustments (consisting of normal recurring adjustments) that are, in the opinion of management necessary to a fair presentation of results for the interim periods in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board.

**INDEPENDENCE GOLD CORP.**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023 (Expressed in Canadian Dollars)

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**3. INVESTMENTS**

	<b>September 30, 2023</b>	<b>December 31, 2022</b>
Canterra Minerals Corporation	8,514	7,804
Bullet Exploration Inc.	5,500	4,500
Total	\$ 14,014	\$ 12,304

The Company did not sell any investments for the nine months ended September 30, 2023 or for the comparative period in 2022.

**4. LAND USE DEPOSITS**

The Company has provided deposits as security for land use and potential future reclamation work relating to its mineral properties. As at September 30, 2023 a total of \$115,468 (December 31, 2022 - \$115,468) had been lodged with the British Columbia Ministry of Energy, Mines & Petroleum Resources.



**INDEPENDENCE GOLD CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023 (Expressed in Canadian Dollars)**5. PROPERTY AND EQUIPMENT**

		<b>Right of Use Asset</b>
<b>COST</b>		
Balance, December 31, 2021	\$	898,392
Additions/(dispositions)		13,284
Balance, December 31, 2022		911,676
Additions/(dispositions)		-
<b>Balance, September 30, 2023</b>	<b>\$</b>	<b>911,676</b>
<b>ACCUMULATED DEPRECIATION</b>		
Balance, December 31, 2021	\$	373,550
Additions/(dispositions)		-
Depreciation		95,824
Balance, December 31, 2022		469,374
Additions/(dispositions)		-
Depreciation		74,082
<b>Balance, September 30, 2023</b>	<b>\$</b>	<b>543,456</b>
<b>CARRYING AMOUNTS</b>		
Balance, December 31, 2021	\$	524,842
Balance, December 31, 2022	\$	442,302
<b>Balance, September 30, 2023</b>	<b>\$</b>	<b>368,220</b>

The right of use asset consists of a lease for office space and a photocopier lease. The lease liability was measured at the present value of the remaining lease payments and discounted using the Company's estimated incremental borrowing rate of 7% per annum.

**INDEPENDENCE GOLD CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023 (Expressed in Canadian Dollars)**6. LEASE LIABILITY**

At September 30, 2023, the Company's lease liability is as follows:

	<b>September 30, 2023</b>	<b>December 31, 2022</b>
Opening balance	\$ 523,117	\$ 601,260
(Dispositions)/additions	-	13,284
Interest	24,845	37,556
Lease payments	(100,712)	(128,983)
Ending balance	\$ 447,250	\$ 523,117

	<b>September 30, 2023</b>	<b>December 31, 2022</b>
Current portion	\$ 108,721	\$ 102,340
Long-term portion	338,529	420,777
Ending balance	\$ 447,250	\$ 523,117

At September 30, 2023, the Company is committed to minimum undiscounted lease payments as follows:

	<b>September 30, 2023</b>	<b>December 31, 2022</b>
Less than one year	\$ 135,778	\$ 134,656
One to five years	370,823	472,657
Total undiscounted lease liabilities	\$ 506,601	\$ 607,313

**INDEPENDENCE GOLD CORP.**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
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**7. MINERAL PROPERTIES**

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and to the best of its knowledge, title to all of its properties, except as described below are properly registered and in good standing.

The Company holds interest in various mineral claims located in Canada, the capitalized acquisition costs of which are as follows:

	September 30	December 31
	2023	2022
<b>BRITISH COLUMBIA</b>		
<b><u>3Ts PROJECT</u></b>		
<b>Taken Property</b>	\$ 345,693	\$ 345,693
<i>A 100% interest in certain claims. The property is subject to a sliding scale net smelter returns royalty ("NSR") ranging from 2.0% to 4.0%. The Company may reduce the NSR to 1.0% by paying \$2,000,000 per percent.</i>		
<b>Tam Property</b>	1,750,979	1,750,979
<i>A 100% interest, subject to a 1.0% NSR, one-half of which may be purchased back for \$250,000.</i>		
<b>Tsacha Property</b>	2,121,788	2,121,788
<i>A 100% interest in certain claims subject to a 2.0% NSR.</i>		
<b>Tommy Lake Property</b>	17,518	17,518
<i>A 100% interest.</i>		
<b>Laidman Project</b>	19,081	-
<i>A 100% interest.</i>		
<b>YUKON</b>		
<b><u>BOULEVARD PROJECT</u></b>		
<b>Boulevard, YCS, Solitude and Tiger Properties</b>	-	-
<i>A 100% interest in certain claims. On December 31, 2021, the Company wrote down the properties in the amount of \$6,208,116</i>		
	\$ 4,255,059	\$ 4,235,978

**INDEPENDENCE GOLD CORP.**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023 (Expressed in Canadian Dollars)

**7. MINERAL PROPERTIES (continued)**

During the nine months ended September 30, 2023, the Company incurred exploration expenditures as follows:

	Geology & Geophysics	Field Sampling	Drilling	Land Use & Tenure	Data Evaluation	Safety & Reclamation	Recoveries	Total for the period
<b>BRITISH COLUMBIA</b>								
3Ts Project	\$ 278,411	\$ 5,169	\$ 1,419,682	\$ 1,875	\$ 126,805	\$ 20,036	\$ -	\$ 1,851,978
Laidman	8,762	-	-	-	506	-	-	9,268
Merit	-	-	-	-	-	-	-	-
Nicoamen	-	-	-	-	-	-	-	-
<b>YUKON</b>								
Boulevard Project	1,003	-	-	-	-	-	-	1,003
Others*	-	-	-	-	-	-	(30,298)	(30,298)
	<b>\$ 288,176</b>	<b>\$ 5,169</b>	<b>\$ 1,419,682</b>	<b>\$ 1,875</b>	<b>\$ 127,311</b>	<b>\$ 20,036</b>	<b>\$ (30,298)</b>	<b>\$ 1,831,951</b>

During the nine months ended September 30, 2022, the Company incurred exploration expenditures as follows:

	Geology & Geophysics	Field Sampling	Drilling	Land Use & Tenure	Data Evaluation	Safety & Reclamation	Recoveries	Total for the period
<b>BRITISH COLUMBIA</b>								
3Ts Project	\$ 60,140	\$ -	\$ 1,263,233	\$ 6,996	\$ 178,397	\$ 61,246	\$ -	\$ 1,570,012
Laidman	-	-	-	-	-	-	-	-
Merit	-	-	-	-	368	-	-	368
Nicoamen	-	-	-	-	368	-	-	368
<b>YUKON</b>								
Boulevard Project	558	-	-	-	-	-	-	558
Others*	3,612	-	-	2,835	-	-	(146,906)	(140,459)
	<b>\$ 64,310</b>	<b>\$ -</b>	<b>\$ 1,263,233</b>	<b>\$ 9,831</b>	<b>\$ 179,133</b>	<b>\$ 61,246</b>	<b>\$ (146,906)</b>	<b>\$ 1,430,847</b>

**Merit and Nicoamen Properties**

On March 27, 2019 the Company entered into option agreements to earn 60% into each of the Merit and Nicoamen properties from Almadex Minerals Ltd. ("Almadex") by making a cash payment of \$20,000 (paid), the issuance of an aggregate of 1,300,000 common shares (800,000 issued) and completing aggregate work commitments of \$1,450,000 including a commitment to drill 1,000 m over a three year period. On December 31, 2022, the Company wrote off both properties totaling \$100,000.

On March 24, 2022, the option agreement with Almadex was terminated.

## INDEPENDENCE GOLD CORP.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023 (Expressed in Canadian Dollars)

### 8. RELATED PARTY TRANSACTIONS

The condensed consolidated interim financial statements include the financial statements of Independence Gold Corp. and its subsidiary, Silver Quest Resources (US) Ltd.

#### *Key Management Personnel*

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Company's Board of Directors and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

Compensation paid or payable to key management for services rendered are as follows:

	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Management fees	\$ 191,244	\$ 182,138
Directors fees	29,250	29,250
Geological consulting fees	23,743	22,613
Share-based compensation*	163,527	177,009
Total	<u>\$ 407,764</u>	<u>\$ 411,010</u>

Included in receivables as at September 30, 2023 is \$7,045 (December 31, 2022 - \$5,248) due from companies with directors and/or officers in common. Included in accounts payable and accrued liabilities as at September 30, 2023 is \$11,474 (December 31, 2022 - \$17,314) due to directors and companies with directors and/or officers in common.

The Company provides geological, office and administrative services to public companies with common directors and or/officers. During the nine months ended, September 30, 2023, the Company received or accrued \$29,355 (September 30, 2022 - \$33,705) for rent and \$22,100 (September 30, 2022 - \$37,800) for accounting, investor relations, geology and other.

### 9. SHARE CAPITAL AND RESERVES

#### a) Authorized share capital

The authorized share capital of the Company is an unlimited number of common shares without par value. All issued shares are fully paid.

#### b) Issued share capital

As at September 30, 2023, the Company has 145,948,487 common shares issued and outstanding.

On July 18, 2023, the Company completed a non-brokered private placement and issued 8,535,000 units ("Units") at of price of \$0.12 per Unit for proceeds of \$1,024,200 (the "Unit Proceeds"), and 6,465,000 flow-through common shares ("FT Common Shares"), and together with the Units (the "Securities") at a price of \$0.12 per FT Common Share for proceeds of \$775,800 (together with the Unit Proceeds, the "Funds"), for a

**INDEPENDENCE GOLD CORP.**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
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**9. SHARE CAPITAL AND RESERVES (continued)**

total proceeds of \$1,800,000 under the Offering. Each Unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant (“Warrant”) is exercisable into one common share in the capital of the Company at an exercise price of \$0.18 per common share for a period of 24 months from the date of issue. The Company paid aggregate cash finder’s fees of \$32,969.99 cash and issued an aggregate of 251,416 non-transferable finders compensation warrants (“Finder’s Warrants”) in connection with the distribution of FT Shares and Units to arm’s length subscribers. Each Finder’s Warrant entitles the holder to purchase one common share of the Company at a price of \$0.18 per common share until July 18, 2025. The finder’s warrant issued as part of this private placement have been recorded at a fair value of \$18,533 using the Black Scholes pricing model.

On April 28, 2023, the Company issued 500,000 common shares from the exercise of share purchase warrants for total gross proceeds of \$75,000.

On December 22, 2022, the Company completed a non-brokered private placement and issued 20,523,668 units (“Units”) at a price of \$0.06 per unit for proceeds of \$1,231,420, and 6,142,998 flow-through common shares (“FT Common Shares”), and together with the Units, the (“Securities”) at a price of \$0.06 per FT Common Share for proceeds of \$368,580 (together with the Unit Proceeds, the (“Funds”), for total proceeds of \$1,600,000 under the Offering. Each Unit consists of one common share and one common share purchase warrant. Each warrant (“Warrant”) is exercisable into one common share in the capital of the Company at an exercise price of \$0.12 per common share for a period of 24 months from the date of issue. The Company paid aggregate cash finder’s fees of \$9,700 cash, other share issuance costs of \$33,214 and issued an aggregate of 135,000 non-transferable finders compensation warrants (“Finder’s Warrants”) in connection with the distribution of FT Shares and Units to arm’s length subscribers. Each Finder’s Warrant entitles the holder to purchase one common share of the Company at a price of \$0.12 per common share until December 22, 2024. The finder’s warrant issued as part of this private placement has been recorded at a fair value of \$8,173 using the Black Scholes pricing model.

## c) Stock options

The Company has an incentive stock option plan in place under which it is authorized to grant options to directors and employees to acquire up to 10% of the Company’s issued and outstanding common shares. Under the plan, the exercise price of each option may not be less than the market price of the Company’s stock as calculated on the date of grant less the applicable discount. The options can be granted for a maximum term of 10 years and vesting periods are determined by the Board of Directors.

As at September 30, 2023, the Company had outstanding stock options, enabling the holders to acquire further common shares as follows:

Number of Shares	Exercise Price	Expiry Date
1,825,000	\$ 0.15	February 4, 2024
1,800,000	\$ 0.10	July 17, 2025
450,000	\$ 0.18	December 18, 2025
2,650,000	\$ 0.15	January 18, 2026
2,675,000	\$ 0.15	January 27, 2027
<b>9,400,000</b>		

**INDEPENDENCE GOLD CORP.**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023 (Expressed in Canadian Dollars)

**9. SHARE CAPITAL AND RESERVES (continued)**

Stock option transactions are summarized as follows:

	September 30, 2023		December 31, 2022	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, beginning of period	6,750,000	\$ 0.14	5,749,500	\$ 0.16
Granted	2,650,000	\$ 0.15	2,675,000	\$ 0.15
Exercised	-	-	-	-
Expired/cancelled	-	-	(1,674,500)	\$ 0.25
Balance, end of period	9,400,000	\$ 0.14	6,750,000	\$ 0.14
Options exercisable, end of period	<b>9,400,000</b>	<b>\$ 0.14</b>	<b>6,750,000</b>	<b>\$ 0.14</b>

On January 18, 2023, the Company granted 2,650,000 stock options to directors, employees, and consultants.

On November 2, 2022, 100,000 stock options granted in 2017 expired unexercised.

On March 1, 2022, 1,574,500 stock options granted in 2017 expired unexercised.

On January 27, 2022, the Company granted 2,675,000 stock options to directors, employees, and consultants.

d) Share-based compensation

On January 18, 2023, the Company granted 2,650,000 stock options with a fair value of \$216,673. All options vested immediately on grant. The following weighted average-assumptions were used for the Black-Scholes valuation of stock options granted during the noted period:

	2023	2022
Risk-free interest rate	1.42%	1.27%
Expected life of options	3 years	5 years
Annualized volatility	121.70%	115.83%
Weighted average FV	\$0.08	\$ 0.08
Expected dividend rate	0%	0%

On January 27, 2022, the Company granted 2,675,000 stock options with a fair value of \$205,869.

e) Warrants

As at September 30, 2023, the Company had 26,564,583 outstanding share purchase warrants outstanding, enabling the holders to acquire further common shares as follows:

**INDEPENDENCE GOLD CORP.**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023 (Expressed in Canadian Dollars)

**9. SHARE CAPITAL AND RESERVES (continued)**

<b>Number of Warrants</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
1,387,000	\$0.15	December 30, 2023
20,658,668	\$0.12	December 22, 2024
4,518,915	\$0.18	July 18, 2025
<b>26,564,583</b>		

Share purchase warrant transactions are summarized as follows:

	<b>September 30, 2023</b>		<b>December 31, 2022</b>	
	<b>Number of Warrants</b>	<b>Weighted Average Exercise Price</b>	<b>Number of Warrants</b>	<b>Weighted Average Exercise Price</b>
Balance, beginning of period	22,545,668	\$ 0.12	18,702,458	\$ 0.13
Issued	4,518,915	\$0.18	20,658,668	\$ 0.12
Exercised	(500,000)	\$0.15	-	-
Expired	-	-	(16,815,458)	\$ 0.13
Balance, end of period	26,564,583	\$ 0.13	22,545,668	\$ 0.12
Warrants exercisable, end of period	<b>26,564,583</b>	<b>\$ 0.13</b>	<b>22,545,668</b>	<b>\$ 0.12</b>

On April 28, 2023, 500,000 warrants were exercised for total gross proceeds of \$75,000.

**10. SUBSEQUENT EVENTS**

Between October 30, 2023 and November 27, 2023, 750,000 stock options were exercised for a gross proceeds of \$80,000, and 190,000 warrants were exercised for a gross proceeds of \$28,800.

On November 15, 2023, the Company announced a non-brokered private placement comprised of flow-through common shares and units to raise \$1,500,000. Both the flow-through shares and the unit shares are offered at \$0.18 per common share. Each unit share will also receive one half of one common share purchase warrant, with each whole warrant exercisable at a price of \$0.24 for a period of 24 months.

On November 16, 2023, the Company announced an increase to the non-brokered private placement that was announced on November 15, 2023 from \$1,500,000 to \$2,500,000.