



FREMONT
GOLD LTD

Fremont Gold Ltd.

An Exploration Stage Company

CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS
(Unaudited)

THREE MONTHS ENDED JUNE 30, 2021

NOTICE

These unaudited interim consolidated financial statements have been prepared by management and have not been the subject of a review by the Company's independent auditor.

Fremont Gold Ltd.

Condensed interim consolidated statements of financial position

(Expressed in Canadian Dollars)

	Notes	June 30, 2021	March 31, 2021
ASSETS			
Current assets			
Cash and cash equivalents		\$ 135,830	\$ 213,870
Marketable securities		-	42,500
Accounts receivable		51,917	50,946
Prepaid expenses		12,837	20,061
Total Current assets		200,584	327,377
Non-current assets			
Mineral properties	4	2,023,126	2,052,671
Fixed assets		14,256	17,794
Reclamation bonds	5	113,870	115,533
Total Assets		\$ 2,351,836	\$ 2,513,375
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		\$ 141,492	\$ 158,600
Due to related parties	8	47,450	23,589
Total Current liabilities		188,942	182,189
Shareholders' equity			
Share capital	6(a)	15,888,325	15,888,325
Warrant reserve	6(b)	286,947	286,947
Stock option reserve	6(c)	1,557,387	1,504,620
Accumulated other comprehensive income		(32,019)	(6,796)
Accumulated deficit		(15,537,746)	(15,341,910)
Total Shareholders' equity		2,162,894	2,331,186
Total Liabilities and Shareholders' equity		\$ 2,351,836	\$ 2,513,375
Nature of operations and going concern (Note 1)			
Subsequent event (Notes 8 and 12)			

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

Approved by the Board of Directors

"Randall Chatwin"
Randall Chatwin, Director

"Michael Williams"
Michael Williams, Director

Fremont Gold Ltd.**Condensed interim consolidated statements of income and loss**

(Expressed in Canadian Dollars except number of shares)

	Notes	3 months ended	
		June 30, 2021	June 30, 2020
Expenses			
Stock-based compensation	6(c)	\$ 52,767	\$ 81,770
Management		42,408	71,369
Exploration and evaluation	7	29,744	115,920
Reclamation		22,201	-
General and administration		15,504	30,631
Marketing		13,054	65,557
Professional fees		6,280	4,687
Depreciation		2,116	1,950
Listing and transfer agent		1,629	18,897
Travel		-	124
		<u>185,703</u>	<u>390,905</u>
Other income and expenses			
Loss on sale of marketable securities		9,162	-
Foreign exchange loss		1,245	7,527
Gain on sale of fixed assets		(274)	-
Write-off of mineral property		-	42,783
Interest income		-	(2,979)
		<u>-</u>	<u>(2,979)</u>
Net loss for the period		<u>\$ 195,836</u>	<u>\$ 438,236</u>
Other comprehensive loss			
Unrealised foreign currency translation items		24,873	104,373
		<u>24,873</u>	<u>104,373</u>
Total comprehensive loss for the period		<u>\$ 220,709</u>	<u>\$ 542,609</u>
Loss per share, Basic and diluted		\$ 0.00	\$ 0.01
Weighted average shares outstanding, Basic and diluted		125,381,459	81,454,634

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

Fremont Gold Ltd.

Condensed interim consolidated statements of changes in shareholders' equity

(Expressed in Canadian Dollars)

	Issued common shares	Share capital	Reserves, Warrants	Reserves, Stock options	Accumulated other comprehensive income (loss)	Accumulated deficit	Total shareholders' equity
Balance at March 31, 2020	81,454,634	\$ 13,688,913	\$ 251,639	\$ 1,257,593	\$ 239,618	(\$ 11,736,860)	\$ 3,700,903
Share issuance costs	-	(119)	-	-	-	-	(119)
Stock-based compensation	-	-	-	81,770	-	-	81,770
Comprehensive loss	-	-	-	-	(104,373)	(438,236)	(542,609)
Balance at June 30, 2020	81,454,634	\$ 13,688,794	\$ 251,639	\$ 1,339,363	\$ 135,245	(\$ 12,175,096)	\$ 3,239,945
Balance at March 31, 2021	125,381,459	\$ 15,888,325	\$ 286,947	\$ 1,504,620	(\$ 6,796)	(\$ 15,341,910)	\$ 2,331,186
Stock-based compensation	-	-	-	52,767	-	-	52,767
Comprehensive loss	-	-	-	-	(25,223)	(195,836)	(221,059)
Balance at June 30, 2021	125,381,459	\$ 15,888,325	\$ 286,947	\$ 1,557,387	(\$ 32,019)	(\$ 15,537,746)	\$ 2,162,894

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

Fremont Gold Ltd.

Condensed interim consolidated statements of cash flows

(Expressed in Canadian Dollars)

	3 months ended June 30, 2021	3 months ended June 30, 2020
OPERATING ACTIVITIES		
Net loss for the period	(\$ 195,836)	(\$ 438,236)
Adjustments for items not involving cash:		
Stock-based compensation	52,767	81,770
Loss on sale of marketable securities	9,162	-
Unrealised foreign exchange items	6,450	4,173
Depreciation	2,116	1,950
Gain on sale of fixed assets	(274)	-
Write-off of mineral property	-	42,783
	(125,615)	(307,560)
Net changes in non-cash working capital:		
Accounts receivable	(971)	(3,639)
Prepaid expenses	7,224	(39,973)
Accounts payable and accrued liabilities	(17,108)	4,351
Due to related parties	23,861	9,603
Cash used in operating activities	(112,609)	(337,218)
INVESTING ACTIVITIES		
Proceeds on sale of marketable securities	33,338	-
Proceeds on sale of fixed assets	1,436	-
Additions to mineral properties	-	(54,659)
Additions to fixed assets	-	(2,097)
Cash used in investing activities	34,774	(56,756)
FINANCING ACTIVITIES		
Issuance of share capital, net of cash share issuance costs	-	(119)
Cash provided by financing activities	-	(119)
Effect of change in exchange rate on cash	(205)	(2,685)
Net decrease in cash and cash equivalents	(78,040)	(396,778)
Cash and cash equivalents, beginning of period	213,870	1,130,028
Cash and cash equivalents, end of period	\$ 135,830	\$ 733,250

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

Fremont Gold Ltd.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Expressed in Canadian Dollars)

THREE MONTHS ENDED JUNE 30, 2021

1. NATURE OF OPERATIONS AND GOING CONCERN

Fremont Gold Ltd. (the “**Company**”) was incorporated under the laws of British Columbia, Canada, on June 6, 2007. The principal business activity of the Company is the acquisition and exploration of mineral properties located in the United States. The Company is listed on the TSX Venture Exchange (“**TSXV**”) under the trading symbol ‘FRE’, on the OTCQB Venture Market under the trading symbol ‘FRERF’ and on the Frankfurt Stock Exchange under the symbol ‘FR2’. The head office and records office of the Company are located at Suite 1500 – 409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2. The Company’s registered office is located at 1200 – 750 West Pender Street, Vancouver, British Columbia, Canada, V6C 2T8.

Going concern

The nature of the Company’s operations results in significant expenditures for the acquisition and exploration of mineral properties. To date, the Company has not generated any revenue from mining or other operations and it is considered to be in the exploration stage.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) applicable to a going concern, which assumes the Company will be able to realise its assets and settle its liabilities in the normal course of business. For the three months ended June 30, 2021, the Company reported a net loss of \$195,836 (three months ended June 30, 2020: \$438,236) and cash flow used in operations of \$112,609 (three months ended June 30, 2020: \$337,218), and as at that date had a net working capital balance of \$11,642 (March 31, 2021: \$145,188).

The Company does not currently have sufficient working capital to meet its corporate development, administrative and property objectives and obligations for the remainder of the fiscal year through March 31, 2022.

The Company’s ability to continue as a going concern is dependent upon its ability to obtain additional funding from equity financings provided by the Company’s existing shareholders and/or new shareholders or through other arrangements. There is no assurance that the Company will be successful in this regard.

The recoverability of the carrying value of mineral properties and deferred expenditures is dependent upon a number of factors including the existence of recoverable reserves, the ability of the Company to obtain financing to maintain properties in good standing and continue exploration and the discovery of economically recoverable reserves.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material.

In the event the Company is unable to arrange appropriate financing, the carrying value of its assets and liabilities could be subject to material adjustment and the Company may not be able to meet its obligations as they become due in the normal course of business.

Fremont Gold Ltd.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Expressed in Canadian Dollars)
THREE MONTHS ENDED JUNE 30, 2021

2. BASIS OF PREPARATION

These condensed interim consolidated financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board applicable to the preparation of interim financial statements, including IAS 34, 'Interim Financial Reporting'. The accounting policies followed in these condensed interim consolidated financial statements are the same as those applied in the Company's annual consolidated financial statements for the year ended March 31, 2021.

The condensed interim consolidated financial statements do not contain all disclosures required under IFRS and should be read in conjunction with Company's annual consolidated financial statements and the notes thereto for the year ended March 31, 2021.

Certain of the prior year's figures have been reclassified to reflect the account classification adopted in the current year.

3. RECENT ACCOUNTING PRONOUNCEMENTS

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended March 31, 2022, and have not been applied in preparing these consolidated financial statements.

The Company has determined that these new accounting standards and amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or will not have a significant impact on the Company's consolidated financial statements.

4. MINERAL PROPERTIES

3 months ended		Incurred during	Foreign	
June 30, 2021	Mar. 31, 2021	period	exchange	June 30, 2021
Hurricane	\$ 742,051	\$ -	(\$ 10,682)	\$ 731,369
Griffon	524,778	-	(7,553)	517,225
North Carlin	388,382	-	(5,590)	382,792
Cobb Creek	378,107	-	(5,442)	372,665
Other properties	19,353	-	(278)	19,075
	\$ 2,052,671	\$ -	(\$ 29,545)	\$ 2,023,126

Fremont Gold Ltd.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Expressed in Canadian Dollars)
THREE MONTHS ENDED JUNE 30, 2021

Year ended							
March 31, 2021	Mar. 31, 2020	Incurred during period	Sold during period	Dropped during period	Foreign exchange	Mar. 31 2021	
Hurricane	\$ 800,184	\$ 34,464	\$ -	\$ -	(\$ 92,597)	\$ 742,051	
Griffon	260,912	308,518	-	-	(44,652)	524,778	
North Carlin	346,021	85,854	-	-	(43,493)	388,382	
Cobb Creek	143,851	263,413	-	-	(29,157)	378,107	
Goldrun	955,055	-	(889,824)	-	(65,231)	-	
Other properties	65,636	-	-	(40,803)	(5,480)	19,353	
	\$2,571,659	\$ 692,249	(\$ 889,824)	(\$ 40,803)	(\$ 280,610)	\$2,052,671	

The capitalised costs of mineral properties relate to the claim maintenance and acquisition costs associated with exploration and evaluation assets.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee their titles. Property title may be subject to unregistered prior agreements or transfers and may be affected by undetected defects.

It is possible that economically recoverable reserves may not be discovered and accordingly a material portion of the carrying value of mineral properties could be written off in the future.

5. RECLAMATION BONDS

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

The net balance of reclamation bonds held as at June 30, 2021 totalled US\$ 91,875 (\$113,870) (March 31, 2021: US\$ 91,875 (\$115,533)).

6. SHAREHOLDERS' EQUITY

(a) Share capital

The Company has authorized capital of an unlimited number of common voting shares without nominal or par value.

The Company has authorized capital of an unlimited number of preferred voting shares without nominal or par value.

In July 2021, the Company closed a non-brokered private placement (see Note 12).

Fremont Gold Ltd.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Expressed in Canadian Dollars)
THREE MONTHS ENDED JUNE 30, 2021

(b) Share purchase warrants

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

	Expiry date	Number of warrants	Weighted average exercise price
March 31, 2020		35,616,863	0.13
Issued:			
Warrants (November 2020 private placement)	Nov. 2, 2023	40,000,000	0.10
Finder warrants (November 2020 private placement)	Nov. 2, 2023	1,051,200	0.10
Exercised:			
Warrants (February 2020 private placement)	Feb. 13, 2021	(100,000)	0.10
Finder warrants (February 2020 private placement)	Feb. 13, 2021	(76,825)	0.10
Expired			
Warrants (June 2017 private placement)	June 29, 2020	(5,023,566)	0.25
Warrants (June 2017 private placement)	June 30, 2020	(105,000)	0.25
Warrants (December 2018 private placement)	Dec. 5, 2020	(4,394,965)	0.20
Warrants (February 2020 private placement)	Feb. 13, 2021	(1,316,175)	0.10
Finder warrants (February 2020 private placement)	Feb. 13, 2021	(24,600,332)	0.10
March 31, 2021		41,051,200	0.10
June 30, 2021		41,051,200	0.10

The Company had the following share purchase warrants outstanding as at June 30, 2021:

	Expiry date	Exercise price	Number of warrants
Warrants (November 2020 private placement)	Nov. 2, 2023	0.10	40,000,000
Finder warrants (November 2020 private placement)	Nov. 2, 2023	0.10	1,051,200
		0.10	41,051,200

The weighted average remaining life of outstanding share purchase warrants as at June 30, 2021 was 28 months (March 31, 2021: 31 months).

(c) Stock options

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

Fremont Gold Ltd.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Expressed in Canadian Dollars)
THREE MONTHS ENDED JUNE 30, 2021

	Expiry date	Number of options	Weighted average exercise price
March 31, 2020		3,825,000	0.15
Issued:			
April 17, 2020	April 15, 2025	3,250,000	0.10
January 18, 2021	January 18, 2026	3,000,000	0.08
March 31, 2021		10,075,000	0.11
Forfeited		(1,400,000)	0.09
Expired		(280,000)	0.09
June 30, 2021		8,395,000	0.11

The Company had the following stock options outstanding as at June 30, 2021:

Expiry date	Exercise price	Number of options
September 18, 2021	0.15	2,100,000
July 10, 2022	0.15	350,000
December 10, 2023	0.15	875,000
July 25, 2024	0.10	250,000
April 15, 2025	0.10	2,630,000
January 18, 2026	0.08	2,190,000
	0.11	8,395,000

The weighted average remaining life of outstanding stock options as at June 30, 2021 was 33 months (March 31, 2021: 38 months).

Stock-based compensation totalled \$52,767 in the three months ended June 30, 2021 (three months ended June 30, 2020: \$81,770).

Of the 8,395,000 stock options outstanding as at June 30, 2021, 5,541,000 stock options were exercisable as at this date at a weighted average exercise price of \$0.13.

Fremont Gold Ltd.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Expressed in Canadian Dollars)

THREE MONTHS ENDED JUNE 30, 2021

7. EXPLORATION AND DEVELOPMENT EXPENDITURES

3 months ended June 30, 2021			
	North Carlin	VP Exploration	Total
Assay	\$ 6,701		\$ 6,701
Payroll	540	-	540
Field supplies	398	-	398
VP Exploration	-	22,105	22,105
	<u>\$ 7,639</u>	<u>\$ 22,105</u>	<u>\$ 29,744</u>

3 months ended June 30, 2020			
	Griffon	VP Exploration	Total
Drilling	49,713	-	49,713
Travel	23,371	-	23,371
Payroll	10,348	-	10,348
Field supplies	4,301	-	4,301
Third party services	3,240	-	3,240
VP Exploration	-	24,947	24,947
	<u>\$ 90,973</u>	<u>\$ 24,947</u>	<u>\$ 115,920</u>

8. RELATED PARTY TRANSACTIONS

The Company incurred the following expenses resulting from transactions with related parties including officers and directors or entities that are controlled by officers and directors of the Company:

	3 months ended June 30, 2021	3 months ended June 30, 2020
Remuneration of officers of the Company (1)	\$ 64,513	\$ 96,316
Stock-based compensation relating to stock options issued to officers and directors of the Company	42,898	59,547
Recharge of exploration, claim and local administrative expenditures (2)	11,745	19,403
	<u>\$ 119,156</u>	<u>\$ 175,266</u>

Fremont Gold Ltd.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Expressed in Canadian Dollars)
THREE MONTHS ENDED JUNE 30, 2021

- (1) Comprises remuneration of the Company's President, Chief Executive Officer, Chief Financial Officer and Vice President Exploration and includes fees charged by companies controlled by officers of the Company
- (2) Certain exploration, local administrative and claim acquisition expenditures are charged to the Company by Tectonex LLC, a company owned by the Company's VP Exploration. Such charges totalled US\$ 9,564 (\$11,745) in the three months ended June 30, 2021 (three months ended June 30, 2020: US\$ 14,001 (\$19,403)). All such expenditures are recharged to the Company without margin or discount at the actual cost incurred by Tectonex

The Company owed the following amounts to related parties including officers and directors or companies that are controlled by officers and directors of the Company:

	June 30, 2021	March 31, 2021
Amount owing to Tectonex relating to the recharge of exploration, claim and local administrative expenditures	\$ 17,131	\$ 14,158
Amounts owing to directors and officers relating to deferred remuneration and the reimbursement of expenses	30,319	9,431
	<u>\$ 47,450</u>	<u>\$ 23,589</u>

As at August 25, 2021, the amount owing to Tectonex had been partially repaid and none of the amounts owing to directors and officers relating to deferred remuneration and the reimbursement of expenses had been repaid.

9. SEGMENTED INFORMATION

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

	Canada	United States	Total
Non-current assets:			
June 30, 2021	\$ -	\$ 2,151,252	\$ 2,151,252
March 31, 2021	1,162	2,184,836	2,185,998
Net loss:			
3 months ended June 30, 2021	125,163	70,673	195,836
3 months ended June 30, 2020	\$ 251,097	\$ 187,139	\$ 438,236

10. CAPITAL MANAGEMENT

The Company manages its capital structure, which consists of working capital and share capital, and makes adjustments to it depending on the funds available to the Company for acquisition, exploration and development of mineral property assets. 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.

Fremont Gold Ltd.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Expressed in Canadian Dollars)
THREE MONTHS ENDED JUNE 30, 2021

All of the exploration and evaluation assets in which the Company has interests are in the exploration stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out its planned exploration and pay for ongoing general and administrative expenses, the Company will use existing working capital and expects to raise additional funds through equity private placements as required in the future. The Company will continue to assess new exploration and evaluation assets and seeks to acquire additional interests if sufficient geologic or economic potential is established and adequate financial resources are available.

Management reviews its capital management approach on an on-going basis and believes that this approach, given the relatively small size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements and there were no significant changes in its approach to capital management during the period ended June 30, 2021.

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

11. RISK MANAGEMENT

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with one major bank in Canada so there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the Company's functional currency. The Company's exploration activity is situated entirely in the United States and it is therefore exposed to foreign exchange risk arising from transactions and monetary balances denominated in United States dollars. The Company has no program in place for hedging foreign currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The risk is considered minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to assist in determining the

Fremont Gold Ltd.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited, Expressed in Canadian Dollars)

THREE MONTHS ENDED JUNE 30, 2021

funds required to support the Company's normal operating requirements on an ongoing basis. The Company attempts to ensure there is sufficient access to funds to meet ongoing business requirements, taking into account its current cash position and potential funding sources.

With the exception of accrued liabilities totalling \$18,750, the provision for estimated restoration costs totalling \$49,576 and balances due to related parties (see Note 8), all accounts payable and accrued liabilities are due within 90 days of June 30, 2021. Amounts due to related parties as at June 30, 2021 are unsecured, non-interest bearing and have no set terms of repayment.

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

12. SUBSEQUENT EVENT

July 2021 non-brokered private placement

In July 2021, the Company announced that it had closed a non-brokered private placement for gross proceeds of \$621,985 through the issuance of 20,732,833 units at a price of \$0.03 per unit. Each unit was comprised of one common share of the Company and one common share purchase warrant. Each common share purchase warrant entitles the holder to acquire one common share of the Company at a purchase price of \$0.05 for a period of 24 months following closing of the private placement through July 27, 2023.

Fremont issued 280,000 share purchase warrants to finders, equivalent to up to 7% of the number of applicable units included in the financing. Each finder's warrant entitles the holder to purchase one common share of the Company at a purchase price of \$0.05 for a period of up to 24 months following closing of the financing.

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