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**CONDENSED INTERIM FINANCIAL STATEMENTS OF  
E2GOLD INC.  
FOR THE THREE MONTHS ENDED OCTOBER 31, 2021  
(EXPRESSED IN CANADIAN DOLLARS)  
(UNAUDITED)**

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**NOTICE TO READER**

The accompanying unaudited condensed interim financial statements of E2Gold Inc. (the "Company") have been prepared by, and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Company's auditor.

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**E2Gold Inc.****Condensed Interim Statements of Financial Position  
(Expressed in Canadian Dollars)  
(Unaudited)**

	As at October 31, 2021	As at July 31, 2021
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 3,451,130	\$ 5,854,701
Short-term investment	60,000	40,000
HST receivable	349,948	124,582
Prepaid expenses	139,708	185,494
<b>Total current assets</b>	<b>4,000,786</b>	<b>6,204,777</b>
<b>Non-current assets</b>		
Property and equipment (note 3)	68,768	50,926
<b>Total non-current assets</b>	<b>68,768</b>	<b>50,926</b>
<b>Total assets</b>	<b>\$ 4,069,554</b>	<b>\$ 6,255,703</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Amounts payable and accrued liabilities	\$ 785,878	\$ 753,389
Flow-through share liability (note 4)	310,905	536,936
<b>Total liabilities</b>	<b>1,096,783</b>	<b>1,290,325</b>
<b>Equity</b>		
Share capital (note 5)	4,441,922	4,441,922
Warrants (note 6)	3,687,387	3,693,475
Stock options (note 7)	775,566	32,022
Accumulated deficit	(5,932,104)	(3,202,041)
<b>Total equity</b>	<b>2,972,771</b>	<b>4,965,378</b>
<b>Total liabilities and equity</b>	<b>\$ 4,069,554</b>	<b>\$ 6,255,703</b>

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

Nature of operations and going concern (note 1)

Commitments (note 11)

Subsequent events (note 13)

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**E2Gold Inc.****Condensed Interim Statements of Loss and Comprehensive Loss  
(Expressed in Canadian Dollars)  
(Unaudited)****Three months ended  
October 31,  
2021                      2020**

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<b>Operating expenses</b>		
Depreciation (note 3)	\$ 3,089	\$ -
Exploration and evaluation expenditures (notes 9 and 10(c))	1,597,118	373,525
General and administrative expenses	83,496	11,482
Investor relations	208,277	-
Management, director fees and salaries (note 10(a))	220,379	25,000
Professional fees (note 10(c))	64,645	31,472
Shareholders' information	43,049	6,730
Share-based payments (notes 7 and 10(a))	743,544	4,624
<b>Operating loss before interest income and premium on flow-through shares</b>	<b>(2,963,597)</b>	<b>(452,833)</b>
Interest income	1,415	-
Premium on flow-through shares (note 4)	226,031	-
<b>Loss and comprehensive loss for the period</b>	<b>\$ (2,736,151)</b>	<b>\$ (452,833)</b>
<b>Basic and diluted loss per share (note 8)</b>	<b>\$ (0.03)</b>	<b>\$ (0.02)</b>
<b>Weighted average number of common shares outstanding - basic and diluted</b>	<b>95,367,615</b>	<b>27,644,684</b>

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

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**E2Gold Inc.****Condensed Interim Statements of Cash Flows  
(Expressed in Canadian Dollars)  
(Unaudited)****Three months ended  
October 31,  
2021                      2020**

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**Operating activities:**

Net loss for the period	<b>\$ (2,736,151)</b>	\$ (452,833)
Adjustments for:		
Depreciation (note 3)	<b>5,528</b>	-
Share-based payments (note 7)	<b>743,544</b>	4,624
Shares issued for services provided (note 5)	-	18,520
Premium on flow-through shares (note 4)	<b>(226,031)</b>	-
Changes in non-cash working capital items:		
HST receivable	<b>(225,366)</b>	(56,707)
Prepaid expenses	<b>45,786</b>	39,780
Amounts payable and accrued liabilities	<b>32,489</b>	91,648
<b>Net cash used in operating activities</b>	<b>(2,360,201)</b>	(354,968)

**Investing activities:**

Purchase of property and equipment (note 3)	<b>(23,370)</b>	-
Purchase of short-term investment	<b>(20,000)</b>	-
<b>Net cash used in investing activities</b>	<b>(43,370)</b>	-

**Financing activities:**

Proceeds from private placements (note 5)	-	636,000
Share issue costs	-	(52,820)
<b>Net cash provided by financing activities</b>	-	583,180

<b>Net change in cash</b>	<b>(2,403,571)</b>	228,212
<b>Cash, beginning of period</b>	<b>5,854,701</b>	127,944
<b>Cash, end of period</b>	<b>\$ 3,451,130</b>	\$ 356,156

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

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**E2Gold Inc.****Condensed Interim Statements of Changes in Shareholders' Equity  
(Expressed in Canadian Dollars)  
(Unaudited)**

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	Share capital	Warrants	Stock options	Accumulated deficit	Total equity
<b>Balance, July 31, 2020</b>	<b>\$ 439,890</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (359,004)</b>	<b>\$ 80,886</b>
Private placements (note 5)	636,000	-	-	-	636,000
Shares issued for services provided (note 5)	18,520	-	-	-	18,520
Shares issued as repayment of loan (note 5)	46,650	-	-	-	46,650
Flow-through share premium	(74,700)	-	-	-	(74,700)
Share issue costs	(52,820)	-	-	-	(52,820)
Share-based payments (note 7)	-	-	4,624	-	4,624
Loss and comprehensive loss	-	-	-	(452,833)	(452,833)
<b>Balance, October 31, 2020</b>	<b>\$ 1,013,540</b>	<b>\$ -</b>	<b>\$ 4,624</b>	<b>\$ (811,837)</b>	<b>\$ 206,327</b>
<b>Balance, July 31, 2021</b>	<b>\$ 4,441,922</b>	<b>\$ 3,693,475</b>	<b>\$ 32,022</b>	<b>\$ (3,202,041)</b>	<b>\$ 4,965,378</b>
Warrants cancelled	-	(6,088)	-	6,088	-
Share-based payments (note 7)	-	-	743,544	-	743,544
Loss and comprehensive loss	-	-	-	(2,736,151)	(2,736,151)
<b>Balance, October 31, 2021</b>	<b>\$ 4,441,922</b>	<b>\$ 3,687,387</b>	<b>\$ 775,566</b>	<b>\$ (5,932,104)</b>	<b>\$ 2,972,771</b>

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

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## **E2Gold Inc.**

### **Notes to Condensed Interim Financial Statements For the Three Months Ended October 31, 2021 (Expressed in Canadian Dollars) (Unaudited)**

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#### **1. Nature of Operations and Going Concern**

E2Gold Inc. (the "Company") was incorporated under the Business Corporations Act (Ontario) by articles of incorporation dated October 25, 2018 under the name "5003754 Ontario Ltd." On February 11, 2020, the Company filed articles of amendment to change the name of the Company to "E2Gold Inc." On October 14, 2020, the Company filed articles of amendment to remove the private company restrictions contained in its articles. The principal office of the Company is located at 8 King Street East, Suite 1700, Toronto, Ontario M5C 1B5. The financial year end of the Company is July 31.

On December 30, 2020, the Company completed its Initial Public Offering and its common shares commenced trading on the TSX Venture Exchange ("TSXV") at the opening of business on January 4, 2021. The common shares of the Company trades under the symbol "ETU".

The Board of Directors of the Company approved these unaudited condensed interim financial statements on December 15, 2021.

The principal business of the Company is the acquisition, exploration and evaluation of mineral properties, and developing these properties further or disposing of them when evaluation is complete.

The Company had no commercial operations and incurred a net loss and comprehensive loss of \$2,736,151 for the three months ended October 31, 2021, and as of October 31, 2021, the Company's accumulated deficit was \$5,932,104. These circumstances indicate that material uncertainties exist that may cast significant doubt about the Company's ability to continue as a going concern and, accordingly, the ultimate use of accounting principles applicable to a going concern. The Company's ability to continue as a going concern is dependent upon raising additional capital to meet its present and future commitments, the continued support of certain shareholders and trade creditors, and on achieving profitable commercial operations. If additional financing is arranged through the issuance of shares, control of the Company may change and shareholders may suffer significant dilution.

These unaudited condensed interim financial statements been prepared on a going concern basis which assumes that the Company will continue in operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. Realization values may be substantially different from carrying values as shown and the financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

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

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## **E2Gold Inc.**

### **Notes to Condensed Interim Financial Statements For the Three Months Ended October 31, 2021 (Expressed in Canadian Dollars) (Unaudited)**

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#### **2. Significant Accounting Policies**

##### Statement of Compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations issued by the IFRS Interpretations Committee. These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB.

The policies applied in these unaudited condensed interim financial statements are based on IFRSs issued and outstanding as of December 15, 2021, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended July 31, 2021. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending July 31, 2022 could result in restatement of these unaudited condensed interim financial statements.

##### New Standards Not Yet Adopted And Interpretations Issued But Not Yet Effective

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2022. Many are not applicable or do not have a significant impact to the Company and have been excluded. The Company is currently assessing the impact of these standards on the financial statements.

IAS 16 - Property, Plant and Equipment was amended. The amendments introduce new guidance, such that the proceeds from selling items before the related property, plant and equipment is available for its intended use can no longer be deducted from the cost. Instead, such proceeds are to be recognized in profit or loss, together with the costs of producing those items. The amendments are effective for annual periods beginning on January 1, 2022.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or non-current is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2023.

IFRS 3 – Business Combinations ("IFRS 3") was amended. The amendments introduce new exceptions to the recognition and measurement principles in IFRS 3 to ensure that the update in references to the revised conceptual framework does not change which assets and liabilities qualify for recognition in a business combination. An acquirer should apply the definition of a liability in IAS 37 – rather than the definition in the Conceptual Framework – to determine whether a present obligation exists at the acquisition date as a result of past events. For a levy in the scope of IFRIC 21, the acquirer should apply the criteria in IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. In addition, the amendments clarify that the acquirer should not recognize a contingent asset at the acquisition date. The amendments are effective for annual periods beginning on January 1, 2022.

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## E2Gold Inc.

Notes to Condensed Interim Financial Statements  
For the Three Months Ended October 31, 2021  
(Expressed in Canadian Dollars)  
(Unaudited)

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### 3. Property and Equipment

Cost	Computer equipment	Exploration equipment	Total
Balance, July 31, 2021	\$ 29,526	\$ 29,266	\$ 58,792
Addition	23,370	-	23,370
<b>Balance, October 31, 2021</b>	<b>\$ 52,896</b>	<b>\$ 29,266</b>	<b>\$ 82,162</b>

Accumulated depreciation	Computer equipment	Exploration equipment	Total
Balance, July 31, 2021	\$ 2,988	\$ 4,878	\$ 7,866
Depreciation during the period	3,089	2,439	5,528
<b>Balance, October 31, 2021</b>	<b>\$ 6,077</b>	<b>\$ 7,317</b>	<b>\$ 13,394</b>

Carrying value	Computer equipment	Exploration equipment	Total
Balance, July 31, 2021	\$ 26,538	\$ 24,388	\$ 50,926
<b>Balance, October 31, 2021</b>	<b>\$ 46,819</b>	<b>\$ 21,949</b>	<b>\$ 68,768</b>

### 4. Flow-Through Share Liability

Flow-through share liability includes the liability portion of the flow-through shares issued. The following is a continuity schedule of the liability of the flow-through shares issuance:

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Balance, July 31, 2021	\$ 536,936
Settlement of flow-through share liability on incurred expenditures (i)	(226,031)
<b>Balance, October 31, 2021</b>	<b>\$ 310,905</b>

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(i) The flow-through common shares issued in the brokered private placement completed on July 16, 2021 were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be \$573,340 and will be derecognized through income as the eligible expenditures are incurred. For the period from July 16, 2021 to July 31, 2021, the Company incurred eligible expenditures of \$371,632 satisfying \$36,404 of such premium. For the three months ended October 31, 2021, the Company incurred eligible expenditures of \$1,456,454 satisfying \$226,031 of such premium. The flow-through premium balance is \$310,905 as at October 31, 2021.



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## E2Gold Inc.

### Notes to Condensed Interim Financial Statements For the Three Months Ended October 31, 2021 (Expressed in Canadian Dollars) (Unaudited)

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#### 5. Share Capital

##### a) Authorized share capital

The authorized share capital consists of an unlimited number of common shares and class "A" shares. The common shares and class "A" shares do not have a par value. All issued shares are fully paid. There is no class "A" shares outstanding.

##### b) Common shares issued

Changes in the share capital of the Company for the three months ended October 31, 2021 and 2020 are as follows:

	Number of common shares	Amount
<b>Balance, July 31, 2020</b>	<b>19,730,000</b>	<b>\$ 439,890</b>
Private placements (i)	7,740,000	387,000
Flow-through private placement (ii)	1,659,998	249,000
Flow-through share premium	-	(74,700)
Shares issued for services provided (iii)	370,400	18,520
Shares issued as repayment of the loan payable (iv)	666,428	46,650
Share issue costs	-	(52,820)
<b>Balance, October 31, 2020</b>	<b>30,166,826</b>	<b>\$ 1,013,540</b>
<b>Balance, July 31, 2021 and October 31, 2021</b>	<b>95,367,615</b>	<b>\$ 4,441,922</b>

(i) In August 2020, the Company issued 7,740,000 common shares at a price of \$0.05 per common share for total gross proceeds of \$387,000.

(ii) On October 13, 2020, the Company closed a flow-through private placement of \$249,000 and issued 1,659,998 flow-through common shares at a price of \$0.15 per flow-through common share.

(iii) In August 2020, the Company issued 370,400 common shares valued at \$18,520 for services provided.

(iv) On September 8, 2020, the Company issued 666,428 common shares valued at \$46,650 as repayment of the loan payable as disclosed in note 10(b).

#### 6. Warrants

	Number of warrants	Grant date fair value
<b>Balance, July 31, 2020 and October 31, 2020</b>	-	\$ -
<b>Balance, July 31, 2021</b>	<b>61,490,534</b>	<b>\$ 3,693,475</b>
Cancelled	(80,000)	(6,088)
<b>Balance, October 31, 2021</b>	<b>61,410,534</b>	<b>\$ 3,687,387</b>

## E2Gold Inc.

Notes to Condensed Interim Financial Statements  
For the Three Months Ended October 31, 2021  
(Expressed in Canadian Dollars)  
(Unaudited)

### 6. Warrants (Continued)

The following table reflects the warrants and agent compensation options issued and outstanding as of October 31, 2021:

Expiry date	Exercise price (\$)	Warrants outstanding	Valuation (\$)
December 30, 2022	0.28	2,710,550	320,917
December 30, 2022 *	0.20	1,146,782	183,000
December 30, 2023	0.24	10,961,500	993,000
July 16, 2023	0.15	39,037,035	1,811,868
July 16, 2023 *	0.10	2,314,667	176,146
July 23, 2023	0.15	5,000,000	184,192
July 23, 2023 *	0.10	240,000	18,264
	0.17	<b>61,410,534</b>	<b>3,687,387</b>

\* Agent compensation options.

### 7. Stock Options

	Number of stock options	Weighted average exercise price
<b>Balance, July 31, 2020</b>	-	\$ -
Stock options granted (i)	1,000,000	0.05
<b>Balance, October 31, 2020</b>	<b>1,000,000</b>	<b>\$ 0.05</b>
<b>Balance, July 31, 2021</b>	<b>1,000,000</b>	<b>\$ 0.05</b>
Stock options granted (ii)	6,850,000	0.13
<b>Balance, October 31, 2021</b>	<b>7,850,000</b>	<b>\$ 0.12</b>

(i) On August 15, 2020, the Company granted 1,000,000 stock options to a consultant at an exercise price of \$0.05 expiring on August 15, 2025. Vesting provisions of the stock options are as follows: 10% the date of grant and 15% on each of the 6, 12, 18, 24, 30 and 36 months after date of grant. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.05; expected dividend yield of 0%; risk-free interest rate of 0.42%; volatility of 180% and an expected life of 5 years. The fair value assigned to these options was \$48,000. For the three months ended October 31, 2021, the impact on the unaudited condensed interim statement of loss and comprehensive loss was \$3,744 (three months ended October 31, 2020 - \$4,624).

(ii) On August 17, 2021, the Company granted 6,850,000 stock options to directors, officers and consultants of the Company. The stock options are exercisable for a period of 3 years at a price of \$0.13 and vested immediately. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.13; expected dividend yield of 0%; risk-free interest rate of 0.55%; volatility of 157% and an expected life of 3 years. The fair value assigned to these options was \$739,800. For the three months ended October 31, 2021, the impact on the unaudited condensed interim statement of loss and comprehensive loss was \$739,800.

## E2Gold Inc.

Notes to Condensed Interim Financial Statements  
For the Three Months Ended October 31, 2021  
(Expressed in Canadian Dollars)  
(Unaudited)

### 7. Stock Options (Continued)

The following table reflects the stock options issued and outstanding as of October 31, 2021:

Expiry date	Exercise price (\$)	Options outstanding	Weighted average remaining contractual life (years)	Options exercisable	Fair Value (\$)
August 17, 2024	0.13	6,850,000	2.80	6,850,000	739,800
August 15, 2025	0.05	1,000,000	3.79	400,000	48,000
		<b>7,850,000</b>	<b>2.92</b>	<b>7,250,000</b>	<b>787,800</b>

### 8. Loss Per Share

The calculation of basic and diluted loss per share for the three months ended October 31, 2021 was based on the loss attributable to common shareholders of \$2,736,151 (three months ended October 31, 2020 - \$452,833) and the weighted average number of common shares outstanding of 95,367,615 (three months ended October 31, 2020 - 27,644,684). Diluted loss per share did not include the effect of stock options and warrants as they are anti-dilutive.

### 9. Exploration and Evaluation Expenditures

	Three months ended October 31,	
	2021	2020
<b>Hawkins Gold Property (i)</b>		
Community relations	\$ 1,922	\$ -
Depreciation	2,439	-
Drilling	1,015,964	-
Geology	327,405	315,733
Geophysics	80,592	12,642
Mineral property / claims	88,225	-
Resources estimate	-	45,150
	<b>\$ 1,516,547</b>	<b>\$ 373,525</b>
<b>Band-Ore Property (ii)</b>		
Geology	\$ 30,571	\$ -
Option payment	50,000	-
	<b>\$ 80,571</b>	<b>\$ -</b>
<b>Exploration and evaluation expenditures</b>	<b>\$ 1,597,118</b>	<b>\$ 373,525</b>

## E2Gold Inc.

### Notes to Condensed Interim Financial Statements For the Three Months Ended October 31, 2021 (Expressed in Canadian Dollars) (Unaudited)

#### 9. Exploration and Evaluation Expenditures (Continued)

(i) On January 28, 2020, the Company entered into a definitive option agreement with Pavey Ark Mineral Inc., whereby the Company may earn 100% interest in the Hawkins Gold Property located in the Province of Ontario.

Consideration payable is summarized as follows:

	Cash payments	Common shares	Exploration expenditures
On signing of the agreement	\$ 20,000 <sup>(1)</sup>	\$ -	\$ -
On or before July 28, 2020	50,000 <sup>(1)</sup>	100,000 <sup>(2)</sup>	-
On or before January 28, 2021	100,000 <sup>(1)</sup>	100,000 <sup>(3)</sup>	500,000 <sup>(5)</sup>
On or before January 28, 2022	200,000	200,000 <sup>(4)</sup>	500,000
On or before January 28, 2023	200,000	200,000 <sup>(4)</sup>	500,000
On or before January 28, 2024	200,000	200,000 <sup>(4)</sup>	500,000
On or before January 28, 2025	230,000	200,000 <sup>(4)</sup>	500,000
	<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>	<b>\$ 2,500,000</b>

(1) Cash payment made.

(2) 2,000,000 common shares valued at \$100,000 were issued on July 27, 2020.

(3) 543,478 common shares valued at \$100,000 were issued on February 19, 2021 following TSXV approval.

(4) The number of common shares to be issued in relation to the dollars amount will be based on the 20-day volume weighted average price of the common shares prior to the day of issuance.

(5) The Company met the minimum exploration expenditures.

(ii) On October 14, 2021, the Company announced that it entered into an agreement with Golden Share Resources Corporation ("Golden Share") who granted an option to the Company to earn a 100% interest in the Band-Ore property. The Band-Ore property is located west of Thunder Bay, Ontario. In order to acquire its interest in the property, the Company is required to make aggregate cash payments to Golden Share in the amount of \$2,000,000 as follows:

	Cash payments
On signing of the agreement	\$ 50,000 <sup>(1)</sup>
1 year anniversary	100,000
2 year anniversary	100,000
3 year anniversary	100,000
4 year anniversary	150,000
5 year anniversary	200,000
6 year anniversary	300,000
7 year anniversary	500,000
8 year anniversary	500,000
	<b>\$ 2,000,000</b>

(1) Cash payment made.

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## E2Gold Inc.

### Notes to Condensed Interim Financial Statements For the Three Months Ended October 31, 2021 (Expressed in Canadian Dollars) (Unaudited)

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#### 9. Exploration and Evaluation Expenditures (Continued)

(ii) (continued) In addition, the Company will reimburse the costs incurred by the optionor in connection with the preparation of a National Instrument 43-101 compliant technical report on the property, to a maximum amount of \$35,000, and reimburse tax payments to be incurred by the optionor with respect to the 16 patented mining claims and the one leased mining claim. The optionor will retain a 2% net smelter return royalty, one-half of which may be purchased by the Company by making a cash payment to the optionor in the amount of (i) \$3,000,000 at any time up to the fifth anniversary of the date on which the Company earns its interest in the property (the "Acquisition Date"); (ii) \$5,000,000 at any time from the fifth anniversary of the Acquisition Date up to the 10th anniversary of the Acquisition Date; or (iii) \$10,000,000 at any time on or following the 10th anniversary of the Acquisition Date.

#### 10. Related Party Balances and Transactions

##### a) Remuneration of directors and officers

	Three months ended October 31,	
	2021	2020
Management fees	\$ 148,906	\$ 25,000
Director fees	33,000	-
Consulting fees	36,306	-
Share-based payments	599,400	-
	<b>\$ 817,612</b>	<b>\$ 25,000</b>

During the three months ended October 31, 2021, the Company paid the following management fees:

- \$34,906 (three months ended October 31, 2020 - \$5,000) to Bractea Enterprises Ltd. ("Bractea"), a corporation owned by Erik H. Martin, for services of Mr. Martin as Chief Financial Officer ("CFO") of the Company.
- \$30,000 (three months ended October 31, 2020 - \$nil) to Invera Consulting, a business owned by Ellie Owens, for services of Ms. Owens as Vice-President of the Company, as well as \$nil (three months ended October 31, 2020 - \$20,000) to Ellie Owens.
- \$48,000 (three months ended October 31, 2020 - \$nil) to Sheer Strategic Inc., a corporation owned by Eric Owens, for services of Mr. Owens as President and Chief Executive Officer of the Company.
- \$36,000 (three months ended October 31, 2020 - \$nil) to Renaud Geological Consulting Ltd. ("RGC"), a corporation owned by Natalie Pietrzak-Renaud, for services of Mrs. Pietrzak-Renaud as Vice-President Exploration of the Company.

As at October 31, 2021, Bractea was owed \$17,416 (July 31, 2021 - \$5,684), Invera Consulting was owed \$11,300 (July 31, 2021 - \$11,300), Sheer Strategic Inc. was owed \$18,080 (July 31, 2021 - \$18,080) and RGC was owed \$19,834 (July 31, 2021 - \$22,941) and all these amounts were included in amounts payable and accrued liabilities at such date.

As at October 31, 2021, directors were owed \$12,520 (July 31, 2021 - \$nil) and this amount was included in amounts payable and accrued liabilities at such date.

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## **E2Gold Inc.**

### **Notes to Condensed Interim Financial Statements For the Three Months Ended October 31, 2021 (Expressed in Canadian Dollars) (Unaudited)**

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#### **10. Related Party Balances and Transactions (Continued)**

##### **(b) Loan payable**

On December 18, 2019, the Company signed a shareholder loan agreement with Laurel Duquette, an insider and the former President and a former director of the Company, pursuant to which a non-interest bearing loan in the aggregate principal amount of \$46,650 was advanced from Laurel Duquette to the Company. On September 8, 2020, the \$46,650 was fully repaid via the issuance of 666,428 common shares. Refer to note 5.

##### **(c) Services rendered**

During the three months ended October 31, 2021, the Company paid fees the following:

- \$31,306 (three months ended October 31, 2020 - \$nil) to RGC, a corporation owned by Natalie Pietrzak-Renaud, the Vice-President Exploration of the Company, for fees and expense reimbursements which were included in exploration and evaluation expenditures.
- \$5,000 (three months ended October 31, 2020 - \$nil) for consulting fees to Sheer Strategic Inc., a corporation owned by Eric Owens, which were included in professional fees.

#### **11. Commitments**

##### Flow-Through Obligation

Pursuant to the terms of flow-through share agreements, the Company is in the process of complying with its flow-through contractual obligations to subscribers with respect to the Income Tax Act (Canada) requirements for flow-through shares. As of October 31, 2021, the Company is committed to incurring approximately \$2,166,000 in Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) by December 31, 2022 arising from the flow-through offerings.

##### Management and Other Contracts

The Company entered into consulting agreements for the services of its officers. For the CFO, the agreement was effective October 1, 2020 and for the President and Chief Executive Officer, the Vice-President and the Vice-President Exploration, the agreements were effective January 1, 2021. Under the agreements, additional payments totaling \$798,000 are to be made upon the occurrence of a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in these financial statements. Also, on July 15, 2020, the Company entered into a service agreement with a party who subsequently became a member of the Board of Directors on October 5, 2020. The aggregate commitment upon termination of the agreements is \$129,000. The minimum commitment due within one year under the terms of the agreements is \$600,000, in aggregate.

#### **12. Segmented Information**

The Company's operations comprise a single reporting operating segment engaged in mineral exploration in Canada. As the operations comprise a single reporting segment, amounts disclosed in the unaudited condensed interim financial statements also represent segment amounts. In order to determine reportable operating segments, the chief operating decision maker reviews various factors including geographical location, quantitative thresholds and managerial structure.

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## **E2Gold Inc.**

**Notes to Condensed Interim Financial Statements  
For the Three Months Ended October 31, 2021  
(Expressed in Canadian Dollars)  
(Unaudited)**

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### **13. Subsequent Events**

(i) On November 8, 2021, 50,000 warrants with an exercise price of \$0.24 and expiry date of December 30, 2023 were exercised for gross proceeds of \$12,000.

(ii) On December 3, 2021, the Company issued 29,070 common shares with a deemed aggregate value of \$5,000 to a consultant in consideration for services rendered.

(iii) On December 6, 2021, the Company granted 1,000,000 stock options to a consultant at an exercise price of \$0.17 expiring on December 6, 2026. Vesting provisions of the stock options are as follows: 50% the date of grant and 50% 6 months after date of grant.