
DORÉ COPPER MINING



Consolidated Financial Statements

March 31 2022

(Unaudited)

(Stated in Canadian Dollars)



To the Shareholders of
Doré Copper Mining Corp.
For the three months ended March 31, 2022

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited condensed consolidated interim financial statements of Doré Copper Mining Corp. (the "Corporation") were prepared by management in accordance with International Accounting Standard 34 ("IAS34") and International Financial Reporting Standards ("IFRS"). Only changes in accounting policies have been disclosed in these unaudited condensed consolidated interim financial statements. Management acknowledges responsibility for the preparation and presentation of the unaudited condensed consolidated interim financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Corporation's circumstances.

Management has established processes, which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the unaudited condensed consolidated interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed consolidated interim financial statements and (ii) the unaudited condensed consolidated interim financial statements fairly present in all material respects the financial position, results of operations and cash flows of the Corporation, as of the date of and for the periods presented by the unaudited condensed consolidated interim financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed consolidated interim financial statements together with other financial information of the Corporation and for ensuring that management fulfills its financial reporting responsibilities.

An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed consolidated interim financial statements together with other financial information of the Corporation. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed consolidated interim financial statements together with other financial information of the Corporation for issuance to the shareholders.

Management recognizes its responsibility for conducting the Corporation's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

(Stated in Canadian Dollars)
(Unaudited)

As at	March 31 2022 \$	December 31 2021 \$
ASSETS		
Current assets		
Cash and cash equivalents	7,337,960	13,227,922
Amounts receivable <i>[note 3]</i>	1,390,359	1,251,217
Tax credit receivable	2,912,125	2,912,125
Prepaid expenses	131,574	139,968
Investments <i>[note 4]</i>	815,959	815,088
Total current assets	12,587,977	18,346,320
Non-current assets		
Equipment <i>[note 5]</i>	113,475	58,050
Mineral property interests <i>[note 6]</i>	5,930,629	5,930,629
Total assets	18,632,081	24,334,999
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	2,055,222	1,560,322
Deferred premium on flow-through shares <i>[note 8]</i>	2,473,113	2,706,230
Total current liabilities	4,528,335	4,266,552
EQUITY		
Share capital <i>[note 8]</i>	51,143,179	50,643,179
Equity settled employee benefits <i>[note 8]</i>	2,154,827	1,971,632
Share purchase warrants <i>[note 8]</i>	475,371	475,371
Deficit	(39,669,631)	(33,021,735)
Total equity	14,103,746	20,068,447
Total liabilities and equity	18,632,081	24,334,999

Going concern [note 1]

Commitments [note 11]

Subsequent events [note 14]

See accompanying notes to the condensed consolidated interim financial statements

These financial statements are authorized for issue by the Board of Directors on May 26, 2022.

They are signed on the Corporation's behalf by:

"Ernest Mast"
Director

"Mario Stifano"
Director



CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Stated in Canadian Dollars)
(Unaudited)

For the three months ended March 31,

	2022	2021
	\$	\$
EXPENSES		
Consulting <i>[note 10]</i>	84,073	141,621
Depreciation <i>[note 5]</i>	4,575	575
Exploration and evaluation <i>[note 6]</i>	6,300,079	3,005,107
Flow-through interest penalty	12,728	-
Investor relations	171,764	131,190
Office expenses <i>[note 10]</i>	84,413	109,653
Professional fees	59,904	81,919
Share-based payments <i>[note 8]</i>	183,195	183,885
Shareholder communication costs	13,932	45,521
	6,914,663	3,699,471
Loss before the following	(6,914,663)	(3,699,471)
Other items		
Interest income	33,650	1,891
Deferred tax recovery <i>[note 8]</i>	233,117	149,739
Loss and comprehensive loss for the period	(6,647,896)	(3,547,841)
Basic and diluted loss per share <i>[note 9]</i>	(0.10)	(0.14)

See accompanying notes to the condensed consolidated interim financial statements



CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

(Stated in Canadian Dollars)
(Unaudited)

For the period ending March 31,

	2022	2021
	\$	\$
OPERATING ACTIVITIES		
Loss for the period	(6,647,896)	(3,547,841)
Add charges to earnings not involving a current payment of cash		
Depreciation <i>[note 5]</i>	4,575	575
Share based payments <i>[note 8]</i>	183,195	183,885
Non-cash exploration expenses <i>[note 8]</i>	500,000	700,000
Other income related to flow-through share premium <i>[note 8]</i>	(233,117)	(149,739)
	(6,193,243)	(2,813,120)
Changes in non-cash working capital balances related to operations		
Amounts receivable	(139,142)	(15,108)
Prepaid expenses	8,394	13,865
Accounts payable and accrued liabilities	494,900	(610,378)
Cash used in operating activities	(5,829,091)	(3,424,741)
INVESTING ACTIVITIES		
Purchase of investments <i>[note 4]</i>	(871)	(11,111)
Purchase of equipment <i>[note 5]</i>	(60,000)	-
Cash used in investment activities	(60,871)	(11,111)
FINANCING ACTIVITIES		
Proceeds from shares issued in private placements <i>[note 8]</i>	-	2,039,742
Proceeds from shares issued in flow-through private placements <i>[note 8]</i>	-	10,998,900
Proceeds from the exercise of stock options <i>[note 8]</i>	-	50,000
Share issue costs <i>[note 8]</i>	-	(1,037,450)
Cash provided by financing activities	-	12,051,192
Increase (decrease) in cash and cash equivalents during the period	(5,889,962)	8,615,340
Cash and cash equivalents, beginning of period	13,227,922	4,334,290
Cash and cash equivalents, end of the period	7,337,960	12,949,630

See accompanying notes to the condensed consolidated interim financial statements



CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY

(Stated in Canadian Dollars)
(Unaudited)

Issued and outstanding:	Share Capital		Reserves			
	Number of Shares	Share Capital	Equity Settled Employee Benefits	Broker warrants	Deficit	Total Equity
Balance as at December 31, 2020	37,438,046	27,595,704	1,227,702	464,484	(19,107,174)	10,180,716
Shares issued for mineral properties	500,000	500,000	-	-	-	500,000
Shares issued in private placement (final tranche)	2,999,622	2,039,742	-	-	-	2,039,742
Shares issued in flow-through private placement #1	12,221,000	10,998,900	-	-	-	10,998,900
Exercise of stock options	100,000	50,000	-	-	-	50,000
Shares issued for mineral properties	210,525	200,000	-	-	-	200,000
Share issue costs	-	(1,053,979)	-	16,529	-	(1,037,450)
Share-based payments	-	-	183,885	-	-	183,885
Flow-through share premium	-	(977,680)	-	-	-	(977,680)
Loss and comprehensive loss for the period	-	-	-	-	(3,547,841)	(3,547,841)
Balance as at March 31, 2021	53,469,193	39,352,687	1,411,587	481,013	(22,655,015)	18,590,272
Shares issued for mineral properties <i>[note 8]</i>	56,180	50,563	-	-	-	50,563
Shares issued in private placement <i>[note 8]</i>	9,636,050	9,636,050	-	-	-	9,636,050
Shares issued in flow-through private placement #2 <i>[note 8]</i>	2,907,000	5,000,040	-	-	-	5,000,040
Exercise of stock options <i>[note 8]</i>	43,333	23,268	-	-	-	23,268
Exercise of warrants <i>[note 8]</i>	10,752	7,311	5,642	(5,642)	-	7,311
Share issue costs	-	(1,159,280)	-	-	-	(1,159,280)
Share-based payments <i>[note 8]</i>	-	-	554,403	-	-	554,403
Flow-through share premium <i>[note 8]</i>	-	(2,267,460)	-	-	-	(2,267,460)
Loss and comprehensive loss for the period	-	-	-	-	(10,366,720)	(10,366,720)
Balance as at December 31, 2021	66,122,508	50,643,179	1,971,632	475,371	(33,021,735)	20,068,447
Shares issued for mineral property <i>[note 8]</i>	632,911	500,000	-	-	-	500,000
Share-based payments <i>[note 8]</i>	-	-	183,195	-	-	183,195
Loss and comprehensive loss for the year	-	-	-	-	(6,647,896)	(6,647,896)
Balance as at March 31, 2022	66,755,419	51,143,179	2,154,827	475,371	(39,669,631)	14,103,746

See accompanying notes to the condensed consolidated interim financial statements



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Stated in Canadian Dollars)
(Unaudited)

For the periods ending March 31, 2022 and 2021

1. NATURE OF BUSINESS

Doré Copper Mining Corp. (the "Corporation" or "Doré"), was incorporated under the laws of Canada on April 11, 2017, and through its 100% owned subsidiary, CBay Minerals Inc. ("CBay") owns an interest in mineral properties located in Chibogamou, Quebec, for the purposes of exploration and evaluation. The Corporation's office is located at 130 King St. W., Suite 1800, Toronto, Ontario, M5X 1E3. The Corporation's common shares are listed on the Toronto Stock Venture Exchange ("TSX-V"), trading under the symbol "DCMC".

The Corporation, being in the exploration stage, is subject to risks and challenges similar to companies in a comparable stage of development. These risks include the challenges of securing adequate capital for exploration, development and operational risks inherent in the mining industry, global economic and metal price volatility and there is no assurance management will be successful in its endeavours. At March 31, 2022, the Corporation has no source of operating cash flows. The Corporation incurred a net loss of \$6,647,896 for the period ended March 31, 2022 (March 31, 2021 - \$3,547,841) and has accumulated a deficit of \$39,669,631 since the inception of the Corporation. As at March 31, 2022, the Corporation had working capital of \$8,059,642 (December 31, 2021 – working capital \$14,079,768) and the Corporation's ability to continue is dependent upon its ability to raise additional capital to continue the development of its mineral properties. During the three month period ended March 31, 2022, the Corporation did not complete any financing activities (during the year ended December 31, 2021 - \$27,674,732).

Recent events

COVID-19

Since March 2020, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long or indefinite periods of time. Global stock markets also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The Corporation has adapted its operations to mitigate the impact of the COVID-19 outbreak and has put measures in place to ensure the wellness of all of its employees and surrounding communities where the Corporation works while continuing to operate. Currently, fieldwork has resumed on all of our projects, while all corporate personnel travel is still restricted to absolute minimum requirements and employees have been encouraged to work remotely where possible. With respect to our operations on work locations in Quebec, we have implemented the typical control measures for dealing with the outbreak of COVID-19. These include self-screening for symptoms and travel history with possible COVID-19 exposure of any employees, visitors and contractors (site personnel) prior to any travel to or from a site and isolation, where necessary, from the general site population. These cautions and precautions rely on voluntary information and voluntary compliance of those working directly or indirectly for the Corporation. We expect that procedures will continue to evolve according to the World Health Organization and Center for Disease Control guidelines as more becomes known about the virus.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Stated in Canadian Dollars)
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2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These unaudited condensed consolidated interim financial statements for the three months ended March 31, 2022 have been prepared in accordance with IAS 34 *Interim Financial Reporting*. The condensed consolidated interim financial statements do not include all of the information and disclosures required in the annual financial statements, and should be read in conjunction with the Corporation's annual financial statements as at December 31, 2021.

The unaudited condensed consolidated interim financial statements of the Corporation for the period ended March 31, 2022 were approved and authorized by the Board of Directors on May 26, 2022.

The accounting policies applied in the preparation of these unaudited condensed consolidated interim financial statements are consistent with those applied and disclosed in the Corporation's audited consolidated financial statements for the year ended December 31, 2021 and as discussed below.

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Corporation's assets and liabilities are accounted for prospectively. The critical judgments and estimates applied in the preparation of the Corporation's unaudited condensed consolidated interim financial statements are consistent with those applied and disclosed in Note 2 of the Company's audited consolidated financial statements for the year ended December 31, 2021 and as discussed below.

Basis of consolidation

The Corporation's condensed consolidated interim financial statements consolidate those of its 100% owned subsidiary, CBay Minerals Inc. All transactions and balances between the Corporation and its subsidiary are eliminated on consolidation, including unrealized gains and losses on transactions between the companies.

Significant accounting judgements, estimates and assumptions

In the application of the Corporation's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The preparation of these condensed consolidated interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed consolidated interim 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 and the revision affects both current and future periods. Significant judgements, estimates and assumptions include:

- the inputs used in accounting for share purchase option expense in the condensed consolidated interim statement of loss and comprehensive loss;
- the inputs used in accounting for value of warrants in the consolidated statement of financial position;



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- valuation of the refundable mining duties credit and the refundable tax credit for resources. The calculation of the Corporation'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 assessment and payment has been received from the relevant taxation authority. 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. 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;
- the provision for income taxes which is included in the condensed consolidated interim d statements of loss and comprehensive loss and composition of deferred income tax assets and liabilities included in the consolidated statement of financial position which have not yet been confirmed by the taxation authorities, and
- the estimated useful lives of equipment and leaseholds which are included in the consolidated statement of financial position and the related depreciation included in the condensed consolidated interim statement of loss and comprehensive loss.

3. AMOUNTS RECEIVABLE

	March 31, 2022	December 31, 2021
	\$	\$
Recoverable taxes (i)	1,381,047	1,158,668
Other receivables (ii)	-	92,529
	1,381,047	1,251,197

(i) Recoverable taxes include Canadian harmonized sales tax receivable and the Quebec sales tax receivable.

(ii) Other Receivables in the 2021 included a \$9,729 refund of a deposit paid in respect of professional fees (collected), as well as \$82,800 related to exploration work performed on the portion of the Gwillim property that is part of the agreement with Argonaut whereby the Corporation is reimbursed for 50% of the drilling costs, plus 10% management fee (collected).

4. SHORT-TERM INVESTMENTS

As at March 31, 2022 the Corporation's subsidiary, CBay, held \$785,947 in a high interest savings account, yielding 0.50% and \$30,000 in a guaranteed investment certificates maturing March 2, 2023 yielding 0.30% (December 31, 2021 - \$785,088 in a guaranteed investment certificate maturing March 11, 2022 at a yield of 0.33%, and \$30,000 in a guaranteed investment certificate maturing March 2, 2022, yielding 0.33%).



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Stated in Canadian Dollars)
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For the periods ending March 31, 2022 and 2021

5. EQUIPMENT

Cost

	Field equipment \$
Balance, January 1, 2022	61,500
Assets acquired	60,000
Balance, March 31, 2022	121,500

Accumulated depreciation

Balance, January 1, 2022	3,450
Depreciation for the period	4,575
Balance, March 31, 2022	8,025

Carrying amounts

December 31, 2021	58,050
March 31, 2022	113,475

6. MINERAL PROPERTIES

Acquisition costs

	Cedar Bay	Corner Bay	Other properties	March 31, 2022	December 31, 2021
	\$	\$	\$	\$	\$
CBay acquisition costs	2,075,500	3,592,529	262,600	5,930,629	5,930,629

Mineral property acquisitions and agreements

Chibougamou, Quebec

Interest in Cedar Bay / Corner Bay and Other properties through acquisition of CBay

The main assets include the Corner Bay deposit, the Cedar Bay past producing mine, the Copper Rand past producing mine, the Devlin deposit, the Copper Rand mill and tailings management facility. Other deposits include the Lac Doré deposit, and various exploration targets on Portage Island.

Cornerback Property (included in "Other Properties")

On September 7, 2017 (the "Effective Date"), the Corporation entered into an Option Agreement (the "Agreement") with VanadiumCorp Resource Inc. ("Vanadium") to acquire up to a 100% interest in the Cornerback property (the "Property") located in Quebec.

Pursuant to the agreement, the Corporation can acquire an 80% undivided interest in the Property by (the "First Option"):

(a) making payments of an aggregate of \$250,000 to Vanadium as follows:

- i) \$50,000 in cash on Effective Date (paid);



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- ii) an additional \$50,000 in cash on or prior to the date that is the 12 months from the Effective Date (paid); and
- iii) an additional \$50,000 in cash on or prior to the date that is the 24 months from the Effective Date (paid); and
- iv) an additional \$50,000 in cash on or prior to the date that is the 36 months the Effective Date (paid); and

(b) incurring an aggregate of \$500,000 in expenditures on the Property on or before the date that is 36 months from the Effective Date (completed).

The Corporation having exercised the First Option and acquired an 80% undivided interest in the Property, free and clear of any encumbrances, the Corporation had the additional exclusive right and option exercisable at any time prior to September 6, 2021, to acquire an additional 20% undivided interest in the Property by paying \$50,000 in cash to Vanadium on or before September 6, 2021. The Corporation completed this payment on May 6, 2021 and now retains a 100% undivided interest in the property.

Option agreement to acquire Joe Mann property

On January 2, 2020, the Corporation entered into an option agreement to acquire a 100% interest in the Joe Mann gold mine ("Joe Mann") located in Québec. The Corporation entered into an option agreement with the owners of Joe Mann, Ressources Jessie Inc. ("Ressources Jessie") and Legault Metals Inc. ("Legault"), to acquire a 100% interest in Joe Mann on the following terms:

- A cash payment of \$1,000,000 to Ressources Jessie and 400,000 common shares of Doré Copper ("Doré Copper Shares") were issued to Legault at a deemed price of \$1.25 per share on January 2, 2020 (the "Joe Mann Effective Date") (paid).
- A cash payment of \$250,000 to Ressources Jessie and \$500,000 in Doré Copper Shares to be issued to Legault on the first anniversary of the Joe Mann Effective Date (paid).
- A cash payment of \$1,000,000 to Ressources Jessie upon completion of 5,000 meters of drilling at Joe Mann or on the earlier of the second anniversary of the Joe Mann Effective Date or 18 months from the commencement of drilling (paid).
- A cash payment of \$500,000 to Ressources Jessie and \$500,000 in Doré Copper Shares to be issued to Legault on the second anniversary of the Joe Mann Effective Date (cash paid and shares issued).
- A cash payment of \$1,500,000 to Ressources Jessie and \$1,000,000 in Doré Copper Shares to be issued to Legault on the third anniversary of the Joe Mann Effective Date.
- Spending \$2,500,000 in qualifying exploration expenditures before the third anniversary of the Joe Mann Effective Date.
- A cash payment of \$1,000,000 to Ressources Jessie and \$1,500,000 in Doré Copper Shares to be issued to Legault upon the commencement of commercial production at Joe Mann.
- A 2% net smelter return royalty will be granted to Ressources Jessie and the Corporation will hold the option to buy back 1% for \$2,000,000 and buy back a further 0.5% for \$4,000,000.

Norbeau Property and Norbeau East Property Option Agreements

On March 13, 2021, the Corporation entered into option agreements (the "Option Agreements") to acquire a 100% interest in the former producing Norbeau gold mine property and the contiguous Beaurox property, located approximately 15 kilometres by road north from the Corporation's Copper Rand mill in the Chibougamau mining camp in northwestern Québec, Canada.

Under the terms of the Option Agreements, the Corporation may earn a 100% interest in the Properties under the following terms:



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Norbeau Property

- \$50,000 in cash payments and \$175,000 equivalent in Shares following receipt of TSX Venture Exchange approval (paid), \$50,000 in cash payments and \$75,000 equivalent in Shares on the first anniversary, \$65,000 in cash payments and \$100,000 equivalent in Shares on the second and third anniversaries for a total of \$230,000 in cash payments and \$450,000 equivalent in Shares;
- \$100,000 in expenditures in the first 16 months and \$100,000 in expenditures in the subsequent six months;
- \$100,000 equivalent in Shares on filing a NI 43-101 Technical Report with mineral resources and a further \$250,000 equivalent in Shares if the mineral resources (all categories) exceed 300,000 ounces of gold
- \$150,000 equivalent in Shares on commencement of commercial production and a further \$350,000 equivalent in Shares after production of 100,000 ounces of gold; and
- 2% net smelter return ("NSR") royalty, of which 1% may be bought back for \$2,000,000.

On April 12, 2022, the Corporation provided a notice of termination in respect of the option agreement on the Norbeau property.

Beaurox Property

- \$35,000 in cash payments and \$25,000 equivalent in Shares following receipt of TSX Venture Exchange approval (paid), \$50,000 in cash payments and \$50,000 equivalent in Shares on the six-month anniversary (paid), and on the first, second and third anniversaries for a total of \$235,000 in cash payments and \$225,000 equivalent in Shares;
- \$300,000 in expenditures in the first 18 months and \$300,000 in expenditures in the subsequent six months;
- \$75,000 in cash payments on commencement of drilling (paid) and \$100,000 in cash payments after completion of 5,000 meters;
- 5,000 meters of drilling or cumulative equivalent expenditures prior to the third anniversary;
- \$100,000 equivalent in Shares on filing a NI 43-101 Technical Report with mineral resources;
- \$150,000 equivalent in Shares on commencement of commercial production; and
- 2% NSR royalty, of which 0.75% may be bought back for \$3,000,000, and approximately \$60,000 in advance royalty payments commencing in year three.

On March 6, 2022, the Corporation provided a notice of termination in respect of the option agreement on the Beaurox property.

Tax credits receivable

The Corporation has recorded \$2,350,000 in expected tax credits against exploration activity for the year ended December 31, 2021, as well as \$562,125 in tax credits assessed in respect of the 2020 exploration (received subsequent to period end, see note 14).

7. PROMISSORY NOTES

In relation to the acquisition of CBay, AmAuCu issued promissory notes to Ocean Partners, a related party, in the aggregate amount of \$7,500,000, plus accrued interest. These promissory notes are considered a financial liability under IFRS 9 and are initially measured at fair value with subsequent measurement at amortised cost. The obligations of the Corporation under the promissory notes are guaranteed by CBay with such guarantee secured against the property and assets of CBay. Each of the promissory notes bear interest at a rate of 6% per annum, with \$1,000,000 maturing on the commencement of commercial production, \$2,000,000 maturing on the first anniversary of the commencement of commercial production, \$2,000,000 maturing on the second anniversary of the commencement of commercial production, and \$2,500,000 maturing on the third anniversary of the commencement of commercial production. The settlement of the obligation, both principal and interest, is contingent upon the timing of commencement of commercial production. Given the lack of certainty at this



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time as to whether the Corporation will reach the operational and economic milestones needed to achieve commercial production, and the estimated timeline to do so, the notes currently have nominal or no fair value. The accrued interest as at March 31, 2022 would be valued at \$1,275,000 (December 31, 2021 - \$1,162,500). reassesses the amount, timing and probability of future cash flows at each reporting period to determine any required adjustments to the amortised cost balance of \$Nil. As at March 31, 2022, no adjustment has been made.

8. SHARE CAPITAL

i. Authorized

The Corporation is authorized to issue an unlimited number of common shares.

ii. Details of share issuances

		# of shares	Share price (\$)
Issued and outstanding:			
Opening balance, January 1, 2021		37,438,046	
Shares issued for mineral property (Joe Mann)	(a)	500,000	1.00
Shares issued in private placement (final tranche)	(b)	2,999,622	0.68
Shares issued in flow-through private placement	(c)	12,221,000	0.90
Shares issued in relation to exercise of stock options	(d)	100,000	0.50
Shares issued for mineral property (Norbeau)	(e)	184,210	0.95
Shares issued for mineral property(Norbeau East)	(f)	26,315	0.95
Balance, March 31, 2021		53,469,193	
Shares issued in private placement	(g)	9,636,050	1.00
Shares issued in flow-through private placement #2	(g)	2,907,000	1.72
Shares issued in relation to exercise of warrants	(h)	10,752	0.68
Shares issued for mineral property (Norbeau East)	(i)	56,180	0.90
Shares issued in relation to exercise of options	(j)	33,333	0.50
Shares issued in relation to exercise of options	(j)	10,000	0.66
Balance, December 31, 2021		66,122,508	
Shares issued for mineral property (Joe Mann)	(k)	632,911	0.79
Balance, March 31, 2022		66,755,419	

- (a) On January 4, 2021 the Corporation completed an option payment on the Joe Mann property pursuant to which the Corporation made a cash payment of \$250,000, and issued 500,000 common shares at a price of \$1.00 per share (see note 6).
- (b) On January 22, 2021, the Corporation announced the closing of the final tranche of its previously announced non-brokered private placement (the "Offering"), pursuant to which the Corporation sold an aggregate of 2,999,622 common shares in the capital of the Corporation ("Offered Shares") at a price of \$0.68 per Offered Share for aggregate gross proceeds of \$2,039,742. Together with the first tranche of the Offering, the Corporation sold an aggregate of 8,800,000 common shares in the capital of the Corporation under the Offering for aggregate gross proceeds of \$5,984,000.

Paradigm Capital Inc., Cormark Securities Inc. and Canaccord Genuity Corp. acted as finders (each, a "Finder") in connection with the final tranche of the Offering. In consideration for acting as a finder in connection with the final tranche of the Offering, the Corporation paid an aggregate of \$31,048 in cash finder's fees to the Finders, representing 6% of the gross proceeds of the Offered Shares that were sold to subscribers introduced by such parties, and issued an aggregate of 45,660 non-transferable warrants (the "Finder's Warrants") to purchase common shares in the capital of the Corporation (the "Finder's Warrant Shares") to the Finders, representing 6% of the Offered Shares that were sold to subscribers introduced



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by such parties, with each Finder's Warrant being exercisable for one Finder's Warrant Share at a price of C\$0.68 per Finder's Warrant Share until January 22, 2023. In addition to the finder's fees, the Corporation also paid administrative fees in the amount of \$49,499 in respect of three subscriptions under the Offering.

- (c) On February 18, 2021, the Corporation closed a "best efforts" private placement (the "Offering"), pursuant to which the Corporation sold an aggregate of 12,221,000 common shares of the Corporation that will qualify as "flow-through shares" within the meaning of subsection 66(15) of the *Income Tax Act* (Canada) (the "Flow-Through Shares") at a price of \$0.90 per Flow-Through Share for aggregate gross proceeds of \$10,998,900, including the full exercise of the agents' option.

Cormark Securities Inc. and Paradigm Capital Inc. acted as agents (the "Agents") in connection with the Offering pursuant to the terms of an agency agreement dated February 18, 2021. In consideration for their services in connection with the Offering, the Corporation paid the Agents a cash commission equal to \$659,934 representing 6% of the aggregate gross proceeds from the sale of Flow-Through Shares.

The Corporation will use an amount equal to the gross proceeds received by the Corporation from the sale of the Flow-Through Shares, pursuant to the provisions in the *Income Tax Act* (Canada), to incur eligible "Canadian exploration expenses" that qualify as "flow-through mining expenditures" as both terms are defined in the *Income Tax Act* (Canada) (the "Qualifying Expenditures") on or before December 31, 2022, and will renounce all of the Qualifying Expenditures in favour of the purchasers of the Flow-Through Shares effective December 31, 2021. The Corporation will shortly announce its drilling plans for the next two quarters based on the funds available from the recent financings.

The Offering was made by way of private placement in Canada pursuant to applicable exemptions from the prospectus requirements under applicable Canadian securities laws. The securities issued under the Offering are subject to a hold period under applicable Canadian securities laws which will expire on June 19, 2021.

- (d) On March 10, the Corporation issued 100,000 common shares at a price of \$0.50 in relation to the exercise of stock options by an employee of the Corporation.
- (e) On March 13, 2021, the Corporation issued 184,210 common shares at a price of \$0.95 in relation to the Norbeau property option agreement (see note 6).
- (f) On March 13, 2021, the Corporation issued 26,315 common shares at a price of \$0.95 in relation to the Norbeau East (Beaurox) property option agreement (see note 6).
- (g) On June 1, 2021, the Corporation closed a bought-deal private placement pursuant to which Cormark Securities Inc. and Paradigm Capital Inc., as co-lead underwriters, (collectively, the "Underwriters"), agreed to purchase, on a "bought deal" private placement basis: (i) 9,636,050 common shares in the capital of the Corporation (the "Offered Common Shares") at a price of \$1.00 per Offered Common Share (the "Common Share Offering Price") for gross proceeds of \$9,636,050 and (ii) 2,907,000 common shares in the capital of the Corporation that qualify as "flow-through shares" (within the meaning of subsection 66(15) of the *Income Tax Act* (Canada) and section 359.1 of the *Taxation Act* (Québec)) (the "Flow-Through Shares") at a price of \$1.72 per Flow-Through Share for gross proceeds of \$5,000,040.
- (h) On June 2, 2021, the Corporation issued 10,752 common shares at a price of \$0.68 in relation to the exercise of broker warrants.
- (i) On September 10, 2021, the Corporation issued 56,180 common shares at a price of \$0.90 in relation to the Norbeau East (Beaurox) property option agreement (see note 6).
- (j) On September 16, 2021 the Corporation issued 33,333 common shares at a price of \$0.50, and 10,000



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common shares at an exercise price of \$0.66, in relation to the exercise of stock options by an employee of the Corporation.

- (k) On January 27, 2022 the Corporation completed an option payment on the Joe Mann property pursuant to which the Corporation made a cash payment of \$1,000,000, and issued 632,911 common shares at a price of \$0.79 per share (see note 6).

ii. Warrants

The following table reflects the continuity of warrants as at March 31, 2022:

Issued and outstanding:		# of share warrants	Weighted average exercise price	Fair value	Expiry date
Balance, January 1, 2020		2,344,677	-	212,685	
Broker warrants issued pursuant to flow-through private placement	(a)	151,804	1.12	73,017	8/25/2022
Broker warrants issued pursuant to private placement (initial tranche)	(b)	329,249	0.68	178,782	12/23/2022
Exercise of broker warrants		(10,752)	0.68	(5,642)	
Expiry of warrants		(2,316,900)	1.68	251,800	
Broker warrants issued pursuant to private placement (final tranche)	(c)	45,660	0.68	16,529	1/22/2023
Balance, March 31, 2022		526,713	-	475,371	

- (a) As additional consideration for services in connection with the closing of the Flow-Through Share Offering on August 25, 2020, the Corporation issued the Agents non-transferable broker warrants of the Corporation ("Broker Warrants") equal to 6% of the aggregate number of Flow-Through Shares issued. Each Broker Warrant is exercisable to acquire one common share in the capital of the Corporation at an exercise price of \$1.12 per share expiring August 25, 2022.
- (b) As additional consideration for services in connection with the closing of the initial tranche of the Private Placement Offering on December 23, 2020, the Corporation issued the Agents non-transferable broker warrants of the Corporation ("Broker Warrants") equal to 6% of the aggregate number of Common Shares issued. Each Broker Warrant is exercisable to acquire one common share in the capital of the Corporation at an exercise price of \$0.68 per share expiring December 23, 2022.
- (c) As additional consideration for services in connection with the closing of the final tranche of the Private Placement Offering on January 22, 2021, the Corporation issued the Agents non-transferable broker warrants of the Corporation ("Broker Warrants") equal to 6% of the aggregate number of Common Shares issued. Each Broker Warrant is exercisable to acquire one common share in the capital of the Corporation at an exercise price of \$0.68 per share expiring January 22, 2023.

For purposes of the broker warrants issued, the fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model, with the following assumptions:

	2022	2021
Risk-free interest rate	n/a	0.1757%
Annualized volatility*	n/a	87.72%
Expected dividend	n/a	NIL
Expected option life	n/a	2 years

* Volatility based on similar publicly traded companies



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iii. Options

The Corporation has a share incentive plan (the "Plan") which is restricted to directors, officers, key employees and consultants of the Corporation. The number of common shares subject to options granted under the Plan (and under all other management options and employee stock purchase plans) is limited to 10% in the aggregate and 5% with respect to any one optionee of the number of issued and outstanding common shares of the Corporation at the date of the grant of the option. Options issued under the Plan may be exercised during a period determined by the Board of Directors which cannot exceed ten years.

The continuity of stock options issued and outstanding are as follow:

	Options outstanding	Weighted average exercise price
Issued and outstanding:		
Balance, January 1, 2021	2,235,500	0.60
Granted	1,364,500	1.10
Exercised	(143,333)	0.55
Forfeited	(36,667)	0.57
Outstanding at December 31, 2021	3,420,000	0.81
Granted	67,500	0.75
Forfeited	(90,000)	
Outstanding at March 31, 2022	3,397,500	0.78

During the three months ended March 31, 2022, there were no options exercised (2021 - \$nil).

At March 31, 2022, the following options were outstanding and outstanding and exercisable:

Weighted average exercise price	Outstanding		Outstanding and Exercisable	
	Options #	Weighted average remaining life (years)	Options #	Weighted average remaining life (years)
\$0.50 - \$0.70	2,025,500	3.10	1,558,500	3.10
\$0.79 - \$0.96	187,500	4.25	-	4.25
\$1.04 - \$1.10	1,274,500	4.41	-	4.41
	3,487,500	3.65	1,558,500	3.65

Total vested options at March 31, 2022 were 1,558,500 with a weighted average exercise price of \$0.54 (1,558,500 at December 31, 2021 with a weighted average exercise price of \$0.54).

The Corporation applies the fair value method of accounting for all stock based compensation awards and accordingly, \$183,194 was recorded as compensation for the three months ended March 31, 2022 (2021 - \$183,665).

- The Corporation currently estimates the forfeiture rate to be nil.



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For purposes of the options granted, the fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model, with the following assumptions:

	March 31, 2022	December 31, 2021
Risk-free interest rate	1.1318%	0.8218% - 0.9154%
Annualized volatility**	83.69%	94.38% - 65.77%
Expected dividend	-	NIL
Expected option life	5 years	5 years
Expected forfeiture rate	nil	NIL

** Volatility based on similar publicly traded companies

9. LOSS PER SHARE

The basic loss per share is computed by dividing the loss for the period by the weighted average number of common shares outstanding during the period. Fully diluted loss per share is the same as basic loss per share. The effect of common share purchase options and warrants on the net loss is not reflected as to do so would be anti-dilutive.

Three months ended March 31,

	2022	2021
Numerator:		
Net loss	(6,647,896)	(3,547,841)
Denominator:		
Weighted average number of common shares	66,472,508	45,826,099
Weighted average loss per share	(0.10)	(0.08)

10. RELATED PARTIES

The Corporation's related parties include management personnel and entities over which they have control or significant influence as described below.

Nature of transactions

Halstone Corporate Services	Accounting, IT and management services
EDM Mining and Metals Advisory	Consulting and management services
Ocean Partners Investments Limited	Credit Facility

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash, however in certain circumstances they Corporation may issue some form of equity.

The following are the related party transactions, recorded at the exchange amount as agreed to by the parties for the three months ended March 31, 2022 and 2021, respectively:

- (a) Included in general and administrative expenses are amounts totaling \$36,270 (2021 - \$34,762) for accounting, IT and management services provided by Halstone Corporate Services, a company related to the Corporation through Gavin Nelson, CFO of Doré, and an officer of Halstone.
- (b) Included in consulting expenses are amounts totaling \$50,001 (2021 - \$50,001) for management services paid to EDM Mining & Metals Advisory, a company related to the Corporation through Ernest Mast, President and CEO of the Corporation, as well as EDM.
- (c) As part of the CBay asset acquisition (see note 2), the Corporation issued promissory notes



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to Ocean Partners Investment Limited, a company related to the Corporation through Brent Omland, Director of AmAuCu and Doré, and an officer of Ocean Partners Ltd. At March 31, 2022, the fair value of the promissory notes has been determined to be \$Nil (2021 - \$Nil).

Key management personnel remuneration includes the following amounts:

	2022	2021
	\$	\$
Salary, wages and consulting fees	79,500	79,200
Share-based payments	10,399	23,868
	89,899	103,068

11. COMMITMENTS

Flow-through renunciation

On February 18, 2021, the Corporation completed a flow-through financing to raise \$10,998,900. The Corporation intends to renounce 100% of the flow-through raised in 2021 to investors as at December 31, 2021. The Corporation has until February 1, 2022 to incur expenditures before monthly interest charges began to accrue on unspent funds. Interest charges incurred by the Corporation as a result of this income tax legislation are charged to income in the period incurred. Of the \$10,998,900 in flow-through financing raised in the February 18, 2021 financing, the Corporation has incurred \$9,073,385 in exploration expenses, and thus must incur expenses of \$1,925,515 by December 31, 2022, to fulfil its obligation in relation to these renounced expenditures.

On June 1, 2021, the Corporation completed a flow-through financing to raise \$5,000,040. The Corporation intends to renounce 100% of the flow-through raised in 2021 to investors as at December 31, 2021. The Corporation has until February 1, 2022 to incur expenditures before monthly interest charges began to accrue on unspent funds. Interest charges incurred by the Corporation as a result of this income tax legislation are charged to income in the period incurred. Of the \$5,000,040 in flow-through financing raised in the June 1, 2021 financing, the Corporation has incurred \$Nil in exploration expenses, and thus must incur expenses of \$5,000,040 by December 31, 2022, to fulfil its obligation in relation to these renounced expenditures.

12. FINANCIAL INSTRUMENTS AND RELATED RISKS

The Corporation's operations include the acquisition and exploration of mineral properties in Canada. The Corporation examines the various financial risks to which it is exposed and assesses the impact and likelihood of occurrence. These risks may include credit risk, liquidity risk, currency risk, interest rate risk and other risks. Where material, these risks are reviewed and monitored by the Board of Directors.

[a] Credit risk

Counterparty credit risk is the risk that the financial benefits of contracts with a specific counterparty will be lost if a counterparty defaults on its obligations under the contract. This includes any cash amounts owed to the Corporation by those counterparties, less any amounts owed to the counterparty by the Corporation where a legal right of off-set exists and also includes the fair values of contracts with individual counterparties which are recorded in the financial statements.

i) Trade credit risk

The Corporation is in the exploration stage and has not yet commenced commercial production or sales. Therefore, the Corporation is not exposed to significant credit risk and overall the Corporation's credit risk has not changed significantly from the prior year.



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- ii) **Cash and cash equivalents**
In order to manage credit and liquidity risk the Corporation invests only in highly rated investment grade instruments that have maturities of three months or less and are cashable at any time. Limits are also established based on the type of investment, the counterparty and the credit rate.
- iii) **Derivative financial instruments**
As at March 31, 2022, the Corporation has no derivative financial instruments. It may in the future enter into derivative financial instruments in order to manage credit risk, it will only enter into derivative financial instruments with highly rated investment grade counterparties.

[b] Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation manages liquidity risk through the management of its capital structure.

Accounts payable and accrued liabilities are due within the current operating period.

[c] Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Corporation will realize a significant loss as a result of a decline in the fair market value is limited as the Corporation holds all of its funds in cash and guaranteed investment certificates.

The Corporation does not invest in derivatives to mitigate these risks.

IFRS 13 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
Investments	-	815,959	-	815,959

13. MANAGEMENT OF CAPITAL RISK

The Corporation manages its common shares and stock options as capital, the balance of which is \$53,298,006 at March 31, 2022 (December 31, 2021 - \$52,614,811). The Corporation's objectives when managing capital are to safeguard the Corporation's ability to continue as a going-concern in order to pursue the exploration of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Corporation manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation may attempt to issue new shares and, acquire or dispose of assets or acquire new debt.



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14. SUBSEQUENT EVENTS

Option and Deferred Share Unit grant

On May 12, 2022 the Corporation granted 765,000 stock options to management, consultants and advisors. The stock options have an exercise price of \$0.59 per share and a term of five years. The Corporation also granted an aggregate total of 150,000 deferred share units ("DSU's") to independent directors of the Corporation. The DSUs are payable in common shares of the Company upon the holder ceasing to be a director of the Company. Both issuances were done in accordance with the Company's omnibus share incentive plan.

Tax credit refund

On May 12, 2022 the Corporation received a refund of \$562,033 in respect of the 2020 exploration tax credit.