BIG GOLD INC

Interim Condensed Financial Statements

As at and for the three months ended

March 31, 2023, and 2022

(Stated in $CAD)

(Unaudited – Prepared by Management)

Big Gold Inc.
Interim Condensed Statements of Financial Position
As at March 31, 2023 and December 31, 2022

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

As at	Note		March 31, 2023		December 31, 2022
ASSETS					
Current:					
Cash		$	110,319	$	222,149
Accounts receivable			73,263		61,677
Total Assets		**$**	**183,582**	**$**	**283,826**
LIABILITIES					
Current:					
Accounts payable and accrued liabilities	5	$	46,532	$	56,714
Share premium liability	7		23,013		27,501
			69,545		**84,215**
SHAREHOLDERS' EQUITY					
Common shares	8		1,766,288		1,766,288
Warrant reserve	9		140,530		140,530
Share based payments reserve	10		291,022		291,022
Accumulated deficit			(2,083,803)		(1,998,229)
Total Shareholders' Equity			**114,037**		**199,611**
Total Liabilities and Shareholders' Equity		**$**	**183,582**	**$**	**283,826**

Nature of operations and going concern (Note 1)
Commitments and contractual obligations (Note 13)
Subsequent events (Note 15)

The accompanying notes form an integral part of these interim condensed financial statements

Big Gold Inc.
Interim Condensed Statements of Net Loss and Comprehensive Loss
For the three months ended March 31, 2023 and 2022

(Unaudited – Prepared by Management)

((Expressed in Canadian dollars)

	Note		2023		2022
Expenses					
Consulting fees	6	$	19,500	$	4,500
Exploration and evaluation expense			8,977		22,831
Share based compensation	6,10		-		291,022
Professional fees	6		31,186		39,808
Regulatory expenses	14		24,286		6,035
Office and general	14		6,113		43,557
Total expenses			90,062		407,753
Premium on flow-through shares	7		(4,488)		(45,758)
Net loss and comprehensive loss		$	85,574	$	361,995
Weighted average shares outstanding					
- Basic and diluted			23,718,799		20,802,099
Basic and diluted loss per share		$	(0.00)	$	(0.02)

Big Gold Inc.

Interim Condensed Statements of Cash Flows

For the three months ended March 31, 2023 and 2022

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

	Notes	March 31, 2023	March 31, 2022
Operating activities			
Net Loss for the period		$ (85,574)	$ (361,995)
Items not affecting cash			
Premium on flow-through shares	7	(4,488)	(45,758)
Share based payments	6,10	-	291,022
Change in non-cash working capital items			
Accounts receivable		(11,586)	(3,921)
Prepaid expenses		-	28,250
Accounts payable and accrued liabilities	5	(11,682)	6,625
Cash Flows used for operating activities		(113,330)	(85,777)
Financing activities			
Net advances from related parties	6	1,500	3,000
Cash Flows provided from financing activities		1,500	3,000
Decrease in cash		(111,830)	(82,777)
Cash, beginning of period		222,149	794,109
Cash, end of period		**$ 110,319**	**$ 711,332**
Non-cash transaction			
Premium on flow-through shares		4,488	(45,758)
Share based payments		-	291,022

Big Gold Inc.
Interim Condensed Statements of Changes in Equity (Deficiency)
For the period from January 1, 2022 to March 31, 2023

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

	Note	Common shares		Reserves		Accumulated deficit	Total
		No. of shares	Dollar Amount	Warrants	Share based payments		
As at January 1, 2022		**20,802,099**	**$ 1,644,755**	**$ 138,962**	**$ -**	**$ (1,040,453)**	**$ 743,264**
Share based payments		-	-	-	291,022		291,022
Net loss for the year						- 361,995	- 361,995
As at March 31, 2022		**20,802,099**	**1,644,755**	**138,962**	**291,022**	**- 1,402,448**	**672,291**
Issuance in connection with acquisition of property	4	2,000,000	100,000	-	-	-	100,000
Common shares issued under private placement, net of issuance costs	8. v)	916,700	49,034	1,568	-	-	50,602
Premium liability recognized on flow-through shares		-	(27,501)	-	-	-	(27,501)
Share based payments	10	-	-	-	-	-	-
Net loss for the year		-	-	-	-	(595,781)	(595,781)
As at December 31, 2022		**23,718,799**	**1,766,288**	**140,530**	**291,022**	**- 1,998,229**	**199,611**
Net loss for the period		-	-	-	-	(85,574)	(85,574)
As at March 31, 2023		**23,718,799**	**$ 1,766,288**	**$ 140,530**	**$ 291,022**	**$ (2,083,803)**	**$ 114,037**

1. NATURE OF OPERATIONS AND GOING CONCERN

Big Gold Inc. (Formerly 1093681 B.C. Ltd.) (the "Company" or "Big Gold") was formed by a plan of arrangement incorporated on October 19, 2016, under the British Columbia Corporations Act with its head office located at 9th floor 1021 West Hastings Street, Vancouver, British Columbia, Canada, V6E 0C3. The Company changed its name on May 18, 2021, to Big Gold Inc. The Company's shares commenced trading on the Canadian Securities Exchange ("CSE") under the symbol "BG" on September 21, 2022.

The Company is a mineral exploration and development company focused on the acquisition and exploration of mineral properties. The Company's primary focus is the exploration and development of the Martin Kenty project (See Note 4) located in Kenora, Ontario in the Rainy River mining district.

Going concern

As at March 31, 2023, the Company had working capital of $114,037 (December 31, 2022 - $199,611) had not yet achieved profitable operations, had accumulated losses of $2,083,803 (December 31, 2022 - $1,998,229), and currently expects to incur further losses in the exploration and development of its business.

The Company has $110,319 of cash at March 31, 2023, the Company has yet achieved positive cashflow from operations, however, from time to time, the Company may pursue the raising of funds by an equity investment, debt borrowing or a combination of both. The Company has yet to discover a mineral deposit that is economically recoverable, therefore there is no assurance that the operations of the Company and any future operations will be successful and profitable. These conditions raise material uncertainties which casts significant doubt as to the use of the going concern assumption in these financial statements.

These interim condensed financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties related to events or conditions that cast significant doubt upon the Company's ability to continue as a going concern.

These interim condensed 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 if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These unaudited interim condensed financial statements have been prepared in accordance with IAS 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 IASB and interpretations issued by IFRIC. The same accounting policies, methods of computation and note disclosures are followed in these unaudited interim condensed financial statements as compared to the Company's annual audited financial statements for the years ended December 31, 2022 and 2021. Any subsequent changes to IFRS that are given effect in the Company's annual audited financial statements for the year ending December 31, 2022 could result in restatement of these condensed interim financial statements. In particular, the Company's significant accounting policies are presented as Note 3 in those audited financial statements have been consistently applied in the preparation of these unaudited interim condensed financial statements.

These unaudited interim condensed financial statements were authorized for issuance by the Board of Directors on May 15, 2023.

(b) Basis of measurement, functional and presentation currency

These interim condensed financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information is expressed in Canadian dollars unless otherwise stated and have been rounded to the nearest dollar.

These interim condensed financial statements have been prepared on the going concern basis, under the historical cost convention, except for certain financial instruments that are measured at fair value, as explained in the accounting policies described herein. Further these interim condensed financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

c) Significant judgements, estimates and assumptions

The preparation of these interim condensed financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

There have been no significant changes relating to accounting judgments, estimates and assumptions in the preparation of these interim condensed financial statements from those judgments, estimates and assumptions disclosed in Note 2 to the 2022 Audited Financial Statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These unaudited interim condensed financial statements have been prepared following the same accounting policies used in the preparation of the audited financial statements of the Company for the year ended December 31, 2022.

New standards not yet adopted, and interpretations issued but not yet effective

At the date of authorization of these Financial Statements, the IASB and the IFRS Interpretations Committee have issued certain new and revised Standards and Interpretations which are not yet effective. Many are not applicable or do not have a significant impact to the Company and have been excluded from these financial statements. The Company has not early adopted and is currently assessing what impact the application of these standards or amendments will have on the financial statements of the Company.

4. ACQUISITION OF MARTIN KENTY PROJECT

The Company completed on July 19, 2021, the acquisition of the resource property located in Kenora, Ontario in the Rainy River mining district, known as the Martin Kenty project ("Martin Kenty") which consists of 264 mineral claims.

In exchange for the 264 mineral claims the company issued 4,000,000 common shares of the Company at a fair value of $0.145 per common share for total consideration of $580,000. The Company has expensed the $580,000 as acquisition costs in the year ended December 31, 2021.

The Martin Kenty Property has a net smelter return royalty ("NSR") of two percent (2%) owed to the previous owner of the property. The Company has a right to purchase one percent of the NSR back for $1,000,000. The forementioned common shares issued pursuant to the Asset Purchase Agreement were issued on November 11, 2021.

During the year ended December 31, 2022, the Company incurred exploration expenses of $223,198 (year ended December 31, 2021 -$157,527) on the Martin Kenty Project.

The Company completed on October 18, 2022, the acquisition of resource claims located near Kenora, Ontario, adjacent to the Company's Martin Kenty mineral claims. The Company acquired 6,100 hectares of which 4,700 hectares of open mineral claims. In exchange for the mineral claims, the Company issued 2,000,000 shares at a fair value of $0.05 per common share for a total consideration of $100,000. The Company has expensed the $100,000 as acquisition costs in the year ended December 31, 2022. The Company also is obligated to pay a 2% net smelter royalty ("NSR") on the property. The Company has the right to purchase 1% of the NSR in return for paying $1,000,000.

(Expressed in Canadian dollars)

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		March 31, 2023		December 31, 2022
Consulting fees	$	8,379	$	10,700
Proessional fees		28,333		28,333
Office and general		2,820		557
		39,532		39,590
Accrued liabilities		7,000		17,124
Accounts payable and accrued liabilities	**$**	**46,532**	**$**	**56,714**

Accounts payable of the Company principally comprise of amounts outstanding for trade purchases relating to regular business activities and amounts payable for financing activities. The usual credit period taken for purchases is between 30 to 90 days.

6. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

Key management salaries

Key management includes members of the board of directors, the Chief Executive Officer and the Chief Financial Officer. The aggregate value of transactions relating to key management personnel and entities over which they have control or significant influence were as follows for the three months ended March 31, 2023, and 2022:

i) During the three months ended March 31, 2023, $15,000 (2022 - $nil) was charged by the Chief Executive Officer for consulting fees.

ii) During the three months ended March 31, 2023, $6,000 (2022 - $6,000) was charged by the Chief Financial Officer under contract with Grove Corporate Services Ltd.

iii) During the three months ended March 31, 2022, directors and officers of the Company were awarded 650,000 stock options with an exercise price of $0.20 per share and expire March 10, 2027. The stock based compensation cost of these awards was $99,560.

For the three months ended March 31, 2023, the Company expensed $4,500 (2022 - $nil) in office rent to Venex Capital Corp. (“Venex”), a related party due to Venex’s being a significant shareholder of the Company. At March 31, 2023, the Company owed $1,500 for office rent (December 31, 2022 - $nil) to Venex.

(Expressed in Canadian dollars)

7. FLOW THROUGH SHARE PREMIUM LIABILITY

The flow-through common shares issued in the financing completed on September 16, 2021 and on December 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 $137,962.

The flow-through premium is derecognized through income as the eligible expenditures are incurred. For the year ended December 31, 2022, the Company satisfied all of its $312,520 flow-through expenditure commitment by incurring eligible expenditures and as a result the flow-through premium was reduced by $137,962.

On December 30, 2022, the Company closed another flow-through common share financing (see Note 8) for gross proceeds of $55,002. The flow-through premium associated with this financing was $27,501. As at March 31, 2023, the Company was committed to spend a further $23,013 in eligible flow-through expenditures by December 31, 2023.

8. SHARE CAPITAL

	ref	Number of Common Shares Outstanding	Share Capital	Contributed Surplus Warrant Reserve
Outstanding, December 31, 2021		**20,802,099**	**$ 1,644,755**	**138,962**
Transactions during the year ended December 31, 2022				
Issued for mineral property acquisition	Note 4	2,000,000	100,000	-
Flow-through shares issued pursuant to private placement	i)	916,700	55,002	1,568
Premium on flow-through financing	i)	-	(27,501)	-
Issue costs associated with private placements		-	(5,968)	-
Outstanding, December 31, 2022 and March 31, 2023		**23,718,799**	**$ 1,766,288**	**$ 140,530**

i) The Company completed on December 30, 2022, a private placement of 916,700 common shares of the Company at a price of $0.06 per common share issued as flow-through shares for gross proceeds of $55,002. The flow-through shares were issued at a premium of $0.03 to the fair value of the Company's shares. The premium was recognized as a short term liability for $27,501 with a subsequent pro-rata reduction of the liability recognized as flow-through premium income as the required expenditures are incurred. The transaction costs amounted to $5,968 and have been netted against the gross proceeds on closing. In addition, the Company issued broker warrants 73,336 with an exercise price of $0.075 per common share purchase warrant for a period of two years. The fair value of the warrants was $1,568.

(Expressed in Canadian dollars)

9. WARRANT RESERVE

Share purchase warrant transactions for the periods ended March 31, 2023, and December 31, 2022, are as follows:

	Number of Warrants		Weighted Average Exercise Price		Fair Value
Balance outstanding, January 1, 2021	**-**	**$**	**-**	**$**	**-**
Warrants issued (i),(ii)	2,536,880		0.300		138,962
Warrants exercised	-		-		-
Balance outstanding, December 31, 2021	**2,536,880**	**$**	**0.300**		**138,962**
Warrants issued (iii)	73,336		0.075		1,568
Balance outstanding, December 31, 2022 and March 31, 2023	**2,610,216**	**$**	**0.290**		**140,530**

i.) Pursuant to the issuance of 2,354,000 units at $0.20 per unit, the Company issued 2,354,000 common share purchase warrants. Each whole warrant is exercisable at a price of $0.30 per share and expire on the earlier of (i) October 1, 2023 or (ii) 30 days following the date that a notice is delivered from the Company to the holder of the warrants in the event the common shares trade on an exchange for ten or more consecutive days at a price in excess of $0.45 per share.

ii.) The Company issued a further 182,880 common share purchase warrants as a finder's fee in connection with the private placement. Each whole warrant is exercisable at a price of $0.30 per share and expire on the earlier of (i) October 1, 2023 or December 16, 2023 or (ii) 30 days following the date that a notice is delivered from the Company to the holder of the warrants in the event the common shares trade on an exchange for ten or more consecutive days at a price in excess of $0.45 per share.

iii.) The Company issued 73,336 common share purchase warrants as finder's fee in connection with the private placement closed on December 30, 2022. Each whole warrant is exercisable at a price of $0.075 per share and expire on December 30, 2024.

(Expressed in Canadian dollars)

The following table reflects the Black-Scholes pricing model assumptions:

		2022		2021
Average exercise price ($)	$	0.075	$	0.30
Fair value of the award	$	1,568	$	138,962
Risk free interest rate		4.03%		1.04%
Expected dividend yield		0.00%		0.00%
Expected volatility		183%		105%
Expected life of the warrants		2 years		2 years

10. SHARE BASED PAYMENTS RESERVE

Equity Incentive Plan

The shareholders of the Company have approved an executive incentive plan (the "Plan") pursuant to which the Company may issue up to 10% of the common shares of the Company to employees, directors and officers. The exercise price of each equity incentive issued pursuant to the terms of the Plan shall be established at the grant date by the Board of Directors of the Company and in all cases shall not be less than the closing price of the common shares of the Company on the trading day immediately preceding the grant date. The equity incentive plans granted can be exercised for up to 5 years and vest as determined by the Board of Directors.

Stock Options

A summary of the status of the stock option component of the Company's Plan as at March 31, 2023, is as follows:

	Number of options		Weighted Average Exercise Price
Balance outstanding, January 1, 2022	**-**	**$**	**-**
Issued	1,900,000		0.200
Balance outstanding, December 31, 2022 and March 31, 2023	**1,900,000**	**$**	**0.200**

The fair value of the options granted was estimated at the grant date using an option pricing model with the following assumptions:

		December 31, 2022
Average exercise price ($)	$	0.20
Fair value of the award	$	291,022
Risk free interest rate		2.40%
Expected dividend yield		0.00%
Expected volatility		103%
Expected life of the warrants		5 years

All 1,900,000 outstanding options at March 31, 2023 vested on the March 10, 2022, the grant date and have a remaining life of 3.95 years.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value
Financial instruments of the Company consist of cash, accounts payable and accrued liabilities, advances or due from related parties. There are no significant differences between the carrying amounts of the items reported on the statements of financial position and their estimated fair values.

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies. Where quoted market values are not readily available, the Company may use considerable judgment to develop estimates of fair value. Accordingly, any estimated values are not necessarily indicative of the amounts the Company could realize in a current market exchange and could be materially affected by the use of different assumptions or methodologies.

The Company's risk exposures and their impact on the Company's financial instruments are summarized below:

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, foreign exchange risk, commodity price risk and other price risk, such as equity risk. The Company has no financial instruments affected by market risk.

Interest rate risk
The Company is exposed to interest rate risk. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk arising from fluctuations in interest rates received on its cash balance. Fluctuations in market interest rates do not have a significant impact on the Company's results of operations due to the short-term nature of interest-bearing cash.

Liquidity risk
The Company is exposed to liquidity risk. Liquidity risk is the exposure of the Company to the risk of not being able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's future liquidity is dependent on factors such as the ability to generate cash from operations and to raise money through debt or equity financing (see note 1).

Foreign exchange risk
The Company's functional currency is the Canadian dollar, and all major purchases are transacted in Canadian dollars. Management believes the foreign exchange risk is negligible and therefore does not hedge its foreign exchange risk.

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash. Cash is held with a reputable Canadian chartered bank. Management believes that the credit risk concentration with respect to financial instruments included in cash is minimal.

12. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the development of its planned business activities. 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. In order to carry out the planned business activities and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to other externally imposed capital requirements. The Company considers its capital to be shareholders' equity (deficiency), which is comprised of share capital, reserves, and accumulated deficit.

The Company's objective when managing capital is to obtain adequate levels of funding to support its business activities, to obtain corporate and administrative functions necessary to support organizational functioning and obtain sufficient funding to further the development of its business. The Company raises capital, as necessary, to meet its needs and take advantage of perceived opportunities and, therefore, does not have a numeric target for its capital structure. Funds are primarily secured through equity capital raised by way of private placements and issuance of convertible debentures. There can be no assurance that the Company will be able to continue raising equity capital in this manner.

13. COMMITMENTS

As of March 31, 2023, the Company must incur $23,013 in eligible exploration expenditures on or before December 31, 2023.

The Company has no other commitments as at March 31, 2023.

(Expressed in Canadian dollars)

14. EXPENSE BREAKDOWN

The following is the breakdown of regulatory expenses for the three months ended March 31, 2023 and 2022:

	March 31, 2023	March 31, 2022
Transfer agent	$ 1,751	$ 6,035
Regulatory filings	6,735	-
Investor relations	15,800	-
	$ 24,286	**$ 6,035**

The following is the breakdown of office and general expenses for the three months ended March 31, 2023 and 2022:

	March 31, 2023	March 31, 2022
Rent	$ 4,500	$ -
Advertising and promotion	1,500	40,500
Travel, meals and entertainment	95	-
Other office and administrative expenses	18	3,057
	$ 6,113	**$ 43,557**

15. SUBSEQUENT EVENTS

Subsequent to March 31, 2023, the Company announced it had completed the acquisition of Tabor Project ("Tabor" or the "Project") located within the Shebandowan Greenstone Belt northwest of Thunder Bay, Ontario. Under the terms of the Acquisition, Big Gold will issue 1,400,000 common shares of the Company and pay the Vendor $6,500 for a 100% interest in the Tabor Property, subject to a 2% NSR ("net smelter royalty"). The Company can buy back 1% of the NSR for one million dollars.