OUTCROP SILVER & GOLD CORPORATION

Condensed Interim Consolidated Financial Statements

For the three and six months ended February 28, 2023 and 2022
(unaudited)

OUTCROP SILVER & GOLD CORPORATION
Condensed interim consolidated statements of financial position
(Unaudited - expressed in Canadian dollars)

As at	Notes		February 28, 2023		August 31, 2022
ASSETS					
Current assets					
Cash and cash equivalents		$	1,671,956	$	1,239,346
Receivables			31,099		30,720
Advances and prepaid expenses			289,759		119,579
			1,992,814		**1,389,645**
Non-current assets					
Equipment	5		184,785		160,718
Mineral properties	6		5,126,758		4,453,461
			5,311,543		**4,614,179**
Total assets		$	**7,304,357**	$	**6,003,824**
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Accounts payable and accrued liabilities	7	$	657,643	$	824,304
Current portion of lease liability	8		13,111		12,637
			670,754		**836,941**
Non-current liabilities					
Lease liability	8		7,443		14,987
Total liabilities		**$**	**678,197**	**$**	**851,928**
SHAREHOLDER'S EQUITY					
Share capital	9	$	61,429,236	$	55,990,622
Stock-based reserves	9		11,145,294		10,835,413
Warrant reserves	9		14,988,027		13,750,930
Accumulated other comprehensive income (loss)			671		(1,711)
Deficit			(80,937,068)		(75,423,358)
Total shareholders' equity			**6,626,160**		**5,151,896**
Total liabilities and shareholders' equity		**$**	**7,304,357**	**$**	**6,003,824**

Nature of operations and going concern	1
Subsequent events	14

Approved for issue by the Board of Directors on April 20, 2023.

On behalf of the Board of Directors:

"Joseph P. Hebert"	*"Kevin Nishi"*
Joseph P. Hebert, Director	Kevin Nishi, Director

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

OUTCROP SILVER & GOLD CORPORATION
Condensed interim consolidated statements of loss and comprehensive loss
(Unaudited - expressed in Canadian dollars)

	Note	Three months ended February 28, 2023	Three months ended February 28, 2022	Six months ended February 28, 2023	Six months ended February 28, 2022
Expenses					
Exploration	*6,10*	**$ 1,947,270**	$ 1,393,121	**$ 3,476,726**	$ 2,860,505
Foreign exchange		**39,300**	58,810	**60,350**	65,607
General and administrative	*10*	**271,483**	191,709	**610,764**	356,452
Investor relations		**213,991**	248,829	**385,774**	521,016
Professional fees	*10*	**111,394**	136,781	**203,211**	282,854
Stock-based compensation	*10*	**153,082**	99,161	**485,939**	395,178
Wages and benefits	*10*	**152,535**	109,609	**299,727**	205,355
		(2,889,055)	(2,238,020)	**(5,522,491)**	(4,686,967)
OTHER INCOME (EXPENSES)					
Gain on disposal of equipment		**-**	-	**7,368**	-
Interest income		**736**	509	**1,413**	2,500
		736	509	**8,781**	2,500
Loss for the period		**(2,888,319)**	(2,237,511)	**(5,513,710)**	(4,684,467)
Items that are or may be reclassified to profit or loss					
Foreign currency translation differences for foreign operations		**195**	(1,374)	**2,382**	266
Comprehensive loss for the period		**$ (2,888,124)**	$ (2,238,885)	**$ (5,511,328)**	$ (4,684,201)
Basic and diluted loss per share		**$ (0.01)**	$ (0.02)	**$ (0.03)**	$ (0.04)
Weighed average number of common shares outstanding – basic and diluted		**194,982,035**	132,779,995	**187,645,618**	132,733,069

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

OUTCROP SILVER & GOLD CORPORATION
Condensed interim consolidated statements of cash flows
(Unaudited - expressed in Canadian dollars)

Six months ended	February 28, 2023	February 28, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	$ (5,513,710)	$ (4,684,467)
Adjustments for items not involving cash:		
Depreciation	27,298	13,290
Stock-based compensation	485,939	395,178
Gain on disposal of equipment	(7,368)	-
Interest expense	2,079	-
Unrealized foreign exchange gain	81,659	9,714
	(4,924,103)	**(4,266,285)**
Net changes in non-cash working capital items:		
Receivables	(379)	3,847
Advances and prepaid expenses	(170,180)	(132,582)
Accounts payable and accrued liabilities	(166,661)	400,691
Net cash outflows from operating activities	**(5,261,323)**	**(3,994,329)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Equipment acquisitions	(43,901)	(42,349)
Net cash outflows from investing activities	**(43,901)**	**(42,349)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Shares issued	6,010,824	87,250
Share issue costs	(184,468)	(432)
Repayment of lease liability	(7,903)	-
Net cash inflows from financing activities	**5,818,453**	**86,818**
Effect of foreign exchange on cash and cash equivalents	(80,619)	(9,449)
Change in cash and cash equivalents during the period	**432,610**	**(3,959,309)**
Cash and cash equivalents, beginning of period	1,239,346	4,453,217
Cash and cash equivalents, end of period	**$ 1,671,956**	**$ 493,908**

Supplemental disclosure with respect to cash flows – Note 13

OUTCROP SILVER & GOLD CORPORATION
Condensed interim consolidated statements of shareholders' equity
(Unaudited - expressed in Canadian dollars)

	Number of Shares	Share Capital	Stock-Based Reserves	Warrant Reserves	Accumulated Other Comprehensive Income (Loss)	Deficit	Total
Balance, August 31, 2021	**132,148,953**	**$ 51,605,327**	**$ 9,840,297**	**$ 11,317,286**	**$ (2,377)**	**$ (64,015,613)**	**$ 8,744,920**
Common shares issued	2,091,500	476,056	-	-	-	-	476,056
Transfer of fair value of options exercised	-	79,129	(79,129)	-	-	-	-
Stock-based compensation	-	-	395,178	-	-	-	395,178
Foreign currency translation adjustment	-	-	-	-	266	-	266
Loss for the period	-	-	-	-	-	(4,684,467)	(4,684,467)
Balance, February 28, 2022	**134,240,453**	**$ 52,160,512**	**$ 10,156,346**	**$ 11,317,286**	**$ (2,111)**	**$ (68,700,080)**	**$ 4,931,953**
Balance, August 31, 2022	**160,146,008**	**$ 55,990,622**	**$ 10,835,413**	**$ 13,750,930**	**$ (1,711)**	**$ (75,423,358)**	**$ 5,151,896**
Common shares issued	35,656,454	5,371,861	-	1,312,260	-	-	6,684,121
Warrants issued for finders' fees	-	-	-	77,345	-	-	77,345
Share issue costs	-	(261,813)	-	-	-	-	(261,813)
Stock-based compensation	-	-	485,939	-	-	-	485,939
Transfer of fair value of warrants exercised	-	152,508	-	(152,508)	-	-	-
Transfer of fair value of options exercised	-	176,058	(176,058)	-	-	-	-
Foreign currency translation adjustment	-	-	-	-	2,382	-	2,382
Loss for the period	-	-	-	-	-	(5,513,710)	(5,513,710)
Balance, February 28, 2023	**195,802,462**	**$ 61,429,236**	**$ 11,145,294**	**$ 14,988,027**	**$ 671**	**$ (80,937,068)**	**$ 6,626,160**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Outcrop Gold & Silver Corporation ("Outcrop" or the "Company") is a publicly traded company incorporated under the laws of the Province of British Columbia, Canada. The Company's shares are listed on the TSX Venture Exchange ("TSX-V") under the symbol OCG.

The Company's corporate registered and records office is located at #905 – 1111 West Hastings Street, Vancouver, British Columbia, V6E 2J3. The Company is engaged in the identification, acquisition, exploration, and development of mineral properties in Colombia. The Company has not placed any of its mineral properties into production and is therefore considered to be in the exploration stage. These consolidated financial statements of the Company for the six months ended February 28, 2023 are comprised of the results of the Company and its subsidiaries.

These consolidated financial statements are prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business in the foreseeable future. The Company's ability to continue on a going concern basis beyond the next twelve months depends on its ability to successfully raise additional financing for the substantial capital expenditures required to achieve planned principal operations. While the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. These consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate, which could be material.

There are many external factors that can adversely affect general workforces, economies and financial markets globally. Examples include, but are not limited to, the COVID-19 global pandemic from March 2020, political conflict in other regions, and supply chain disruptions. It is not possible for the Company to predict the duration or magnitude of adverse results of such external factors and its effect on the Company's business or ability to raise funds.

2. BASIS OF PRESENTATION

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting using the Principles of International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and the Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These condensed interim consolidated financial statements do not include all the information required for full annual financial statements and, accordingly, should be read in conjunction with the Company's annual consolidated financial statements for the year ended August 31, 2022.

2. BASIS OF PRESENTATION *(continued)*

Basis of measurement

These consolidated financial statements have been prepared using the historical cost basis, except for certain financial instruments that are measured at fair value, using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

The presentation currency of the Company is the Canadian dollar.

Items included in the financial statements of each entity in the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"), which has been determined for each entity within the Company using an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*. The functional currency of Outcrop, the parent company, is the Canadian dollar; that of the Company's US subsidiary, Miranda Gold USA, Inc. is the United States dollar. The functional currency of all the Company's Canadian subsidiaries is the Canadian dollar, and that of all the Colombian branch operations and Colombian simplified share companies is also the Canadian dollar.

Use of estimates and judgments

The preparation of the condensed interim consolidated financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

In preparing these condensed interim consolidated financial statements, significant judgments made by management in applying the Company's accounting policies and key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended August 31, 2022.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Company in these condensed interim consolidated financial statements are the same as those applied as at and for the year ended August 31, 2022.

New standards, interpretations and amendments adopted during the period

A number of new standards, amendments to standards and interpretations are not yet effective as of February 28, 2023 and have therefore not been applied in preparing these condensed interim consolidated financial statements. None are expected to have a material effect on the condensed interim financial statements of the Company.

(Unaudited - expressed in Canadian dollars)

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Categories of Financial Assets and Financial Liabilities

Financial instruments are classified into one of the following categories: amortized cost; fair value through profit or loss ("FVTPL"); fair value through other comprehensive income ("FVOCI").

The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category		February 28, 2023		August 31, 2022
Cash and cash equivalents	Fair value	$	1,671,956	$	1,239,346
Receivables	Amortized cost	$	14,666	$	15,690
Accounts payable and accrued liabilities	Amortized cost	$	657,643	$	824,304
Lease liability	Amortized cost	$	20,554	$	27,624

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuations with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for receivables and accounts payable and accrued liabilities approximate their fair value due to their short-term nature. Cash and cash equivalents is recorded at fair value and is calculated under the fair value hierarchy and measured using Level 1 inputs. The carrying value of the Company's lease liability approximates its fair value due to being discounted with a rate of interest that approximates market rates.

Risk Management

All aspects of the Company's risk management objectives and policies are consistent with those disclosed in the consolidated financial statements for the year ended August 31, 2022.

(Unaudited - expressed in Canadian dollars)

5. EQUIPMENT

	Computer Equipment	Furniture and Fixtures	Field Equipment	Right-of-use asset	TOTAL
Cost					
Balance at August 31, 2021	**$ 154,855**	**$ 10,057**	**$ 145,857**	**$ -**	**$ 310,769**
Assets acquired	10,319	-	36,457	51,986	98,762
Assets retired	(4,220)	-	-	-	(4,220)
Foreign exchange adjustments	5,534	394	2,104	-	8,032
Balance at August 31, 2022	**$ 166,488**	**$ 10,451**	**$ 184,418**	**$ 51,986**	**$ 413,343**
Assets acquired	-	-	90,139	-	90,139
Assets retired	-	-	(60,865)	-	(60,865)
Foreign exchange adjustments	661	397	2,121	-	3,179
Balance at February 28, 2023	**$ 167,149**	**$ 10,848**	**$ 215,813**	**$ 51,986**	**$ 445,796**
Accumulated depreciation					
Balance at August 31, 2021	**$ 149,338**	**$ 10,057**	**$ 88,463**	**$ -**	**$ 247,858**
Amortization	2,885	-	17,278	6,933	27,096
Assets retired	(11,350)	-	(18,935)	-	(30,285)
Foreign exchange adjustments	5,458	394	2,104	-	7,956
Balance at August 31, 2022	**$ 146,331**	**$ 10,451**	**$ 88,910**	**$ 6,933**	**$ 252,625**
Amortization	3,917	-	21,649	1,732	27,298
Assets retired	-	-	(21,995)	-	(21,995)
Foreign exchange adjustments	565	397	2,121	-	3,083
Balance at February 28, 2023	**$ 150,813**	**$ 10,848**	**$ 90,685**	**$ 8,665**	**$ 261,011**
Net book value, August 31, 2021	**$ 5,517**	**$ -**	**$ 57,394**	**$ -**	**$ 62,911**
Net book value, August 31, 2022	**$ 20,157**	**$ -**	**$ 95,508**	**$ 45,053**	**$ 160,718**
Net book value, February 28, 2023	**$ 16,336**	**$ -**	**$ 125,128**	**$ 43,321**	**$ 184,785**

(Unaudited - expressed in Canadian dollars)

6. MINERAL PROPERTIES

Outcrop acquires mineral properties through application, staking, and third-party vendors, some of which are subject to net smelter return royalties ("NSR") or underlying lease payments. Subsequent to the acquisition of mineral properties, the Company may enter into agreements to sell a portion of its interests in its mineral properties to third parties in exchange for exploration expenditures, royalty interests, cash, or share-based payments.

Mineral Properties as at February 28, 2023

	August 31, 2022	Additions	Recoveries	Impairment/ Write off project	Effect of movement in exchange rates	February 28, 2023
Antares	$ 112,987	$ -	$ -	$ -	$ -	**$ 112,987**
Argelia	265,240	-	-	-	-	**265,240**
Mallama	298,216	-	-	-	-	**298,216**
Oribella	41,568	-	-	-	-	**41,568**
Santa Ana	3,735,450	673,297	-	-	-	**4,408,747**
	4,453,461	673,297	-	-	-	**5,126,758**
TOTAL	**$ 4,453,461**	**$ 673,297**	**$ -**	**$ -**	**$ -**	**$ 5,126,758**

Mineral Properties as at August 31, 2022

	August 31, 2021	Additions	Recoveries	Impairment/ Write off project	Effect of movement in exchange rates	August 31, 2022
Antares	$ 112,987	$ -	$ -	$ -	$ -	**$ 112,987**
Argelia	265,240	-	-	-	-	**265,240**
Mallama	298,216	-	-	-	-	**298,216**
Oribella	41,568	-	-	-	-	**41,568**
Santa Ana	3,735,450	-	-	-	-	**3,735,450**
	4,453,461	-	-	-	-	**4,453,461**
TOTAL	**$ 4,453,461**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 4,453,461**

Exploration Expenditures incurred for the six months ended February 28, 2023 and 2022

	For the six months ended February 28,	
	2023	**2022**
Antares	$ 2,567	$ 23,155
Argelia	5,766	4,631
Mallama	5,766	37,048
Oribella	5,766	23,155
Santa Ana	3,439,247	2,767,885
General exploration	17,614	4,631
TOTAL	**$ 3,476,726**	**$ 2,860,505**

6. MINERAL PROPERTIES *(continued)*

Antares Project

On October 9, 2015, the Company executed an option agreement (the "Antares Option") by and among Activos Mineros de Colombia S.A.S. ("AMC"), the Company, the Company's subsidiary MAD II, and the Colombian Branch of MAD II to acquire the Antares property with minimum operation payments and a share issuance by the Company due according to the schedule below. Upon commencing commercial production (as defined in the agreement), the minimum operation payments will cease and the payment of a 1.8% NSR will commence.

The Company must meet the following payment schedule to maintain the option:

- US$60,000 on October 9, 2015 *(paid);*
- US$60,000 on October 9, 2016 *(paid);*
- US$70,000 within 30 days of the Registration Date of the Mining Concession Contract ("Registration Date");
- US$80,000 and 150,000 common shares on the first anniversary of the Registration Date;
- US$90,000 on the 2nd anniversary of the Registration Date;
- US$100,000 on the 3rd anniversary of the Registration Date;
- US$120,000 on the 4th anniversary of the Registration Date;
- US$120,000 on the 5th anniversary of the Registration Date;
- US$150,000 on the 6th anniversary of the Registration Date and for each successive anniversary.

Furthermore, the Company must adhere to a schedule of minimum exploration expenditures as follows:

- US$200,000 within the first two years following the Registration Date;
- US$200,000 during the 3rd year following the Registration Date (cumulative spend US$400,000);
- US$300,000 during each of the 4th and 5th years following the Registration Date (cumulative spend US$700,000 and $1,000,000, respectively);
- US$500,000 during each of the 6th and 7th years following the Registration Date (cumulative spend US$1,500,000 and US$2,000,000, respectively).

The minimum exploration expenditure schedule may be suspended for up to two years in any period in which the Company does not have a suitable joint venture partner funding expenditures on the project. As at February 28, 2023 the Company has not yet registered the project.

6. MINERAL PROPERTIES *(continued)*

Argelia Project

On June 15, 2017, the Company executed an option agreement (the "Argelia Option") by and among Bullet Holding Corp. ("Bullet"), Esquimal S.O.M. ("Esquimal"), and the Company to acquire the Argelia property, consisting of three applications.

The Company must meet the following payment schedule to maintain the option:

- US$100,000 by June 22, 2017 *(paid);*
- 162,427 common shares upon TSX-V approval of issuance *(issued);*
- US$100,000 upon conversion of applications to titles;
- US$100,000 upon receipt of approval for forestry subtraction or upon the Company commencing drill applications for any of the titles;
- US$100,000 upon receipt of drill permits;
- US$250,000 upon announcement of an NI 43-101 resource of >500,000 oz/au total in all categories (M+I+I) ("Announcement Date");
- US$250,000 one year following the Announcement Date.

A residual net profits interest ("NPI") of 4% or an NSR of 1.5%, whichever is greater, will be payable to the vendor until US$6,000,000 has been paid, at which time an NSR of 1.5% will be payable for the life of the mine.

Mallama Project

On August 31, 2017, Outcrop completed the acquisition of the Mallama Project ("Mallama") by an outright purchase of 100% of the shares of the Colombian simplified share company, Mallama SAS.

During the fiscal year ended August 31, 2017, Outcrop paid a total of $298,216 in outstanding fees due to Agencia Nacional de Mineria ("ANM") prior to the final effective date of the purchase. Upon receipt of suitable drill permits on Mallama, without any future time constraint, Outcrop is required to make an additional payment of US$200,000 to the former shareholders of Mallama SAS. An NSR of 4% will be payable to the former shareholders, with a minimum of US$1,000,000 payable within three years of the commencement of commercial production, capped at US$4,000,000 over the life of the mine.

Oribella Project

On May 13, 2014, the Company acquired the Oribella Project in the Antioquia Department of Colombia through a purchase agreement with Antioquia Gold Inc. ("Antioquia Gold").

Upon registration of the property with ANM as a contract, Outcrop will reimburse Antioquia Gold for the application payment of COP 101,136,976 (approximately US$35,000). Oribella is subject to a 0.5% royalty to Antioquia Gold that can be purchased for US$1,500,000 and a 2% royalty to Barrick Gold.

(Unaudited - expressed in Canadian dollars)

6. MINERAL PROPERTIES *(continued)*

Santa Ana Project

On January 24, 2020, the Company completed the acquisition of 100% of the Santa Ana project located in the Municipality of Falan, Tolima Department, Colombia through the purchase of all of the issued and outstanding shares of Malew. Consideration of 24,000,000 common shares of Outcrop with a value of $2,640,000 were issued for all of the issued and outstanding shares of Malew. Malew's wholly owned subsidiary, Santa Ana S.A.S., owns the Santa Ana Project.

On July 28, 2020, the Company increased the Santa Ana land position with the acquisition of additional adjacent claims at a cost of $333,433 (US$250,000) and 1,000,000 shares of the Company valued at $580,000.

In connection with the additional adjacent claims, the Company will make the following series of payments and share issuances:

- Issue US$500,000 in common shares of the Company within 15 days following the date on which the remaining mining concession agreements are registered in the Assignee's name with the National Mining Registry.
- Upon entry into commercial production, a royalty equivalent of 2% of the NSR in the concession agreements arising from the applications. The Company has the option to purchase 1% of the NSR for cash of US$500,000.

On November 14, 2022, the Company issued 2,104,054 common shares with a value of US$500,000 after the first of the mining concession agreements was registered in the Assignee's name with the National Mining Registry.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

As at		February 28, 2023		August 31, 2022
Accounts payable and accrued liabilities – Canada	$	140,610	$	119,748
Accounts payable and accrued liabilities – United States		8,048		3,104
Accounts payable and accrued liabilities – Colombia		501,059		663,628
Amounts payable to related parties – Canada		7,926		-
Amounts payable to related parties – Colombia		-		37,824
TOTAL	**$**	**657,643**	**$**	**824,304**

(Unaudited - expressed in Canadian dollars)

8. LEASE LIABILITY

The Company's lease liability relates to the office lease entered into by the Company's 100% owned subsidiary in Columbia. In connection with the lease, the Company recorded a right-of-use asset of $51,986 within equipment and a corresponding lease liability of $51,986. The Company's incremental borrowing rate for the lease is 17%.

		Lease liability
Balance, August 31, 2021	$	**-**
Additions		51,986
Lease payments		(32,834)
Interest expense		13,192
Foreign exchange difference		(4,720)
Balance, August 31, 2022	$	**27,624**
Lease payments		(7,903)
Interest expense		2,079
Foreign exchange difference		(1,246)
Balance, February 28, 2023	$	**20,554**
Current portion of lease liability		13,111
Long-term portion of lease liability	$	**7,443**

9. SHARE CAPITAL

a) Authorized

An unlimited number of common shares without par value.

b) Share Issuance

At February 28, 2023, the Company had 195,802,462 common shares issued and outstanding (February 28, 2022 – 134,240,453).

During the six months ended February 28, 2023, the Company:

- Issued 1,350,000 common shares following the exercise of stock options at prices between $0.10-$0.22 per common share for gross proceeds of $196,000;
- Issued 3,374,000 common shares following the exercise of share purchase warrants at a price between $0.20-$0.37 per common share for gross proceeds of $708,380.
- Issued 6,000,000 common shares under its at-the-market equity program (the "ATM Program") for gross proceeds of $1,682,184. The ATM Program was established during the year ended August 31, 2021, and allows the Company to issue and sell, at its discretion, up to $5,000,000 of common shares in the capital of the Company to the public from time to time at the prevailing market price when the common shares are issued.
- The Company completed a financing by issuing 22,828,400 units at a price of $0.15 per unit for gross proceeds of $3,424,260. Each unit is comprised of one common share and one common share purchase warrant, which is exercisable at price of $0.22 for a period of 36 months. The Company also issued 732,002 broker warrants exercisable at $0.22 for a period of 36 months. The proceeds of the financing were allocated on a relative fair value basis as $2,112,000 to common shares and $1,312,260 to warrants.

  The assumptions used in the Black-Scholes Option-Pricing Model for the relative fair value allocation of gross proceeds between shares and warrants were an expected life of 3 years, an expected dividend of $nil, a risk-free interest rate of 3.78%, and an expected volatility of 107.37%.

  Cash share issuance costs of $184,468 were paid in relation to the financing, in addition to an issuance of 732,002 finders' warrants with an exercise price of $0.22 per share, valued at $77,345 using the Black-Scholes Option-Pricing Model assumptions above.
- On November 14, 2022, the Company issued 2,104,054 common shares with a fair value of $673, 297 (US$500,000) to Activos Mineros De Colombia S.A.S. as part payment for the Santa Ana project (Note 6) after the first of the mining concession agreements was registered in the Assignee's name with the National Mining Registry.

During the six months ended February 28, 2022, the Company:

- Issued 750,000 common shares following the exercise of stock options at prices between $0.10-$0.17 per common share for gross proceeds of $87,250; and
- Issued 1,341,500 common shares under its at-the-market equity program (the "ATM Program") for gross proceeds of $413,556.

(Unaudited - expressed in Canadian dollars)

9. SHARE CAPITAL *(continued)*

c) Stock Options Outstanding

The Company has a shareholder-approved stock option plan that provides for the reservation for issuance of 10% of the Company's issued and outstanding common shares to its directors, officers, employees, and consultants. The stock options can be granted for a maximum term of ten years and vesting terms of each stock option grant is determined by the Board of Directors at the time of the grant.

The Company also has an award plan (the "RSU/DSU Plan") which permits the grant of restricted share units of the Company ("RSU's") and/or deferred share units of the Company ("DSU's") whereby the maximum number of common shares reserved for issue under the RSU/DSU Plan shall not exceed 19,550,246 common shares of the Company. In addition, the aggregate number of common shares issuable pursuant to the RSU/DSU Plan combined with all of the Company's other securities-based compensation arrangements, including the Company's stock option plan, shall not exceed 10% of the Company's outstanding shares. The term for the restricted period of any RSU granted shall not exceed ten years. No RSU's or DSU's have been issued.

The stock option continuity for the six months ended February 28, 2023, is as follows:

Number Outstanding August 31, 2022	Granted	Exercised	Expired/ Cancelled	Number Outstanding February 28, 2023		Exercise Price per Share	Expiry Date	Weighted Avg Remaining Contractual Life (in years)
2,950,000	-	(500,000)	-	**2,450,000**	$	0.10	Feb 7, 2025	1.95
200,000	-	-	-	**200,000**	$	0.56	Jul 24, 2025	2.40
1,950,000	-	-	-	**1,950,000**	$	0.40	Oct 20, 2025	2.64
3,000,000	-	-	-	**3,000,000**	$	0.30	Apr 19, 2026	3.14
500,000	-	-	(500,000)	**-**	$	-	Aug 5, 2026	-
100,000	-	(100,000)	-	**-**	$	-	Oct 25, 2022	-
250,000	-	-	-	**250,000**	$	0.24	Aug 5, 2026	3.44
500,000	-	(500,000)	-	**-**	$	-	Jan 13, 2027	-
3,850,000	-	(150,000)		**3,700,000**	$	0.22	Apr 08, 2027	4.11
1,300,000	-	(100,000)	-	**1,200,000**	$	0.13	Apr 08, 2027	4.11
-	900,000	-		**900,000**	$	0.25	Oct 05, 2027	4.60
-	400,000	-	-	**400,000**	$	0.26	Oct 05, 2027	4.60
14,600,000	**1,300,000**	**(1,350,000)**	**(500,000)**	**14,050,000**	**$**	**0.24**	***(weighted average)***	**3.33**
			Exercisable	**12,875,000**	**$**	**0.24**	***(weighted average)***	**3.24**

The stock option continuity for the six months ended February 28, 2022, is as follows:

Number Outstanding August 31, 2021	Granted	Exercised	Expired/ Cancelled	Number Outstanding February 28, 2022		Exercise Price per Share	Expiry Date	Weighted Avg Remaining Contractual Life *(in years)*
110,000	-	-	(110,000)	**-**	$	0.90	Jan 25, 2022	-
3,775,000	-	(575,000)	-	**3,200,000**	$	0.10	Feb 7, 2025	2.95
175,000	-	(175,000)	-	**-**	$	0.17	May 13, 2025	-
200,000	-	-	-	**200,000**	$	0.56	Jul 24, 2025	3.40
2,200,000	-	-	(550,000)	**1,650,000**	$	0.40	Oct 20, 2025	3.64
1,000,000	-	-	-	**1,000,000**	$	0.63	Oct 20, 2025	3.64
3,900,000	-	-	(900,000)	**3,000,000**	$	0.30	Apr 19, 2026	4.14
1,250,000	-	-	-	**1,250,000**	$	0.24	Aug 5, 2026	4.44
-	100,000	-	-	**100,000**	$	0.20	Oct 25, 2022	0.65
-	300,000	-	(50,000)	**250,000**	$	0.24	Aug 5, 2026	4.44
-	500,000	-	-	**500,000**	$	0.16	Jan 13, 2027	4.88
12,610,000	**900,000**	**(750,000)**	**(1,610,000)**	**11,150,000**	**$**	**0.27**	***(weighted average)***	**3.71**
			Exercisable	**10,237,500**	**$**	**0.28**	***(weighted average)***	**3.66**

.

(Unaudited - expressed in Canadian dollars)

9. SHARE CAPITAL *(continued)*

As at February 28, 2023 a total of 12,875,000 of the outstanding stock options were vested and exercisable, with a weighted average exercise price of $0.24.

Stock-Based Compensation

The fair value of each option granted to employees, officers, and directors was estimated on the date of the grant using the Black-Scholes Option-Pricing Model.

During the six months ended February 28, 2023, a total of 1,300,000 stock options were granted (February 28, 2022 – 900,000). Options granted during the period vest 25% on the grant date and 25% every three months thereafter. The Company recorded $485,939 in stock-based compensation expense (February 28, 2022 - $395,178) for options vested during the period. The assumptions used in the Black-Scholes Option-Pricing Model to estimate the fair value of each option grant were an expected life of 5 years, expected dividend of $nil, and:

	Oct 25, 2021	Nov 15, 2021	Jan 13, 2022	Apr 8, 2022	Jun 23, 2022	Oct 05, 2022	Oct 31, 2022
Risk-free interest rate	0.82%	1.48%	1.50%	2.59%	3.16%	3.42%	3.43%
Expected volatility	83.35%	146.14%	145.89%	146.71%	146.78%	147.00%	147.45%
Fair value	$ 0.12	$ 0.20	$ 0.15	$ 0.20	$ 0.12	$ 0.23	$ 0.24

d) Share Purchase Warrants

The share purchase warrant continuity for the six months ended February 28, 2023 is as follows:

Number Outstanding August 31, 2022	Granted	Exercised	Number Outstanding February 28, 2023		Exercise Price per Share	Expiry Date	Weighted Avg Remaining Contractual Life *(in years)*
9,813,760	-	-	**9,813,760**	$	0.40	Feb 22, 2024	0.98
1,590,721	-	-	**1,590,721**	$	0.40	Apr 17, 2024	1.13
21,960,000	-	(2,250,000)	**19,710,000**	$	0.20	Nov 7, 2024	1.69
10,700,750	-	-	**10,700,750**	$	0.60	Mar 26, 2023	0.07
1,246,429	-	-	**1,246,429**	$	0.43	Mar 26, 2023	0.07
25,555,555	-	(74,000)	**25,481,555**	$	0.37	Mar 09, 2024	1.03
1,200,000	-	-	**1,200,000**	$	0.27	Mar 09, 2024	1.03
-	22,828,400	(1,050,000)	**21,778,400**	$	0.22	Sep 22, 2025	2.57
-	732,002	-	**732,002**	$	0.22	Sep 22, 2025	2.57
72,067,215	**23,560,402**	**(3,374,000)**	**92,253,617**	**$**	**0.33**	***(weighted average)***	**1.42**

The share purchase warrant continuity for the six months ended February 28, 2022 is as follows:

Number Outstanding August 31, 2021	Granted	Exercised	Number Outstanding February 28, 2022		Exercise Price per Share	Expiry Date	Weighted Avg Remaining Contractual Life *(in years)*
2,751,250	-	-	**2,751,250**	$	1.20	Mar 9, 2022	0.02
9,813,760	-	-	**9,813,760**	$	0.40	Feb 22, 2024	1.98
1,590,721	-	-	**1,590,721**	$	0.40	Apr 17, 2024	2.13
22,060,000	-	-	**22,060,000**	$	0.20	Nov 7, 2024	2.69
10,883,928	-	-	**10,883,928**	$	0.42	Jun 17, 2022	0.30
10,700,750	-	-	**10,700,750**	$	0.60	Mar 26, 2023	1.07
1,246,429	-	-	**1,246,429**	$	0.43	Mar 26, 2023	1.07
59,046,838	**-**	**-**	**59,046,838**	**$**	**0.40**	***(weighted average)***	**1.67**

.

(Unaudited - expressed in Canadian dollars)

10. RELATED PARTY TRANSACTIONS

a) The Company's related parties consist of companies with directors and officers in common, and companies owned in whole or in part by executive officers and directors as follows:

Related Party Name	Nature of Transactions
Calibre Capital Corp. ("**Calibre**") & Northhouse Capital Corp. ("**Northhouse**"), companies related to Alexander Tong	Consulting as CFO *(Resigned in August 2021)*
Farris LLP ("**Farris**"), a company in which Jay Sujir is a partner	Legal services
Slater Corporate Services Corporation ("**SCSC**"), a company related to Ian Slater	Cost reimbursement, Corporate Secretary, CFO, corporate compliance services, accounting, and financial reporting

The Company incurred the following fees in connection with companies owned or partially owned by key management (Chief Executive Officer and Chief Financial Officer) and/or directors. Expenses have been measured at the exchange amount, which is determined on a cost recovery basis.

	Three months ended		Six months ended	
	February 28, 2023	February 28, 2022	**February 28, 2023**	February 28, 2022
Consulting fees – Northhouse	**-**	-	**-**	7,166
Cost reimbursement - SCSC	**120,000**	63,000	**240,000**	126,000
Legal fees – Farris	**4,470**	4,615	**6,158**	8,607
Total	**$ 124,470**	$ 67,615	**$ 246,158**	$ 141,773

b) Amounts owing to related parties are disclosed in Note 7. All amounts are unsecured, with no specific terms of repayment.

c) Compensation of directors and members of key management personnel, including amounts disclosed in Note 10(a) and (b) were as follows:

	Three months ended		Six months ended	
	February 28, 2023	February 28, 2022	**February 28, 2023**	February 28, 2022
Exploration	**$ 57,167**	$ 72,002	**$ 114,699**	$ 144,956
Legal fees[(1)]	**4,470**	4,615	**6,158**	8,607
Reimbursement of expense[(2)]	**34,568**	190,112	**56,254**	284,936
Share based compensation	**96,392**	95,695	**311,675**	309,625
Wages and benefits	**101,280**	69,609	**201,275**	142,521
Total	**$ 293,877**	$ 432,033	**$ 690,061**	$ 890,645

(1) *Amounts are included in professional fees and share issuance costs.*
(2) *Amount is included in general and administrative expenses and wages and benefits.*

(Unaudited - expressed in Canadian dollars)

11. SEGMENTED DISCLOSURE

The Company operates in the mineral exploration sector within Colombia.

Notes 6 provides disclosure as to the geographic location of the Company's mineral properties and exploration expenditures. The majority of the Company's equipment is located in Colombia.

12. MANAGEMENT OF CAPITAL

The Company manages its common shares, stock options and warrants as capital (Note 9). The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable level of risk.

The Company 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 Company may attempt to issue new shares, issue debt, acquire or dispose of assets, or adjust the amount of cash.

To facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors including successful capital deployment and general industry conditions.

To maximize ongoing exploration expenditures, the Company does not pay dividends. The Company's investment policy is to keep its cash treasury on deposit in interest-bearing Canadian chartered bank accounts and short-term guaranteed investment certificates.

The Company estimates that it will require additional funding to carry out its exploration plans and operations through the next twelve months. The Company is not subject to any externally imposed capital restrictions.

There were no changes in the management of capital during six months ended February 28, 2023.

13. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

For the six months ended		February 28, 2023		February 28, 2022
Non-cash investing and financing activities:				
Fair value of finders' warrants	$	77,345	$	-
Relative fair value of unit warrants		1,312,260		-
Transfer of fair value of options exercised		176,058		-
Transfer of fair value of warrants exercised		152,508		-
Shares issued for purchase to Activos Mineros		673,297		-
Share subscriptions receivable		-		403,200
Interest received	$	2,079	$	2,500

14. SUBSEQUENT EVENTS

Subsequent to February 28, 2023, the Company:

- Issued 2,322,700 common shares following the exercise of share purchase warrants at prices of $0.22 per common share for gross proceeds of $510,994;
- Issued 100,000 common shares following the exercise of stock options at prices of $0.13 per common share for gross proceeds of $13,000;
- A total of 11,947,179 warrants expired which were exercisable at prices between $0.43-$0.60
- Issued 1,804,000 common shares under its ATM Program for gross proceeds of $508,560.