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**SABRE GOLD MINES CORP.**  
**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023**  
**(EXPRESSED IN CANADIAN DOLLARS)**

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**Notice To Reader**

The accompanying unaudited condensed interim consolidated financial statements of Sabre Gold Mines Corp. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

# Sabre Gold Mines Corp.

## Condensed Interim Consolidated Statements of Financial Position (Expressed in Canadian Dollars) - Unaudited

	As at March 31, 2024	As at December 31, 2023
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 1,922,439	\$ 2,700,394
Accounts receivable and prepaid expenses (note 4)	2,875,079	3,074,380
Marketable securities (note 5)	141,335	156,591
<b>Total current assets</b>	<b>4,938,853</b>	<b>5,931,365</b>
<b>Non-current assets</b>		
Restricted investments (note 3)	850,978	830,904
Long term receivable (note 4)	1,736,564	1,713,131
Property, plant and equipment (note 6)	8,421,303	8,219,937
Right-of-use assets	35,363	62,233
Mineral properties (note 7)	30,420,288	29,114,854
<b>Total assets</b>	<b>\$ 46,403,349</b>	<b>\$ 45,872,424</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 620,890	\$ 699,059
Other liabilities (note 10)	993,117	958,080
Promissory notes payable (note 11)	523,576	597,590
Convertible promissory notes payable (note 12)	542,292	529,325
Lease liability	24,330	50,347
<b>Total current liabilities</b>	<b>2,704,205</b>	<b>2,834,401</b>
<b>Non-current liabilities</b>		
Deferred revenue (note 9)	6,979,448	6,572,216
Other liabilities (note 10)	726,934	701,287
Promissory note payable (note 11)	2,193,298	2,019,936
Convertible promissory notes payable (note 12)	2,875,724	2,731,974
Derivative financial liabilities (note 13)	32,480	49,867
Lease liability	3,927	5,429
Deferred tax liabilities	30,264	30,264
Decommissioning liabilities (note 14)	2,499,335	2,416,137
<b>Total liabilities</b>	<b>18,045,615</b>	<b>17,361,511</b>
<b>Equity</b>		
Share capital (note 15)	178,962,531	178,962,530
Contributed surplus and other reserves	19,515,056	19,461,808
Share-based payments reserve (note 16)	2,176,718	2,194,867
Warrant reserve (note 17)	167,896	167,896
Accumulated other comprehensive income	1,407,740	714,726
Deficit	(173,872,207)	(172,990,914)
<b>Total equity</b>	<b>28,357,734</b>	<b>28,510,913</b>
<b>Total liabilities and equity</b>	<b>\$ 46,403,349</b>	<b>\$ 45,872,424</b>

The accompanying notes to the condensed interim consolidated financial statements are an integral part of these statements.

Nature of operations and going concern (note 1)

Commitments and contingencies (note 20)

### Approved on behalf of the Board:

(Signed) "Claudio Ciavarella" Director

(Signed) "Stefan Spears" Director

## Sabre Gold Mines Corp.

### Condensed Interim Consolidated Statements of Income (Loss) and Comprehensive Income (Loss) (Expressed in Canadian Dollars) - Unaudited

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
<b>Operating expenses</b>		
General and administrative	27,977	29,925
Depreciation (notes 6)	24,202	24,202
Consulting fees and salaries (note 19(d))	108,000	40,500
Professional fees	55,906	143,241
Business development	31,186	48,587
Share based payments	35,099	-
	<b>(282,370)</b>	<b>(286,455)</b>
Sale of royalty	-	8,665,772
Interest expense	<b>(115,410)</b>	<b>(305,244)</b>
Accretion expense	<b>(121,129)</b>	<b>(75,782)</b>
Fair value adjustment of derivative financial liabilities	17,387	43,399
Change in fair value of marketable securities (note 5)	<b>(230,256)</b>	-
Gain/(loss) on foreign exchange	<b>(149,515)</b>	161,376
<b>(Loss) income before income taxes</b>	<b>(881,293)</b>	8,203,066
Income tax recovery (expense)	-	-
<b>Net (loss) income from continuing operations</b>	<b>(881,293)</b>	8,203,066
<b>Discontinued operations</b>		
Loss from discontinued operations, net of tax (note 8)	-	75,346
<b>Net (loss) income for the year</b>	<b>(881,293)</b>	8,127,720
<b>Other comprehensive income (loss)</b>		
Foreign currency translation loss (gain)	<b>693,014</b>	<b>(26,521)</b>
<b>Total comprehensive (loss) income for the year</b>	<b>(188,279)</b>	8,101,199
<b>Fully diluted net loss per share</b> (note 18)	<b>\$(0.01)</b>	\$0.11
Basic net loss per share	<b>\$(0.01)</b>	\$0.12
<b>Weighted average number of common shares outstanding:</b>		
<b>Fully diluted</b>	<b>79,650,542</b>	73,954,588
Basic	<b>79,650,542</b>	67,703,769

The accompanying notes to the condensed interim consolidated financial statements are an integral part of these statements

## Sabre Gold Mines Corp.

### Condensed Interim Consolidated Statements of Cash Flows (Expressed in Canadian Dollars) - Unaudited

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
<b>Operating activities</b>		
Net (loss) income for the period	\$ (881,293)	\$ 8,127,720
<b>Adjustments for:</b>		
Interest accrued	162,920	305,404
Accretion expense	121,129	75,782
Depreciation	24,202	103,436
Share based compensation	35,099	-
Fair value adjustment on derivative liability	(17,387)	(43,399)
Change in fair value of marketable securities	230,256	25,853
Unrealised foreign exchange (gain)/loss	138,157	33,825
<b>Changes in non-cash working capital items:</b>		
Accounts receivables	-	(26,968)
Prepaid expenses and other receivables	20,234	(76,492)
Accounts payable and accrued liabilities	(78,166)	(908,612)
<b>Net cash (used in) provided by operating activities</b>	<b>\$ (244,849)</b>	<b>7,616,549</b>
<b>Investing activities</b>		
Addition to mineral properties	(510,562)	(3,940,204)
Payment of surety bond	-	(1,454)
<b>Net cash used by investing activities</b>	<b>\$ (510,562)</b>	<b>\$ (3,941,658)</b>
<b>Financing activities</b>		
Shares issued, net of costs	-	674,500
Repayment of principle - Convertible promissory notes	-	(2,000,000)
Lease liability payments	(29,057)	(29,062)
<b>Net cash used in financing activities</b>	<b>\$ (29,057)</b>	<b>\$ (1,354,562)</b>
<b>Effect of exchange rate changes on cash</b>	<b>6,513</b>	<b>(881)</b>
<b>Net (decrease) increase in cash</b>	<b>(777,955)</b>	<b>2,319,448</b>
<b>Cash, beginning of period</b>	<b>2,700,394</b>	<b>348,374</b>
<b>Cash, end of period</b>	<b>\$ 1,922,439</b>	<b>\$ 2,667,822</b>

The accompanying notes to the condensed interim consolidated financial statements are an integral part of these statements.

## Sabre Gold Mines Corp.

### Condensed Interim Consolidated Statements of Changes in Equity (Expressed in Canadian Dollars) - unaudited

	Number of Common Shares	Share Capital	Reserves			Accumulated other comprehensive income (loss)	Deficit	Total
			Contributed surplus and other reserves	Shared based payments reserve	Warrant reserves			
<b>Balance, December 31, 2022</b>	<b>63,291,234</b>	<b>\$ 176,664,167</b>	<b>\$ 18,460,123</b>	<b>\$ 2,673,584</b>	<b>\$ 267,595</b>	<b>\$ 1,336,052</b>	<b>\$ (180,512,348)</b>	<b>\$ 18,889,173</b>
Shares issued for interest	4,068,626	1,220,588	-	-	-	-	-	1,220,588
Shares issued in private placement	4,166,238	538,120	-	-	-	-	-	538,120
Share issue costs	-	(31,516)	-	-	-	-	-	(31,516)
Warrants issued with shares	-	-	-	-	167,896	-	-	167,896
Expiration of stock options	-	-	513,770	(513,770)	-	-	-	0
Net loss and comprehensive income for the period	-	-	-	-	-	(26,521)	8,127,720	8,101,199
<b>Balance, March 31, 2023</b>	<b>71,526,098</b>	<b>\$ 178,391,359</b>	<b>\$ 18,973,893</b>	<b>\$ 2,159,814</b>	<b>\$ 435,491</b>	<b>\$ 1,309,531</b>	<b>\$ (172,384,628)</b>	<b>\$ 28,885,460</b>
<b>Balance, December 31, 2023</b>	<b>79,650,542</b>	<b>178,962,530</b>	<b>19,461,808</b>	<b>2,194,867</b>	<b>167,896</b>	<b>714,726</b>	<b>(172,990,914)</b>	<b>28,510,913</b>
Share based payments	-	-	-	35,099	-	-	-	35,099
Expiration of stock options	-	-	53,247	(53,247)	-	-	-	-
Net (loss) and comprehensive income for the period	-	-	-	-	-	693,014	(881,293)	(188,279)
<b>Balance, March 31, 2024</b>	<b>79,650,542</b>	<b>\$ 178,962,530</b>	<b>\$ 19,515,055</b>	<b>\$ 2,176,719</b>	<b>\$ 167,896</b>	<b>\$ 1,407,740</b>	<b>\$ (173,872,207)</b>	<b>\$ 28,357,733</b>

The accompanying notes to the condensed interim consolidated financial statements are an integral part of these statements.

# **Sabre Gold Mines Corp.**

## **Notes to the Condensed Interim Consolidated Financial Statements**

**Three Months Ended March 31, 2024 and 2023**

**(Expressed in Canadian Dollars - Unaudited)**

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### **1. Nature of operations and going concern**

Sabre Gold Mines Corp. ("Sabre Gold" or the "Company") is incorporated under the laws of Canada. The principal business activities are directed towards exploring and developing the Copperstone Mine ("Copperstone") in La Paz County, Arizona, United States. To date, the Company has not earned any actual revenue as all properties are pre-production.

The Company is listed on the Toronto Stock Exchange, trading under the symbol SGLD. The Company's corporate office and principal place of business is located at 200 Burrard Street, Suite 250, Vancouver, British Columbia, V6C 3L6, Canada.

As at March 31, 2024, the Company had working capital of \$2,234,648 (December 31, 2023 - \$3,096,964). The Company has incurred losses in previous periods and has not yet achieved profitable operations, with a net loss of \$881,293 for the three months ended March 31, 2024 (March 31, 2023 - income of \$8,127,720) and expects to incur future losses in the development of its business and requires additional financing to continue to be able to operate, retain rights to its properties and carry out exploration and development of its properties, all of which casts significant doubt about the Company's ability to continue as a going concern.

These condensed interim consolidated financial statements have been prepared on a going-concern basis and do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and consolidated statement of financial position 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. While the Company expects to be able to obtain sufficient financing to continue as a going concern, it is not possible to predict whether financing efforts will be successful.

As at March 31, 2024, the Company is an emerging North American gold producer advancing the restart of production at its 100-per-cent owned, fully permitted past-producing Copperstone Mine, located in mining-friendly Arizona. The Company's current focus is on maximizing the Copperstone Mine's potential by defining and expanding current resources and further optimizing the mine's economics for the purpose of the restart of production.

### **2. Statement of compliance**

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

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRS's issued and outstanding as of May 13, 2023, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual consolidated financial statements as at and for the year ended December 31, 2023, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending December 31, 2023 could result in restatement of these unaudited condensed interim consolidated financial statements.

# Sabre Gold Mines Corp.

## Notes to the Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2024 and 2023

(Expressed in Canadian Dollars - Unaudited)

### New and revised standards and interpretations

The following accounting standards and amendments are effective for future periods.

#### Amendments to IAS 1 – Classification of liabilities as current or non-current and amendments to IAS 1 – non-current liabilities with covenants

These amendments together impact the classification of liabilities with covenants and any convertible notes that the Company issues with liability classified conversion features. It may impact the classification of some of the Company's debts and will require additional disclosure about the effect of the covenants on the Company. The Company is still currently assessing the impact of these amendments. They are effective for the 2024 Financial Statements.

#### Amendments to IAS 7 and IFRS 7 supplier financing arrangements

This amendment will have no impact on the amounts recognised in the financial statements but will require additional disclosures to be provided around the Company's use of supplier financing arrangements. These amendments are effective for reporting periods beginning on or after January 1, 2024

### 3. Restricted investments

	As at March 31, 2024	As at December 31, 2023
Short-term cashable account <sup>(1)</sup>	\$ 839,478	\$ 819,404
Restricted cash <sup>(2)</sup>	11,500	11,500
	<b>\$ 850,978</b>	<b>\$ 830,904</b>

(1) Pursuant to the term of the surety bond disclosed in (note 20) the Company provided cash collateral of US\$619,540 (December 31, 2023 - US\$619,540) which is held with Intact Insurance in the name of the Company to cover a portion of the decommissioning liabilities (note 14).

(2) This is a GIC held on deposit with a major Canadian financial institution as security for the corporate credit card.

### 4. Accounts receivable and prepaid expenses

	As at March 31, 2024	As at December 31, 2023
Prepaid expenses	\$ 45,032	\$ 42,532
Accounts receivable	2,812,425	2,776,492
Other receivable	-	215,000
GST receivable	17,622	40,356
	<b>\$ 2,875,079</b>	<b>\$ 3,074,380</b>
Long term receivable	1,736,564	1,713,131
<b>Total</b>	<b>\$ 4,611,643</b>	<b>\$ 4,787,511</b>

Accounts receivable and the long term receivable represent the deferred consideration due from Victoria Gold Corp in relation to the sale of Golden Predator Mining Ltd (note 8).

As of March 31, 2024, the Company's accounts receivable reflects expected credit losses of nil (December 31, 2023: nil).

## Sabre Gold Mines Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2024 and 2023

(Expressed in Canadian Dollars - Unaudited)

#### 5. Marketable securities

Marketable securities consist of common shares of publicly traded companies.

<b>Balance, December 31, 2022</b>	<b>\$ 135,022</b>
Additions	150,000
Change in fair value of marketable securities	(125,874)
Other	(2,557)
<b>Balance, December 31, 2023</b>	<b>\$ 156,591</b>
Additions	215,000
Change in fair value of marketable securities	(230,256)
<b>Balance, March 31, 2024</b>	<b>\$ 141,335</b>

During the three months ended March 31, 2024, the Company had a realized gain on sale of marketable securities of \$nil (three months ended March 31, 2023 - \$nil).

#### 6. Property, plant and equipment

Cost	Buildings	Mine and Mill Equipment	Surface Vehicles	Computer Equipment	Mill	Total
<b>Balance, December 31, 2022</b>	<b>\$2,877,657</b>	<b>\$ 482,350</b>	<b>\$ 302,791</b>	<b>\$ 63,251</b>	<b>\$6,105,607</b>	<b>\$ 9,831,656</b>
Disposals	(153,067)	-	-	-	(412,623)	(565,690)
Foreign exchange differences	(63,971)	(11,325)	(7,109)	(1,485)	(133,666)	(217,556)
<b>Balance, December 31, 2023</b>	<b>\$2,660,619</b>	<b>\$ 471,025</b>	<b>\$ 295,682</b>	<b>\$ 61,766</b>	<b>\$5,559,318</b>	<b>\$ 9,048,410</b>
Foreign exchange differences	65,178	11,539	7,243	1,514	136,188	221,662
<b>Balance, March 31, 2024</b>	<b>\$2,725,797</b>	<b>\$ 482,564</b>	<b>\$ 302,925</b>	<b>\$ 63,280</b>	<b>\$5,695,506</b>	<b>\$ 9,270,072</b>

Accumulated Depreciation	Buildings	Mine and Mill Equipment	Surface Vehicles	Computer Equipment	Mill	Total
<b>Balance, December 31, 2022</b>	<b>\$ 105,069</b>	<b>\$ 482,350</b>	<b>\$ 302,791</b>	<b>\$ 63,251</b>	<b>\$ 317,951</b>	<b>\$ 1,271,412</b>
Depreciation for the period	47,998	-	-	-	94,672	142,670
Disposals	(153,067)	-	-	-	(412,623)	(565,690)
Foreign exchange differences	-	(11,325)	(7,109)	(1,485)	-	(19,919)
<b>Balance, December 31, 2023</b>	<b>\$ -</b>	<b>\$ 471,025</b>	<b>\$ 295,682</b>	<b>\$ 61,766</b>	<b>\$ -</b>	<b>\$ 828,473</b>
Foreign exchange differences	-	11,539	7,243	1,514	-	20,296
<b>Balance, March 31, 2024</b>	<b>\$ -</b>	<b>\$ 482,564</b>	<b>\$ 302,925</b>	<b>\$ 63,280</b>	<b>\$ -</b>	<b>\$ 848,769</b>

Carrying value	Buildings	Mine and Mill Equipment	Surface Vehicles	Computer Equipment	Mill	Total
Balance, December 31, 2022	\$2,772,588	\$ -	\$ -	\$ -	\$5,787,656	\$ 8,560,244
Balance, December 31, 2023	\$2,660,619	\$ -	\$ -	\$ -	\$5,559,318	\$ 8,219,937
<b>Balance, March 31, 2024</b>	<b>\$2,725,797</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$5,695,506</b>	<b>\$ 8,421,303</b>



# Sabre Gold Mines Corp.

## Notes to the Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2024 and 2023

(Expressed in Canadian Dollars - Unaudited)

### 7. Mineral properties

	Copperstone	Brewery Creek	Grew Creek	Gold Dome	Total
<b>Balance, December 31, 2022</b>	<b>\$ 23,614,456</b>	<b>\$ 18,888,576</b>	<b>\$ 242,500</b>	<b>\$ 4,830</b>	<b>\$ 42,750,362</b>
Disposals		(18,888,576)	(242,500)	(4,830)	(19,135,906)
Expenditures capitalized	5,500,398	-	-	-	5,500,398
<b>Balance, December 31, 2023</b>	<b>\$ 29,114,854</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 29,114,854</b>
Expenditures capitalized	1,305,434	-	-	-	1,305,434
<b>Balance, March 31, 2024</b>	<b>\$ 30,420,288</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 30,420,288</b>

The Company is engaged in exploring and developing the Copperstone Gold Mine in La Paz County, Arizona, United States.

The Brewery Creek, Grew Creek and Gold Dome mineral properties were transferred as part of the sale of Golden Predator to Victoria Gold (note 8).

#### (a) Copperstone Gold Mine, Arizona

The Company holds a 100% leasehold interest in the Copperstone Project, which is in the development stage. The landlord is The Patch Living Trust. The current lease expires June 12, 2026. The lease is renewable for one or more ten-year terms at the Company's option under the same terms and conditions. The Company is obligated to pay for all permitting and state lease bonding, insurance, taxes, and is also required to pay an annual lease payment of US\$40,000 to the Patch Living Trust. In addition, the Company is obligated to pay a quarterly production gross royalty equal to 1.5% of the disposition of Metal Products by the Company. The current total annual production gross royalty obligations for the Copperstone Mine total 3%. Of the annual gross production royalty, 1.5% is payable to Trans Oceanic Mineral Company Ltd. ("TOMCL"), a company controlled by Fahad Al Tamimi, a Director of the Company and 1.5% payable to the Patch Living Trust. During the year ended December 31, 2023, the Company bought back a 3% Royalty held by TOMCL for US\$2,500,000.

On November 12, 2020, the Company entered into a US\$18 million precious metals delivery and purchase agreement (the "Purchase Agreement") with Star Royalties to finance the restart of underground operations and gold production at the Copperstone Mine in Arizona. As at June 30, 2023, the Company had received the first two tranches amounting to \$16,239,600 (US\$12 million).

On June 26, 2023 both parties agreed to a stream reduction notice, thus, the final tranche of US\$6 million will no longer be forthcoming.

On October 31, 2023, the Company further amended the gold streaming agreement to fix the gold entitlement at 4% of the payable gold ounces produced for the life of mine. As consideration for the amendment to the stream, the Company issued 7,407,407 common shares and paid \$1.55 million in cash and will make deferred payments of \$1.2 million and \$0.8 million by November 2024 and November 2025, respectively (notes 9 and 10).

As of December 1, 2020 the Company has commenced capitalizing the related expenditures. Amounts capitalized in the period include drilling services expenses, direct labour costs incurred and other expenses deemed to be recovered in future.

All required property payments were made with respect to the Copperstone Project as of March 31, 2024 and all claims are in good standing. Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, unregistered claims, aboriginal claims and non-compliance with regulatory and environmental requirements. The Company's ability to retain the rights to certain of its properties is dependent upon the Company continuing to make option payments and meet other commitments.

# Sabre Gold Mines Corp.

## Notes to the Condensed Interim Consolidated Financial Statements Three Months Ended March 31, 2024 and 2023 (Expressed in Canadian Dollars - Unaudited)

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### (b) Marg, Yukon

On November 11, 2021, the Company closed the sale of its 100% interest in the Marg property (“Property Purchase Agreement”) with Azarga. The sale consideration included a cash advance of \$50,000 as a non-refundable deposit, 5,219,985 common shares of Azarga valued at \$208,799 based on the market price of \$0.04 per share on the transaction closing date, cash receivable of \$200,000 on the one-year anniversary date of closing and cash receivable of \$350,000 on the two-year anniversary date of the closing (note 5). Sabre Gold will be entitled to a 1% NSR royalty of all metals extracted from the Marg Project. Azarga will have the option to buy back 100% of the NSR for cash consideration of \$1,500,000.

On November 28, 2023, the Company and Azarga agreed to amend the Asset Purchase Agreement to an option to purchase agreement whereby if Azarga does not complete the option maintenance payments and exercise the option to purchase the Marg Project, the option to purchase will expire and the title to the Marg Property will be transferred to the Company by Azarga Metals.

In consideration of Sabre Gold’s debt forgiveness, Azarga has agreed to increase the net smelter returns royalty from 1% to 2%, with 1% continuing to be subject to buy back for cash consideration of \$1,500,000.

Option maintenance payments:

- Azarga has issued 2,866,666 common shares at a deemed price of \$0.075 per share for a total value of \$215,000 that will satisfy in full the outstanding amount that was due for payment by Azarga on December 6, 2022. The shares issued will bear a legend restricting trading for a period of eighteen months from the date of issue.
- On December 1, 2024, Azarga will pay the Company \$33,500 in cash or shares at the option of Azarga Metals.
- If Azarga has not exercised its option to purchase, on or before December 1, 2024, Azarga will pay the Company \$33,500 in cash or shares, at the option of Azarga on December 1, 2025.

To exercise the option to purchase, on or before December 1, 2025, Azarga will pay Sabre Gold a cash payment of \$335,000, after which Azarga will own the Marg Project in full, subject to the NSR and the Company will immediately thereafter discharge its security charge registered on the Marg Project.

### (c) Three Aces, Yukon

On May 26, 2020 the Company sold a 100% interest in the Three Aces Project to Seabridge Gold, the agreement provided for additional payments to Sabre Gold of \$1 million upon confirmation of a Three Aces NI-43-101 compliant mineral resource of 2.5 million ounces of gold and a further \$1.25 million upon confirmation of an aggregate mineral resource of 5 million ounces of gold. The agreement also grants Sabre Gold a 0.5% net smelter royalty on the project. As at March 31, 2024 the aforementioned mineral resource has not been confirmed.

### (d) Ser Project, Yukon

On October 12, 2022 Sabre Gold entered into an option agreement to sell a 100% interest in the SER project to Rackla Metals Inc, the terms of the deal include an initial payment of \$50,000 in cash plus in twelve months’ time a further payment of \$150,000 in cash and the issuance of \$150,000 worth of common shares of Rackla Metals Inc.

On October 17, 2023 Rackla Metals Inc exercised the option by paying the Company \$150,000 in cash and by issuing 655,021 shares with a deemed value of \$150,000 thus entitling Sabre Gold to a 2.5% NSR royalty on the SER project, the shares have a hold until February 17, 2024.

## 8. Sale of Golden Predator

On September 14, 2023 Sabre Gold completed a share sale agreement whereby Victoria Gold Corp. (“Victoria”) acquired all of the issued and outstanding shares of Golden Predator Mining Corp., a wholly owned subsidiary of Sabre Gold, which indirectly holds a 100% interest in the Brewery Creek property, as well as certain other mineral assets that include the Gold Dome and Grew Creek exploration properties for a total of \$13.5 million. Upon the closing of the sale the company received an initial cash payment of \$8.5 million in cash. The balance of the consideration is payable as follows: \$0.5 million in cash and an additional \$2.5 million in cash or Victoria shares at Victoria’s election, payable on the 12-month anniversary of the closing date; and \$0.5 million in cash and an additional \$1.5 million in cash or Victoria shares at Victoria’s election, payable on the 24-month anniversary of the closing date.

## Sabre Gold Mines Corp.

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The fair value of the consideration received totalled \$12.3 million which includes the fair value of the cash payment received upon closing and the future amounts receivable of \$5.0 million and the surety bond to be transferred.

The Company recognized a loss on sale of \$6.7 million for the year ended December 31, 2023 which represents the difference between the fair value of the consideration received and the carrying amounts of the assets and liabilities derecognized.

Golden Predator is reported in the current period as a discontinued operation. The comparative Consolidated Statements of Loss and Comprehensive Loss has been re-presented to show the discontinued operation separately from continuing operations.

Consideration transferred for the sale of Golden Predator resulting loss on disposal was as follows:

#### Consideration received or receivable:

Cash consideration	\$ 8,500,000
Deferred consideration	4,489,583
Transfer of restricted investments to Victoria (note 4)	(630,376)
<b>Total disposal consideration</b>	<b>\$ 12,359,207</b>
Carrying amount of net assets sold	(19,020,356)
<b>Loss on disposal of Golden Predator</b>	<b>\$ (6,661,149)</b>

The carrying amounts of the assets and liabilities of Golden Predator derecognized as at September 14, 2023 were as follows.

<b>Trade and other receivables</b>	<b>\$ 6,571</b>
Mineral properties	19,135,906
<b>Total assets</b>	<b>\$ 19,142,477</b>
Accounts payable and accrued liabilities	(122,120)
<b>Total liabilities</b>	<b>(122,120)</b>
<b>Net assets</b>	<b>\$ 19,020,357</b>

Results of discontinued operations for Golden Predator are as follows:

	<b>Three Month Ended March 31, 2023</b>
<b>Operating expenses</b>	
Exploration and evaluation expenditures	\$ (35,424)
General and administrative	3,088
Depreciation	79,234
Professional fees	2,497
Interest (income) / expense	160
Change in fair value of marketable securities	25,583
Loss on foreign exchange	(36)
<b>Net income (loss) from discontinued operations</b>	<b>\$ 75,346</b>

## Sabre Gold Mines Corp.

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Cash flows incurred by Golden Predator for the reporting periods until its disposal are as follows:

	<b>Three Months Ended March 31, 2023</b>
Net cash used in operating activities	\$ (5,745)
Net cash generated by investing activities	-
<b>Change in cash</b>	<b>\$ (5,745)</b>

#### 9. Deferred revenue

On November 12, 2020, the Company entered into a US\$18 million precious metals delivery and purchase agreement (the “Purchase Agreement”) with Star Royalties to finance the restart of underground operations and gold production at the Copperstone Mine in Arizona. The Company has received the first two tranches amounting to \$16,239,600 (US\$12 million). On June 26, 2023 both parties agreed to a stream reduction notice, thus, the final tranche of US\$6 million will no longer be forthcoming.

The Company recorded the advances received on precious metals delivery as deferred revenue and will recognize the amounts in revenue as performance obligations to metals delivery are satisfied over the term of the Purchase Agreement. The advances received on precious metals delivery are expected to reduce to nil through deliveries of the Company’s own production to Star Royalties.

On October 31, 2023, the Company restructured the gold streaming agreement to fix the gold entitlement at 4% of the payable gold ounces produced for the life of mine. As consideration for the amendment to the stream, the Company issued 7,407,407 common shares and paid \$1.55 million in cash and will make deferred payments of \$1.2 million and \$0.8 million by November 2024 and November 2025, respectively. Management considered the differences between the terms of the financing component before and after restructuring to be substantial, resulting in the transaction being treated as an extinguishment of liability and recognition of a new liability. A portion of the deferred revenue, to be repaid according to the restructuring agreement, is reclassified to other liabilities (note 11).

The Company identified significant financing components related to its streaming arrangements resulting from a difference in the timing of the up - front consideration received and delivery of the promised goods and recognized the interest expenses at the incremental interest rate of 15.45% (2022 – 10%). During 2023 and 2022 the Company updated the initial estimates related to the precious metal delivery schedule, which was used for the initial recognition of deferred revenue.

The movements in the Company’s deferred revenue are presented below:

<b>Balance, December 31, 2022</b>	<b>\$ 14,327,514</b>
Accrued interest	504,585
Reclassification of principle to be repaid	(4,550,000)
Gain on modification of debt	(3,649,810)
Foreign exchange movements	(60,073)
<b>Balance, December 31, 2023</b>	<b>6,572,216</b>
Accrued interest	246,231
Foreign exchange movements	161,001
<b>Balance, March 31, 2024</b>	<b>\$ 6,979,448</b>

The Company capitalises incremental interest arising on the financing component of deferred revenue to mineral properties as directly attributable to the Copperstone project.

## Sabre Gold Mines Corp.

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#### 10. Other liabilities

As a result of the gold stream restructuring agreement on October 31, 2023 the prepayments and proposed future repayments of cash amounts have been disaggregated from deferred revenue and identified as a separate liability. The effective interest rate method has been used to discount the future cashflows at an incremental interest rate of 15.45%.

The movements in the Company's Other liabilities are presented below:

<b>Balance, December 31, 2022</b>	<b>\$ -</b>
Reclassification of principle	4,550,000
Repayments	(1,550,000)
Settlement through shares issue	(851,852)
Gain on settlement of debt	(148,148)
Recognition of discount	(410,241)
Amortisation of discount	69,608
<b>Balance, December 31, 2023</b>	<b>\$ 1,659,367</b>
Amortisation of discount	60,682
<b>Balance, March 31, 2024</b>	<b>\$ 1,720,049</b>

#### 11. Promissory notes payable

The following table summarizes movements in Promissory notes payable:

<b>Balance, December 31, 2022</b>	<b>\$ 5,763,911</b>
Repayment of principle and interest	(1,975,000)
Interest forgiven	(1,500,000)
Gain on modification of debt	(235,817)
Accretion expense	19,390
Accrued interest	545,042
<b>Balance, December 31, 2023</b>	<b>2,617,526</b>
Accretion expense	29,855
Accrued interest	69,493
<b>Balance, March 31, 2024</b>	<b>\$ 2,716,874</b>

The promissory notes have a principal of \$2,716,874 as at March 31, 2024 (December 31, 2023: \$2,617,526) and are payable to Braydon Capital Corporation ("Braydon"), a company controlled by Claudio Ciavarella, a Director and Shareholder of the Company.

In November 2020, the maturity date was extended to December 31, 2023. The rate of interest payable on the principal of the notes was increased from 8% to 10% as of November 12, 2020, with interest payable quarterly starting upon the commencement of commercial production.

In March 2023, the maturity date was extended to June 30, 2025.

On November 2, 2023 Braydon forgave \$1.5 million in accrued interest on their promissory notes in return for an initial cash payment totalling \$1.975 million and deferred payments of \$0.9 million and \$0.6 million by November 2024 and November 2025, respectively.

Management considered the differences between the terms of the financing component before and after restructuring to be substantial, resulting in the transaction being treated as an extinguishment of liability and recognition of a new liability.

The Company identified significant financing components related to the repayments and recognized the interest expense at the incremental interest rate of 15.45% (2022 – 10%). During 2023 the Company updated the initial estimates related to the timing of the repayments.

## Sabre Gold Mines Corp.

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#### 12. Convertible promissory notes payable

The following table summarizes the debt component:	Kerr debenture	Kerr debenture	Promissory Convertible Note	Total
	I	II		
<b>Balance, December 31, 2022</b>	<b>\$ 4,430,323</b>	<b>\$ 2,123,248</b>	<b>\$ 3,136,004</b>	<b>\$ 9,689,575</b>
Accrued interest	429,198	203,196	82,676	715,070
Accretion expense	51,158	87,152	1,908	140,218
Repayment of principle	-	(360,092)	(2,000,000)	(2,360,092)
Repayment of interest	(594,182)	(1,020,727)	-	(1,614,909)
Issuance of shares for interest	-	-	(1,220,588)	(1,220,588)
Interest forgiven	(1,500,000)	-	-	(1,500,000)
Gain on modification of debt	(309,970)	(111,703)	-	(421,673)
Fair value adjustment of convertible feature	(47,438)	(131,681)	-	(179,119)
Foreign exchange	(1,545)	14,362	-	12,817
<b>Balance, December 31, 2023</b>	<b>\$ 2,457,544</b>	<b>\$ 803,755</b>	<b>\$ -</b>	<b>\$ 3,261,299</b>
Accrued interest	69,080	24,347	-	93,427
Accretion expense	41,742	24,319	-	66,061
Foreign exchange	(2,056)	(715)	-	(2,771)
<b>Balance, March 31, 2024</b>	<b>\$ 2,566,310</b>	<b>\$ 851,706</b>	<b>\$ -</b>	<b>\$ 3,418,016</b>

#### Kerr Debenture I

The Company has a convertible promissory note in the amount of US\$2,054,570 (“Kerr Debenture I”) payable to TOMCL. The Kerr Debenture I had a maturity date of August 22, 2019 and an annual interest rate of 8% compounded monthly. The holder has the right to convert any part of the amount owing into common shares of the Company at a conversion price of \$9.00 per common share.

#### Kerr Debenture II

The Company has a convertible promissory note in the amount of US\$1,000,000 (“Kerr Debenture II”) payable to TOMCL. The Kerr Debenture II had a maturity date of August 22, 2019 and an annual interest rate of 8%, compounded monthly. The holder has the right to convert any part of the amount owing into common shares of the Company at a conversion price of \$0.65 per common share.

#### Kerr Debenture I and II

Since the convertible promissory note payables are denominated in US dollars but are convertible into common shares based upon a Canadian dollar conversion rate, therefore the fixed for fixed criteria is not met. As such, the conversion feature was classified as a derivative financial liability instead of an equity instrument. The Company has separated the convertible promissory notes payable into two components, with the debentures carried at amortized cost, and the derivative liabilities carried at fair value.

In November 2018, the Kerr Debenture I and II convertible promissory notes were amended by extending the maturity date from August 22, 2019 to August 22, 2020. As a result, the Company extinguished these two convertible promissory notes when they were amended on November 28, 2018 and treated them as two new convertible promissory notes with a maturity date of August 22, 2020. The Company calculated the fair value of the conversion feature and re-allocated the convertible promissory note payables into two components, with the debentures carried at amortized cost, and the derivative liabilities carried at fair value.

In March 2020, the Kerr Debenture I and II convertible promissory notes maturity date were extended to January 20, 2021 and then again to August 22, 2021. As a result, the Company treated them as two new convertible promissory notes with a new maturity date of August 22, 2021. The Company calculated the fair value of the conversion features and re-allocated the convertible promissory

## **Sabre Gold Mines Corp.**

### **Notes to the Condensed Interim Consolidated Financial Statements**

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note payables into two components, with the debentures carried at amortized cost, and the derivative liabilities carried at fair value.

In November 2020, the Kerr Debenture I and II convertible promissory notes maturity date was extended to December 31, 2023. The rate of interest payable upon the principal of the notes has been increased from 8% to 10% as of November 12, 2020 with the interest payable quarterly starting on the commencement of commercial production. The Company calculated the fair value of the conversion features and re-allocated the convertible promissory note payables into two components, with the debentures carried at amortized cost, and the derivative liabilities carried at fair value.

In March 2023, the Kerr Debenture I and II convertible promissory notes were amended by extending the maturity date from December 31, 2023 to June 30, 2025. As a result, the Company extinguished these two convertible promissory notes when they were amended and treated them as two new convertible promissory notes. The Company calculated the fair value of the conversion feature and re-allocated the convertible promissory note payables into two components, with the debentures carried at amortized cost, and the derivative liabilities carried at fair value (note 14).

On November 2, 2023 Braydon forgave \$1.5 million in accrued interest on their promissory notes in return for an initial cash payment totalling \$1.975 million and deferred payments of \$0.9 million and \$0.6 million by November 2024 and November 2025, respectively.

Management considered the differences between the terms of the financing component before and after restructuring to be substantial, resulting in the transaction being treated as an extinguishment of liability and recognition of a new liability.

The Company identified significant financing components related to the repayments and recognized the interest expense at the incremental interest rate of 15.45% (2022 – 10%). During 2023 the Company updated the initial estimates related to the timing of the repayments.

#### **Promissory Convertible Note**

Braydon and TOMCL each provided promissory notes of \$1,000,000 to the Company, bearing interest at 8% beginning in September 2017 and having a maturity date of August 22, 2020. The notes are secured by a general security agreement on the Copperstone Mine. In November, the maturity date was extended to January 20, 2021 and then again to August 22, 2021. In November 2020, the maturity date was extended to December 31, 2023. The rate of interest payable on the principal of the notes has been increased from 8% to 10% as of November 12, 2020, with interest payable quarterly starting upon the commencement of commercial production. The promissory notes were also amended to include a conversion feature providing that the principal amount of the notes can be converted into common shares of Sabre Gold at any time prior to maturity at a price of \$1.60 per share, subject to early conversion in the event the volume-weighted average trading price of the common shares exceeds \$3.00 for twenty consecutive trading days.

The conversion feature of a convertible financial instrument is presumed to be classified as a derivative financial liability unless it meets all the criteria to be recognized as an equity instrument under IAS 32 - Financial Instruments: Presentation. One of the criteria is that the conversion option exchanges a fixed amount of shares for a fixed amount of cash ("fixed for fixed").

The conversion feature of the \$2,000,000 promissory notes was classified as equity since it met the fixed for fixed criteria. The Company used the residual value method to allocate the principal amount between the liability and equity components. The Company calculated the fair value of the debt component as \$1,823,805 using discount rate of 15%, being management's best estimate of the rate that a non-convertible debenture with similar terms would bear. The remaining value of \$176,194, deducted the deferred tax liability of \$46,691, was assigned to the equity component.

In March 2023 the principle amount was repaid in cash and the accrued interest was converted into shares at a deemed value of \$0.30 per share (Notes 16(b) and 20).

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#### 13. Derivative financial liabilities

The following table summarizes the derivative financial liabilities:

	Kerr Debenture I	Kerr Debenture I	Total
<b>Balance, December 31, 2022</b>	\$ 3,262	\$ 52,292	\$ 55,554
Fair value adjustment due to amendment	(3,262)	(52,292)	(55,554)
Derivative financial liabilities on initial recognition	47,438	131,681	179,119
Fair value adjustment	(43,053)	\$ (86,199)	\$ (129,252)
<b>Balance, December 31, 2023</b>	\$ 4,385	\$ 45,482	\$ 49,867
Fair value adjustment	(4,037)	(13,350)	(17,387)
<b>Balance, March 31, 2024</b>	\$ 348	\$ 32,132	\$ 32,480

#### 14. Decommissioning liabilities

The Company's decommissioning liability relates to the cost of removing and restoration of the Copperstone Mine in La Paz County, Arizona. Significant reclamation and closure activities include land rehabilitation, demolition of buildings and mine facilities, ongoing care and maintenance and other costs. This estimate depends on the development of environmentally acceptable mine closure plans.

A continuity for asset retirement obligations is as follows:

<b>Balance, December 31, 2022</b>	<b>\$ 2,447,224</b>
Accretion expense for the year	94,622
Foreign exchange differences	(57,999)
Changes in estimates	(67,710)
<b>Balance, December 31, 2023</b>	<b>2,416,137</b>
Accretion expense for the period	23,897
Foreign exchange differences	59,301
<b>Balance, March 31, 2024</b>	<b>\$ 2,499,335</b>

#### Copperstone:

The mine closure provision liability is based upon numerous estimates and assumptions, as follows:

- i) Total undiscounted amount of future retirement costs was estimated to be \$3,211,721 to which the Company has provided cash collateral as disclosed in note 3.
- ii) Risk-free rate at 3.88% (December 31, 2023: 3.88%).
- iii) Expected timing of cash outflows required to settle the obligation is for the full amount to be paid in 2030 (December 31, 2023: 2030).
- iv) Inflation over the period up to 2030 was estimated to be 2.09% per annum (December 31, 2023: 2.09%).



## Sabre Gold Mines Corp.

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#### 15. Share capital

a) Authorized share capital.

The authorized share capital consists of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

	Number of common shares	Amount
<b>Balance, December 31, 2022</b>	<b>63,291,234</b>	<b>\$ 176,664,167</b>
Private placement, net of costs <sup>(i)</sup>	4,166,238	495,300
Shares issued for interest <sup>(ii)</sup>	4,068,626	854,411
Shares issued to Star Royalties <sup>(iii)</sup>	7,407,407	851,852
Shares issued to settle debt	717,037	96,800
<b>Balance, December 31, 2023 and March 31, 2024</b>	<b>79,650,542</b>	<b>\$ 178,962,530</b>

(i) On January 24, 2023, the Company closed a private placement, by issuing 4,166,237 units of the Company (the “Units”) at a price of \$0.17 per Unit for total gross proceeds of \$708,260. Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder thereof to acquire a common share at a price of \$0.30 per share for a period of 24 months from the date of issuance, provided, that if, at any time the common shares trade at a volume weighted average trading price of \$0.45, or greater, per share for a period of 20 consecutive trading days. The Company may accelerate the expiry date of the warrants by giving notice to the holders thereof and in such case the warrants will expire on the 30th day after the date on which such notice is given by the Company. The fair value of the 2,083,119 share purchase warrants was estimated at \$170,140 using the Black-Scholes pricing model with the following assumptions: dividend yield 0%; risk free interest 3.64%; volatility 120.83% and an expected life of 24 months. In connection with the private placement, the Company incurred legal and other cost of \$31,516.

(ii) The company repaid interest on the redeemed promissory notes by issuing shares at a deemed value of \$0.30 each.

(iii) Star Royalties were issued shares as part of the consideration for restructuring the streaming agreement (note 9)

#### 16. Share-based payments reserve

The purpose of the Company’s stock option plan is to provide incentives to Directors, Officers, employees and consultants of the Company. The maximum number of common shares reserved for issuance upon exercise of the options is 10% of issued and outstanding shares. The Board of Directors may designate the recipients of options and determine the number of common shares covered by each option, its exercise price (which may not be less than closing market price of the common shares on the trading day prior to the grant) and its expiry date. The term of the options shall not exceed five years from the date of grant.

Option pricing models require the input of highly subjective assumptions as noted above. Changes in the subjective input assumptions can materially affect the fair value estimate.

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The following table reflects the continuity of stock options for the three months ended March 31, 2024 and 2023:

	Number of stock options	Weighted average exercise price
<b>Balance, December 31, 2022</b>	<b>3,191,250</b>	<b>\$ 1.22</b>
Cancelled	(200,000)	(3.00)
<b>Balance, March 31, 2023</b>	<b>2,991,250</b>	<b>\$ 0.92</b>
<b>Balance, December 31, 2023</b>	<b>4,735,000</b>	<b>\$ 0.69</b>
Cancelled	(50,000)	(1.40)
<b>Balance, March 31, 2024</b>	<b>4,685,000</b>	<b>\$ 0.68</b>

During the three months ended March 31, 2024, \$35,099 was expensed to share based payments (three months ended March 31, 2023 - \$nil) and \$nil was capitalized as mineral properties (three months ended March 31, 2023 - \$nil).

The following table reflects the actual stock options issued and outstanding as of March 31, 2024:

Expiry date	Exercise price (\$)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)
April 15, 2024	1.25	0.29	80,000	80,000
April 17, 2024	1.35	0.30	220,000	220,000
April 17, 2024	1.30	0.30	160,000	160,000
April 17, 2024	1.00	0.30	550,000	550,000
April 18, 2025	1.30	1.33	320,000	320,000
January 3, 2026	1.40	2.01	50,000	50,000
October 21, 2026	1.00	2.81	1,000,000	1,000,000
December 17, 2026	1.00	2.96	30,000	30,000
May 1, 2027	1.00	3.33	150,000	150,000
April 3, 2028	0.18	4.26	2,125,000	687,500
	<b>0.68</b>	<b>2.83</b>	<b>4,685,000</b>	<b>3,247,500</b>

#### c) Deferred share units (“DSU’s”)

The Company has a DSU plan for non-executive directors and employees of the Company. Under the terms of the plan, each vested DSU awarded entitles the DSU holder to receive, subject to adjustment as provided for in the DSU plan, one common share in the Company. Shares eligible for issuance under the DSU plan will be subject to the total DSU’s granted not exceeding, when aggregated with all other security-based compensation arrangements of the Company, 10% of the issued shares of the Company.

For the purposes of the DSU plan, the value of the DSU on the grant date is the market price, being the five-day volume weighted average price of the common shares immediately preceding the grant date.

<b>Balance, December 31, 2022 and March 31, 2023</b>	<b>-</b>
<b>Balance, December 31, 2023 and March 31, 2024</b>	<b>130,000</b>

During the three months ended March 31, 2024, \$nil was expensed to share based payments (three months ended March 31, 2023 - \$nil) and \$nil was capitalized as mineral properties (three months ended March 31, 2023 - \$nil).

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#### d) Restricted share units (“RSU’s”)

The Company has an RSU plan for non-executive directors and employees of the Company. Under the terms of the plan, each vested RSU awarded entitles the RSU holder to receive, subject to adjustment as provided for in the RSU plan, one common share in the Company. The RSU’s are considered equity settled. RSU’s will vest over a period of up to three years from the date of grant. Shares eligible for issuance under the RSU plan will be subject to the total RSU’s granted not exceeding, when aggregated with all other security-based compensation arrangements of the Company, 10% of the issued shares of the Company.

RSUs are measured at fair value on the date of grant based on the five-day volume weighted average price at the common shares immediately preceding the grant date and are recognized as share-based compensation expense on a straight-line basis over the vesting period. The corresponding amount is recorded to the share-based payment reserve. Upon the exercise of RSUs, the related share-based payment reserve is transferred to share capital.

**Balance, December 31, 2022 and March 31, 2023** -

**Balance, December 31, 2023 and March 31, 2024** **130,000**

During the three months ended March 31, 2024, \$nil was expensed to share based payments (three months ended March 31, 2023 - \$nil) and \$nil was capitalized as mineral properties (three months ended March 31, 2023 - \$nil).

#### 17. Warrant reserve

The following table reflects the continuity of warrants for the three months ended March 31, 2024 and 2023:

	Number of Warrants	Amount
<b>Balance, December 31, 2022</b>	<b>1,163,250</b>	<b>\$ 2.04</b>
Issued	2,083,119	0.30
Issued	13,200	0.20
<b>Balance, March 31, 2023</b>	<b>3,259,569</b>	<b>\$ 0.92</b>
<b>Balance, December 31, 2023 and March 31, 2024</b>	<b>2,096,319</b>	<b>\$ 0.30</b>

The following table reflects the actual warrants issued as at March 31, 2024

Expiry date	Number of warrants outstanding	Grant date fair value (\$)	Exercise price (\$)
January 24, 2025	2,083,119	165,652	0.30
January 24, 2025	13,200	2,244	0.20
<b>Balance, March 31, 2024</b>	<b>2,096,319</b>	<b>167,896</b>	<b>0.30</b>

During the three months ended March 31, 2024, no warrants were cancelled and nothing was transferred from share based payments reserve to other reserve.

## Sabre Gold Mines Corp.

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#### 18. Loss per share

For the three months ended March 31, 2024, basic and diluted loss per share has been calculated based on the loss attributable to common shareholders of \$881,293 and the weighted average number of common shares outstanding of 79,650,543. For the three months ended March 31, 2023, basic loss per share has been calculated based on the gain attributable to common shareholders of \$8,127,720 and the weighted average number of common shares outstanding of 73,954,588. Diluted loss per share did not include the effect of stock options and warrants as they are anti-dilutive.

#### 19. Related party transactions

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

The noted transactions below are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

(a) The outstanding balances with related parties were as follows:

	As at March 31, 2024	As at December 31, 2023
Deferred revenue (note 10)	\$ 6,946,482	\$ 6,572,216
Other liabilities (note 11)	1,720,049	1,659,367
Promissory note payables (note 12)	2,716,874	2,617,526
Convertible promissory note payables (note 13)	3,418,016	3,261,216
Derivative financial liabilities (note 14)	32,480	49,867
	<b>\$ 14,833,901</b>	<b>\$ 14,160,192</b>

(b) The value of transactions with related parties were as follows:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Braydon Capital Corporation <sup>(i)</sup>	\$ 99,348	\$ 1,134,005
Trans Oceanic Minerals Corporation Ltd <sup>(ii)</sup>	159,488	4,493,269
Star Royalties <sup>(iii)</sup>	246,231	89,421
	<b>\$ 505,067</b>	<b>\$ 5,716,695</b>

- i) During the three months ended March 31, 2024, the Company accrued interest to Braydon for the promissory note payable (note 12).
- ii) During the three months ended March 31, 2024, the Company accrued interest to TOMCL for the convertible promissory notes payable (note 13).
- iii) During the three months ended March 31, 2024, the Company accrued interest to Star Royalties for deferred revenue and accretion expense in relation to the other liability (notes 9 and 10).

## Sabre Gold Mines Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2024 and 2023

(Expressed in Canadian Dollars - Unaudited)

(c) Repayment of debt associated with related parties was as follows:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Braydon Capital Corporation	\$ -	\$ 1,000,000
Trans Oceanic Minerals Corporation Ltd	-	1,000,000
	<b>\$ -</b>	<b>\$ 2,000,000</b>

(d) Remuneration of Directors and key management personnel, other than consulting fees, of the Company was as follows:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Salaries and benefits	\$ 75,859	\$ 76,058
Consulting fees	97,500	97,500
Share based payments	14,461	-
	<b>\$ 187,820</b>	<b>\$ 173,558</b>

The Directors do not have employment or service contracts with the Company. Directors are entitled to director fees and stock options for their services.

## 20. Commitments and contingencies

- a) The Company has a surety bond of an insurance company in connection with the Copperstone property. Cash collateral of \$839,478 (US\$619,540) (note 3) is held with Intact Insurance in the name of the Company in a short-term cashable account.
- b) The activities of the Company are subject to environmental laws and regulations promulgated by government agencies from time to time. Environmental legislation generally provides for restrictions and prohibitions on spills, releases or emissions into air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, endangered species and reclamation of lands disturbed by mining operations. The Company believes it complies with all laws and regulations which currently apply to its activities.
- c) On January 28, 2013, the Company entered into an Exploration Memorandum of Understanding (the “MOU”) with Kaska Nation represented by the Ross River Dena Council and Liard First Nation regarding exploration activity in their traditional territory.
- d) The Company has committed to make payments to certain related parties as part of the debt restructuring these payments of \$1.8 million and \$1.2 million will be made by November 2024 and November 2025, respectively.
- e) The Company has committed to make payments to a related party as part of the gold stream restructuring these payments of \$1.2 million and \$0.8 million will be made by November 2024 and November 2025, respectively.
- f) The Company has agreed to repurchase a 1.5% gross production royalty on the Copperstone Mine from the holder for consideration of US\$1,250,000 payable by November 2024 either in cash or in exchange for other certain assets of the Company.

## Sabre Gold Mines Corp.

### Notes to the Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2024 and 2023

(Expressed in Canadian Dollars - Unaudited)

#### 21. Sale of royalty

The Company sold the 1% net smelter returns royalty it held on the Kerr-Addison Mine claims owned by Gold Candle Ltd. for cash proceeds of US\$7 million.

In connection with the sale, the Company terminated the previously announced proposed sale of the royalty and paid the agreed upon break fee of US\$500,000 (note 19(b)).

#### 22. Segmented information

Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker (CODM) and for which discrete financial information is available. The CODM is the person or group of persons who allocates resources and assesses the performance for the entity. The CODM has been identified as the Board of Directors of the Company.

For management purposes, the Company uses the same measurement policies as those used in its financial statements. The CODM evaluates performance of each segment based on net profit (loss).

As at March 31, 2024, the Company's operations comprise of a mineral exploration and development project in La Paz County, Arizona ("USA") and a head office in Vancouver, Canada.

<b>Three Months Ended March 31, 2024</b>		<b>Canada</b>		<b>USA</b>		<b>Total</b>
Revenues	\$	-	\$	-	\$	-
Net income (loss)	\$	(857,396)	\$	(23,897)	\$	(881,293)

<b>Three Months Ended March 31, 2023</b>		<b>Canada</b>		<b>USA</b>		<b>Total</b>
Revenues	\$	-	\$	-	\$	-
Net income (loss)	\$	8,148,007	\$	(20,288)	\$	8,170,720

<b>As at March 31, 2024</b>		<b>Canada</b>		<b>USA</b>		<b>Total</b>
Total assets	\$	6,394,111	\$	40,009,239	\$	46,403,349
Non-current assets	\$	2,092,096	\$	39,372,401	\$	41,464,497

<b>As at December 31, 2023</b>		<b>Canada</b>		<b>USA</b>		<b>Total</b>
Total assets	\$	7,014,507	\$	38,857,917	\$	45,872,424
Non-current assets	\$	2,085,024	\$	37,856,035	\$	39,941,059