

**Dynasty Gold Corp.**  
**Condensed Interim Financial Statements**  
**March 31, 2023 and 2022**  
(Expressed in Canadian Dollars)

DYNASTY GOLD CORP.

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of the condensed consolidated interim financial statements by an entity's auditor.

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**Dynasty Gold Corp.****Condensed Consolidated Interim Statement of Financial Position**  
**(Expressed in Canadian dollars)**

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	March 31, 2023	December 31, 2022
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents	\$ 954,676	\$ 1,056,726
Receivables (Note 4)	45,227	62,498
Prepaid expenses	4,455	7,523
	<b>1,004,358</b>	<b>1,126,747</b>
Exploration and evaluation assets (Note 5 and 9)	1,768,334	1,771,199
	<b>\$ 2,772,692</b>	<b>\$ 2,897,946</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 6)	\$ 119,445	\$ 355,361
	<b>119,445</b>	<b>355,361</b>
<b>Shareholders' Equity</b>		
Share capital (Note 7)	37,901,989	37,844,739
Subscription receipt	143,000	-
Share-based payment reserve (Note 7)	3,193,696	3,170,078
Deficit	(38,585,438)	(38,472,232)
	<b>2,653,247</b>	<b>2,542,585</b>
	<b>\$ 2,772,692</b>	<b>\$ 2,897,946</b>

**Nature of Business and Continuance of Operations** (Note 1)**Subsequent Event** (Note 12)

See accompanying notes to the consolidated financial statements.

## Dynasty Gold Corp.

### Notes to Condensed Consolidated Interim Financial Statements For the three months ended March 31, 2023 and 2022 (Expressed in Canadian dollars)

	Common Shares					
	Number of Shares	Amount	Shares to be Issued	Share-based Payment Reserve	Deficit	Total Shareholders' Equity
<b>Balance, December 31, 2021</b>	35,652,208	\$ 36,966,099	-	\$ 3,085,504	\$ (38,268,782)	\$ 1,782,821
Private placement, net (Note 7)	1,929,765	319,563	-	-	-	319,563
Shares to be issued	-	-	29,570	-	-	29,570
Stock-based compensation (Note 7)	-	-	-	26,840	-	26,840
Comprehensive loss	-	-	-	-	(95,078)	(95,078)
<b>Balance, March 31, 2022</b>	37,581,973	\$ 37,285,662	\$ 29,570	\$ 3,112,344	\$ (38,363,860)	\$ 2,063,716
Private placement, net (Note 7)	6,932,059	559,077	(29,570)	-	-	529,507
Warrant exercise (Note 7)	-	-	-	-	-	-
Stock-based compensation (Note 7)	-	-	-	57,734	-	57,734
Comprehensive loss	-	-	-	-	(108,372)	(108,372)
<b>Balance, December 31, 2022</b>	44,514,032	\$ 37,844,739	-	\$ 3,170,078	\$ (38,472,232)	2,542,585
Private placement, net (Note 7)	-	-	-	-	-	-
Shares to be issued	-	-	143,000	-	-	143,000
Warrant exercise, net (Note 7)	265,000	57,250	-	-	-	57,250
Stock-based compensation (Note 7)	-	-	-	23,618	-	23,618
Comprehensive loss	-	-	-	-	(113,206)	(113,206)
<b>Balance, March 31, 2023</b>	44,779,032	\$ 37,901,989	\$ 143,000	\$ 3,193,696	\$ (38,585,438)	\$ 2,653,247

See accompanying notes to the consolidated financial statements.

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**Dynasty Gold Corp.****Consolidated Statements of Comprehensive Loss**(Expressed in Canadian dollars)

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<b>For the three months ended March 31,</b>		<b>2023</b>		<b>2022</b>
<b>Expenses</b>				
Consulting fees (Note 8)	\$	23,288	\$	23,288
Office expenses		2,343		2,270
Rent		4,650		4,650
Professional fees		10,000		4,000
Regulatory and transfer agent fees		3,400		3,384
Shareholder communications		52,371		30,708
Stock-based compensation (Note 7 and 8)		23,618		26,840
		<b>119,670</b>		<b>95,140</b>
<b>Other items</b>				
Interest income		(6,464)		(62)
		(6,464)		(62)
<b>Comprehensive loss</b>	\$	113,206	\$	95,078
<b>Loss per share – basic and diluted</b>	\$	<b>(0.00)</b>	\$	<b>(0.00)</b>
<b>Weighted average number of common shares outstanding – basic and diluted</b>		<b>39,760,964</b>		<b>35,973,835</b>

See accompanying notes to the consolidated financial statements.

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**Dynasty Gold Corp.****Consolidated Statements of Cash Flows**  
(Expressed in Canadian dollars)

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<b>For the three months ended March 31,</b>	<b>2023</b>	<b>2022</b>
Cash flows provided by (used in):		
<b>Operating activities</b>		
Net loss	\$ (113,206)	\$ (95,078)
Items not affecting cash:		
Stock-based compensation	23,618	26,840
Changes in non-cash working capital items:		
Receivables	17,271	2,519
Prepaid expenses	3,068	(4,125)
Accounts payable and accrued liabilities	(235,916)	61,298
	<b>(305,165)</b>	<b>(8,546)</b>
<b>Financing activities</b>		
Issuance of shares for cash, net issuance costs	57,250	319,563
Share subscription advances	143,000	29,570
	<b>200,250</b>	<b>349,133</b>
<b>Investing activity</b>		
Exploration and evaluation asset costs and expenditures	2,865	(36,960)
	<b>2,865</b>	<b>(36,960)</b>
<b>Change in cash and cash equivalents</b>	<b>(102,050)</b>	<b>303,627</b>
<b>Cash and cash equivalents, beginning</b>	<b>1,056,726</b>	<b>514,528</b>
<b>Cash and cash equivalents, ending</b>	<b>\$ 954,676</b>	<b>\$ 818,155</b>
<b>Cash and cash equivalents is represented by:</b>		
Cash	\$ 281,676	\$ 495,155
Guaranteed Investment Certificates	\$ 673,000	\$ 323,000

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See accompanying notes to the consolidated financial statements.

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# Dynasty Gold Corp.

## Notes to Condensed Consolidated Interim Financial Statements For the three months ended March 31, 2023 and 2022 (Expressed in Canadian dollars)

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### 1. Nature of Business and Continuance of Operations

Dynasty Gold Corp. (the “Company”) was incorporated under of the laws of the province of British Columbia on December 12, 1985. The Company’s principal office is located at 610 Granville Street, Suite 1613, Vancouver, B.C. V6C 3T3. The Company is an exploration stage company engaged in the acquisition, exploration and development of mineral properties. The Company’s shares are listed on the TSX-Venture Exchange (the “Exchange”) under the symbol “DYG”.

These consolidated financial statements have been 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 for the foreseeable future. The continuing operations of the Company are dependent upon its ability to raise adequate financing to develop its mineral properties, and to commence profitable operations in the future. To date, the Company has not generated any revenues and is considered to be in the exploration stage. The company has recently raised sufficient capital to allow it to continue its drill program in the foreseeable future. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

### 2. Significant Accounting Policies

#### a) Basis of presentation and statement of compliance

These consolidated financial statements have been prepared by management using International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

The consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The consolidated financial statements are presented in Canadian dollars unless otherwise noted.

The Company’s board of directors approved these consolidated financial statements for issue on May 30, 2023.

#### b) Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Terrawest Minerals Inc.

All intercompany balances and transactions have been eliminated on consolidation.

### 3. Accounting Standards Issued but Not Yet Applied

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company’s financial statements.

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**Dynasty Gold Corp.****Notes to Condensed Consolidated Interim Financial Statements  
For the three months ended March 31, 2023 and 2022  
(Expressed in Canadian dollars)**

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**4. Receivables**

	<b>March 31, 2023</b>	<b>December 31, 2022</b>
GST receivable	\$ 37,322	\$ 60,488
Other receivables	7,905	2,010
	<b>\$ 45,227</b>	<b>\$ 62,498</b>

**5. Exploration and Evaluation Assets**

	<b>Golden Repeat Property</b>	<b>Thundercloud Gold Property</b>	<b>Total</b>
<b><u>Acquisition Costs</u></b>			
Balance, December 31, 2021	\$ 127,000	\$ 257,500	\$ 384,500
Balance, December 31, 2022	\$ 127,000	\$ 257,500	\$ 384,500
<b>Balance, March 31, 2023</b>	<b>\$ 127,000</b>	<b>\$ 257,500</b>	<b>\$ 384,500</b>
<b><u>Deferred Exploration Costs</u></b>			
Balance, December 31, 2021	\$ 317,135	\$ 574,437	\$ 891,572
Property expenditures (Note 9)	13,070	542,057	555,127
Recovery	-	(60,000)	(60,000)
Balance, December 31, 2022	\$ 330,205	\$ 1,056,494	\$ 1,386,699
Property expenditures (Note 9)	309	(3,174)	(2,865)
<b>Balance, March 31, 2023</b>	<b>\$ 330,514</b>	<b>\$ 1,053,320</b>	<b>\$ 1,383,834</b>
Total as at December 31, 2022	\$ 457,205	\$ 1,313,994	\$ 1,771,199
<b>Total as at March 31, 2023</b>	<b>\$ 457,514</b>	<b>\$ 1,310,820</b>	<b>\$ 1,768,334</b>

**Golden Repeat Property, Nevada, USA**

The Company owns a 100% interest in the Golden Repeat property, subject to 2% Net Smelter Royalty ("NSR"). The Company has the option to buy back 75% of the NSR for \$1 million within three years of commencing production.

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## Dynasty Gold Corp.

### Notes to Condensed Consolidated Interim Financial Statements For the three months ended March 31, 2023 and 2022 (Expressed in Canadian dollars)

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#### 5. Exploration and Evaluation Assets (continued)

##### Thundercloud Gold Property, Ontario, Canada

In September 2021, the Company signed an Amendment Agreement to the original Option Agreement signed between the Company and Teck Resources Limited (“TECK”) on January 31, 2018 to acquire TECK’s 100% interest in the Thundercloud Gold Property, located in the Archean Manitou-Stormy Lakes Greenstone Belt in Ontario. Pursuant to the amendment agreement, the Company was deemed to have exercised its option and TECK has waived its back-in right. The Company made a cash payment of \$100,000 to complete the transaction. TECK retains a 2% net smelter return (“NSR”) that can be reduced by the Company to 1.5% NSR by making a cash payment of \$1 million to TECK. This transaction was completed in October 2021 and TECK has transferred 100% of its interest in the Thundercloud property to the Company.

#### 6. Accounts Payable and Accrued Liabilities

	March 31, 2023	December 31, 2022
Accounts payable	\$ 21,638	\$ 257,554
Amounts due to related parties (Note 8)	97,807	97,807
	<u>\$ 119,445</u>	<u>\$ 355,361</u>

#### 7. Share Capital

##### Authorized

Unlimited number of common shares without par value.

##### Share Issuances

In March 2023, the Company issued 50,000 shares to the warrant holder who exercised warrants pertaining to the private placement completed in October 2022. The warrants were exercised at \$0.15 per share for proceeds of \$7,500.

In February 2023, the Company issued 25,000 shares to the option holder who exercised options pertaining to the stock options granted during 2022. The options were exercised at \$0.12 per share for proceeds of \$3,000.

In January 2023, the Company issued 190,000 shares to the warrant holders who exercised warrants pertaining to the private placement completed in April 2022. The warrants were exercised at \$0.25 per share for proceeds of \$47,500.

On November 25, 2022, the Company closed a non-brokered private placement of 2,429,059 units for gross proceeds of \$170,034. Each unit consists of one common share and one common share purchase warrant exercisable at \$0.13 for a period of two years with warrant accelerating clause. No value has been allotted to the warrants under the residual method. Share issuance costs of \$1,600 were incurred for the private placement.

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**Dynasty Gold Corp.****Notes to Condensed Consolidated Interim Financial Statements  
For the three months ended March 31, 2023 and 2022  
(Expressed in Canadian dollars)**

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**7. Share Capital** (continued)**Share Issuances** (continued)

On October 14, 2022, the Company closed a non-brokered flow-through private placement of 3,458,000 units for gross proceeds of \$363,090. Each unit consists of one flow-through common share and one non-flow through common share purchase warrant exercisable at \$0.15 for a period of two years with warrant accelerating clause. No value has been allotted to the warrants under the residual method. Share issuance costs of \$36,422 were incurred for the private placement.

In April 2022, the Company closed a non-brokered private placement of 2,974,765 units for a gross proceed of \$505,530. Each unit consists of one common share and one common share purchase warrant exercisable at \$0.25 for a period of two years. No value has been allotted to the warrants under residual method. Share issuance costs of \$35,542 were incurred for the private placement.

**Stock Options**

The Company has adopted an incentive stock option plan (the "Plan"). The essential elements of the Plan provide that the aggregate number of shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 10% of the total issued and outstanding shares of the Company. Options granted under the Plan may have a maximum term of five years. The exercise price of options granted under the Plan will not be less than the market price of the shares or such other price as may be agreed to by the Company and accepted by the Exchange. All options granted under the Plan will become vested with the right to exercise one-fourth of the option immediately, and one-fourth of the option upon the conclusion of every six months subsequent to the date of the grant of the option, except options granted to consultants performing investor relations activities, which options will become vested to exercise one-fourth of the option upon every three months subsequent to the date of the grant of the option.

A summary of the status of the Company's stock options outstanding as of March 31, 2023 and changes during the years then ended are as follows:

	<b>Number of Options Outstanding</b>	<b>Weighted Average Exercise Price</b>
Balance, December 31, 2021	2,675,000	\$ 0.20
Options expired	(1,325,00)	\$ 0.20
Options granted	950,000	\$ 0.12
Balance, December 31, 2022	2,300,000	\$ 0.17
Options exercised	(25,000)	\$ 0.12
Balance, March 31, 2023	2,275,000	\$ 0.17

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**Dynasty Gold Corp.****Notes to Condensed Consolidated Interim Financial Statements  
For the three months ended March 31, 2023 and 2022  
(Expressed in Canadian dollars)**

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**7. Share Capital** (continued)**Stock Options** (continued)

On May 18, 2021, the Company granted 700,000 stock options to officers and directors of the Company and 650,000 stock options granted to advisors. These stocks options are exercisable at \$0.20 expiring on May 18, 2026 and will vest over a period of 18 months. The fair value of these options was determined to be \$255,846 using the Black-Scholes Option Pricing Model with the assumptions in the table below.

The Company recorded \$194,149 share-based payment related to the options vested during the year ended December 31, 2021.

During the year ended December 31, 2022, the Company granted 625,000 stock options to officers and directors of the Company and 325,000 stock options granted to advisors. These stocks options are exercisable at \$0.12 expiring five years from the date of granting. The fair value of these options was determined to be \$56,260 using the Black-Scholes Option Pricing Model with the assumptions in the table below.

The Company recorded \$23,618 share-based payment related to the options vested during the period ended March 31, 2023.

	2022	2021
Expected volatility	119% - 122%	173%
Risk-free interest rate	3.19% - 3.29%	0.78%
Expected life in years	5 years	5 years
Expected dividend yield	0.00%	0.00%

As at March 31, 2023, the following stock options are outstanding:

Issue Date	Number of Options Outstanding	Expiry Date	Weighted Average Exercise Price
May 18, 2021	1,350,000	May 18, 2026	\$ 0.20
Aug 22, 2022	700,000	Aug 22, 2027	\$ 0.12
Sep 12, 2022	25,000	Sep 12, 2027	\$ 0.12
Dec 5, 2022	200,000	Dec 5, 2027	\$ 0.12

The weighted average life of the options outstanding at March 31, 2023 was 3.68 years.

As at March 31, 2023, the following stock options are exercisable:

Issue Date	Number of Options Exercisable	Expiry Date	Weighted Average Exercise Price
May 18, 2021	1,350,000	May 18, 2026	\$ 0.20
Aug 22, 2022	337,500	Aug 22, 2027	\$ 0.12
Sep 12, 2022	12,500	Sep 12, 2027	\$ 0.12
Dec 5, 2022	50,000	Dec 5, 2027	\$ 0.12

The weighted average price of the options outstanding at March 31, 2023 was \$0.17.

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**Dynasty Gold Corp.****Notes to Condensed Consolidated Interim Financial Statements**  
**For the three months ended March 31, 2023 and 2022**  
**(Expressed in Canadian dollars)**

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**7. Share Capital** (continued)**Warrants**

A summary of the status of the Company's outstanding warrants as of March 31, 2023 and 2022 and changes during the years then ended is as follows:

	<b>Number of Warrants Outstanding</b>	<b>Weighted Average Exercise Price</b>
Balance, December 31, 2021	3,126,233	\$ 0.25
Issued	1,929,765	\$ 0.25
Issued	770,000	\$ 0.25
Issued	275,000	\$ 0.25
Issued	3,458,000	\$ 0.15
Issued	2,429,059	\$ 0.13
Balance, December 31, 2022	11,988,057	\$ 0.20
Exercised	(190,000)	\$ 0.25
Exercised	(50,000)	\$ 0.15
Balance, March 31, 2023	11,748,057	\$ 0.20

The weighted average life of the warrants at March 31, 2023 was 1.07 years.

As at March 31, 2023, the following warrants are outstanding:

<b>Issue date</b>	<b>Number of Warrants Outstanding</b>	<b>Expiry date</b>	<b>Weighted Average Exercise Price</b>
April 16, 2021	3,126,233	April 16, 2023	\$ 0.25
March 16, 2022	1,739,765	March 16, 2024	\$ 0.25
April 1, 2022	770,000	April 1, 2024	\$ 0.25
April 22, 2022	275,000	April 22, 2024	\$ 0.25
November 10, 2022	3,408,000	November 10, 2024	\$ 0.15
December 15, 2022	2,429,059	December 15, 2024	\$ 0.13

The weighted average price of the warrants at March 31, 2023 is \$0.20.

**Share-based Payment Reserve**

The share-based payment reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

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## Dynasty Gold Corp.

### Notes to Condensed Consolidated Interim Financial Statements For the three months ended March 31, 2023 and 2022 (Expressed in Canadian dollars)

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#### 8. Related Party Balances and Transactions

##### *Related Party Balances*

Included in accounts payable and accrued liabilities is \$97,807 (2022 - \$48,903) due to officers of the Company (Note 6). The amount is unsecured, non-interest bearing and due on demand.

##### *Key Management Compensation*

During the three months ended March 31, 2023, the Company accrued and/or paid \$56,297 (2022 - \$48,903) to directors and officers for providing management, accounting and geological consulting services to the Company. The Company recorded \$23,618 (2022 - \$13,917) of stock-based compensation relating to directors and officers of the Company during the three months ended March 31, 2023.

#### 9. Segmented Information

The Company's activities are all in the industry segment of mineral property acquisition, exploration and development. The Company's exploration and evaluation assets are located in the USA and Canada (Note 5).

##### **As at March 31, 2023**

	<b>Canada</b>	<b>USA</b>	<b>Total</b>
Exploration and evaluation assets	\$ 1,310,820	\$ 457,514	\$ 1,768,334

##### **As at December 31, 2022**

	<b>Canada</b>	<b>USA</b>	<b>Total</b>
Exploration and evaluation assets	\$1,313,994	\$457,205	\$1,771,199

#### 10. Financial Risk Management

##### *Credit Risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash and guaranteed investment certificates of \$954,676. Cash is held with a bank in Canada. As all of the Company's cash and cash equivalents is held by the same Canadian bank there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. As at March 31, 2023, the risk is considered minimal.

##### *Currency Risk*

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to currency risk is minimal as the Company's transactions and financial instruments are primarily denominated in Canadian dollars.

The Canadian dollar equivalents of cash and cash equivalents denominated in United States dollars is \$55,384 (US \$40,491).

**Notes to Condensed Consolidated Interim Financial Statements**  
**For the three months ended March 31, 2023 and 2022**  
**(Expressed in Canadian dollars)**

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**10. Financial Risk Management** (continued)*Interest Rate Risk*

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company is exposed to interest rate risk as cash and cash equivalents earn interest income at variable rates. As at March 31, 2023, the risk is considered minimal.

*Liquidity Risk*

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and cash equivalents. As at March 31, 2023, this risk is considered high.

**11. Capital Disclosures**

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' equity, cash and cash equivalents.

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 its capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents.

The Company is dependent on the capital markets as its source of operating capital and the Company's capital resources are largely determined by the strength of the junior resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support for its projects.

The capital structure of the Company consists of equity and cash and cash equivalent. The Company is not subject to externally imposed capital restrictions. There were no changes to the Company's approach to capital management during the period.

**12. Subsequent events**

- a) In April 2023, the Company closed a private placement of \$3,743,889 which consists of 4,761,905 of Flow-Through units for proceeds of \$1,428,571. Each unit consists of one Flow-Through share at \$0.30 and one common share purchase warrant at \$0.27 for a period of 24 months. The underlying common share purchase warrant will not qualify as "flow-through shares". The non Flow-Through component consists of 11,025,327 units for proceeds of \$2,315,318. Each unit consists of one common share at \$0.21 and one common share purchase warrant at \$0.27 for a period of 24 months. All units issued under the private placement are subject to a four-month hold period from the date of closing. Finder's fees of \$91,966 and 437,933 warrants, with the same terms as the private placement warrant terms, were paid to registered dealers.
- b) In April 2023, the Company issued 367,647 shares to the warrant holders who exercised warrants pertaining to the private placement completed in April 2021. The warrants were exercised at \$0.25 per share for proceeds of \$91,912.

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

For the three months ended March 31, 2023

**DYNASTY GOLD CORP.**  
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## **DYNASTY GOLD CORP.**

### **MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE THREE MONTHS ENDED MARCH 31, 2023**

#### **INTRODUCTION**

This management's discussion and analysis ("MD&A") was prepared as of May 30, 2023 and is management's assessment of Dynasty Gold Corp.'s (the "Company") operating results and financial condition. This MD&A should be read in conjunction with the condensed consolidated interim financial statements and related notes for the three months ended March 31, 2023, and the audited consolidated financial statements for the year ended December 31, 2022. These consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar amounts are expressed in Canadian dollars unless otherwise stated.

Dynasty Gold Corp. is listed on the TSX Venture Exchange under the ticker symbol "DYG", on the Frankfurt Exchange under the ticker symbol "D5G" and on the OTC under the ticker symbol "DGDCF".

Additional information relevant to the Company's activities can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

#### **FORWARD-LOOKING STATEMENTS**

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different from those expressed herein or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

#### **COMPANY OVERVIEW**

Dynasty Gold Corp. is a Canadian-based, junior company focused on exploring for and developing economically viable mineral resources. The Company's 100% owned Golden Repeat Gold Property is located in Elko County, Nevada, United States.

In February 1, 2018, the Company signed an option agreement with Teck Resources Limited ("Teck") to earn a 100% interest in the Thundercloud Gold Property located on the Central Wabigoon Greenstone Belt in Northwestern Ontario. Please refer to press release dated February 1, 2018 for details of the transaction. In late September 2021, the Company acquired 100% of Teck's interest in the property (see press release dated September 27, 2021).

Dynasty's short-term strategy is to explore and develop the two gold properties in North America and continue to evaluate other quality assets to add to its portfolio. Its long-term strategy is to develop these properties into technically feasible and commercially viable producing mines.

As of the date of this MD&A, the Company has not engaged in any production. The Thundercloud property hosts an inferred resource of 182,000 ounces gold at 1.37 g/t (NI 43-101 Independent Technical Report, September 27, 2021).

The Company is a reporting issuer in British Columbia and in Alberta.

## **MINERAL EXPLORATION PROJECTS**

### **NEVADA, USA**

#### **Golden Repeat Property**

The Golden Repeat Property consists of 49 claims located on the north slope of the Midas Trough, along the Carlin Trend, within the Northern Nevada Rift. These claims have many geological similarities to gold properties in the well-known Midas Gold District. Hecla Mining Company's Midas Mine lies 18 kilometres (km) (10 miles) east of the Property. The Midas Mine previously was owned by Newmont until February 2014 (3 million oz gold reserves at 31g/t Au) and is an epithermal, bonanza-type gold-silver bearing system. Hecla recently made a new Midas-style gold-silver discovery located just east of the Midas Mine, the "Green Racer Sinter" property, and has drilled high-grade new intercepts on the property. It shows that new discoveries still can be made in this exciting gold-silver mining camp. Additionally, major sediment-hosted Carlin-style gold mines owned by Nevada Gold Ventures LLC are situated nearby, including the Getchell-Twin Creeks-Turquoise Ridge mines (15 km to the southwest, and its Goldstrike Mine complex, 50 km (30 miles) southeast of the Property).

Two distinct gold-silver targets exist on Golden Repeat. One is a volcanic-hosted epithermal occurrence, similar to the Midas Mine gold-silver deposit of Hecla. The other target is a sediment-hosted, Carlin-style gold occurrence underlying Tertiary volcanic rocks. The Property was drilled by Goldfields from 1992 to 1994 and by Romarco in 1997/1998.

On July 30, 2013, the Company acquired a 100% interest in the Property, subject to a 2% NSR. The Company has the option to buy back 75% of the NSR for \$1 million within three years of commencing production.

The Company carried out a surface exploration program in July 2011. Its objective was to follow up drill targets identified by Yamana during their work on the Property from 2007 to 2009. Forty-one rock chip samples were taken on the eastern and southern parts of the Property and in adjacent areas peripheral to the Clover gold-silver property. One float sample returned 10 g/t gold. Another sample that carried 1 g/t of gold came from an outcropping vein located near an existing road and drill sites. Dynasty Gold drilled three angled reverse circulation holes in 2011 totaling 816 metres (m) to intersect the outcropping Clover vein system and a separate structural target previously proposed by Yamana. The assay results from 576 drill samples were consistent with previous Romarco and Yamana results in the vicinity. The first hole (DG 1) was drilled to a depth of 304 m and encountered 0.569 g/t gold over 1.7 m at 296 m, and the second hole (DG-2) intercepted similar mineralization but returned no significant gold values.

The third drill hole (DG-3), drilled to 285 m, hit a well-mineralized zone at the top of a rhyolite formation at 130 m and intersected 12.2 m of mineralization that averaged 1.14 g/t gold, 9.0 g/t silver, and 968 ppm arsenic. The best intercept within this interval was 3.4 g/t gold and 44.6 g/t silver over 1.7 m. This suggests that the altered rhyolite unit at shallow depth is a favorable target-host for the mineralized Midas-style epithermal gold-quartz veins. No follow-up drilling has yet been conducted on this exciting gold-silver target.

The Golden Repeat claims were renewed in August 2022 and the two-year Golden Repeat drill permit was renewed by the Bureau of Land Management (BLM) in Elko County, Nevada, in October, 2021.

#### ***Activities during the three months ended March 31, 2023***

There were no in-field exploration activities during the quarter. Data from the 2011 drill program was compiled with geological interpretation. Further review of historical data continued to understand the structural geology aided by the Company's drill data.

## **ONTARIO, CANADA**

### **Thundercloud Gold Property**

Pursuant to the Option Agreement signed between Dynasty Gold and Teck Resources Limited (“TECK”), on January 31, 2018, in September, 2021, the Company signed and executed an Amending Agreement with TECK whereby Dynasty has been deemed to have exercised its option and TECK waived its buy-back provision upon completion of \$100,000 cash payment. This transaction resulted in Dynasty acquiring 100% of TECK’s interest in the property, subject to TECK retaining a 2% net smelter returns royalty (“NSR”) that can be reduced to 1.5% at the option of the Company. For details of the terms in the Amending Agreement, please refer to the news release dated September 27, 2021.

The Thundercloud property geological setting is comparable to the Abitibi belt in Eastern Ontario, but it is much less explored. The Belt contains numerous gold showings, several high-grade deposits and historic past gold producers, including the Big Master Mine (1902-1943) and the Laurentian Mine (1906-1909). Exploration results to date indicate excellent potential to define bulk-tonnage orogenic gold mineralization with high-grade potential. Close to 30 million ounces of gold have been discovered in the area in recent years.

The 2,250 hectare Thundercloud Property is located 47 kilometres (km) southeast of Dryden in northwestern Ontario. It is readily accessible from the Trans-Canada Highway (Hwy 17). Dryden is a resource-based city with excellent infrastructure for mining operations. Several large-scale mining and exploration projects in the region include New Gold’s Rainy River Mine (6.4 million oz gold and 18.7 million oz silver) and Agnico Eagle’s Hammond Reef deposit (5.8 million oz gold).

Two mineralized zones, the Pelham and West Contact, have been identified on the Thundercloud Property. The exploration done by Teck is well documented with supporting databases. Teck and others completed over 12,000 metres (m) of core drilling with a majority of the holes drilled in the Pelham Zone. The West Contact Zone is less explored but shows great potential based on an outstanding trench rock chip sampling result of 8.02 g/t gold over 39 m, including 89.4 g/t over 3.0 m.

Highlights of drill results from historic work including drilling by Teck (2007 and 2008) and Laurentian Goldfields (2011):

- 113.0 m @ 1.72 g/t Au (88-10)
- 60.30 m @ 1.46 g/t Au (88-05)
- 55.25 m @ 2.19 g/t Au (TC08-11), including 1 m @ 37.5 g/t Au, 9.34 m @ 7.91 g/t Au and 21.73 m @ 4.63 g/t Au
- 29.66 m @ 0.77 g/t Au, including 9.04 m @ 2.20 g/t Au (TC08-09)
- 68.8 m @ 1.55 g/t Au (TC11-001)
- 39.0 m @ 1.45 g/t Au (TC11-003)
- 39.05 m @ 1.68 g/t Au (TC11-004)
- 81.0 m @ 1.31 g/t Au (TC11-006)

The highest-grade assay sample from historic drilling returned 192.7 g/t gold over 0.55 m.

In 2011, Fladgate Exploration Consulting (“Fladgate”) was contracted to create a 3D resource model of the historic drill data. The model for the Pelham zone exploration target showed potential for 300,000 ounces of gold at a grade of 1.6 g/t Au using a cut-off grade of 0.5 g/t Au. This initial historical resource estimate was developed for targeting purposes, and it is not National Instrument 43-101 (“NI43-101”) compliant. The Company has commissioned Fladgate to prepare a NI 43-101 compliant resource estimate report in July 2020. It was completed and filed on SEDAR in December 2021. The report estimates an Inferred Resource of 182,000 ounces gold at 1.37 g/t and is confined to the Pelham Zone in the northern part of the Thundercloud property.

The Company has not independently verified previous data reported in this MD&A except to the extent covered in the NI 43-101 report.

In early November 2018, a mapping and rock sampling program was completed on the Property. A total of 84 outcrop sites were examined throughout the Property. The West Contact area was the primary focus of the fieldwork, centred on the Glatz outcrop where rock chip sample assays returned 3.03 grams per tonne gold over 30 metres of outcrop in the 2018 summer program described below. These results extended gold mineralization from the original 39.0 metres at 8.02 g/t gold to a total of 69 metres. Other areas of interest include mineralization to the south identified by Teck in 2008 where rock chip samples returned up to 9.42 g/t gold as well as locations where previous induced polarization ("IP") surveying identified high chargeability and resistivity anomalies.

During the program, numerous exposures were sampled, of moderately to strongly silicified mafic and sedimentary rock lithologies hosting estimated 1% to 5% very fine-grained disseminated pyrite and pyrrhotite. 64 rock samples were collected and delivered to the ALS laboratory in Thunder Bay for assay, and the results received extended the area of anomalous mineralizations. Highlights of the assay results included a grab sample taken near Trench 3 in the north end of the West Contact zone, a silicified mafic volcanic, that assayed 4.09 g/t Au, indicating gold potential outside of the younger Temiskaming-like sediments. The typical silver and telluride pathfinder elements characteristic of the Western Contact area were also elevated. A sample returning 0.72 g/t Au came from Trench 8 (between the Pelham zone and the West Contact zone) from a sheared felsic unit. A grab sample that assayed 0.61 g/t Au was taken 30 m west of the Glatz outcrop, which was confirmed in trenching in Target Area 1. A grab sample that assayed 0.54 g/t Au was collected from trenching Target Area 2, where historic samples taken by Glatz had assayed 2.10, 7.27 and 6.09 g/t Au. Further work is planned on the structural controls to gold mineralization. Drill cores from the 2011 drill campaign were identified and inspected.

An area to the west of Glatz outcrop, where DC-IP surveying identified high chargeability and resistivity anomalies, was also ground-checked. The IP chargeability anomalies are interpreted by the company to represent strongly silicified interflow sedimentary rocks hosting estimated 4% to 5% fine-grained pyrite and pyrrhotite.

The mapping and prospecting program was to confirm drill targets, verify and extend the known areas of gold mineralization, confirm rock descriptions, and to acquire additional structural data. Drill sites will be confirmed based on geophysics, and the geochemistry of previous and current sampling.

In the early summer of 2018, a Property inspection was conducted and followed up by a surface sampling program. New rock chip samples collected over the Glatz Outcrop, immediately south of Trench 07-2, returned 3.03 g/t gold over 30 metres of outcrop. This confirms that gold mineralization extends from the original Trench 07-2 area which returned 8.02 g/t gold over 39.0 metres for at least another 30 metres to the south and remains open in all directions. Assay results from the grab samples taken in the Trench 07-2 area returned gold grades that are consistent with the 2007 results. Samples were assayed, in the ALS lab in Thunder Bay, Ontario, for 48 elements using the ME-MS 61 package, with 4-acid dissolution.

In the summer of 2018, drill data from 2007, 2008 and 2011 drill campaigns in the Pelham Zone were digitized and cross sections were generated to provide a better understanding of the mineralized zone and its geology. All drill data was collated and combined into one database. A grade shell model of the Pelham Zone was produced with projected northeast plunging mineralization. It was determined that further drilling is required to confirm this hypothesis. Data compilation also included combining geophysical and geochemical data in layered maps to identify targets for follow up.

In March 2021, the Company's drill permit application was approved by the Ministry Northern Mines and Energy. During the second quarter of 2021, the Company started summer exploration program planning, logistics and road repair as well as making arrangement for a property tour by the representatives of the First Nations. Dynasty started the exploration program in July and the focus was in trenching the two target locations as planned. Please refer to the news release dated July 12, 2021 for details of the exploration program and news releases dated August 5, September 13 and December 13 for subsequent updates.

The geophysical data from previous IP and magnetic surveys were reviewed and consolidated in preparation for a drone supported airborne magnetic survey program. Pioneer Exploration Consulting

was awarded the contract to conduct high resolution airborne magnetic survey in the Pelham and West Contact areas (See news release dated July 28, 2022). The program was completed in late July, 2022.

Prospecting work in preparation for a fall drill program was carried out in late August to early September of 2022 (See news release dated August 31, 2022). This effort involved re-examination of drill cores from previously well mineralized drill holes in the Pelham area for refining and finalizing drill targets to test the mineralization in the eastern parts of the property.

In November, 2022, Dynasty completed 4 NQ wireline diamond core holes in the Pelham resource area at Thundercloud.. A total of 1000 metres were drilled, with core recoveries of nearly 100%. The core was logged for geology, and rock quality (“RQD”), with samples taken of all potentially significant mineralized zones in all 4 holes. Please refer to the news release dated November 9, 2022 for details of the drill program. The assay returned 3 m of 65.2 g/t gold including 1.5 m of 115 g/t in DP22-02, 3 m of 155 g/t gold including 1.5 m of 246 g/t in DP22-03, and 1.5 m of 25.2 g/t gold in DP 22-04. Please refer to news release of January 10, 2023 for additional assay data.

### **Activities during the three months ended March 31, 2023**

The Company was planning the drill program for the 2023 exploration season. Three-dimensional modeling of mineralization and geophysical data generated during this period indicates many areas with potential for resource expansion. A geological team was organized to go on the property to prepare for the upcoming 2023 drilling and to complete the follow-up sampling of the 2022 drill core sections that were not sampled (See new release dated May 24, 2023 for details).

### **MANAGEMENT CHANGES**

There were no management changes in the first quarter of 2023.

### **FINANCIAL DATA**

#### **Selected Annual Financial Information**

The following table sets forth selected financial information for and as of the end of the periods indicated. The Financial Statements may be accessed at [www.sedar.com](http://www.sedar.com). Readers are encouraged to review the Financial Statements in their entirety.

#### Fiscal Years Ended December 31

	2022	2021	2020
Interest and other income	\$ 7,764	\$ 275	\$ 812
Net loss before other items	(301,488)	(414,108)	(207,484)
Net loss	(203,450)	(405,431)	(186,370)
Net loss per share (basic and fully diluted)	(0.01)	(0.01)	(0.01)
Total assets	\$ 2,897,946	\$ 1,803,285	\$ 1,285,871

#### **Selected Quarterly Financial Information**

The following financial information is derived from the unaudited consolidated interim financial statements:

	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021
Interest income	\$ 6,464	\$ 3,564	\$ 3,187	\$ 951	\$ 62	\$ 64	\$ 100	\$ 12
Comprehensive Gain/(Loss)	(113,206)	39,071	(50,146)	(97,297)	(95,078)	(251,208)	(46,282)	(57,615)
Net Loss Per Share	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)
Total Assets	\$ 2,772,692	\$ 2,897,946	\$ 2,475,713	\$ 2,152,635	\$ 2,145,478	\$ 1,803,285	\$ 1,863,101	\$ 1,860,796

## **Results of Operations**

During the three months ended March 31, 2023, the Company reported a net loss of \$113,206 or \$0.00 per share (2022 - \$95,078 or \$(0.00) per share). The increase in net loss of \$18,128 in comparison to the same period of last year was mainly attributed to an increase in shareholder's communication costs of \$21,663 and in professional fees of \$6,000, offset by a decrease of \$3,222 in non-cash stock compensation cost and an increase in interest income of \$6,402.

## **LIQUIDITY AND CAPITAL RESOURCES**

As of March 31, 2023, the Company had working capital of \$884,913 which included cash and short-term investments of \$954,676 (2022 - \$750,684 which included cash and short-term investments of \$818,155).

Net cash flow used in operating activities for the three months ended March 31, 2023 was \$305,165 (2022 - \$8,546).

Net cash flow provided from financing activities for the three months ended March 31, 2023 was \$200,250 (2022 - \$349,133).

Net cash flow used in investing activities for the three months ended March 31, 2023 was \$2,865 (2022 - \$36,960), which was related to exploration expenses.

## **SHARE CAPITAL**

The following information is provided as at March 31, 2023:

Authorized – unlimited number of common shares without par value.

Issued and outstanding common shares – 44,779,032

Warrants – 11,748,057

Options – 2,275,000

The following information is provided as at May 30, 2023:

Issued and outstanding common shares – 61,069,411

Warrants – 24,209,989

Options – 2,250,000

## **RELATED PARTY BALANCES AND TRANSACTIONS**

### ***Related Party Balances***

Included in accounts payable and accrued liabilities is \$97,807 (2022 - \$48,903) due to officers of the Company (Note 6). The amount is unsecured, non-interest bearing and due on demand.

### ***Key Management Compensation***

During the three months ended March 31, 2023, the Company accrued and/or paid \$56,297 (2022 - \$48,903) to directors and officers for providing management, accounting and geological consulting services to the Company. The Company recorded \$23,618 (2022 - \$13,917) of stock-based compensation relating to directors and officers of the Company during the three months ended March 31, 2023.

## **OFF BALANCE SHEET ARRANGEMENTS**

The Company has no off-balance sheet arrangements.

## **CRITICAL ACCOUNTING ESTIMATES AND CHANGES IN ACCOUNTING PRINCIPLES**

The Company's accounting policies are presented in Note 2 to the audited annual consolidated financial statements for the year ended December 31, 2022. These accounting policies can have a significant impact on the financial performance and financial position of the Company.

The preparation of the audited annual consolidated financial statements using accounting policies consistent with International Financial Reporting Standards ("IFRS") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), requires management to make estimates and assumptions which affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to determining the recoverability of mineral property interests, environment obligations, the variables used in the determination of the fair value of stock options granted and the determination of the valuation allowance for future tax assets. While management believes the estimates are reasonable, actual results could differ from those estimates and could impact future results of operations and cash flows.

## **RECENT ACCOUNTING PRONOUNCEMENTS**

Refer to Note 3 to the audited annual consolidated financial statements for the year ended December 31, 2022.

## **MATERIAL PROCEEDINGS**

The Company is not a party to any material proceedings.

## **INTERNAL CONTROL OVER FINANCIAL REPORTING AND DISCLOSURE**

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. There have been no changes in the Company's internal control over financial reporting during the three months ended March 31, 2023 that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting. The Company has disclosure controls and procedures in place to provide reasonable assurance that any information required to be disclosed by the Company under securities legislation is recorded, processed, summarized and reported within the applicable time periods and to

ensure that required information is gathered and communicated to the Company's management so that decisions can be made about timely disclosure of that information. There have been no significant changes in the Company's disclosure controls during the three months ended March 31, 2023 that could significantly affect disclosure controls subsequent to the date the Company carried out its evaluation.

## **RISKS AND UNCERTAINTIES**

The Company is subject to a number of risks and uncertainties, the more significant of which are discussed below. Additional risks and uncertainties not presently known to the Company may impact the Company's financial results in the future.

### **1. Industry**

Dynasty is engaged in the exploration for and development of mineral properties, which involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. There is no assurance that the Company's exploration efforts will result in discoveries of commercial mineral deposits.

### **2. Gold and Metal Prices**

The price of gold is affected by numerous factors beyond the control of the Company including central bank sales, producer hedging activities, currency fluctuation, demand, political, economic conditions and production levels. In addition, the price of gold has been volatile over short periods of time due to speculative activities. The prices of other metals and mineral products for which the Company may explore all have the same or similar price risk factors.

### **3. Cash Flow and Additional Funding Requirements**

The Company currently has no revenue from operations. Additional capital would be required to identify and explore property in the future. The sources of funds currently available to the Company are the sale of equity capital. Although the Company presently has sufficient financial resources to undertake project review and evaluation, and the Company has been successful in the past in obtaining equity financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be advantageous to the Company.

### **4. Exchange Rate Fluctuations**

At the present, the Company has an exploration project in the United States. The Canadian dollar has depreciated over ten percent against the US dollar in the last two years. However, the company has converted enough cash into US currency when the exchange rate was more favorable, at par. Therefore, we do not anticipate lower Canadian dollar will have immediate effect on our operation. If the currency trend is to continue and the Company decides to take on a major exploration program, it will affect the Company's cash outflow.

## **SUBSEQUENT EVENT**

- a) In April 2023, the Company closed a private placement of \$3,743,889 which consists of 4,761,905 of Flow-Through units for proceeds of \$1,428,571. Each unit consists of one Flow-Through share at \$0.30 and one common share purchase warrant at \$0.27 for a period of 24 months. The underlying common share purchase warrant will not qualify as “flow-through shares”. The non Flow-Through component consists of 11,025,327 units for proceeds of \$2,315,318. Each unit consists of one common share at \$0.21 and one common share purchase warrant at \$0.27 for a period of 24 months. All units issued under the private placement are subject to a four-month hold period from the date of closing. Finder’s fees of \$91,966 and 437,933 warrants, with the same terms as the private placement warrant terms, were paid to registered dealers.
  
- b) In April 2023, the Company issued 367,647 shares to the warrant holders who exercised warrants pertaining to the private placement completed in April 2021. The warrants were exercised at \$0.25 per share for proceeds of \$91,912.