



OMAI GOLD MINES CORP.

**Condensed Interim Consolidated Financial Statements
for the six months ended June 30, 2022 and 2021**

Notice to Reader

The accompanying unaudited condensed interim consolidated financial statements have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not reviewed by the Company's auditors.

Omai Gold Mines Corp.

Condensed Interim Consolidated Statements of Financial Position

(Expressed in United States dollars)

As at,	Notes	June 30, 2022	December 31, 2021
ASSETS			
Current assets			
Cash and cash equivalents		\$2,167,230	\$3,565,712
Accounts receivable and prepayments	3	215,229	230,076
		2,382,459	3,795,788
Non-current assets			
Equipment	4	88,861	111,069
Mineral Properties	5	3,896,722	3,896,722
Total assets		\$6,368,042	\$7,803,579
LIABILITIES AND EQUITY			
Current liabilities			
Trade payables and accrued liabilities		\$1,308,150	\$1,060,225
Current portion of long term liability	6	-	295,000
Current portion of license payable	5	-	1,000,000
Total liabilities		1,308,150	2,355,225
Shareholders' Equity			
Share capital	7	22,000,767	20,549,708
Share-based payments	8	2,059,554	1,642,791
Warrants	9	3,888,603	3,384,540
Accumulated other comprehensive loss		30,793	81,783
Deficit		(22,919,825)	(20,210,468)
Total shareholders' equity		5,059,892	5,448,354
Total liabilities and shareholders' equity		\$6,368,042	\$7,803,579

Nature of operations and going concern 1

Approved by the Board

(signed) "Renaud Adams" Director

(signed) "Lon Shaver" Director

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

Omai Gold Mines Corp.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Expressed in United States dollars)

	Notes	For the three months ended June 30,		For the six months ended June 30,	
		2022	2021	2022	2021
Expenses					
Exploration and evaluation expenditures		\$1,165,498	\$816,973	\$1,720,237	\$1,833,428
General and administrative	10	265,281	632,396	546,182	1,124,633
Finance costs		-	75,979	-	147,445
Amortization	4	10,999	-	22,208	-
Share-based compensation		172,327	108,576	416,763	245,580
Foreign exchange		(5,753)	43,459	(1,190)	39,835
Net loss before other item		1,608,352	1,677,383	2,704,200	3,390,921
Other item					
Interest expense		6,357	-	5,157	-
Net loss		1,614,709	1,677,383	2,709,357	3,390,921
Currency translation adjustment		14,588	-	50,990	-
Comprehensive loss		\$1,600,121	\$1,677,383	\$2,658,367	\$3,390,921
Basic and diluted net loss per share		\$(0.01)	\$(0.01)	\$(0.01)	\$(0.02)
Weighted average number of common shares outstanding		289,377,533	198,355,113	280,593,367	198,033,693

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

Omai Gold Mines Corp.

Condensed Interim Consolidated Statements of Cash Flows

(Expressed in United States dollars)

	For the six months ended	
	June 30,	
	2022	2021
Cash flow used in operating activities		
Loss for the period	\$(2,709,357)	\$(3,390,921)
Items not affecting cash:		
Share-based payments	416,763	245,580
Amortization	22,208	-
Accretion	-	142,354
Foreign exchange	-	11,610
Change in non-cash working capital items:		
Accounts receivable and prepayments	14,847	(261,273)
Trade and other payables	247,925	(319,877)
Net cash used in operating activities	(2,007,614)	(3,572,527)
Financing activities		
Proceeds from sale of shares, net of issuance costs	1,955,122	3,852,593
Repayment of loan payable	-	(35,764)
Repayment of long-term liability	(295,000)	-
Net cash from financing activities	1,660,122	3,816,829
Investing activities		
Purchase of equipment	-	(89,518)
Payment of license payable	(1,000,000)	-
Net cash used in investing activities	(1,000,000)	(89,518)
Foreign exchange effect on cash	(50,990)	-
Net change in cash and cash equivalents	(1,398,482)	154,784
Cash and cash equivalents, beginning of year	3,565,712	3,605,289
Cash and cash equivalents, end of period	\$2,167,230	\$3,760,073

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

Omai Gold Mines Corp.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

For the six months ended June 30, 2022 and 2021

(Expressed in United States dollars)

	Share capital	Share-based payments	Warrants	Other Comprehensive Income	Deficit	Total
Balance, December 31, 2020	\$15,510,470	\$978,422	\$878,600	-	\$(12,962,128)	\$4,405,364
Shares issued for cash	4,114,498	-	-	-	-	4,114,498
Share issuance costs	(393,445)	-	131,540	-	-	(261,905)
Issuance of warrants	(1,574,844)	-	1,574,844	-	-	-
Share-based payments	-	245,580	-	-	-	245,580
Comprehensive loss	-	-	-	-	(3,390,921)	(3,390,921)
Balance, June 30, 2021	\$17,656,679	\$1,224,002	\$2,584,984	-	\$(16,353,049)	\$5,112,616
Balance, December 31, 2021	\$20,549,708	\$1,642,791	\$3,384,540	\$81,783	\$(20,210,468)	\$5,448,354
Shares issued for cash	2,061,136	-	-	-	-	2,061,136
Share issuance costs	(161,467)	-	55,453	-	-	(106,014)
Issuance of warrants	(448,610)	-	448,610	-	-	-
Share-based payments	-	416,763	-	-	-	416,763
Comprehensive loss	-	-	-	(50,990)	(2,709,357)	(2,760,347)
Balance, June 30, 2022	\$22,000,767	\$2,059,554	\$3,888,603	\$30,793	\$(22,919,825)	\$5,059,892

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

Omai Gold Mines Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2022 and 2021

(Expressed in United States Dollars)

1. Nature of operations and going concern

Omai Gold Mines Corp. ("Omai" or the "Company") was incorporated under the Business Corporations Act (Ontario) on March 22, 1962 and its activities are focused on exploring and evaluating mineral assets. The primary office of the Company is located at The Exchange Tower, 130 King Street West, Suite 3680, Box 99, Toronto, Ontario M5X 1B1, Canada. Through its subsidiary Avalon Gold Exploration Inc., a company registered in Guyana, the Company holds a prospecting licence to perform mineral exploration in Guyana.

These condensed interim consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and the settlement of liabilities in the normal course of business rather than through a process of forced liquidation. The financial statements do not reflect adjustments to the carrying amounts of assets and liabilities, the reported expenses and the statement of financial position classification used that would be necessary if the going concern assumption were not appropriate. Such adjustments could be material. To date, the Company has not earned revenue and has an accumulated deficit of \$22,914,825 at June 30, 2022. At June 30, 2022, the Company had cash and cash equivalents of \$2,167,230 and working capital of \$1,074,309. The Company has historically relied on financings to fund its operations and repay its liabilities; while the Company has been successful in the past, there can be no assurance that it will be able to raise sufficient funds in the future. These conditions and events may cast significant doubt on the Company's ability to continue as a going concern.

2. Basis of Presentation

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. As such these statements do not contain all the explanatory notes, descriptions or accounting policies or other disclosures that can be found in the Company's 2021 audited annual consolidated financial statements. The accounting policies used in the preparation of these condensed interim consolidated financial statements are consistent with the 2021 audited annual consolidated financial statements.

These condensed interim consolidated financial statements were approved and authorized for issuance by the Board on August 29, 2022.

3. Accounts receivable and prepayments

	June 30, 2022	December 31, 2021
Sales tax recoverable and other receivables	\$ 42,956	\$ 47,573
Prepayments	172,273	182,503
	\$ 215,229	\$ 230,076

4. Equipment

	Amount
Cost	
Balance, June 30, 2022 and December 31, 2021	\$ 149,379
Accumulated Amortization	
Balance, December 31, 2021	\$ 38,310
Amortization for the period	22,208
Balance, June 30, 2022	\$ 60,518
Carrying Value	
Balance, June 30, 2022	\$ 88,861

Omai Gold Mines Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2022 and 2021

(Expressed in United States Dollars)

5. Mineral properties

	Omai Mines	Kaburi South	Grenfell	Total
Balance, June 30, 2022 and December 31, 2021	\$ 3,259,624	\$ 110,000	\$ 527,098	\$ 3,896,722

Omai Mines

The Company, through its subsidiary Avalon Gold Exploration Inc. ("AGE"), holds a 100% interest in the Omai prospecting license (the "Prospecting License") in the Potaro Mining District in Guyana, which covers 4,590 acres of licensed area, including the site of the past producing Omai Gold Mine. The Prospecting License provides for an exclusive right of occupation and exploration for gold, precious minerals and precious stones and to use certain existing infrastructure at the Omai Gold Mine for any future mining operations, subject to entering into specific lease agreements therefor.

The Guyana Geology & Mines Commission ("GGMC") granted the Prospecting License to AGE on April 26, 2019. The license was structured to expire on April 25, 2022, with provisions to renew for an additional two one-year periods. The Company has completed renewal of the Prospecting License for the first one-year renewal period and is permitted to renew the license for an additional one-year period in 2023. In consideration for the license, AGE agreed to pay the GGMC \$1.0 million during the first year, \$1.0 million during the second year and \$2.0 million during the third year. At December 31, 2021 the remaining amount payable was \$1,000,000 and this was paid during the six-month period ended June 30, 2022. The Company pays annual license rental fees to GGMC of approximately \$5,000.

Sandstorm Gold Ltd. holds a 1% net smelter returns royalty with respect to the sale of all economic marketable material on the Omai Gold Project.

Kaburi South

On December 24, 2018, Avalon entered into an option deed and prospecting agreement (the "Option Agreement") with certain vendors for five (5) prospecting permits owned by the vendors in the Mazruni Mining District No. 3, Guyana. The option period expires on December 23, 2028. Avalon issued an aggregate of 600,000 common shares to the vendors (valued at \$60,000) and paid a further \$50,000 on execution of the Option Agreement. Avalon has the sole right to explore and prospect on the five prospecting permits. Avalon may exercise its rights to acquire one or more of the five prospecting permits at any time during the option period by paying the consideration of \$1.00 per prospecting permit.

Eastern Flats

On July 13, 2020, the Company entered into an exclusivity agreement with Guyana Sunrise Mining Inc. ("Sunrise"), whereby the Company obtained the exclusive right to perform due diligence on the property located adjacent to the Omai Gold Mine with a view to potentially acquire the property in the future (the "Exclusivity Agreement"). Pursuant to the terms of the Exclusivity Agreement, the Company issued 6,000,000 common shares valued at \$600,000 which were included as an exploration and evaluation expense. The Company entered into a prospecting and license management agreement dated April 16, 2021 to acquire the prospecting and mining rights on the Eastern Flats property in exchange for a further cash payment of US\$1. The transaction closed upon approval by the TSX Venture Exchange on December 22, 2021.

Grenfell Property

The Company has a 100% ownership interest in the Grenfell Gold property in Kirkland Lake, Ontario that was acquired as a part of the reverse take over transaction in 2020.

Omai Gold Mines Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2022 and 2021

(Expressed in United States Dollars)

6. Long term liability

The long-term liability is a principal amount of \$2,000,000 incurred in respect of a services supply agreement entered into in 2018. The liability is non-interest bearing. The remaining principal payable at December 31, 2021 of \$295,000 was repaid on January 5, 2022.

7. Share capital

(a) Authorized share capital

The Company is authorized to issue an unlimited number of common shares without par value.

(b) Common shares issued

The continuity of common shares issued is as follows:

	Number of common shares	Amount
Balance, December 31, 2021	271,711,599	\$ 20,549,708
Shares issued for cash	21,733,333	2,061,136
Share issuance costs paid in cash	-	(106,014)
Warrant valuation	-	(448,610)
Broker Warrant valuation	-	(55,453)
Balance, June 30, 2022	293,444,932	\$ 22,000,767

On April 14, 2022, the Company issued 16,666,666 units at a price of Canadian Dollars ("C\$") 0.12 per unit for gross proceeds of \$1,587,200 (C\$2,000,000). Each unit consists of one common share and one-half of one common share purchase warrant ("Warrant"). This first tranche of a non-brokered private placement included the issuance of 8,333,333 Warrants, each entitling the holder to acquire one common share of the Company at an exercise price of C\$0.17 for a period of 24 months from the closing date. The Company paid cash finders' fees of \$91,422 and issued 960,000 warrants ("Broker Warrants") to certain finders. Each Broker Warrant entitles the holder to acquire one common share of the Company at a price of C\$0.12 for a period of 24 months from the date of issuance. The Warrants were valued at \$355,797 using the Black-Scholes valuation model with the following assumptions: exercise price of C\$0.17, share price of C\$0.12, expected dividend yield of 0%, expected volatility of 100%, risk-free rate of return of 2.42%, and an expected life of 2 years. The Broker Warrants were valued at \$48,606 using the same methodology and their exercise price of C\$0.12.

On April 27, 2022, the Company issued 5,066,667 units at a price of C\$0.12 per unit for gross proceeds of \$473,936 (C\$608,000). Each unit consists of one common share and one-half of one common share purchase warrant ("Warrant"). This final tranche of a non-brokered private placement included the issuance of 2,533,334 Warrants, each entitling the holder to acquire one common share of the Company at an exercise price of C\$0.17 for a period of 24 months from the closing date. The Company paid cash finders' fees of \$14,592 and issued 156,000 warrants ("Broker Warrants") to certain finders. Each Broker Warrant entitles the holder to acquire one common share of the Company at a price of C\$0.12 for a period of 24 months from the date of issuance. The Warrants were valued at \$92,813 using the Black-Scholes valuation model with the following assumptions: exercise price of C\$0.17, share price of C\$0.11, expected dividend yield of 0%, expected volatility of 100%, risk-free rate of return of 2.50%, and an expected life of 2 years. The Broker Warrants were valued at \$6,847 using the same methodology and their exercise price of C\$0.12.

Omai Gold Mines Corp.

Notes to the Condensed Interim Consolidated Financial Statements For the six months ended June 30, 2022 and 2021 (Expressed in United States Dollars)

8. Stock options

The continuity of stock options outstanding is as follows:

	Number of stock options	Weighted average exercise price (C\$)
Balance, December 31, 2021	16,755,832	\$ 0.17
Granted	8,460,000	0.10
Forfeited	(2,858,333)	0.21
Balance, June 30, 2022	22,357,499	\$ 0.13

On January 25, 2022, the Company granted 1,000,000 stock options to an officer of the Company with an exercise price of C\$0.11 and expiring five years from the date of grant. The options vest 1/3 on each of January 25, 2022, January 25, 2023 and January 25, 2024. The options granted were assigned a value of C\$82,201 using the Black-Scholes valuation model with the following assumptions: exercise price of C\$0.11, share price of C\$0.11, expected dividend yield of 0%, expected volatility of 100%, risk-free rate of return of 1.67%, and an expected life of 5 years.

On March 7, 2022, the Company granted 5,210,000 stock options to directors, officers and consultants of the Company with an exercise price of C\$0.11 and expiring five years from the date of grant. The options vest 1/3 on each of March 7, 2022, March 7, 2023 and March 7, 2024. The options granted were assigned a value of C\$430,989 using the Black-Scholes valuation model with the following assumptions: exercise price of C\$0.11, share price of C\$0.11, expected dividend yield of 0%, expected volatility of 100%, risk-free rate of return of 2.42%, and an expected life of 5 years.

On April 4, 2022, the Company granted 750,000 stock options to consultants of the Company with an exercise price of C\$0.12 and expiring five years from the date of grant. The options vest 1/3 on each of April 4, 2022, April 4, 2023 and April 4, 2024. The options granted were assigned a value of C\$64,512 using the Black-Scholes valuation model with the following assumptions: exercise price of C\$0.12, share price of C\$0.115, expected dividend yield of 0%, expected volatility of 100%, risk-free rate of return of 2.64%, and an expected life of 5 years.

On June 8, 2022, the Company granted 1,000,000 stock options to a director of the Company with an exercise price of C\$0.075 and expiring five years from the date of grant. The options vest 1/3 on each of June 8, 2022, June 8, 2023 and June 8, 2024. The options granted were assigned a value of C\$68,519 using the Black-Scholes valuation model with the following assumptions: exercise price of C\$0.075, share price of C\$0.075, expected dividend yield of 0%, expected volatility of 150%, risk-free rate of return of 3.17%, and an expected life of 5 years.

On June 22, 2022, the Company granted 500,000 stock options to consultants of the Company with an exercise price of C\$0.075 and expiring five years from the date of grant. The options vest 1/3 on each of June 22, 2022, June 22, 2023 and June 22, 2024. The options granted were assigned a value of C\$29,481 using the Black-Scholes valuation model with the following assumptions: exercise price of C\$0.075, share price of C\$0.065, expected dividend yield of 0%, expected volatility of 150%, risk-free rate of return of 3.17%, and an expected life of 5 years.

Omai Gold Mines Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended June 30, 2022 and 2021
(Expressed in United States Dollars)

The following table reflects the stock options outstanding and exercisable on June 30, 2022:

Expiry date	Exercise price (C\$)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)
March 12, 2025	0.13	2.7	4,000,000	4,000,000
June 1, 2025	0.13	2.9	1,787,499	1,787,499
December 3, 2025	0.22	3.4	2,650,000	2,650,000
March 18, 2026	0.19	3.7	550,000	366,667
July 20, 2026	0.14	4.1	1,000,000	333,333
September 3, 2026	0.13	4.2	1,590,000	530,000
October 19, 2026	0.12	4.3	2,000,000	666,667
November 29, 2026	0.11	4.4	320,000	106,667
January 25, 2027	0.11	4.6	1,000,000	333,333
March 7, 2027	0.11	4.7	5,210,000	1,736,667
April 4, 2027	0.12	4.8	750,000	250,000
June 8, 2027	0.075	4.9	1,000,000	333,333
June 22, 2027	0.075	5.0	500,000	166,666
	0.13	3.9	22,357,499	13,260,832

9. Warrants

The continuity of share purchase warrants outstanding is as follows:

	Number of Warrants	Weighted average exercise price (C\$)
Balance, December 31, 2021	76,718,724	\$ 0.32
Issued (note 7)	11,982,667	0.17
Balance, June 30, 2022	88,701,391	\$ 0.31

The following table reflects the warrants outstanding on June 30, 2022:

Expiry Date	Number of Warrants	Exercise price (C\$)
July 3, 2022	36,927,765	\$ 0.46
December 17, 2023	22,193,486	0.20
December 17, 2023	1,708,842	0.11
April 14, 2024	8,333,333	0.17
April 14, 2024	960,000	0.12
April 27, 2024	2,533,334	0.17
April 27, 2024	156,000	0.12
June 28, 2024	14,705,879	0.23
June 28, 2024	1,182,752	0.17
	88,701,391	

Omai Gold Mines Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2022 and 2021

(Expressed in United States Dollars)

10. Administrative expenses

	For the three months ended June 30,		For the six months ended June 30,	
	2022	2021	2022	2021
Management fees	\$ 30,245	\$ 360,467	\$ 73,416	\$ 628,495
Legal and professional fees	36,314	159,241	68,272	282,562
Consultancy fees	67,966	-	176,038	-
General expenses	20,538	26,957	27,194	73,485
Travel	31,973	2,297	31,973	3,775
Advertising	-	26,592	-	31,828
Investor relations	58,485	6,353	93,671	17,801
Reporting issuer costs	19,760	41,995	67,546	73,842
Insurance	-	8,494	8,072	12,845
	\$ 265,281	\$ 632,396	\$ 546,182	\$ 1,124,633

11. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial or operating decisions or by virtue of common ownership. Related parties include the Board of Directors, officers, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions. In accordance with IAS 24 - Related Party Disclosure, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executives and non-executive) of the Company.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The key management personnel of the Company within the current or comparative reporting period were:

<u>Name</u>	<u>Designation</u>
Renaud Adams	Non-Executive Chairman of the Board, Director
Elaine Ellingham	Director, Chief Executive Officer ("CEO")
Nadine Miller	Director
Lon Shaver	Director
Denis Clement	Director
Jason Brewster	VP Operations
Greg Ferron	VP Business Development
Sandra Evans	Interim CFO
John Ross	Former CFO
Mario Stifano	Former CEO/Director

<u>Name</u>	<u>Relationship to the Company</u>
Darscom	The Owner is deemed to be related to Denis Clement
Excel Logistics & Management Services Ltd.	The Former CEO/Director and COO are controlling partners

On October 1, 2019, the Company entered into a service agreement with Excel Logistics & Management Services Ltd. ("Excel") to provide project management and administrative services in Guyana for a period of 3 years. Excel is owned by two former officers of the Company. The management fee paid to Excel includes a \$25,000 monthly fee and 15% mark-up on the expenses it incurs in the normal course of providing support to the exploration activities carried out by

Omai Gold Mines Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended June 30, 2022 and 2021
(Expressed in United States Dollars)

11. Related party transactions (continued)

the Company and is included in exploration and evaluation expenditures. The agreement terminates on September 30, 2022.

	For the three months ended June 30,		For the six months ended June 30,	
	2022	2021	2022	2021
Director fees and management fees	119,549	206,442	229,714	376,108
Share-based compensation	100,462	75,195	294,580	185,252
Management fees paid to Excel Logistics	80,029	140,000	163,001	280,000
	300,040	421,637	687,295	841,360

As at June 30, 2022, the Company owed \$21,834 (December 31, 2021 - \$142,010) to the Company's key management personnel or related companies identified above.