



# **OMAI GOLD MINES CORP.**

**Condensed Interim Consolidated Financial Statements**

**for the nine months ended September 30, 2023 and 2022**

## **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.

Consolidated Statements of Financial Position

(Expressed in United States Dollars)

As at,	Notes	September 30, 2023	December 31, 2022
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		\$ 1,138,275	\$ 2,983,524
Amounts receivable and prepayments	3	293,625	398,764
		<b>1,431,900</b>	<b>3,382,288</b>
<b>Non-current assets</b>			
Equipment	4	185,372	67,428
Mineral exploration properties	5	3,259,624	3,259,624
<b>Total assets</b>		<b>\$ 4,876,896</b>	<b>\$ 6,709,340</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Trade payables and accrued liabilities	10	\$ 1,062,413	\$ 788,588
<b>Total liabilities</b>		<b>\$ 1,062,413</b>	<b>\$ 788,588</b>
<b>Shareholders' Equity</b>			
Share capital	6	24,841,109	24,840,952
Share-based payments	7	2,937,908	2,165,615
Warrants	8	3,989,221	3,989,221
Accumulated other comprehensive income		34,699	13,909
Deficit		(27,988,454)	(25,088,945)
<b>Total shareholders' equity</b>		<b>3,814,483</b>	<b>5,920,752</b>
<b>Total liabilities and shareholders' equity</b>		<b>\$ 4,876,896</b>	<b>\$ 6,709,340</b>
Nature of operations and going concern	1		

## Approved by the Board

(signed) "Elaine Ellingham" \_\_\_\_\_ 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 September 30,		For the nine months ended September 30,	
		2023	2022	2023	2022
<b>Expenses</b>					
Exploration and evaluation expenditures		\$ 611,190	\$ 661,128	\$ 1,696,090	\$ 2,381,365
General and administrative	9	95,543	130,555	386,150	676,737
Amortization	4	22,237	10,806	70,165	33,014
Share-based compensation		144,991	80,453	772,361	497,216
Foreign exchange loss		3,699	27,228	7,982	26,038
Interest expense (income)		(13,423)	(2,644)	(33,239)	2,513
<b>Net loss</b>		<b>864,237</b>	<b>907,526</b>	<b>2,899,509</b>	<b>3,616,883</b>
<b>Other comprehensive loss (income)</b>					
Items that subsequently will be reclassified to operations:					
<b>Currency translation adjustment</b>		<b>(14,011)</b>	<b>40,130</b>	<b>(20,790)</b>	<b>91,120</b>
<b>Comprehensive loss</b>		<b>\$ 878,248</b>	<b>\$ 867,396</b>	<b>\$ 2,920,299</b>	<b>\$ 3,525,763</b>
<b>Net loss per share, basic and diluted</b>		<b>\$(0.00)</b>	<b>\$(0.00)</b>	<b>\$(0.01)</b>	<b>\$(0.01)</b>
<b>Weighted average number of common shares outstanding, basis and diluted</b>		<b>377,845,932</b>	<b>293,444,932</b>	<b>377,845,873</b>	<b>284,924,297</b>

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

## Omai Gold Mines Corp.

Consolidated Statements of Cash Flows  
(Expressed in United States Dollars)

	For the nine months ended September 30,	
	2023	2022
<b>Cash flow used in operating activities</b>		
Net loss for the period	\$ (2,899,509)	\$ (3,616,883)
Items not affecting cash:		
Share-based payments	772,361	497,216
Amortization	70,165	33,014
Change in non-cash working capital items:		
Amounts receivable and prepayments	105,139	41,328
Trade payables and accrued liabilities	273,825	(157,589)
Net cash used in operating activities	(1,678,019)	(3,202,914)
<b>Cash flow from financing activities</b>		
Proceeds from the exercise of stock options	89	-
Proceeds from sale of shares, net of issuance costs	-	1,938,312
Repayment of long-term liability	-	(295,000)
Net cash from financing activities	89	1,643,312
<b>Cash flow used in Investing activities</b>		
Purchase of equipment	(188,109)	-
Payment of prospecting license payable	-	(1,000,000)
Net cash used in investing activities	(188,109)	(1,000,000)
Foreign exchange effect on cash	20,790	(91,120)
<b>Net change in cash and cash equivalents</b>	<b>(1,845,249)</b>	<b>(2,650,722)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>2,983,524</b>	<b>3,565,712</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 1,138,275</b>	<b>\$ 914,990</b>

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

## Omai Gold Mines Corp.

Consolidated Statements of Changes in Shareholders' Equity

For the nine months ended September 30, 2023 and 2022

(Expressed in United States Dollars)

	Share Capital		Share-based payments	Warrants	Other Comprehensive Income	Deficit	Total
	Number of Shares	Amount					
<b>Balance, December 31, 2021</b>	<b>271,711,599</b>	<b>\$ 20,549,708</b>	<b>\$ 1,642,791</b>	<b>\$ 3,384,540</b>	<b>\$ 81,783</b>	<b>\$ (20,210,468)</b>	<b>\$ 5,448,354</b>
Shares issued for cash	21,733,333	2,061,136	-	-	-	-	2,061,136
Share issuance cost	-	(178,277)	-	55,453	-	-	(122,824)
Issuance of warrants	-	(448,610)	-	448,610	-	-	-
Share-based payments	-	-	497,216	-	-	-	497,216
Comprehensive loss	-	-	-	-	(91,120)	(3,616,883)	(3,708,003)
<b>Balance, September 30, 2022</b>	<b>293,444,932</b>	<b>\$ 21,983,957</b>	<b>\$ 2,140,007</b>	<b>\$ 3,888,603</b>	<b>\$ (9,337)</b>	<b>\$ (23,827,351)</b>	<b>\$ 4,175,879</b>
<b>Balance, December 31, 2022</b>	<b>377,844,932</b>	<b>\$ 24,840,952</b>	<b>\$ 2,165,615</b>	<b>\$ 3,989,221</b>	<b>\$ 13,909</b>	<b>\$ (25,088,945)</b>	<b>\$ 5,920,752</b>
Shares issued for cash	1,000	157	(68)	-	-	-	89
Share-based payments	-	-	772,361	-	-	-	772,361
Comprehensive loss	-	-	-	-	20,790	(2,899,509)	(2,878,719)
<b>Balance, September 30, 2023</b>	<b>377,845,932</b>	<b>\$ 24,841,109</b>	<b>\$ 2,937,908</b>	<b>\$ 3,989,221</b>	<b>\$ 34,699</b>	<b>\$ (27,988,454)</b>	<b>\$ 3,814,483</b>

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

# Omai Gold Mines Corp.

Notes to the Consolidated Financial Statements  
For the nine months ended September 30, 2023 and 2022  
(Expressed in United States Dollars)

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## 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 Suite 2704, 401 Bay Street, Toronto, Ontario M5H 2Y4, Canada. The Company's shares trade on the TSX Venture Exchange under the symbol "OMG" and on the OTCQB under the symbol "OMGGF". Through its subsidiary Avalon Gold Exploration Inc. ("AGE"), a company registered in Guyana, the Company holds a prospecting licence to perform mineral exploration in Guyana.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that planned exploration and evaluation programs will result in profitable mining operations. The continuance of the Company is dependent upon completion of the acquisition of the exploration and evaluation properties, the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development and future profitable production or, alternatively, upon disposition of such property at a profit. Changes in future conditions could require material write downs of the carrying values of the Company's assets.

Although the Company has taken steps to verify title to its exploration and evaluation properties, in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and noncompliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions, and political uncertainty.

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 \$27,988,454 as at September 30, 2023. At September 30, 2023, the Company had cash and cash equivalents of \$1,138,275 and working capital of \$369,487. 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 consolidated financial statements do not include adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations. Such adjustments could be material. These conditions and events indicate the existence of a material uncertainty that 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 2022 audited annual consolidated financial statements. The accounting policies used in the preparation of these condensed interim consolidated financial statements are consistent with the 2022 audited annual consolidated financial statements.

These condensed interim consolidated financial statements were approved and authorized for issuance by the Board on November 24, 2023.

## Omai Gold Mines Corp.

Notes to the Consolidated Financial Statements  
For the nine months ended September 30, 2023 and 2022  
(Expressed in United States Dollars)

### 3. Amounts receivable and prepayments

	September 30, 2023	December 31, 2022
Sales tax recoverable and other receivables	\$ 162,518	\$ 98,739
Prepayments	131,107	300,025
	<b>\$ 293,625</b>	<b>\$ 398,764</b>

### 4. Equipment

	Field Equipment	Vehicles	Total
<b>Cost</b>			
Balance, December 31, 2022	\$ 101,019	\$ 48,360	\$ 149,379
Additions	188,109	-	188,109
Balance, September 30, 2023	\$ 289,128	\$ 48,360	\$ 337,488
<b>Accumulated Amortization</b>			
Balance, December 31, 2022	\$ 60,831	\$ 21,120	\$ 81,951
Amortization	64,483	5,682	70,165
Balance, September 30, 2023	\$ 125,314	\$ 26,802	\$ 152,116
<b>Carrying Value</b>			
Balance, December 31, 2022	\$ 40,188	\$ 27,240	\$ 67,428
Balance, September 30, 2023	\$ 163,814	\$ 21,558	\$ 185,372

### 5. Mineral exploration properties

	Omai Property
Balance, September 30, 2023, and December 31, 2022	\$ 3,259,624

#### Omai Property

The Company, through AGE, holds a 100% interest in the Omai prospecting license (the "Prospecting License") in the Potaro Mining District in Guyana, which includes the site of the past producing Omai Gold Mine. The Prospecting License provides for the 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 and with renewals is now set to expire on April 27, 2024. In consideration for the license, AGE has paid an aggregate of \$4 million over the period since the original grant. The Company paid annual license rental fees to GGMC of approximately \$5,000 during the first four years of the license, escalating to approximately \$16,000 in 2022 and 2023.

In addition to any government royalties that may become payable with respect to the sale of material extracted from the Omai Gold Project, Sandstorm Gold Ltd. holds a 1% net smelter returns royalty on the sale of all economic marketable material.

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 ("Eastern Flats") 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

## Omai Gold Mines Corp.

Notes to the Consolidated Financial Statements  
For the nine months ended September 30, 2023 and 2022  
(Expressed in United States Dollars)

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. This property is adjacent to the Omai Property and considered a part of that project.

### Kaburi South

On December 24, 2018, AGE 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. AGE 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. AGE has the sole right to explore and prospect on the five prospecting permits. AGE 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.

### 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.

## 6. 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, 2022	377,844,932	\$ 24,840,952
Shares issued for cash ( <i>note 7</i> )	1,000	157
Balance, September 30, 2023	377,845,932	\$ 24,841,109

## 7. Share-based payments

The continuity of stock options outstanding is as follows:

	Number of stock options	Weighted average exercise price (C\$)
Balance, December 31, 2022	17,900,000	\$ 0.13
Granted	19,050,000	0.08
Exercised	(1,000)	0.12
Expired or cancelled	(3,083,333)	0.15
Forfeited	(1,366,667)	0.11
Balance, September 30, 2023	32,499,000	\$ 0.10



## Omai Gold Mines Corp.

Notes to the Consolidated Financial Statements  
For the nine months ended September 30, 2023 and 2022  
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In connection with the application process for listing the Company's shares on an exchange in the United States, on January 16, 2023, 1,000 stock options were exercised at C\$0.12 for gross proceeds of C\$120 and 1,000 common shares were issued and made available for the U.S. listing.

On January 25, 2023, the Company granted 17,550,000 stock options to certain directors, officers, employees, and consultants of the Company with an exercise price of C\$0.08 and expiring five years from the date of grant. The options vest 1/3 on each of January 25, 2023, January 25, 2024 and January 25, 2024. The options granted were assigned a value of C\$1,282,222 using the Black-Scholes valuation model with the following assumptions: exercise price of C\$0.08, share price of C\$0.08, expected dividend yield of 0%, expected volatility of 150% (based on comparable companies), risk-free rate of return of 2.99%, and an expected life of 5 years.

On April 27, 2023, the Company granted 1,200,000 stock options to a director and a consultant of the Company with an exercise price of C\$0.08 and expiring five years from the date of grant. The options vest 1/3 on each of April 27, 2023, April 27, 2024 and April 27, 2025. The options granted were assigned a value of C\$64,825 using the Black-Scholes valuation model with the following assumptions: exercise price of C\$0.08, share price of C\$0.06, expected dividend yield of 0%, expected volatility of 150% (based on comparable companies), risk-free rate of return of 3.20%, and an expected life of 5 years.

On August 23, 2023, the Company granted 300,000 stock options to a consultant of the Company with an exercise price of C\$0.05 and expiring five years from the date of grant. The options vest 1/3 on each of August 23, 2023, August 23, 2024 and August 23, 2025. The options granted were assigned a value of C\$12,299 using the Black-Scholes valuation model with the following assumptions: exercise price of C\$0.05, share price of C\$0.045, expected dividend yield of 0%, expected volatility of 150% (based on comparable companies), risk-free rate of return of 4.11%, and an expected life of 5 years.

The following table reflects the stock options outstanding and exercisable on September 30, 2023:

Expiry date	Exercise price (C\$ unless otherwise indicated)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)
April 27, 2024	0.08	0.6	2,000,000	2,000,000
March 12, 2025	U\$ 0.10	1.4	1,000,000	1,000,000
December 3, 2025	0.21	2.2	1,400,000	1,400,000
March 18, 2026	0.19	2.5	550,000	550,000
July 20, 2026	0.14	2.8	1,000,000	1,000,000
September 3, 2026	0.13	2.9	1,190,000	1,190,000
October 19, 2026	0.12	3.1	2,000,000	1,333,333
November 29, 2026	0.11	3.2	250,000	166,667
March 7, 2027	0.11	3.4	3,510,000	2,340,000
April 4, 2027	0.12	3.5	749,000	499,000
June 8, 2027	0.075	3.7	1,000,000	666,667
June 22, 2027	0.075	3.7	500,000	333,333
August 9, 2027	0.085	3.9	300,000	200,000
September 12, 2027	0.07	4.0	1,000,000	666,667
January 25, 2028	0.08	4.3	14,550,000	4,850,000
April 27, 2028	0.08	4.6	1,200,000	400,000
August 23, 2028	0.05	4.9	300,000	100,000
	0.10	3.6	32,499,000	18,695,667

## Omai Gold Mines Corp.

Notes to the Consolidated Financial Statements  
For the nine months ended September 30, 2023 and 2022  
(Expressed in United States Dollars)

### 8. Warrants

There were no changes during the period to share purchase warrants outstanding.

The following table reflects the warrants outstanding on September 30, 2023:

Expiry Date	Number of Warrants	Exercise price (C\$)
December 17, 2023	22,193,486	\$ 0.20
December 17, 2023	1,708,842	0.11
April 4, 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
December 22, 2025	3,402,000	0.05
	55,175,626	

### 9. General and administrative expenses

	For the three months ended September 30,		For the nine months ended September 30,	
	2023	2022	2023	2022
Management fees	\$ 43,600	\$ 43,377	\$ 117,756	\$ 116,793
Legal and professional fees	411	(21,131)	3,256	47,141
Consultancy fees	12,953	51,658	98,358	227,696
General expenses	10,072	1,044	15,990	28,238
Travel	9,231	7,476	24,725	39,449
Investor relations	(4,209)	22,812	77,332	116,483
Reporting issuer costs	16,867	10,437	29,823	77,983
Insurance	6,618	14,882	18,910	22,954
	\$ 95,543	\$ 130,555	\$ 386,150	\$ 676,737

### 10. 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.

## Omai Gold Mines Corp.

Notes to the Consolidated Financial Statements  
For the nine months ended September 30, 2023 and 2022  
(Expressed in United States Dollars)

Key management personnel receive compensation in the form of short-term employee benefits. The remuneration of key management personnel during the period is as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2023	2022	2023	2022
Management fees	<b>\$ 88,887</b>	\$ 85,142	<b>\$ 256,961</b>	\$ 314,856
Share-based payments	<b>96,165</b>	62,918	<b>646,056</b>	357,498
	<b>\$ 185,052</b>	\$ 148,060	<b>\$ 903,017</b>	\$ 672,354

During the nine month period ended September 30, 2023, a total of 17,200,000 (year ended December 31, 2022 – 7,600,000) stock options were granted to the key management personnel.

As at September 30, 2023, the Company owed \$143,926 (December 31, 2022 - \$110,458) to the Company's key management personnel or related companies identified above, and this balance is included in trade payables and accrued liabilities. The amounts are unsecured, non-interest bearing and due on demand.