
MANITOU GOLD INC.
CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS
THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2021
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Notice To Reader

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

Manitou Gold Inc.

Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian Dollars)

Unaudited

	September 30, 2021	December 31, 2020
Assets		
Current assets		
Cash	\$ 2,762,984	\$ 3,525,086
Amounts receivable and other assets (note 3)	895,610	172,675
Total current assets	3,658,594	3,697,761
Non-current assets		
Equipment (note 4)	29,602	34,825
Total assets	\$ 3,688,196	\$ 3,732,586
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities (notes 5 and 13)	\$ 300,542	\$ 332,218
Flow-through share liability (note 7(b))	665,373	315,647
Total current liabilities	965,915	647,865
Non-current liabilities		
Loan payable (note 6)	60,000	60,000
Total liabilities	1,025,915	707,865
Shareholders' equity		
Share capital (note 7)	26,092,051	21,880,675
Warrants (note 8)	2,111,350	2,465,398
Contributed surplus (note 9)	1,652,239	452,310
Deficit	(27,193,359)	(21,773,662)
Total shareholders' equity	2,662,281	3,024,721
Total shareholders' equity and liabilities	\$ 3,688,196	\$ 3,732,586

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

Nature of Operations and Going Concern (note 1)

Commitments and Contingencies (note 14)

Manitou Gold Inc.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

Unaudited

	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
Operating expenses				
Exploration and evaluation expenditures (note 11)	\$ 1,127,463	\$ 998,856	\$ 4,569,358	\$ 2,575,671
Option-based payments (note 9)	1,143,400	-	1,556,700	206,000
Office and general (notes 12 and 13)	216,314	128,094	1,060,637	414,125
Professional fees (note 13)	9,766	45,808	30,678	121,762
Total operating expenses	2,496,943	1,172,758	7,217,373	3,317,558
Loss before interest and other income	(2,496,943)	(1,172,758)	(7,217,373)	(3,317,558)
Other income	-	283	-	283
Flow-through premium income	306,526	329,800	1,022,501	968,800
Net loss and comprehensive loss for the period	\$ (2,190,417)	\$ (842,675)	\$ (6,194,872)	\$ (2,348,475)
Net loss and comprehensive loss per share - basic and diluted	\$ (0.01)	\$ (0.00)	\$ (0.02)	\$ (0.01)
Weighted average number of shares outstanding - basic and diluted (note 10)	319,784,068	231,143,950	296,959,586	220,783,163

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

Manitou Gold Inc.

Condensed Consolidated Interim Statements of Cash Flows

(Expressed in Canadian Dollars)

Unaudited

	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
Operating activities		
Net loss for the period	\$ (6,194,872)	\$ (2,348,475)
Adjustments for:		
Depreciation (note 4)	5,223	-
Option-based payments (note 9)	1,556,700	206,000
Shares issued on acquisition of property rights (note 11)	716,667	225,000
Flow-through premium income	(1,022,501)	(968,800)
Changes in non-cash working capital items:		
Amounts receivable and other assets	(722,935)	54,860
Accounts payable and accrued liabilities	(31,676)	6,514
Net cash used in operating activities	(5,693,394)	(2,824,901)
Financing activities		
Issuance of units and shares	5,031,500	5,006,231
Cost of issue	(186,243)	(263,967)
Proceeds from loan payable	-	40,000
Warrants exercised (note 8)	86,035	-
Net cash provided by financing activities	4,931,292	4,782,264
Net change in cash	(762,102)	1,957,363
Cash, beginning of period	3,525,086	2,744,913
Cash, end of period	\$ 2,762,984	\$ 4,702,276
Supplemental cash flow information		
Broker warrants issued	\$ 76,500	\$ 187,000

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

Manitou Gold Inc.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollars)

Unaudited

Equity attributable to shareholders

	Number of Shares	Share Capital	Warrants	Contributed Surplus	Deficit	Total
Balance, December 31, 2019	184,286,819	\$ 19,288,122	\$ 1,290,212	\$ 302,510	\$ (19,047,290)	\$ 1,833,554
Issue of units (note 7(b))	74,249,625	5,006,231	-	-	-	5,006,231
Cost of issue (note 7(b))	-	(507,400)	187,000	-	-	(320,400)
Flow-through share liability (note 7(b))	-	(1,098,092)	-	-	-	(1,098,092)
Warrant valuation (note 7(b))	-	(988,186)	988,186	-	-	-
Shares issued for property acquisition (note 11)	4,500,000	180,000	-	-	-	180,000
Option-based payments (note 9)	-	-	-	206,000	-	206,000
Net loss for the period	-	-	-	-	(2,348,475)	(2,348,475)
Balance, September 30, 2020	263,036,444	\$ 21,880,675	\$ 2,465,398	\$ 508,510	\$ (21,395,765)	\$ 3,458,818
Balance, December 31, 2020	263,036,444	\$ 21,880,675	\$ 2,465,398	\$ 452,310	\$ (21,773,662)	\$ 3,024,721
Issue of shares (note 7(b))	45,740,909	5,031,500	-	-	-	5,031,500
Cost of issue (note 7(b))	-	(265,743)	79,500	-	-	(186,243)
Flow-through share liability (note 7(b))	-	(1,372,227)	-	-	-	(1,372,227)
Warrants exercised (note 8)	1,451,160	101,179	(15,144)	-	-	86,035
Warrants expired (note 8)	-	-	(418,404)	-	418,404	-
Shares issued for property acquisition (note 11)	9,555,555	716,667	-	-	-	716,667
Stock options expired (note 9)	-	-	-	(356,771)	356,771	-
Option-based payments (note 9)	-	-	-	1,556,700	-	1,556,700
Net loss for the period	-	-	-	-	(6,194,872)	(6,194,872)
Balance, September 30, 2021	319,784,068	\$ 26,092,051	\$ 2,111,350	\$ 1,652,239	\$ (27,193,359)	\$ 2,662,281

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

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

1. Nature of Operations and Going Concern

Manitou Gold Inc. (the "Company" or "Manitou") was incorporated under the Business Corporations Act (Ontario) and is engaged in the business of locating and exploring mineral properties. Substantially all of the efforts of the Company are devoted to these business activities. To date, the Company has not earned significant revenues and is considered to be in the exploration stage. The Company's registered office is located at The Canadian Venture Building, 82 Richmond St. East, Toronto, Ontario, M5C 1P1.

These unaudited condensed consolidated interim financial statements have been prepared using accounting policies applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they become due.

The Company is at an exploration stage and as is common with many exploration companies, it raises financing for its exploration and acquisition activities. The Company has incurred losses in previous periods, with a current net loss of \$6,194,872 for the nine months ended September 30, 2021 (2020 - loss of \$2,348,475) and has an accumulated deficit of \$27,193,359 as at September 30, 2021 (December 31, 2020 - \$21,773,662). The Company had working capital of \$2,692,679 at September 30, 2021 (December 31, 2020 - \$3,049,896) which it believes is sufficient to support planned operations for the next twelve months.

However, the existing funds may not be sufficient to explore potential exploration project acquisitions and in due course, further funding will be required. In the event that the Company is unable to secure further financing it may not be able to complete the development of its projects. These unaudited condensed consolidated interim financial statements do not reflect any adjustments to the carrying values of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements. The Company's property interests may also be subject to increases in taxes and royalties, renegotiation of contracts and political uncertainty.

The Company's operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could affect the Company's operations and ability to finance its operations.

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

2. Significant Accounting Policies

Statement of Compliance

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

The policies applied in these unaudited condensed consolidated interim financial statements are based on IFRS issued and outstanding as of November 15, 2021, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed consolidated interim financial statements as compared with the most recent annual consolidated financial statements as at and for the year ended December 31, 2020, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending December 31, 2021 could result in restatement of these unaudited condensed consolidated interim financial statements. These adjustments could be material.

3. Amounts Receivable and Other Assets

	September 30, December 31,	
	2021	2020
Sales tax receivable - (Canada)	\$ 53,227	\$ 93,108
Prepaid expenses	710,726	79,567
Other receivable	131,657	-
Total	\$ 895,610	\$ 172,675

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

4. Equipment

Cost	Equipment
Balance, December 31, 2019	\$ -
Additions	36,658
Balance, December 31, 2020 and September 30, 2021	\$ 36,658

Accumulated Depreciation	Equipment
Balance, December 31, 2019	\$ -
Depreciation for the year	1,833
Balance, December 31, 2020	1,833
Depreciation for the period	5,223
Balance, September 30, 2021	\$ 7,056

Carrying Value	Equipment
Balance, December 31, 2020	\$ 34,825
Balance, September 30, 2021	\$ 29,602

5. Accounts Payable and Accrued Liabilities

	September 30, 2021	December 31, 2020
Trade payables	\$ 288,842	\$ 317,518
Accrued liabilities	11,700	14,700
Total	\$ 300,542	\$ 332,218

6. Loan Payable

In August 2020, the Company received \$40,000 under the Canada Emergency Business Account ("CEBA") program. 25% of the loan is forgivable if repaid by December 31, 2022. The loan accrues no interest until December 31, 2022, and thereafter converts to a 3-year term loan with a 5% annual interest rate. Any portion of the loan is repayable without penalty at any time prior to December 31, 2025.

In December 2020, the Company received an additional \$20,000 under the CEBA program. The terms of the repayment are the same as the first advance, and \$10,000 of the additional advance will be forgiven if the remaining \$10,000 is repaid in full by December 31, 2022.

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

7. Share Capital

(a) Authorized share capital

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

(b) Common shares issued

At September 30, 2021, the issued share capital amounted to \$26,092,051. The changes in issued share capital for the periods presented were as follows:

	Number of Shares	Amount
Balance at December 31, 2019	184,286,819	\$ 19,288,122
Issue of units and shares (i)(ii)(iii)	74,249,625	5,006,231
Cost of issue (i)(iii)	-	(507,400)
Warrant valuation (i)(iii)	-	(988,186)
Flow-through share liability (i)(iii)	-	(1,098,092)
Shares issued for property acquisition (note 11)	4,500,000	180,000
Balance at September 30, 2020 and December 31, 2020	263,036,444	21,880,675
Issue of units and shares (iv)	45,740,909	5,031,500
Cost of issue (iv)	-	(265,743)
Flow-through share liability (iv)	-	(1,372,227)
Warrants exercised	1,451,160	101,179
Shares issued for property acquisition (note 11)	9,555,555	716,667
Balance at September 30, 2021	319,784,068	\$ 26,092,051

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

7. Share Capital (Continued)

(b) Common shares issued (continued)

(i) On February 13, 2020, the Company completed a private placement ("February 2020 Offering") pursuant to which it issued (i) 28,888,666 units (the "February 2020 Hard Units") at a price of \$0.06 per unit to raise aggregate gross proceeds of \$1,733,320; and (ii) 11,999,998 flow-through common shares ("February 2020 FT Shares") at a price of \$0.075 per share to raise gross proceeds of \$900,000. Each February 2020 Hard Unit consisted of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to acquire one additional common share of the Company at an exercise price of \$0.09 until the date which is 3 years from the closing date of the February 2020 Offering. Alamos Gold Inc. ("Alamos") subscribed for 4,520,000 February 2020 Hard Units and Mr. Blair Zaritsky, a director of the Company at the time of the February 2020 Offering, subscribed for 266,666 February 2020 FT Shares.

The 28,888,666 warrants issued were assigned a value of \$584,186 using the Black-Scholes valuation model. The underlying weighted average assumptions used in the estimation of fair value in the Black-Scholes valuation model are as follows:

- Risk free rate: 1.47%;
- Expected life: 3 years;
- Expected volatility: 139% based on historical trends
- Unit price: \$0.06; and
- Expected dividend yield: 0%.

The Company recognized a flow-through premium liability of \$466,440 on the February 2020 FT Shares which is included in flow-through share liability and committed to incur \$900,000 of Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)).

In connection with the February 2020 Offering, the Company paid a cash commission and other fees of \$208,780 and issued an aggregate of 2,608,026 broker warrants. Each broker warrant is exercisable to acquire one February 2020 Hard Unit at an exercise price of \$0.06 for a period of 3 years following the closing of the February 2020 Offering.

The 2,608,026 broker warrants issued were assigned a value of \$145,000 using the Black-Scholes valuation model. The underlying weighted average assumptions used in the estimation of fair value in the Black-Scholes valuation model are as follows:

- Risk free rate: 1.47%;
- Expected life: 3 years;
- Expected volatility: 139% based on historical trends;
- Unit price: \$0.06; and
- Expected dividend yield: 0%.

(ii) On June 30, 2020, Alamos exercised its right to maintain its pro rata interest in the Company and subscribed for an aggregate of 1,118,000 common shares at a price of \$0.05 per share for gross proceeds of \$55,900.

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

7. Share Capital (Continued)

(b) Common shares issued (continued)

(iii) On September 30, 2020, the Company completed a private placement ("September 2020 Offering") pursuant to which it issued (i) 19,495,184 units (the "September 2020 Hard Units") at a price of \$0.06 per unit to raise aggregate gross proceeds of \$1,169,711; and (ii) 12,747,777 flow-through common shares ("September 2020 FT Shares") at a price of \$0.09 per share to raise gross proceeds of \$1,147,300. Each September 2020 Hard Unit consists of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to acquire one additional common share of the Company at an exercise price of \$0.12 until the date which is 2 years from the closing date of the September 2020 Offering. Insiders of the Company subscribed for an aggregate of 6,000,000 September 2020 Hard Units in the September 2020 Offering, being Mr. Richard Murphy, CEO of the Company, Mr. Patrice Dubreuil, an officer and former President of the Company, and Mr. Donato Sferra, an officer of the Company, subscribing for 2,000,000 September 2020 Hard Units each. O3 Mining Inc. also participated in the September 2020 Offering, subscribing for 12,150,000 September 2020 FT Shares.

The 19,495,184 warrants issued were assigned a value of \$404,000 using the Black-Scholes valuation model. The underlying weighted average assumptions used in the estimation of fair value in the Black-Scholes valuation model are as follows:

- Risk free rate: 0.25%;
- Expected life: 2 years;
- Expected volatility: 139% based on historical trends;
- Unit price: \$0.06; and
- Expected dividend yield: 0%.

The Company recognized a flow-through premium liability of \$631,652 on the September 2020 FT Shares which is included in flow-through share liability and committed to incur \$1,147,300 on exploration expenditures.

In connection with the September 2020 Offering, the Company paid a cash commission and other fees of \$111,620 and issued an aggregate of 1,310,024 broker warrants. Each broker warrant is exercisable to acquire one September 2020 Hard Unit at an exercise price of \$0.06 for a period of 2 years following the closing of the September 2020 Offering.

The 1,310,024 broker warrants issued were assigned a value of \$42,000 using the Black-Scholes valuation model. The underlying weighted average assumptions used in the estimation of fair value in the Black-Scholes valuation model are as follows:

- Risk free rate: 0.25%;
- Expected life: 2 years;
- Expected volatility: 139% based on historical trends;
- Unit price: \$0.06; and
- Expected dividend yield: 0%.

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

7. Share Capital (Continued)

(b) Common shares issued (continued)

(iv) On April 9, 2021, the Company completed a private placement ("April 2021 Offering") pursuant to which it issued 45,740,909 flow-through common shares (the "April 2021 FT Shares") at a price of \$0.11 per share to raise aggregate gross proceeds of \$5,031,500. Insiders of the Company subscribed for an aggregate of 3,750,000 April 2021 FT Shares in the April 2021 Offering, being Mr. Richard Murphy, CEO of the Company, and Mr. Patrice Dubreuil, an officer and former President of the Company, subscribing for 1,650,000 and 1,100,000 April 2021 FT Shares, respectively. O3 Mining Inc. also participated in the April 2021 Offering, subscribing for 3,400,000 April 2021 FT Shares.

The Company recognized a flow-through premium liability of \$1,372,227 on the April 2021 FT Shares which is included in flow-through share liability and committed to incur \$5,031,500 of Canadian Exploration Expenditures.

In connection with the April 2021 Offering, the Company paid a cash commission and other fees of \$186,243 and issued an aggregate of 1,381,864 broker warrants. Each broker warrant is exercisable to acquire one common share of the Company at an exercise price of \$0.11 for a period of 3 years following the closing of the April 2021 Offering.

The 1,381,864 broker warrants issued were assigned a value of \$79,500 using the Black-Scholes valuation model. The underlying weighted average assumptions used in the estimation of fair value in the Black-Scholes valuation model are as follows:

- Risk free rate: 0.48%;
- Expected life: 3 years;
- Expected volatility: 135% based on historical trends;
- Share price: \$0.08; and
- Expected dividend yield: 0%.

8. Warrants

The following table reflects the continuity of warrants for the periods ended September 30, 2021 and 2020:

	Number of Warrants	Weighted Average Exercise Price
Balance at December 31, 2019	41,391,200	\$ 0.09
Warrants granted (note 7(b))	52,301,900	0.10
Balance at September 30, 2020 and December 31, 2020	93,693,100	0.09
Warrants granted (iv)	2,630,124	0.10
Warrants exercised	(1,451,160)	0.06
Warrants expired	(10,858,300)	0.14
Balance at September 30, 2021	84,013,764	\$ 0.09

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

8. Warrants (Continued)

The Company had the following warrants outstanding at September 30, 2021:

Number of Warrants	Weighted Average Exercise Price (\$)	Expiry Date
5,530,000	0.15	February 28, 2022
19,495,184	0.12	September 30, 2022
1,310,024 (i)	0.06	September 30, 2022
29,934,026	0.09	February 13, 2023
1,562,666 (ii)	0.06	February 13, 2023
1,381,864	0.11	April 9, 2024
20,000,000	0.05	December 31, 2024
4,800,000 (iii)	0.05	December 31, 2024
84,013,764	0.09	

(i) Exercisable into a unit, comprised of one common share and one purchase warrant exercisable at \$0.12 for a period of two years.

(ii) Exercisable into a unit, comprised of one common share and one purchase warrant exercisable at \$0.09 for a period of three years.

(iii) Exercisable into a unit, comprised of one common share and one purchase warrant exercisable at \$0.05 for a period of five years.

(iv) During the nine months ended September 30, 2021, an aggregate of 1,451,160 warrants were exercised into units, comprised of 1,451,160 common shares and 1,248,260 warrants. The 1,248,260 warrants issued were assigned a value of \$62,100 using the Black-Scholes valuation model. The underlying weighted average assumptions used in the estimation of fair value in the Black-Scholes valuation model are as follows:

- Risk free rate: 0.26%;
- Expected life: 1.7 years;
- Expected volatility: 122% based on historical trends;
- Share price: \$0.09; and
- Expected dividend yield: 0%.

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

9. Stock Options

The Company has a formal stock option plan (the "Plan"). At the annual and special meeting held on June 23, 2021, the Company passed a resolution amending the existing stock option plan of the Company to provide for the issuance thereunder of such number of common shares of the Company as is equal to 10% of the aggregate number of common shares of the Company issued and outstanding from time to time. The following table reflects the continuity of stock options for the periods ended September 30, 2021 and 2020:

	Number of Options	Weighted Average Exercise Price
Balance at December 31, 2019	11,350,000	\$ 0.10
Stock options granted (i)(ii)	4,000,000	0.10
Balance at September 30, 2020 and December 31, 2020	15,350,000	0.10
Stock options granted (iii)(iv)	27,150,000	0.10
Stock options expired	(13,050,000)	0.10
Balance at September 30, 2021	29,450,000	\$ 0.10

(i) On February 14, 2020, the Company granted an aggregate of 3,000,000 stock options to a director, an officer and a consultant of the Company. Each stock option entitles the holder to acquire one common share of the Company at an exercise price of \$0.10 until February 14, 2022 and vests immediately. The grant date fair value of \$119,800 assigned to the stock options was estimated using the Black-Scholes valuation model with the following assumptions: share price of \$0.065, expected dividend yield of 0%, expected volatility of 155% which is based on historical volatility of the Company's share price, risk-free rate of return of 1.37% and an expected maturity of 2 years.

(ii) On June 29, 2020, the Company granted 1,000,000 stock options to a director of the Company. Each stock option entitles the holder to acquire one common share of the Company at an exercise price of \$0.10 until June 29, 2025 and vests immediately. The grant date fair value of \$30,000 assigned to the stock options was estimated using the Black-Scholes valuation model with the following assumptions: share price of \$0.035, expected dividend yield of 0%, expected volatility of 150% which is based on historical volatility of the Company's share price, risk-free rate of return of 0.36% and an expected maturity of 5 years.

(iii) On January 11, 2021, the Company granted 10,700,000 stock options to the directors, officers and consultants of the Company exercisable at a price of \$0.10 per common share. The options vest immediately and expire in five years. The grant date fair value of \$413,300 assigned to the stock options was estimated using the Black-Scholes valuation model with the following assumptions: share price of \$0.045, expected dividend yield of 0%, expected volatility of 148% which is based on historical volatility of the Company's share price, risk-free rate of return of 0.46% and an expected maturity of 5 years. For the three and nine months ended September 30, 2021, \$nil and \$413,300, respectively (2020 - \$nil) was expensed to option-based payments.

(iv) On July 12, 2021, the Company granted 16,450,000 stock options to the directors, officers and consultants of the Company exercisable at a price of \$0.10 per common share. The options vest immediately and expire in five years. The grant date fair value of \$1,143,400 assigned to the stock options was estimated using the Black-Scholes valuation model with the following assumptions: share price of \$0.08, expected dividend yield of 0%, expected volatility of 139% which is based on historical volatility of the Company's share price, risk-free rate of return of 0.93% and an expected maturity of 5 years. For the three and nine months ended September 30, 2021, \$1,143,400 (2020 - \$nil) was expensed to option-based payments.

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements Three and Nine months Ended September 30, 2021 (Expressed in Canadian Dollars) Unaudited

9. Stock Options (Continued)

The Company had the following stock options outstanding as of September 30, 2021:

Number of Options Outstanding	Number of Options Exercisable	Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)	Expiry Date
100,000	100,000	0.10	1.87	August 13, 2023
200,000	200,000	0.10	1.99	September 26, 2023
2,000,000	2,000,000	0.10	0.38	February 14, 2022
1,000,000	1,000,000	0.10	3.75	June 29, 2025
9,700,000	9,700,000	0.10	4.28	January 11, 2026
16,450,000	16,450,000	0.10	4.78	July 12, 2026
29,450,000	29,450,000	0.10	4.26	

10. Net Loss per Common Share

The calculation of basic and diluted loss per share for the three and nine months ended September 30, 2021 was based on the loss attributable to common shares of \$2,190,417 and \$6,194,872, respectively (2020 - loss of \$842,675 and \$2,348,475, respectively) and the weighted average number of common shares outstanding of 319,784,068 and 296,959,586, respectively (2020 - 231,143,950 and 220,783,163, respectively) for basic and diluted loss per share. Diluted loss per share did not include the effect of warrants and options for the three and nine months ended September 30, 2021 and 2020, as the effect would be anti-dilutive.

11. Exploration and Evaluation Expenditures Incurred

	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
Kenwest	\$ 9,859	\$ 18,483	\$ 14,430	\$ 42,008
Gaffney	224	-	449	201
Goudreau area properties				
Goudreau	87,539	381,053	111,080	702,046
Rockstar	7,818	369,636	18,784	790,223
Stover (i)	689,054	221,621	3,791,646	786,269
Renabie East – Easy Lake (i)	332,969	8,063	632,969	254,924
	\$ 1,127,463	\$ 998,856	\$ 4,569,358	\$ 2,575,671

(i) On June 21, 2021, the Company issued an aggregate of 9,555,555 common shares, valued at \$716,667, to fully exercise its options to acquire the Stover and Renabie East properties. As a result, the Company owns a 100% fully-vested interest in each of the properties, subject to a 2% net smelter royalty, half of which can be repurchased.

For details on the exploration and evaluation expenditures see the attached schedules at the end of these statements.

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

12. Office and General

	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
Salaries and benefits	\$ 92,616	\$ 39,976	\$ 778,117	\$ 92,424
Administration and general	8,839	12,578	32,424	97,243
Consulting	22,500	51,000	67,500	119,500
Marketing	74,550	240	115,269	13,140
Travel	1,168	607	1,918	10,206
Reporting issuer costs	5,831	19,323	41,478	68,759
Insurance	9,069	4,370	18,708	12,853
Amortization	1,741	-	5,223	-
	\$ 216,314	\$ 128,094	\$ 1,060,637	\$ 414,125

13. Related Party Balances and Transactions

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

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

During the three and nine months ended September 30, 2021, the Company paid professional fees and disbursements of \$13,719 and \$55,582, respectively (2020 - \$13,465 and \$48,755, respectively) to Marrelli Support Services Inc., DSA Corporate Services Inc., DSA Filing Services Limited, and Marrelli Press Release Services Ltd., together known as the "Marrelli Group", for:

- (i) Carmelo Marrelli, Managing Director of the Marrelli Group, to act as the Chief Financial Officer ("CFO") of the Company;
- (ii) Bookkeeping services;
- (iii) Regulatory filing services; and
- (iv) Corporate secretarial services.

These services were incurred in the normal course of operations for general accounting and financial reporting matters. As at September 30, 2021, the Marrelli Group was owed \$1,438 (December 31, 2020 - \$1,490).

Salaries paid to key management personnel for the three and nine months ended September 30, 2021 totaled \$51,432 and \$350,908, respectively (2020 - \$52,218 and \$177,891, respectively). Directors' fees paid for the three and nine months ended September 30, 2021 totaled \$25,000 and \$75,000, respectively (2020 - \$nil and \$nil, respectively). Option-based payments to key management personnel and the Board of Directors of the Company for the three and nine months ended September 30, 2021 were valued using the Black-Scholes valuation model to be \$775,010 and \$1,026,080, respectively (2020 - \$nil and \$88,667, respectively). Key management personnel are comprised of the Company's Chief Executive Officer ("CEO"), the President and the Company's CFO.

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

13. Related Party Balances and Transactions (Continued)

As at September 30, 2021, Alamos controls 58,211,077 common shares, or approximately 18% of the total common shares outstanding of the Company. Alamos also holds 4,520,000 warrants to acquire additional 4,520,000 common shares of the Company at an exercise price of \$0.09 per share. No other person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all the common shares of the Company.

See note 7(b) for details regarding related party participation in the private placements.

14. Commitments and Contingencies

In the ordinary course of business activities, the Company may be contingently liable for litigation and claims with government agencies, suppliers, consultants, and former employees. Management believes that adequate provisions have been recorded in the accounts where required.

Environmental Contingencies

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. The Company believes its operations are in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Employment Agreements

Pursuant to an executive employment agreement with the CEO, in the event of termination without cause, the CEO is entitled to 12 months' base salary plus a further month's salary for each completed year of service since May 1, 2015. In the event of termination, the CEO is entitled to receive payment of \$210,000. In the event of a change of control of the Company, the CEO is entitled to receive a payment equal to 24 months' base salary in the sum of \$360,000 plus payment equal to the amount of any bonus paid in the previous year.

Pursuant to an executive employment agreement with the Vice President Community and First Nations, in the event of termination without cause, the Vice President Community and First Nations is entitled to three months' base salary. In the event of termination, the Vice President Community and First Nations is entitled to receive payment of \$33,750. In the event of a change of control of the Company, the Vice President Community and First Nations is entitled to receive a payment equal to 24 months' base salary in the sum of \$270,000.

Pursuant to an agreement between the Company and a company controlled by the Vice President Corporate Development, the latter party is entitled to receive a cash fee (the "Completion Fee") based on a percentage of the transaction value for certain completed transactions. The receiving company may elect, at its option and sole discretion, to receive up to 50% of the Completion Fee in common shares of the Company at a price per share equal to the deemed price per share applicable in connection with any such completed transaction, as may be applicable and all subject to regulatory approval.

Manitou Gold Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

14. Commitments and Contingencies (Continued)

Flow-Through Expenditures

In connection with the flow-through share financings in April 2021, the Company has committed to incur qualifying Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) of \$5,031,500 by December 31, 2022. The Company has indemnified the holders of the April 2021 FT Shares for any tax and other costs payable by them in the event that the Company does not incur the required flow through expenditures.

As at September 30, 2021, the Company has incurred approximately \$2,591,800 of the required qualifying exploration expenditures.

Manitou Gold Inc.

Condensed Consolidated Interim Schedule of Exploration and Evaluation Expenditures Incurred

(Expressed in Canadian Dollars)

Unaudited

Nine Months Ended September 30, 2021	Stover*	Renabie East*	Rockstar*	Gaffney	Goudreau*	Kenwest	Total
Acquisition costs							
Share issuances (note 11)	\$ 416,666	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 716,666
Property taxes/carrying costs	-	-	-	449	-	3,809	4,258
Claim staking	10,064	-	-	-	-	-	10,064
	426,730	300,000	-	449	-	3,809	730,988
Exploration expenditures							
Analysis and lab work	348,854	22,559	-	-	1,344	-	372,757
Consultants	688,300	6,503	231	-	13,886	789	709,709
Field operations	1,123,771	243,589	-	-	1,000	-	1,368,360
Field supplies and consumables	477,949	40,926	18,553	-	18,265	4,986	560,679
Geophysical services	214,936	-	-	-	-	-	214,936
Travel and accommodation	43,406	1,090	-	-	4,239	-	48,735
Wages and benefits	575,211	18,302	-	-	72,346	4,846	670,705
Recoveries	(107,511)	-	-	-	-	-	(107,511)
	3,364,916	332,969	18,784	-	111,080	10,621	3,838,370
Total exploration and evaluation expenditures	\$ 3,791,646	\$ 632,969	\$ 18,784	\$ 449	\$ 111,080	\$ 14,430	\$ 4,569,358

Three Months Ended September 30, 2021	Stover*	Renabie East*	Rockstar*	Gaffney	Goudreau*	Kenwest	Total
Acquisition costs							
Property taxes/carrying costs	\$ -	\$ -	\$ -	\$ 224	\$ -	\$ 3,311	\$ 3,535
Exploration expenditures							
Analysis and lab work	160,903	22,559	-	-	1,344	-	184,806
Consultants	240,155	6,503	231	-	13,886	576	261,351
Field operations	-	243,589	-	-	-	-	243,589
Field supplies and consumables	175,733	40,926	7,587	-	10,069	1,126	235,441
Travel and accommodation	11,542	1,090	-	-	4,044	-	16,676
Wages and benefits	208,232	18,302	-	-	58,196	4,846	289,576
Recoveries	(107,511)	-	-	-	-	-	(107,511)
	689,054	332,969	7,818	-	87,539	6,548	1,123,928
Total exploration and evaluation expenditures	\$ 689,054	\$ 332,969	\$ 7,818	\$ 224	\$ 87,539	\$ 9,859	\$ 1,127,463

* Part of Goudreau area properties

Manitou Gold Inc.

Condensed Consolidated Interim Schedule of Exploration and Evaluation Expenditures Incurred

(Expressed in Canadian Dollars)

Unaudited

Nine Months Ended September 30, 2020	Stover*	Renabie East*	Rockstar*	Gaffney	Goudreau*	Kenwest	Total
Acquisition costs							
Share issuances	\$ 100,000	\$ 55,000	\$ -	\$ -	\$ 70,000	\$ -	\$ 225,000
Property taxes	-	-	-	201	-	2,933	3,134
Claim staking	3,285	685	1,525	-	12,630	-	18,125
	103,285	55,685	1,525	201	82,630	2,933	246,259
Exploration expenditures							
Analysis and lab work	30,996	1,823	63,527	-	27,571	-	123,917
Consultants	230,902	71,313	183,197	-	207,119	5,942	698,473
Field operations	259,573	515	250,296	-	263,197	-	773,581
Field supplies and consumables	78,859	96,537	144,365	-	69,740	1,854	391,355
Travel and accommodation	7,270	2,719	13,340	-	5,334	3,115	31,778
Wages and benefits	75,384	26,332	133,973	-	46,455	28,164	310,308
	682,984	199,239	788,698	-	619,416	39,075	2,329,412
Total exploration and evaluation expenditures	\$ 786,269	\$ 254,924	\$ 790,223	\$ 201	\$ 702,046	\$ 42,008	\$ 2,575,671

Three Months Ended September 30, 2020	Stover*	Renabie East*	Rockstar*	Gaffney	Goudreau*	Kenwest	Total
Acquisition costs							
Property taxes/carrying costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53	\$ 53
Claim staking	465	-	705	-	330	-	1,500
	465	-	705	-	330	53	1,553
Exploration expenditures							
Analysis and lab work	26,515	-	51,516	-	20,790	-	98,821
Consultants	80,829	482	82,690	-	72,434	-	236,435
Field operations	53,030	-	88,915	-	258,197	-	400,142
Field supplies and consumables	12,242	2,176	69,456	-	1,689	1,118	86,681
Travel and accommodation	6,271	15	8,569	-	3,658	-	18,513
Wages and benefits	42,269	5,390	67,785	-	23,955	17,312	156,711
	221,156	8,063	368,931	-	380,723	18,430	997,303
Total exploration and evaluation expenditures	\$ 221,621	\$ 8,063	\$ 369,636	\$ -	\$ 381,053	\$ 18,483	\$ 998,856

* Part of Goudreau area properties