

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 10-Q**

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For quarterly period ended March 31, 2023

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number **000-54653**



**AUGUSTA GOLD CORP.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**Suite 555 - 999 Canada Place  
Vancouver, BC, Canada**

(Address of principal executive offices)

**41-2252162**

(I.R.S. Employer  
Identification No.)

**V6C 3E1**

(Zip Code)

**(604) 687-1717**

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: None.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in 12b-2 of the Exchange Act.) Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 85,959,753 shares of common stock, par value \$0.0001, were outstanding on May 8, 2023.

**AUGUSTA GOLD CORP.**

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**PART I. FINANCIAL INFORMATION**

**ITEM 1 - CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**AUGUSTA GOLD CORP.  
CONSOLIDATED BALANCE SHEETS  
MARCH 31, 2023 AND DECEMBER 31, 2022  
(Expressed in US dollars)**

	<u>3/31/23</u>	<u>12/31/22</u>
<b>Assets</b>		
Current assets		
Cash	\$ 3,590,769	\$ 332,813
Prepaid	203,546	156,959
Deferred stock issuance costs	0	121,424
Deposits	7,028	7,028
Total current assets	<u>3,801,343</u>	<u>618,224</u>
Other assets		
Equipment, net	1,077,435	1,088,449
Reclamation bonds	1,115,813	0
Mineral properties, net	58,962,286	58,962,286
Total other assets	<u>61,155,534</u>	<u>60,050,735</u>
Total assets	<u>\$ 64,956,877</u>	<u>\$ 60,668,959</u>
<b>Liabilities and Stockholders' Equity (Deficit)</b>		
Current liabilities		
Accounts payable	\$ 1,011,613	\$ 2,906,285
Note payable and accrued interest - related party	23,470,037	22,843,322
Asset retirement obligation	1,050,400	1,009,496
Total current liabilities	<u>25,532,050</u>	<u>26,759,103</u>
Long term liabilities		
Asset retirement obligation, net of current	1,756,932	1,804,939
Warrant liability	9,060,690	15,615,406
Total long term liabilities	<u>10,817,622</u>	<u>17,420,345</u>
Total liabilities	<u>36,349,672</u>	<u>44,179,448</u>
Stockholders' equity		
Preferred stock, 250,000,000 shares authorized, \$0.0001 par value	0	0
Preferred stock series A, 5,000,000 shares designated and authorized, \$.0001 par value; zero issued and outstanding as of 3/31/23 and 12/31/22	0	0
Preferred stock series B, 45,000,000 shares designated and authorized, \$.0001 par value; issued and outstanding preferred stock series B shares convertible into zero shares of common stock as of 3/31/23 and 12/31/22	0	0
Common stock, 750,000,000 shares authorized, \$.0001 par value; 85,929,753 shares issued and outstanding as of 3/31/23 and 79,204,606 shares issued and outstanding as of 12/31/22	8,593	7,920
Additional paid in capital	63,046,407	56,375,344
Accumulated deficit	<u>(34,447,795)</u>	<u>(39,893,753)</u>
Total stockholders' equity	28,607,205	16,489,511
Total liabilities and stockholders' equity	<u>\$ 64,956,877</u>	<u>\$ 60,668,959</u>

*See accompanying notes to consolidated financial statements*

**AUGUSTA GOLD CORP.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022**  
*(Expressed in US dollars)*

	<b>Three Months Ended</b>	
	<b>3/31/23</b>	<b>3/31/22</b>
Operating expenses		
General and administrative	\$ 1,315,572	\$ 1,067,879
Exploration, evaluation and project expense	724,270	338,639
Accretion expense	27,907	7,099
Depreciation expense	11,014	11,014
Total operating expenses	<u>2,078,763</u>	<u>1,424,631</u>
Net operating loss	(2,078,763)	(1,424,631)
Revaluation of warrant liability	8,223,387	(206,193)
Interest expense	(626,715)	0
Foreign currency exchange gain (loss)	(71,951)	209,611
Net income (loss)	<u>\$ 5,445,958</u>	<u>\$ (1,421,213)</u>
Weighted average common shares outstanding – basic	<u>84,435,276</u>	<u>70,519,188</u>
Weighted average common shares outstanding – diluted	<u>84,660,278</u>	<u>70,519,188</u>
Earnings (loss) per common share – basic	<u>\$ 0.06</u>	<u>\$ (0.02)</u>
Earnings (loss) per common share – diluted	<u>\$ 0.06</u>	<u>\$ (0.02)</u>

*See accompanying notes to consolidated financial statements*

**AUGUSTA GOLD CORP.**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022**  
*(Expressed in US dollars)*

	<b>Preferred Stock Shares Issued</b>	<b>Preferred Stock</b>	<b>Common Stock Shares Issued</b>	<b>Common Stock</b>	<b>Additional Paid In Capital</b>	<b>Accumulated Deficit</b>	<b>Total Stockholders' Equity (Deficit)</b>
December 31, 2021	677,084	\$ 67	70,519,188	\$ 7,052	\$42,406,169	\$ (20,173,541)	22,239,747
Stock based compensation	0	0	0	0	438,522	0	438,522
Net loss	0	0	0	0	0	(1,421,213)	(1,421,213)
March 31, 2022	<u>677,084</u>	<u>\$ 67</u>	<u>70,519,188</u>	<u>\$ 7,052</u>	<u>\$42,844,691</u>	<u>\$ (21,594,754)</u>	<u>\$ 21,257,056</u>
December 31, 2022	0	\$ 0	79,204,606	\$ 7,920	\$56,375,344	\$ (39,893,753)	16,489,511
Stock based compensation	0	0	0	0	472,981	0	472,981
Placement - January	0	0	6,725,147	673	7,866,753	0	7,867,426
Warrant liability	0	0	0	0	(1,668,671)	0	(1,668,671)
Net income	0	0	0	0	0	5,445,958	5,445,958
March 31, 2023	<u>0</u>	<u>\$ 0</u>	<u>85,929,753</u>	<u>\$ 8,593</u>	<u>\$63,046,407</u>	<u>\$ (34,447,795)</u>	<u>\$ 28,607,205</u>

*See accompanying notes to consolidated financial statements*

**AUGUSTA GOLD CORP.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022**  
*(Expressed in US dollars)*

	<b>Three Months Ended</b>	
	<b>3/31/23</b>	<b>3/31/22</b>
Cash flows from operating activities		
Net income (loss)	\$ 5,445,958	\$ (1,421,213)
Adjustments to reconcile net income (loss) to net cash used in operating activities		
Accretion expense	27,907	7,099
Depreciation expense	11,014	11,014
Revaluation of warrant liability	(8,223,387)	206,193
Share based compensation	472,981	438,522
Change in operating assets and liabilities:		
Prepaid expenses	(46,587)	58,753
Deferred stock issuance costs	121,424	0
Debt issuance costs	37,401	0
Accounts payable	(1,894,673)	177,361
Accrued interest	589,315	0
Asset retirement obligation	(35,010)	(35,014)
Net cash used in operating activities	(3,493,657)	(557,285)
Cash flows from financing activities		
Proceeds from private placement of stock	8,568,651	0
Share issuance costs	(701,225)	0
Increase in surety bond collateral	(1,115,813)	0
Net cash provided by financing activities	6,751,613	0
Net increase (decrease) in cash	3,257,956	(557,285)
Cash, beginning of period	332,813	19,581,707
Cash, end of period	<u>\$ 3,590,769</u>	<u>\$ 19,024,422</u>
Noncash investing and financing activities		
Interest and taxes paid	\$ 0	\$ 0
Revaluation of asset retirement obligation	\$ 0	\$ 120,877
Warrant liability from units placement	\$ 1,668,671	\$ 0

*See accompanying notes to consolidated financial statements*

## **NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Augusta Gold Corp. (formerly known as Bullfrog Gold Corp., the “Company”) is a junior exploration company engaged in the acquisition and exploration of properties that may contain gold, silver, and other metals in the United States. The Company’s target properties are those that have been the subject of historical exploration. The Company owns, controls or has acquired mineral rights on patented claims and federal unpatented claims in the state of Nevada for the purpose of exploration and potential development of gold, silver, and other metals. The Company plans to review opportunities and acquire additional mineral properties with current or historic precious and base metal mineralization with meaningful exploration potential.

The Company’s properties do not have any reserves. The Company plans to conduct exploration and engineering evaluation programs on these properties with the objective of ascertaining whether any of its properties contain economic concentrations of precious and base metals that are prospective for mining.

### **Basis of Presentation and Statement of Compliance**

The accompanying consolidated financial statements (the “consolidated financial statements”), have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

### **Basis of Measurement**

These consolidated financial statements have been prepared on the going concern basis, under the historical cost convention, except for certain financial instruments that are measured at fair value as described herein.

### **Principles of Consolidation**

The consolidated financial statements include the accounts of Augusta Gold Corp. and its wholly owned subsidiaries, Standard Gold Corp. (“Standard Gold”), Bullfrog Mines LLC (“Bullfrog Mines”), CR Reward, LLC (“CR Reward” or “Reward”), Augusta Gold BC (“BC Co”) and Rocky Mountain Minerals Corp. (“Rocky Mountain Minerals” or “RMM”). All significant inter-entity balances and transactions have been eliminated in consolidation.

### **Going Concern and Management’s Plans**

As at March 31, 2023, the Company has a working capital deficiency of approximately \$21,700,000. The ability of the Company to meet its obligations and continue operations is dependent on its ability to obtain additional debt or equity financing. These circumstances raise substantial doubt about the Company’s ability to continue as a going concern.

### **Cash, Cash Equivalents and Concentration**

The Company considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents. The Company places its cash with high credit quality financial institutions in the United States and Canada. On March 31, 2023, the Company’s cash balance was approximately \$3,600,000. To reduce its risk associated with the failure of such financial institution, the Company will evaluate, as needed, the rating of the financial institution in which it holds deposits.

### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates have been made for share-based compensation, asset retirement obligation, warrant liability and whether acquisitions of Bullfrog Mines and CR Reward constituted an asset acquisitions or business combinations.

### **Foreign Currency Translation**

The Company is exposed to currency risk on transactions and balances in currencies other than the functional currency. The Company has not entered any contracts to manage foreign exchange risk.

The functional currency of the Company and its subsidiaries is the US dollar; therefore, the Company is exposed to currency risk from financial assets and liabilities denominated in Canadian dollars.

### **Property and Equipment**

Property and equipment is stated at cost less accumulated depreciation and amortization. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets, which range from 5 to 15 years. Additions, renewals, and betterments that significantly extend the life of the asset are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred. For assets sold or otherwise disposed of, the cost and related accumulated depreciation and amortization are removed from the accounts, and any related gain or loss is reflected in income for the period.

## Leases

The Company has adopted Financial Accounting Standards Board (FASB) ASU 2016-02, Leases (Topic 842), for reporting leases. Leases of 12 months or less will be accounted for similar to existing guidance for operating leases. For leases with a lease term greater than one year, the Company recognizes a lease asset for its right to use the underlying leased asset and a lease liability for the corresponding lease obligation.

## Mineral Property Acquisition and Exploration Costs

Mineral property exploration costs are expensed as incurred until economic reserves are quantified. To date, the Company has not established any proven or probable reserves on its mineral properties. Costs of lease, exploration, carrying and retaining unproven mineral lease properties are expensed as incurred. The Company has chosen to expense all mineral exploration costs as incurred given that it is still in the exploration stage. Once the Company has identified proven and probable reserves in its investigation of its properties and upon development of a plan for operating a mine, it would enter the development stage and capitalize future costs until production is established. When a property reaches the production stage, the related capitalized costs will be amortized over the estimated life of the probable-proven reserves. When the Company has capitalized mineral properties, these properties will be periodically assessed for impairment of value and any diminution in value. To date, the Company has not established the commercial feasibility of any exploration prospects; therefore, all exploration costs are being expensed. Costs of property and equipment acquisitions are being capitalized.

The Company is required to reclaim the property at the Bullfrog Project and Reward Project at the end of their useful lives. In accordance with FASB ASC 410-20, Asset Retirement and Environmental Obligations, the Company recognized the fair value of a liability for an ARO in the amount of \$1,742,131 at the Bullfrog Project and \$1,065,201 at the Reward Project. During the period ended March 31, 2023, we incurred certain costs related to the ARO estimate that has an effect on the accretion and estimated costs.

	<b>2023</b>	<b>2022</b>
Balance, January 1	\$ 2,814,435	\$ 1,868,265
Accretion	27,907	7,099
Costs applied to ARO balance	(18,343)	(35,014)
Change in estimates	(16,667)	120,877
Balance, March 31 (current)	<u>\$ 1,050,400</u>	<u>\$ 1,039,786</u>
Balance, March 31 (long term)	<u>\$ 1,756,932</u>	<u>\$ 921,441</u>
Life of mine	2028	2028
Discount rate	3.6%	2.4%
Inflation rate (average)	<u>2.2%</u>	<u>2.0%</u>

Although the ultimate amounts for future site reclamation and remediation are uncertain, the best estimate of these obligations was based on information available, including current legislation, third-party estimates, and management estimates. The amounts and timing of the mine closure obligations will vary depending on several factors including future operations and the ultimate life of the mine, future economic conditions, and changes in applicable environmental regulations.

At March 31, 2023, the estimated future cash flows have been determined using real cash flows and discounted using a rate of 3.6% and a total undiscounted amount for the estimated future cash flows is \$1,811,651 at the Bullfrog Project and \$1,313,204 at the Reward Project.

## Fair Value of Financial Instruments

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair value:

Level 1 - Valuation based on quoted market prices in active markets for identical assets and liabilities.



Level 2 - Valuation based on quoted market prices for similar assets and liabilities in active markets.

Level 3 - Valuation based on unobservable inputs that are supported by little or no market activity, therefore requiring management's best estimate of what market participants would use as fair value.

The fair value of cash, deposits, accounts payable, and notes payable approximates their carrying values due to their short term to maturity. The warrant liabilities are measured using level 3 inputs (Note 4).

### **Income Taxes**

Income taxes are accounted for under the asset and liability method in accordance with ASC 740, "Income Taxes". Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial carrying amounts of existing assets and liabilities and their respective tax bases as well as operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the periods in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are reduced by a valuation allowance to the extent that the recoverability of the asset is unlikely to be recognized.

The Company reports a liability, if any, for unrecognized tax benefits resulting from uncertain tax positions taken, or expected to be taken, in an income tax return. The Company has elected to classify interest and penalties related to unrecognized income tax benefits, if and when required, as part of income tax expense in the statement of operations. No liability has been recorded for uncertain income tax positions, or related interest or penalties as of March 31, 2023 and December 31, 2022. The periods ended December 31, 2022, 2021, 2020, 2019, and 2018 are open to examination by taxing authorities.

### **Long Lived Assets**

The Company assesses the impairment of long-lived assets whenever events or changes in circumstances indicate that the carrying value may not be recoverable. When the Company determines that the carrying value of long-lived assets may not be recoverable based upon the existence of one or more indicators of impairment and the carrying value of the asset cannot be recovered from projected undiscounted cash flows, the Company records an impairment charge. The Company measures any impairment based on a projected discounted cash flow method using a discount rate determined by management to be commensurate with the risk inherent in the current business model. Significant management judgment is required in determining whether an indicator of impairment exists and in projecting cash flows.

### **Preferred Stock**

The Company accounts for its preferred stock under the provisions of the ASC on Distinguishing Liabilities from Equity, which sets forth the standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity. This standard requires an issuer to classify a financial instrument that is within the scope of the standard as a liability if such financial instrument embodies an unconditional obligation to redeem the instrument at a specified date and/or upon an event certain to occur. The Company has determined that its preferred stock does not meet the criteria requiring liability classification as its obligation to redeem these instruments is not based on an event certain to occur. Future changes in the certainty of the Company's obligation to redeem these instruments could result in a change in classification.

### **Stock-Based Compensation**

Stock-based compensation is accounted for based on the requirements of the Share-Based Payment Topic of ASC 718 which requires recognition in the consolidated financial statements of the cost of employee and director services received in exchange for an award of equity instruments over the period the employee or director is required to perform the services in exchange for the award (presumptively, the vesting period). This ASC also requires measurement of the cost of employee and director services received in exchange for an award based on the grant-date fair value of the award.

The estimated fair value of each stock option as of the date of grant was calculated using the Black-Scholes pricing model. The Company estimates the volatility of its common stock at the date of grant based on Company stock price history. The Company determines the expected life based on the simplified method given that its own historical share option exercise experience does not provide a reasonable basis for estimating expected term. The Company uses the risk-free interest rate on the implied yield currently available on U.S. Treasury issues with an equivalent remaining term approximately equal to the expected life of the award. The Company has never paid any cash dividends on its common stock and does not anticipate paying any cash dividends in the foreseeable future. The shares of common stock subject to the stock-based compensation plan shall consist of unissued shares, treasury shares or previously issued shares held by any subsidiary of the Company, and such number of shares of common stock are reserved for such purpose.

## Derivative Financial Instruments

The Company accounts for derivative instruments in accordance with Financial Accounting Standards Board (“FASB”) ASC 815, Derivatives and Hedging (“ASC 815”), which requires additional disclosures about the Company’s objectives and strategies for using derivative instruments, how the derivative instruments and related hedged items are accounted for, and how the derivative instruments and related hedging items affect the financial statements. The Company does not use derivative instruments to hedge exposures to cash flow, market, or foreign currency risk. Terms of convertible debt and equity instruments are reviewed to determine whether or not they contain embedded derivative instruments that are required under ASC 815 to be accounted for separately from the host contract and recorded on the balance sheet at fair value. The fair value of derivative liabilities, if any, is required to be revalued at each reporting date, with corresponding changes in fair value recorded in current period operating results. Pursuant to ASC 815, an evaluation of specifically identified conditions is made to determine whether the fair value of warrants issued is required to be classified as equity or as a derivative liability.

Certain warrants are treated as derivative financial liabilities. The estimated fair value, based on the Black-Scholes model, is adjusted on a quarterly basis with gains or losses recognized in the statement of loss and comprehensive loss. The Black-Scholes model is based on significant assumptions such as volatility, dividend yield, expected term and liquidity discounts

## Earnings (Loss) per Common Share

The following table shows basic and diluted earnings per share:

	Three Months Ended	
	3/31/2023	3/31/2022
Basic and Diluted Earnings (Loss) per Common Share		
Earnings (loss)	\$ 5,445,958	\$ (1,421,213)
Basic weighted average shares outstanding	84,435,276	70,519,188
Assumed conversion of dilutive shares	225,002	0
Diluted weighted average common shares outstanding, assuming conversion of common stock equivalents	84,660,278	70,519,188
Basic Earnings (Loss) Per Common Share	\$ 0.06	\$ (0.02)
Diluted Earnings (Loss) Per Common Share	\$ 0.06	\$ (0.02)

Certain options and warrants and all preferred shares were included in the computation of diluted shares outstanding for the three months ended March 31, 2023. The options and warrants that were not included in the diluted weighted average shares calculation because they were “out-of-the money”. In periods where the Company has a net loss, all common stock equivalents are excluded as they would be anti-dilutive. The following details the dilutive and anti-dilutive shares:

	Dilutive shares In the money	Anti-dilutive shares Out of the money	Total
Options	225,002	4,975,000	5,200,002
Warrants	0	34,701,615	34,701,615
Total	225,002	39,676,615	39,901,617

## Risks and Uncertainties

Since the formation of the Company, it has not generated any revenues. As an early-stage company, the Company is subject to all the risks inherent in the initial organization, financing, expenditures, complications and delays inherent in a new business. Our business is dependent upon the implementation of our business plan. There can be no assurance that our efforts will be successful or that we will ultimately be able to generate revenue or attain profitability.

Natural resource exploration, and exploring for gold, is a business that by its nature is very speculative. There is a strong possibility that we will not discover gold or any other mineralization which can be mined or extracted at a profit. Even if we do discover gold or other deposits, the deposit may not be of the quality or size necessary for us or a potential purchaser of the property to make a profit from mining it. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected geological formations, geological formation pressures, fires, power outages, labor disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labor are just some of the many risks involved in mineral exploration programs and the subsequent development of gold deposits.

The Company business is exploring for gold and other minerals. If the Company discovers commercially exploitable gold or other deposits, revenue from such discoveries will not be generated unless the gold or other minerals are actually mined.

Mining operations in the United States are subject to many different federal, state, and local laws and regulations, including stringent environmental, health and safety laws. In the event operational responsibility is assumed for mining our properties, the Company may be unable to comply with current or future laws and regulations, which can change at any time. Changes to these laws may adversely affect any of the Company potential mining operations. Moreover, compliance with such laws may cause substantial delays and require capital outlays greater than those the Company anticipate, adversely affecting any potential mining operations. Future mining operations, if any, may also be subject to liability for pollution or other environmental damage. The Company may choose to not be insured against this risk because of high insurance costs or other reasons.

The Company's exploration and development activities may be affected by existing or threatened medical pandemics, such as the novel coronavirus (COVID-19). A government may impose strict emergency measures in response to the threat or existence of an infectious disease, such as the emergency measures imposed by governments of many countries and states in response to the COVID-19 virus pandemic. As such, there are potentially significant economic and social impacts of infectious diseases, including but not limited to the inability of the Company to develop and operate as intended, shortage of skilled employees or labor unrest, inability to access sufficient healthcare, significant social upheavals or unrest, disruption to operations, supply chain shortages or delays, travel and trade restrictions, government or regulatory actions or inactions (including but not limited to, changes in taxation or policies, or delays in permitting or approvals, or mandated shut downs), declines in the price of precious metals, capital markets volatility, availability of credit, loss of investor confidence and impact on economic activity in affected countries or regions. In addition, such pandemics or diseases represent a serious threat to maintaining a skilled workforce in the mining industry and could be a major health-care challenge for the Company. There can be no assurance that the Company or the Company's personnel will not be impacted by these pandemic diseases and the Company may ultimately see its workforce productivity reduced or incur increased medical costs/insurance premiums as a result of these health risks. COVID-19 is rapidly evolving and the effects on the mining industry and the Company are uncertain. The Company may not be able to accurately predict the impact of infectious disease, including COVID-19, or the quantum of such risks. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about by pandemics on global financial markets, which may reduce resources, share prices and financial liquidity and may severely limit the financing capital available to the Company.

#### **Recent Accounting Pronouncements**

The Company is not aware of any recent accounting pronouncements expected to have a material impact on the consolidated financial statements.

**NOTE 2 - MINERAL PROPERTIES AND EQUIPMENT**

	<u>Mineral properties</u>	<u>Property and equipment</u>	<u>Total</u>
<b>Cost</b>			
As of December 31, 2021	\$ 12,077,511	\$ 338,204	\$ 12,415,715
Additions	46,884,775	838,991	47,723,766
As of December 31, 2022	58,962,286	1,177,195	60,139,481
Additions	0	0	0
<b>As of March 31, 2023</b>	<u><u>\$ 58,962,286</u></u>	<u><u>\$ 1,177,195</u></u>	<u><u>\$ 60,139,481</u></u>
<b>Accumulated depreciation</b>			
As of December 31, 2021	\$ 0	\$ 44,689	\$ 44,689
Depreciation expense	0	44,057	44,057
As of December 31, 2022	0	88,746	88,746
Depreciation expense	0	11,014	11,014
<b>As of March 31, 2023</b>	<u><u>\$ 0</u></u>	<u><u>\$ 99,760</u></u>	<u><u>\$ 99,760</u></u>
<b>Net book value on March 31, 2023</b>	<u><u>\$ 58,962,286</u></u>	<u><u>\$ 1,077,435</u></u>	<u><u>\$ 60,039,721</u></u>

On October 26, 2020, the Company completed its acquisition of Bullfrog Mines pursuant to the Membership Interest Purchase Agreement (the "MIPA") among the Company, Homestake Mining Company of California ("Homestake"), and Lac Minerals (USA) LLC ("Lac Minerals" and together with Homestake, the "Barrick Parties").

Pursuant to the MIPA, the Company purchased from the Barrick Parties all of the equity interests in Bullfrog Mines LLC for aggregate consideration of (i) 9,100,000 units of the Company, each unit consisting of one share of common stock of the Company and one four-year warrant purchase one share of common stock of the Company at an exercise price of C\$1.80 (such number of units and exercise price are set out on a pre Reverse Stock Split basis), (ii) a 2% net smelter returns royalty (the "Barrick Royalty") granted on all minerals produced from all of the patented and unpatented claims (subject to the adjustments set out below), pursuant to a royalty deed, dated October 26, 2020 by and among Bullfrog Mines and the Barrick Parties (the "Royalty Deed"), (iii) the Company granting indemnification to the Barrick Parties pursuant to an indemnity deed, dated October 26, 2020 by and among the Company, the Barrick Parties and Bullfrog Mines, and (iv) certain investor rights, including anti-dilution rights, pursuant to the investor rights agreement dated October 26, 2020, among the Company, Augusta Investments Inc., and Barrick Gold Corporation.

Pursuant to the Royalty Deed, the Barrick Royalty is reduced to the extent necessary so that royalties burdening any individual parcel or claim included in the Barrick Properties on October 26, 2020, inclusive of the Barrick Royalty, would not exceed 5.5% in the aggregate, provided that the Barrick Royalty in respect of any parcel or claim would not be less than 0.5%, even if the royalties burdening a parcel or claim included in the Barrick Properties would exceed 5.5%.

The following is the consideration paid in the Bullfrog Mines acquisition, which was allocated entirely to mineral properties:

<b>Consideration:</b>	
Grant date fair value of 9,100,000 units issued	\$ 8,342,880
Transaction fees	97,571
Asset retirement obligation	1,130,631
<b>Total</b>	<u><u>\$ 9,571,082</u></u>

On June 13, 2022, the Company completed the acquisition of the outstanding membership interests (collectively, the "CR Interests") of CR Reward LLC, a wholly-owned subsidiary of Waterton ("CR Reward"), pursuant to a membership interest purchase agreement with Waterton Nevada Splitter, LLC ("Waterton"). CR Reward holds the Reward Project located seven miles from the Company's Bullfrog Project in Nevada. The CR Interests were acquired for the following consideration: (a) \$12,500,000 in cash paid at the closing; plus (b) the issuance of 7,800,000 shares of Augusta Gold common stock at closing; plus (c) \$22,126,000 in cash paid on September 14, 2022 (comprising collectively the "Second Payment" and the "Deferred Payment").

Management has determined that the CR Reward acquisition does not constitute a business combination because the acquired assets do not contain processes sufficient to constitute a business in accordance with ASC 805. As a result, the consideration is measured based on the cost accumulation model and allocated to the acquired assets on the basis of relative fair value, with no resulting goodwill or bargain purchase gain being recognized. Share-based payments issued in conjunction with the acquisition are valued based on the fair value of the consideration issued, measured at the grant date in accordance with ASC 718.

The following is the consideration paid in the CR Reward acquisition:

**Consideration:**

Cash	\$ 12,500,000
Grant date fair value of 7,800,000 units issued	11,516,583
Transaction fees	61,488
Second Payment	4,626,000
Deferred Payment	17,500,000
<b>Total consideration</b>	<b>\$ 46,204,071</b>

**Net assets acquired**

Cash	\$ 1,299
Prepays	9,658
Property and plant	838,992
Mineral properties	46,465,056
Accounts payable	(10,500)
Asset retirement obligation	(1,100,434)
<b>Total net assets acquired</b>	<b>\$ 46,204,071</b>

The Company has posted several cash bonds as financial security to satisfy reclamation requirements. The balance of posted cash reclamation bonds at March 31, 2023 is \$1,115,813, for total coverage of \$3,188,036.

**NOTE 3 - STOCKHOLDER'S EQUITY**

On January 20, 2023, the Company closed its offering (the "Offering") of 6,725,147 units ("Units") of the Company at a price of C\$1.71 per Unit, including the units issued pursuant to the full exercise of the over-allotment option by the underwriters in the Offering (the "Underwriters"), for aggregate gross proceeds of approximately C\$11,500,000 before deducting Offering expenses.

In connection with the closing of the Offering, the Company entered into a Warrant Indenture dated January 20, 2023 (the "Warrant Indenture") with Endeavor Trust Corporation, as the warrant agent, pursuant to which the Company issued Warrants to purchase up to a maximum of 3,362,573 Warrant Shares. Each Warrant is exercisable at any time after January 20, 2023, and prior to January 20, 2026.

As compensation in connection to the Offering, the Company paid the Underwriters cash compensation equal to 5.0% of the aggregate gross proceeds of the Offering and issued to the Underwriters 336,257 common stock purchase warrants (the "Compensation Warrants"). Each Compensation Warrant is exercisable for one share of common stock (each, a "Compensation Warrant Share") for a period of 12 months following the closing of the Offering at a price of C\$1.71 per Compensation Warrant Share.

**Recent Sales of Unregistered Securities**

On June 13, 2022, 7,800,000 shares of common stock of the Company ("Common Shares") were issued for the purchase of CR Reward. See Note 2 for additional information.

In addition to the above, the Company issued the following common shares for the twelve months ending December 31, 2022, and three months ending March 31, 2023:

**Options converted to common shares (none)**

**Warrants converted to common shares**

<u>Date</u>	<u>Shares</u>		<u>Price</u>
June-22	208,334	CAD	\$ 1.80

**Preferred shares converted to common shares**

<u>Date</u>	<u>Shares</u>
May-22	677,084

### **Convertible Preferred Stock**

In August 2011, the Board of Directors designated 5,000,000 shares of Preferred Stock as Series A Preferred Stock. Each share of Series A Preferred Stock is convertible into one share of common stock at the option of the preferred holder. The Series A Preferred Stock is not entitled to receive dividends and does not possess redemption rights. The Company is prohibited from effecting the conversion of the Series A Preferred Stock to the extent that, as a result of the conversion, the holder of such shares would beneficially own more than 4.99% (or, if this limitation is waived by the holder upon no less than 61 days prior notice to us, 9.99%) in the aggregate of the issued and outstanding shares of our common stock. The holders of the Company's Series A Preferred Stock are also entitled to certain liquidation preferences upon the liquidation, dissolution or winding up of the business of the Company.

In October 2012, the Board of Directors designated 5,000,000 shares of Preferred Stock as Series B Preferred Stock. In July 2016, the Board of Directors increased the total Series B Preferred Stock designated to 7,500,000. Each share of Series B Preferred Stock is convertible into one share of common stock at the option of the preferred holder. The Series B Preferred Stock is not entitled to receive dividends and does not possess redemption rights. The Company is prohibited from effecting the conversion of the Series B Preferred Stock to the extent that, as a result of the conversion, the holder of such shares would beneficially own more than 4.99% (which may be increased or waived upon no less than 61 days prior notice) in the aggregate of the issued and outstanding shares of our common stock. For a period of 24 months from the issue date, the holder of Series B Preferred Stock were entitled to price protection as determined in the subscription agreement. The Company has evaluated this embedded lower price issuance feature in accordance with ASC 815 and determined that it is clearly and closely related to the host contract and is therefore accounted for as an equity instrument.

On May 4, 2022, 677,084 shares of Series B Preferred Stock were converted shares of common stock. As of March 31, 2023, there were no Preferred Stock shares outstanding.

### **Common Stock Options**

On February 22, 2021, the Company's Board of Directors approved a new stock option plan (the "Plan"). The aggregate number of shares of common stock of the Company (a "Share") that may be reserved for issuance pursuant to the Plan shall not exceed 10% of the number of Shares issued and outstanding from time to time.

The Company granted 350,000 options to an officer and an employee of the Company, pursuant to the terms of the Company's Stock Option Plan. The Black Scholes option pricing model was used to estimate the aggregate fair value of the June 2022 options of \$324,816 with the following inputs:

<b>Options</b>	<b>Exercise Price</b>	<b>Expected Life</b>	<b>Volatility</b>	<b>Risk Free Interest Rate</b>
350,000	C\$2.50	3.5 years	83.7%	2.94%

The Company granted 100,000 options to two employees of the Company, pursuant to the terms of the Company's Stock Option Plan. The Black Scholes option pricing model was used to estimate the aggregate fair value of the August 2022 options of \$99,021 with the following inputs:

<b>Options</b>	<b>Exercise Price</b>	<b>Expected Life</b>	<b>Volatility</b>	<b>Risk Free Interest Rate</b>
100,000	C\$1.96	3.5 years	80.3%	3.14%

### **Stock Option Repricing**

Effective September 29, 2022, the Company's board of directors repriced certain previously granted and still outstanding vested and unvested stock option awards under the Company's Plan held by current employees, officers and directors. As a result, the exercise price for these awards was lowered to C\$2.00 per share. No other terms of the repriced stock options were modified, and the repriced stock options will continue to vest according to their original vesting schedules and will retain their original expiration dates. As a result of the repricing, 4,541,667 vested and unvested stock options outstanding as of September 29, 2022, with original exercise prices of C\$3.00, were repriced.

The repricing on September 29, 2022, resulted in incremental stock-based compensation expense of \$480,250, of which \$188,233 related to vested stock option awards and was expensed on the repricing date, and \$292,017 related to unvested stock option awards is being amortized on a straight-line basis over the remaining vesting period of those awards ranging from 5 months to 23 months.

For the three months ended March 31, 2023 and 2022, the Company recognized share-based compensation expense related to the stock options of \$472,981, and \$438,522, respectively. The options are vested based on years of service, with certain options vested after two years and other options vested after three years.

### Stock Option Activity

A summary of the stock options as of March 31, 2023, and changes during the periods are presented below:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Balance at December 31, 2021	4,800,002	\$ 1.55	4.36	\$ 29,817
Exercised	0	0.00	0	0
Issued	450,000	C\$2.03	5	0
Canceled	50,000	C\$2.00	0	0
Balance at December 31, 2022	5,200,002	1.56	3.45	57,468
Exercised	0	0.00	0	0
Issued	0	0.00	0.00	0
Canceled	0	0.00	0	0
Balance at March 31, 2023	5,200,002	\$ 1.56	3.12	\$ 15,985
Options exercisable at March 31, 2023	3,658,335	\$ 1.54	3.31	\$ 15,985

Total outstanding warrants of 34,701,615 as of March 31, 2023, were as follows:

	Warrants Issued					Total
Warrants issued (includes expired warrants)	1,434,522	27,433,335	3,777,784	3,362,573	336,257	36,344,471
Issued date	1/16/2020	10/26/2020	3/4/2021	1/20/2023	1/20/2023	
Expiration date	1/15/2022	10/26/2024	3/4/2024	1/20/2026	1/20/2024	
Exercise price (Canadian \$)	\$ 1.20	\$ 1.80	\$ 2.80	\$ 2.30	\$ 1.71	
Balance at December 31, 2021	216,076	27,433,335	3,777,784			31,427,195
Exercised	0	208,334	0			208,334
Issued	0	0	0			0
Expired	216,076	0	0			216,076
Balance at December 31, 2022	0	27,225,001	3,777,784			31,002,785
Exercised	0	0	0			0
Issued	0	0	0	3,362,573	336,257	3,698,830
Expired	0	0	0			0
Balance at March 31, 2023	0	27,225,001	3,777,784	3,362,573	336,257	34,701,615

### NOTE 4 - DERIVATIVE FINANCIAL INSTRUMENTS

Warrants have an exercise price in Canadian dollars while the Company's functional currency is US dollars. Therefore, in accordance with ASU 815 - Derivatives and Hedging, the Warrants have a derivative liability value.

The value of the October 2020 Warrants of \$11,439,156 has been calculated on the date of issuance of October 26, 2020 using Black-Scholes valuation technique. For the three months ending March 31, 2023, the warrant liability was valued at \$7,008,142 with the following assumptions:

	<u>10/26/20</u>	<u>12/31/22</u>	<u>3/31/23</u>
Fair market value of common stock	\$ 1.26	\$ 1.40	\$ 1.09
Exercise price	\$ 1.38	\$ 1.33	\$ 1.33
Term	4 years	1.8 years	1.6 years
Volatility range	68.4%	101.5%	82.1%
Risk-free rate	0.18%	4.41%	4.06%

The value of the March 2021 Warrants of \$3,306,758 has been calculated on the date of issuance of March 4, 2021, using Black-Scholes valuation technique. For the three months ending March 31, 2023, the warrant liability was valued at \$552,870 with the following assumptions:

	<u>3/4/21</u>	<u>12/31/22</u>	<u>3/31/23</u>
Fair market value of common stock	\$ 1.97	\$ 1.40	\$ 1.09
Exercise price	\$ 2.21	\$ 2.07	\$ 2.07
Term	3 years	1.2 years	1.0 years
Volatility range	72.7%	116.0%	82.3%
Risk-free rate	0.32%	4.73%	4.64%

The value of the January 2023 Warrants of \$1,668,671 has been calculated on the date of issuance of January 20, 2023, using Black-Scholes valuation technique. For the three months ending March 31, 2023, the warrant liability was valued at \$1,499,678 with the following assumptions:

	<u>1/20/23</u>	<u>3/31/23</u>
Fair market value of common stock	\$ 1.13	\$ 1.09
Exercise price	\$ 1.71	\$ 1.70
Term	3.0 years	2.8 years
Volatility range	80.0%	79.1%
Risk-free rate	3.83%	3.81%

#### NOTE 5 - RELATED PARTY

On September 13, 2022, the Company entered into a secured note purchase agreement (the "Purchase Agreement") with Augusta Investments Inc. ("Augusta Investments"), of which is under common control of a director of Augusta Gold, to offer and sell a secured promissory note of the Company (the "Note") in exchange for Augusta Investments loaning the Company \$22,232,561 (the "Loan"). The Loan and the issuance of the Note occurred on September 13, 2022. The Company used the Loan to make the second payment and deferred payment to Waterton Nevada Splitter LLC ("Waterton") on September 13, 2022, in connection with the Company's acquisition of its Reward gold project that closed on June 13, 2022.

The Note bears interest at a rate of prime plus 3% and is for a maximum term of 12 months. The Note is secured by a first-priority, perfected security interest in all the assets of the Company pursuant to a guarantee and security agreement (the "Security Agreement") and certain deeds of trust (the "Deeds of Trust", collectively with the Purchase Agreement, the Note and the Security Agreement, the "Loan Documents").

The payment of the obligations of the Company under the Note is also guaranteed by each of the subsidiaries of the Company pursuant to the Security Agreement. The Company paid Augusta Investments an origination fee of 0.5% of the amount of the Loan on the closing of the issuance of the Note pursuant to the Purchase Agreement. The following is the balance of the Loan as of March 31, 2023:

Total principal	\$ 22,232,561
Deferred financing costs, net	(8,918)
Accrued interest	1,246,394
Total	<u>\$ 23,470,037</u>



On October 26, 2020, the Company entered an arrangement to share office space, equipment, personnel, consultants and various administrative services with other companies related by virtue of certain directors and management in common. These services have been provided through a management company equally owned by each company party to the arrangement. Costs incurred by the management company are allocated and funded by the shareholders of the management company based on time incurred and use of services. If the Company's participation in the arrangement is terminated, the Company will be obligated to pay its share of the rent payments for the remaining term of the office space rental agreement.

The Company was charged for the following with respect to this arrangement for the three months ended March 31, 2023 and 2022:

	<b>Three Months Ended</b>	
	<b>3/31/2023</b>	<b>3/31/2022</b>
Salaries and benefits	\$ 153,306	\$ 88,257
Office	27,228	10,840
Operating expenses	50,089	7,920
Total	<u>\$ 230,623</u>	<u>\$ 107,017</u>

The Company is committed to payments for office leases premises through 2024 in the total amount of approximately \$183,000 based on the Company's current share of rent paid. The Company is jointly liable for rent payments and uses the assets jointly. Payments by fiscal year are:

2023	95,557
2024	87,594
Total	<u>\$ 183,151</u>

For the three months ended March 31, 2023 and 2022, the Company recognized share-based payments expense to related parties of \$472,981 and \$438,522, respectively.

#### NOTE 6 - COMMITMENTS AND CONTINGENCIES

The Company has four leases which require annual advance royalty payments according to the following schedules. These leases are out of the scope of ASC 842 *Leases*, and any advance royalty paid is expensed off as exploration expenses. Once in production, each agreement attracts payment of net smelter royalties as per the following table.

	<u>Connolly</u>	<u>Webster(1)</u>	<u>Orser</u>	<u>Meeteren</u>	<u>Total</u>
2023	\$ 10,000	\$ 7,500	\$ 20,000	\$ 2,400	\$ 39,900
2024	-	-	\$ 20,000	\$ 2,400	\$ 22,400
2025	-	-	-	\$ 2,400	\$ 2,400
2026	-	-	-	\$ 2,400	\$ 2,400
2027	-	-	-	\$ 2,400	\$ 2,400
2028	-	-	-	\$ 2,400	\$ 2,400
2029	-	-	-	\$ 2,400	\$ 2,400
2030	-	-	-	\$ 2,400	\$ 2,400
Applicable NSRs	3.0%	3.0%	3.0%	3.0%	

(1) All amounts of annual advance minimum royalties paid during a calendar year shall be applied toward all amounts of earned mineral production royalties payable during that calendar year.

On July 1, 2017, RMM entered a 30-year Mineral Lease (the "Lunar Lease") with Lunar Landing, LLC ("Lunar") involving 24 patented mining claims underlying part of the Bullfrog property. Lunar owns a 100% undivided interest in the mining claims.

Under the Lunar Lease, RMM shall expend as minimum work commitments of \$50,000 per year starting in 2017 until a cumulative of \$500,000 of expense has been incurred. If RMM fails to perform its obligations under the Lunar Lease, and in particular fails to make any payment due to Lunar thereunder, Lunar may declare RMM in default by giving RMM written notice of default which specifies the obligation(s) which RMM has failed to perform. If RMM fails to remedy a default in payment within fifteen (15) days of receiving the notice of default or fails to remedy or commence to remedy any other default within thirty (30) days of receiving notice, Lunar may terminate the Lunar Lease and RMM shall peaceably surrender possession of the properties to Lunar. Notice of default or of termination shall be in writing and served in accordance with the Lunar Lease. RMM has made all required payments and has paid Lunar \$111,000 as of March 31, 2023, and makes lease payments on the following schedule:

<b>Payment due July</b>	<b>Annual Payment</b>
2023-2026	\$ 21,000
2027-2031	\$ 25,000
2032-2036	\$ 30,000
2037-2041	\$ 40,000
2042-2046	\$ 45,000

On October 29, 2014, RMM entered into an Option Agreement (the “Mojave Option”) with Mojave Gold Mining Corporation (“Mojave”). Mojave holds the purchase rights to 100% of 12 patented mining claims located in Nye County, Nevada. This property is contiguous to the Company’s Bullfrog Project and covers approximately 156 acres, including the northeast half of the M-S pit mined by Barrick Gold in the 1990s.

Mojave granted to RMM the sole and immediate working right and option with respect to the property until the 10th anniversary of the closing date, to earn a 100% interest in and to the property free and clear of all charges encumbrances and claims, except a sliding scale Net smelter return (or NSR) royalty.

In order to maintain in force, the working right and option granted to RMM, and to exercise the Mojave Option, the Company issued Mojave 750,000 shares of Company common stock and paid \$16,000 in October 2014, and RMM must pay to Mojave a total of \$190,000 over the next 10 years of which the Company has made all required payments and paid \$160,000 as of December 31, 2022, and one remaining payment for \$30,000 to be paid in 2023.

On December 9, 2020, Bullfrog Mines entered into a mining option agreement with Abitibi Royalties (USA) Inc. (“Abitibi”) granting Bullfrog Mines the option (the “Abitibi Option”) to acquire forty-three unpatented lode mining claims to the south of the Bullfrog deposit. The Abitibi Option was amended on December 9, 2022, to extend the exercise deadline and to increase the last payment amount required to exercise the option. Bullfrog Mines made an initial payment to Abitibi of C\$25,000 and exercised the Abitibi Option in full on January 30, 2023.

- Paying to Abitibi C\$50,000 in cash before December 9, 2021;
- Paying to Abitibi C\$78,750 in cash before January 30, 2023; and
- Granting to Abitibi a 2% net smelter royalty on the claims subject to the Abitibi Option on January 30, 2023, of which Bullfrog Mines has the option to purchase 0.5% for C\$500,000 on or before December 9, 2030.

The Company is from time to time involved in various legal proceedings related to its business. Except as disclosed here in, management does not believe that adverse decisions in any pending or threatened proceedings or that amounts that may be required to be paid by reason thereof will have a material adverse effect on the Company’s financial condition or results of operations.

#### **NOTE 7 - SUBSEQUENT EVENTS**

None

## ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*Certain statements in this Management's Discussion and Analysis ("MD&A"), other than purely historical information, including estimates, projections, statements relating to our business plans, objectives and expected operating results, and the assumptions upon which those statements are based, are "forward-looking statements". Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "would," "expect," "intend," "could," "estimate," "should," "anticipate," or "believe," and similar expressions. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events, or otherwise, except as may be required under applicable law. Readers should carefully review the risk factors and related notes included under Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2022, filed with the Securities and Exchange Commission on March 15, 2023.*

*The following MD&A is intended to help readers understand the results of our operation and financial condition, and is provided as a supplement to, and should be read in conjunction with, our Interim Unaudited Financial Statements and the accompanying Notes to Interim Unaudited Financial Statements under Part 1, Item 1 of this Quarterly Report on Form 10-Q.*

*Unless otherwise indicated or unless the context otherwise requires, all references in this document to "we," "us," "our," the "Company," and similar expressions refer to Augusta Gold Corp., and depending on the context, its subsidiaries.*

### **Company History and Recent Events**

#### **General Corporate Overview**

The Company is an exploration stage gold company focused on building a long-term business that delivers stakeholder value through developing the Company's Bullfrog and Reward gold projects and pursuing accretive merger and acquisition opportunities. We are focused on exploration and advancement of gold exploration and potential development projects, which may lead to gold production or strategic transactions such as joint venture arrangements with other mining companies or sales of assets for cash and/or other consideration. At present, our properties are in the exploration stage and we do not mine, produce or sell any mineral products and we do not currently generate cash flows from mining operations.

The Bullfrog Gold Project is located approximately 120 miles north-west of Las Vegas, Nevada and 4 miles west of Beatty, Nevada. The Reward Gold Project is located seven miles from the Bullfrog Gold Project. The Company owns, controls or has acquired mineral rights on federal patented and unpatented mining claims in the State of Nevada for the purpose of exploration and potential development of gold, silver, and other metals. The Company plans to review opportunities and acquire additional mineral properties with current or historic precious and base metal mineralization with meaningful exploration potential.

The Company is led by a management team and board of directors with a proven track record of success in financing, exploring and developing mining assets and delivering shareholder value.

#### **Recent Development of the Business**

On June 13, 2022, the Company closed (the "Closing") on its previously announced membership interest purchase agreement (the "Agreement") with Waterton Nevada Splitter, LLC ("Waterton") to acquire all of the outstanding membership interests (collectively, the "CR Interests") of CR Reward LLC, a wholly-owned subsidiary of Waterton ("CR Reward"). CR Reward holds the Reward Project located just seven miles from the Company's Bullfrog Project in Nevada.

The CR Interests were acquired for the following consideration:

- \$12,500,000 in cash (the "Closing Payment") paid at the Closing; plus

- Issuance of 7,800,000 shares of common stock of the Company (“Common Shares”) on the closing date (“Initial Payment Shares”) with an estimated fair value of \$11,516,583 based on the Company’s closing share price of C\$1.85 and a foreign exchange rate of C\$0.7981 to the US dollar on June 13, 2022 plus
- Cash of \$4,621,398, being \$15,000,000 less the deemed price per Common Share equal to the United States dollar equivalent (based on the Bank of Canada daily exchange rate for the conversion of Canadian dollars to United States dollars (the “Currency Exchange Rate”) on the business day immediately preceding the closing date) of \$1.33 for the 7,800,000 Initial Payment Shares. Such cash was paid September 2022; plus
- \$17,500,000 in cash (the “Deferred Payment”) was paid September 2022.

On September 13, 2022, the Company completed the Second Payment and the Deferred Payment to Waterton in an aggregate amount of \$22,121,398.

## **Results of Operations**

### ***Three Months Ended March 31, 2023 and 2022***

	<b>Three Months Ended</b>	
	<b>3/31/23</b>	<b>3/31/22</b>
Operating expenses		
General and administrative	\$ 1,315,572	\$ 1,067,879
Lease expense	0	0
Exploration, evaluation and project expense	724,270	338,639
Accretion expense	27,907	7,099
Depreciation expense	11,014	11,014
Total operating expenses	<u>2,078,763</u>	<u>1,424,631</u>
Net operating loss	(2,078,763)	(1,424,631)
Revaluation of warrant liability	8,223,387	(206,193)
Interest expense	(626,715)	0
Foreign currency exchange gain (loss)	(71,951)	209,611
Net income (loss)	<u>\$ 5,445,958</u>	<u>(\$ 1,421,213)</u>

For the three months ending March 31, 2023, the Company increased general and administrative expenses by approximately \$248,000. The increase was due to the following year over year variances:

<b>Three months ending</b>	<b>3/31/2023</b>	<b>3/31/2022</b>	<b>Variance</b>
Accounting fees	\$ 107,000	\$ 89,000	\$ 18,000
Legal and other professional fees	352,000	276,000	76,000
Marketing expense	8,000	14,000	(6,000)
Payroll	216,000	150,000	66,000
Corporate expenses & rent	77,000	19,000	58,000
Share based compensation	473,000	439,000	34,000
Insurance	38,000	42,000	(4,000)
Stock exchange fees	21,000	39,000	(18,000)
Other general expenses	24,000	0	24,000
Total	<u>\$ 1,316,000</u>	<u>\$ 1,068,000</u>	<u>\$ 248,000</u>

- Accounting fees increase resulted from additional consulting fees needed for required regulatory filings and compliance in 2023.
- Legal fees and professional fees increased due to costs associated with the January 2023 financing.
- Marketing expenses were lower as 2022 had additional amounts that were used for company and shareholder awareness projects.
- The payroll and corporate expenses result from the Company having an agreement to share office space, equipment, personnel, consultants and various administrative services for the Company’s head office located in Vancouver, BC, Canada. Management expects payroll costs to continue to be higher than prior periods due to increased personnel and consultants used in the quarter.

- The Company granted options to officers, directors and employees of the Company pursuant to the terms of the Company's Stock Option Plan. In September 2022 the options were repriced resulting in an increase in share based compensation.
- There were \$88,000 of other general expenses presented in the March 31, 2022, 10Q that were reclassified to payroll for this presentation.

For the three months ending March 31, 2023, the Company increased exploration, evaluation and project expenses by approximately \$248,000. The increase was due to the following year over year variances:

<b>Three months ending</b>	<b>3/31/2023</b>	<b>3/31/2022</b>	<b>Variance</b>
Drilling	\$ 0	\$ 1,000	\$ (1,000)
Consultants/Contractors	234,000	120,000	114,000
Supplies and equipment	68,000	57,000	11,000
Overhead and payroll	373,000	14,000	359,000
Permits and fees	21,000	7,000	14,000
Other	28,000	140,000	(112,000)
<b>Total</b>	<b>\$ 724,000</b>	<b>\$ 339,000</b>	<b>\$ 385,000</b>

In the first quarter of 2023, the Company continued with test work on the metallurgical drill samples, hydrogeologic modelling and geochemical characterization of the Bullfrog deposit. Preparation of technical reports for the CR Reward and Bullfrog projects continued. In addition, core drilling continued, focused on completing necessary geotechnical and hydro holes in support of permitting efforts.

The revaluation of the warrant liability is based on the following outstanding warrants:

<b>Issue Date</b>	<b>Expiration Date</b>	<b>Outstanding Warrants</b>	<b>Exercise Price</b>
October 2020	October 2024	18,125,001	C\$1.80
March 2021	March 2024	3,777,784	C\$2.80
January 2023	January 2026	3,362,573	C\$2.30

There are an additional 9,436,257 warrants outstanding which are not warrant liabilities and therefore have no effect on the revaluation of warrant liability.

### **Liquidity and Capital Resources**

The Company has no revenue generating operations from which it can internally generate funds. To date, the Company's ongoing operations have been financed by the sale of its equity securities by way of public offerings, private placements and the exercise of incentive stock options and share purchase warrants. The Company believes that it will be able to secure additional private placements and public financings in the future, although it cannot predict the size or pricing of any such financings. This situation is unlikely to change until such time as the Company can develop a bankable feasibility study on one of its projects.

On January 20, 2023, the Company closed its offering (the "Offering") of 6,725,147 units ("Units") of the Company at a price of C\$1.71 per Unit, including the units issued pursuant to the full exercise of the over-allotment option by the underwriters in the Offering (the "Underwriters"), for aggregate gross proceeds of approximately C\$11,500,000 before deducting Offering expenses.

In connection with the closing of the Offering, the Company entered into a Warrant Indenture dated January 20, 2023 (the "Warrant Indenture") with Endeavor Trust Corporation, as the warrant agent, pursuant to which the Company issued Warrants to purchase up to a maximum of 3,362,573 Warrant Shares. Each Warrant is exercisable at any time after January 20, 2023, and prior to January 20, 2026.

As compensation in connection to the Offering, the Company paid the Underwriters cash compensation equal to 5.0% of the aggregate gross proceeds of the Offering and issued to the Underwriters 336,257 common stock purchase warrants (the "Compensation Warrants"). Each Compensation Warrant is exercisable for one share of common stock (each, a "Compensation Warrant Share") for a period of 12 months following the closing of the Offering at a price of C\$1.71 per Compensation Warrant Share.

### Liquidity

As of March 31, 2023, the Company had total liquidity of \$3,600,000 in cash and cash equivalents. The Company had negative working capital of \$21,700,000 and an accumulated deficit of \$34,400,000. For the three months ended March 31, 2023, the Company had negative operating cash flows before changes in working capital of \$2,266,000 and a net income of \$5,446,000.

As of March 31, 2022, the Company had total liquidity of \$19,024,000 in cash and cash equivalents. The Company had working capital of \$17,665,000 and an accumulated deficit of \$21,595,000. For the three months ended March 31, 2022, the Company had negative operating cash flows before changes in working capital of \$758,000 and a net loss of \$1,412,000.

The Company expects that it will operate at a loss for the foreseeable future and believes the current cash and cash equivalents and working capital will be sufficient for it to maintain its currently held properties, fund its planned exploration, and fund its currently anticipated general and administrative costs for at least the next 12 months from the date of this report. However, the Company does expect that it will be required to raise additional funds through public or private equity financing in the future in order to continue in business in the future past the immediate 12-month period. Should such financing not be available in that timeframe, the Company will be required to reduce its activities and will not be able to carry out all of its presently planned exploration and, if warranted, development activities on its currently anticipated scheduling.

### Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development and exploration of its mineral properties and to maintain a flexible capital structure, which optimizes the costs of capital to an acceptable risk.

As of March 31, 2023, the capital structure of the Company consists of 85,959,753 shares of common stock, par value \$0.0001. The Company manages the capital structure and adjusts it in response to changes in economic conditions, its expected funding requirements, and risk characteristics of the underlying assets. The Company's funding requirements are based on cash forecasts. In order to maintain or adjust the capital structure, the Company may issue new debt, new shares and/or consider strategic alliances. Management reviews its capital management approach on a regular basis. The Company is not subject to any externally imposed capital requirements.

### Contractual obligations and commitments

The Company's contractual obligations and commitments as of March 31, 2023, and their approximate timing of payment are as follows:

	<u>&lt;1 year</u>	<u>1 - 3 years</u>	<u>4 - 5 years</u>	<u>&gt;5 years</u>	<u>Total</u>
Leases	\$ 116,557	\$ 150,594	\$ 50,000	\$ 650,000	\$ 967,151
Capital Expenditure	30,000	-	-	-	30,000
	<u>\$ 146,557</u>	<u>\$ 150,594</u>	<u>\$ 50,000</u>	<u>\$ 650,000</u>	<u>\$ 997,151</u>

### Off Balance Sheet Arrangements

We do not engage in any activities involving variable interest entities or off-balance sheet arrangements.

### Critical Accounting Policies and Use of Estimates

Stock based compensation is measured at grant date, based on the fair value of the award, and is recognized as an expense over the employee's requisite service period. We estimate the fair value of each stock option as of the date of grant using the Black-Scholes pricing model. The Company determines the expected life based on historical experience with similar awards, giving consideration to the contractual terms, vesting schedules and post-vesting forfeitures. The Company uses the risk-free interest rate on the implied yield currently available on U.S. Treasury issues with an equivalent remaining term approximately equal to the expected life of the award. The Company has never paid any cash dividends on its common stock and does not anticipate paying any cash dividends in the foreseeable future.

Mineral property exploration costs are expensed as incurred until such time as economic reserves are quantified. To date, the Company has not established any proven or probable reserves on its mineral properties. Costs of lease, exploration, carrying and retaining unproven mineral lease properties are expensed as incurred. The Company has chosen to expense all mineral exploration costs as incurred given that it is still in the exploration stage. Once the Company has identified proven and probable reserves in its investigation of its properties and upon development of a plan for operating a mine, it would enter the development stage and capitalize future costs until production is established. When a property reaches the production stage, the related capitalized costs will be amortized over the estimated life of the probable-proven reserves. When the Company has capitalized mineral properties, these properties will be periodically assessed for impairment of value and any diminution in value. To date, the Company has not established the commercial feasibility of any exploration prospects; therefore, all exploration costs are being expensed.

### **ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURES AND MARKET RISK**

Not Applicable.

### **ITEM 4 - CONTROLS AND PROCEDURES**

#### **Disclosure Controls and Procedures**

As required by Rule 13a-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") our management conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of March 31, 2023.

Disclosure controls and procedures refer to controls and other procedures designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating and implementing possible controls and procedures.

Our management does not expect that our disclosure controls and procedures will prevent all error and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. The design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

With respect to the quarterly period ending September 30, 2022, under the supervision and with the participation of our management, we conducted an evaluation of the effectiveness of the design and operations of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) promulgated under the Exchange Act. Based upon our evaluation regarding the quarterly period ending March 31, 2023, our management, including our chief executive officer and chief financial officer, has concluded that its disclosure controls and procedures were effective in ensuring that: (i) information required to be disclosed by us in reports that we file or submit to the SEC under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in applicable rules and forms and (ii) material information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow for accurate and timely decisions regarding required disclosure.

#### **Changes in Internal Controls**

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, the Company's internal controls over financial reporting.

## PART II. OTHER INFORMATION

### ITEM 1 - LEGAL PROCEEDINGS

We know of no material, active or pending legal proceedings against the Company, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which any of our directors, officers or affiliates, or any registered or beneficial shareholder, is an adverse party or has a material interest adverse to our interest.

### ITEM 1A - RISK FACTORS

There have been no material changes to the risk factors set forth in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022. The risks described in our Annual Report and as otherwise herein are not the only risks facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially adversely affect our business, financial condition, cash flows, and/or future results.

### ITEM 2 - UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

### ITEM 3 - DEFAULTS UPON SENIOR SECURITIES

None

### ITEM 4 - MINE SAFETY DISCLOSURES

Pursuant to Section 1503(a) of the United States *Dodd-Frank Wall Street Reform and Consumer Protection Act of 2011* (the “Dodd-Frank Act”), issuers that are operators, or that have a subsidiary that is an operator, of a coal or other mine in the United States are required to disclose in their periodic reports filed with the SEC information regarding specified health and safety violations, orders and citations, related assessments and legal actions, and mining-related fatalities under the regulation of the Federal Mine Safety and Health Administration (“MSHA”) under the *United States Federal Mine Safety and Health Act of 1977* (the “Mine Act”). During the three months ended March 31, 2023, we had no U.S. properties subject to regulation by the MSHA under the Mine Act and consequently no disclosure is required under Section 1503(a) of the Dodd-Frank Act.

### ITEM 5 - OTHER INFORMATION

None

### ITEM 6 - EXHIBITS

<b>Exhibit Number</b>	<b>Description</b>
3.1	<a href="#">Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q, filed with the SEC on May 11, 2021)</a>
3.2	<a href="#">Amended and Restated Bylaws (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed with the SEC on August 13, 2021)</a>
4.1	<a href="#">Form of Warrant from October 2020 Private Placement (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed with the SEC on October 15, 2020)</a>
4.2	<a href="#">Form of Warrant from March 2021 Private Placement (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed with the SEC on March 5, 2021)</a>
4.3	<a href="#">Form of Warrant Indenture dated January 20, 2023 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed with the SEC on January 20, 2023)</a>
4.4	<a href="#">Form of Compensation Warrant Certificate (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K, filed with the SEC on January 20, 2023)</a>
31.1	<a href="#">Certification of Chief Executive Officer filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*</a>
31.2	<a href="#">Certification of Chief Financial Officer filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*</a>
32.1	<a href="#">Certification of Chief Executive Officer filed pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002*</a>
32.2	<a href="#">Certification of Chief Financial Officer filed pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002*</a>
101.INS	Inline XBRL Instance Document*
101.SCH	Inline XBRL Taxonomy Extension Schema Document*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)*

\* Filed herewith



**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: May 8, 2023

**AUGUSTA GOLD CORP.**

By: /s/ Donald R. Taylor

Name: Donald R. Taylor

Title: President and Chief Executive Officer  
(Principal Executive Officer)

Date: May 8, 2023

**AUGUSTA GOLD CORP.**

By: /s/ Michael McClelland

Name: Michael McClelland

Title: Chief Financial Officer (Principal Financial  
and Accounting Officer)

## CERTIFICATION

I, Donald R. Taylor, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Augusta Gold Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2023

By: /s/ Donald R. Taylor

Donald R. Taylor  
Chief Executive Officer  
(Principal Executive Officer)

## CERTIFICATION

I, Michael McClelland, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Augusta Gold Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2023

By: /s/ Michael McClelland  
Michael McClelland  
Chief Financial Officer  
(Principal Financial and Accounting Officer)

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Augusta Gold Corp. (the "Company"), for the fiscal quarter ended March 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Donald R. Taylor, Chief Executive Officer of the Company, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Date: May 8, 2023

By: /s/ Donald R. Taylor  
Donald R. Taylor  
Chief Executive Officer  
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Augusta Gold Corp. (the “Company”), for the fiscal quarter ended March 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Michael McClelland, Chief Financial Officer of the Company, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Date: May 8, 2023

By: /s/ Michael McClelland  
Michael McClelland  
Chief Financial Officer  
(Principal Financial and Accounting Officer)