



CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Funds)

For the Three Months Ended March 31, 2023 and 2022

Newcore Gold Ltd.
CONDENSED INTERIM CONSOLIDATED BALANCE SHEETS
(Expressed in Canadian Funds)

| | March 31, 2023 | December 31, 2022 |
|---|---------------------------|----------------------|
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | \$ 823,982 | \$ 586,138 |
| Short-term investment (<i>Note 4</i>) | 1,450,000 | 3,000,000 |
| GST and other receivables | 12,495 | 11,826 |
| Prepaid expenses | 309,225 | 352,389 |
| | <u>2,595,702</u> | <u>3,950,353</u> |
| Non-current assets | | |
| Property, plant and equipment | 259,946 | 261,219 |
| Exploration and evaluation assets (<i>Note 5</i>) | 40,994,040 | 40,301,415 |
| | <u>43,849,688</u> | <u>44,512,987</u> |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| Current liabilities | | |
| Trade and other payables | \$ 207,849 | \$ 380,517 |
| Non-current liability | | |
| Provision for bonus payment | 112,457 | 112,457 |
| | <u>320,306</u> | <u>492,974</u> |
| Shareholders' equity | | |
| Share capital (<i>Note 6</i>) | 46,522,600 | 46,513,600 |
| Share-based payments reserve | 4,545,432 | 4,391,054 |
| Warrants reserve | 2,460,252 | 2,460,252 |
| Accumulated other comprehensive income | 3,976,367 | 4,009,424 |
| Accumulated deficit | (13,975,269) | (13,354,317) |
| | <u>43,529,382</u> | <u>44,020,013</u> |
| | <u>\$ 43,849,688</u> | <u>\$ 44,512,987</u> |

On behalf of the Audit Committee:

"Douglas Forster"

Director

"Edward Farrauto"

Director

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

Newcore Gold Ltd.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in Canadian Funds)

FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022

| | Common shares | | Share-based payments reserve | Warrants reserves | Accum. other comprehensive income | Accumulated deficit | Total |
|-------------------------------------|--------------------|----------------------|------------------------------------|----------------------|---|------------------------|----------------------|
| | Number | Amount | | | | | |
| Balance – January 1, 2022 | 120,276,800 | \$ 40,805,957 | \$ 3,935,787 | \$ 2,460,252 | \$ 2,607,442 | \$ (10,729,180) | \$ 39,080,258 |
| Share-based compensation | - | - | 330,577 | - | - | - | 330,577 |
| Exercise of options | 549,999 | 479,390 | (211,891) | - | - | - | 267,499 |
| Foreign currency translation | - | - | - | - | (459,259) | - | (459,259) |
| Net loss for the period | - | - | - | - | - | (710,125) | (710,125) |
| Balance - March 31, 2022 | 120,826,799 | 41,285,347 | 4,054,473 | 2,460,252 | 2,148,183 | (11,439,305) | 38,508,950 |
| Issuance of common shares: | | | | | | | |
| on public offering | 16,700,000 | 5,010,000 | - | - | - | - | 5,010,000 |
| Share issuance costs | - | (430,220) | - | - | - | - | (430,220) |
| Share-based compensation | - | - | 715,054 | - | - | - | 715,054 |
| Exercise of options | 600,000 | 490,140 | (220,140) | - | - | - | 270,000 |
| Exercise of performance share units | 100,000 | 54,000 | (54,000) | - | - | - | - |
| Exercise of restricted share units | 149,998 | 104,333 | (104,333) | - | - | - | - |
| Foreign currency translation | - | - | - | - | 1,861,241 | - | 1,861,241 |
| Net loss for the period | - | - | - | - | - | (1,915,012) | (1,915,012) |
| Balance – December 31, 2022 | 138,376,797 | \$ 46,513,600 | \$ 4,391,054 | \$ 2,460,252 | \$ 4,009,424 | \$ (13,354,317) | \$ 44,020,013 |

| | Common shares | | Share-based payments reserve | Warrants reserves | Accum. other comprehensive income | Accumulated deficit | Total |
|------------------------------------|--------------------|----------------------|------------------------------------|----------------------|---|------------------------|----------------------|
| | Number | Amount | | | | | |
| Balance – January 1, 2023 | 138,376,797 | \$ 46,513,600 | \$ 4,391,054 | \$ 2,460,252 | \$ 4,009,424 | \$ (13,354,317) | \$ 44,020,013 |
| Share-based compensation | - | - | 163,378 | - | - | - | 163,378 |
| Exercise of restricted share units | 16,666 | 9,000 | (9,000) | - | - | - | - |
| Foreign currency translation | - | - | - | - | (33,057) | - | (33,057) |
| Net loss for the period | - | - | - | - | - | (620,952) | (620,952) |
| Balance – March 31, 2023 | 138,393,463 | \$ 46,522,600 | \$ 4,545,432 | \$ 2,460,252 | \$ 3,976,367 | \$ (13,975,269) | \$ 43,529,382 |

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

Newcore Gold Ltd.**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

(Expressed in Canadian Funds)

FOR THE THREE MONTHS ENDED MARCH 31

| | 2023 | 2022 |
|---|--------------------|--------------------|
| EXPENSES | | |
| Share-based compensation | \$ 130,289 | \$ 281,959 |
| Management fees | 194,065 | 182,337 |
| Shareholder relations, marketing and conferences | 108,472 | 116,656 |
| Accounting and audit fees | 8,503 | 27,226 |
| Travel | 11,946 | 13,334 |
| Office | 19,585 | 27,098 |
| Consultants | - | 4,681 |
| Insurance | 15,882 | 13,771 |
| Legal | 5,637 | 982 |
| Transfer agent and regulatory fees | 13,604 | 12,139 |
| Amortization | 1,841 | 2,399 |
| Foreign exchange loss (gain) | 124,087 | 32,318 |
| | <u>\$ 633,911</u> | <u>\$ 714,900</u> |
| OTHER INCOME | | |
| Interest income | (12,959) | (4,775) |
| Loss for the period | \$ 620,952 | \$ 710,125 |
| Items that will be reclassified subsequently to profit or loss: | | |
| Foreign currency translation | 33,057 | 459,259 |
| Comprehensive loss for the period | 654,009 | 1,169,384 |
| Loss per share – basic and diluted | \$ 0.00 | \$ 0.01 |
| Weighted average number of shares outstanding: | | |
| Basic and diluted | 138,383,318 | 120,305,841 |

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

Newcore Gold Ltd.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Funds)
FOR THE THREE MONTHS ENDED MARCH 31

| | 2023 | 2022 |
|--|-------------------|-------------------|
| CASH PROVIDED BY (USED IN): | | |
| Cash flows from operating activities: | | |
| Net loss for the period | \$ (620,952) | \$ (710,125) |
| Non-cash item: | | |
| Amortization | 1,841 | 2,399 |
| Unrealized foreign exchange | 248,086 | 51,277 |
| Share-based compensation | 130,289 | 281,959 |
| Changes in non-cash working capital: | | |
| Trade and other receivables | (669) | (3,784) |
| Prepaid expenses | 43,164 | 20,099 |
| Trade and other payables | 16,839 | (386,793) |
| | <u>(181,402)</u> | <u>(744,968)</u> |
| Cash flows from investing activities: | | |
| Redemption of short-term investment | 1,550,000 | 2,200,000 |
| Exploration and evaluation costs | (882,100) | (1,723,939) |
| | <u>667,900</u> | <u>476,061</u> |
| Cash flows from financing activities: | | |
| Exercise of stock options | - | 267,499 |
| | <u>-</u> | <u>267,499</u> |
| Effect of exchange rate on cash | (248,654) | (76,243) |
| | <u>237,844</u> | <u>(77,651)</u> |
| Decrease in cash and cash equivalents | 237,844 | (77,651) |
| Cash and cash equivalents – beginning of period | 586,138 | 775,007 |
| Cash and cash equivalents – end of period | \$ 823,982 | \$ 697,356 |

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

Newcore Gold Ltd.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Funds)

FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022

1. NATURE OF OPERATIONS

Newcore Gold Ltd. (formerly Pinecrest Resources Ltd.) (“Newcore” or the “Company”) and its subsidiary engage principally in the advancement, and development of its 100% owned Enchi Gold Project (“Enchi” or the “Project”) in southwest Ghana. Newcore Gold Ltd., the parent, was incorporated by a Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (British Columbia) on January 18, 2010. Newcore is a public company listed on the TSX Venture Exchange (the “Exchange”) (TSX-V: NCAU) and also trades on the OTCQX® Best Market in the United States (OTCQX: NCAUF). Its head office is located at 1560 - 200 Burrard Street, Vancouver, British Columbia, V6C 3L6.

2. BASIS OF PRESENTATION

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS”) as applicable to interim financial reports, including International Accounting Standard 34, Interim Financial Reporting. They do not include all of the information and footnotes required by the IFRS as issued by the International Accounting Standards Board for full annual financial statements and should be read in conjunction with the Company’s annual consolidated financial statements for the year ended December 31, 2021. The same accounting policies and methods of computation are used in the preparation of these unaudited condensed interim consolidated financial statements as for the most recent audited annual financial statements and reflect all the adjustments necessary for fair presentation in accordance with IFRS for the interim periods presented.

The unaudited condensed interim consolidated financial statements were authorized for issue by the Audit Committee on May 25, 2023.

3. SUMMARY OF SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in conformity with IFRS 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 dates of the financial statements and the reported amounts of expenses during the reported years. Actual results could differ from those estimates. The most significant areas where management judgment is applied in these financial statements is the assessment of whether there are any indicators of impairment of exploration and evaluation assets.

At each reporting period end, management applies judgment in assessing whether there are any indicators of impairment relating to exploration and evaluation assets. If there are indicators of impairment, the recoverable amount of the related asset is estimated in order to determine the extent of any impairment. Indicators of impairment may include (i) the period during which the entity has the right to explore in the specific area has expired during the period or will expire in the near future and is not expected to be renewed, (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned, (iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and (iv) sufficient data exist to indicate that the carrying amount of the mining claims and deferred exploration costs is unlikely to be recovered in full from successful development or by sale. No impairment indicators were identified by management as at March 31, 2023.

4. SHORT TERM INVESTMENT

A guaranteed investment certificate (“GIC”) with a principal value of \$1,450,000 (2022 - \$3,000,000) is held with a Canadian chartered bank as of March 31, 2023. The GIC matures in July 2023 and is redeemable at any time without penalty.

Newcore Gold Ltd.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Funds)

FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022

5. EXPLORATION AND EVALUATION ASSETS

Acquisition costs and exploration and evaluation expenditures associated with the Enchi Gold Project are as follows:

| | March 31 | December 31 |
|--|----------------------|---------------|
| | 2023 | 2022 |
| Acquisition costs | | |
| Balance, beginning of period | \$ 8,356,926 | \$ 8,356,926 |
| Balance, end of period | \$ 8,356,926 | \$ 8,356,926 |
| Exploration and evaluation expenditures | | |
| Balance, beginning of period | \$ 28,073,336 | \$ 23,366,723 |
| Camp costs | 67,601 | 370,048 |
| Consulting | 15,927 | 15,070 |
| Drilling | 179,252 | 1,725,113 |
| Geological | 78,315 | 663,072 |
| General and administration | 9,130 | 62,883 |
| Management fees | - | 185,264 |
| Mining permits and licenses | 2,678 | 93,199 |
| Public relations | 0 | 6,578 |
| Resource estimate | 63,755 | 102,534 |
| Salaries and wages | 231,612 | 1,044,692 |
| Share-based compensation | 33,089 | 177,896 |
| Vehicle rental | 47,947 | 260,264 |
| Balance, end of period | \$ 28,802,642 | \$ 28,073,336 |
| Foreign exchange impact | 3,834,472 | 3,871,153 |
| Total exploration and evaluation assets | \$ 40,994,040 | \$ 40,301,415 |

The Enchi Gold Project is subject to the following royalties:

- A 5% royalty on revenues due to the Government of Ghana;
- A 2% net smelter returns royalty (the “NSR”) on production from the Project held by Triple Flag Precious Metals Corp. (with 1% subject to a buy-back option for a lump sum payment of US\$3.5 million at any time held by Sandstorm Gold Ltd.);
- A payment of US\$10 per ounce of gold (held by Kinross Gold Corporation) on any new NI 43-101 Measured and Indicated Mineral Resource Estimate included in a Feasibility Study or any ounce of gold mined, whichever occurs first. Such amount would be payable in cash or, at the Company’s option, in common shares provided that such issuance would not result in the recipient holding more than 20% of the issued and outstanding shares of the Company; and
- A 2% royalty, up to a maximum amount of USD\$500,000, on future production from one of the Enchi Project licenses held by an arm’s length party.

Government of Ghana's participation in mining lease

Where a mineral right is for mining or exploitation, the Government of Ghana is entitled to a 10% free carried interest in the rights and obligations of the mineral operations in respect of which financial contribution shall not be paid by the Government of Ghana. The Company presently holds prospecting licenses, which do not entitle the Government of Ghana to a 10% free carried interest.

Newcore Gold Ltd.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Funds)

FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022

6. SHARE CAPITAL

The authorized share capital of the Company is comprised of an unlimited number of common and preferred shares without par value.

Private Placements

On July 12, 2022, the Company completed a bought deal prospectus offering. The Company issued a total of 16,700,000 common shares of the Company at a price of \$0.30 per common share for gross proceeds to the Company of \$5,010,000. Total share issue costs in connection with the offering amounted to \$430,220. Certain directors and management of the Company purchased an aggregate of 283,327 common shares pursuant to the offering.

Long-term Incentive Plan

Effective August 19, 2020, the Company adopted a long-term incentive plan (the “Incentive Plan”). The aggregate number of shares to be reserved and set aside for issue upon the exercise or redemption and settlement for all awards granted under the Incentive Plan is fixed at 16,000,000, of which up to a maximum of 3,000,000 shares may be set aside for issue upon the exercise or redemption and settlement of Deferred Share Units (“DSUs”), Performance Share Units (“PSUs”), and Restricted Share Units (“RSUs”), collectively, the “Share Unit Awards”. The Share Unit Awards can be settled through a delivery of cash, common shares, or any combination thereof, at the sole discretion of the Board. As the Company intends to settle any vested Share Unit Award through the issuance of common shares, Newcore has accounted for these awards as equity-settled instruments. To date, the Company has not granted any DSUs under the Incentive Plan.

Stock Options

A summary of the Company’s stock option activities for the three months ended March 31, 2023 and the year ended December 31, 2022 are as follows:

| | <u>Three Months ended March 31, 2023</u> | | <u>Year ended December 31, 2022</u> | |
|-----------------------------------|--|---------------------------------|-------------------------------------|---------------------------------|
| | Number of options | Weighted average exercise price | Number of options | Weighted average exercise price |
| Balance as at beginning of period | 9,430,000 | \$ 0.45 | 10,189,999 | \$ 0.30 |
| Granted | - | - | 1,690,000 | 0.47 |
| Exercised | - | - | (1,149,999) | - |
| Forfeited | - | - | - | 0.45 |
| Expired | - | - | (1,300,000) | - |
| Balance as at end of period | 9,430,000 | \$ 0.42 | 9,430,000 | \$ 0.42 |

Newcore Gold Ltd.**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Funds)

FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022**6. SHARE CAPITAL – cont’d.**Stock Options – cont’d

As at March 31, 2023, the following stock options were outstanding and vested:

| Exercise price | December 31, 2022 | Granted | Exercised | Forfeited | Expired | March 31, 2023 | Expiry date | Remaining contractual life in years | Number of options vested |
|----------------|-------------------|---------|-----------|-----------|---------|------------------|---------------------------------|-------------------------------------|--------------------------|
| \$ 0.25 | 4,300,000 | | - | - | | 4,300,000 | May 19, 2025 | 2.14 | 2,866,666 |
| \$ 0.79 | 1,400,000 | | | - | | 1,400,000 | August 20, 2025 | 2.39 | 933,333 |
| \$ 0.75 | 750,000 | | | - | | 750,000 | September 3, 2025 | 2.43 | 500,000 |
| \$ 0.61 | 100,000 | | | - | | 100,000 | December 15, 2025 | 2.71 | 66,666 |
| \$ 0.54 | 1,190,000 | | | - | | 1,190,000 | August 19, 2026 | 3.39 | 396,666 |
| \$ 0.30 | 1,690,000 | | | | | 1,690,000 | August 18, 2027 | 4.39 | - |
| | 9,430,000 | - | - | - | - | 9,430,000 | | | 4,763,331 |
| \$ 0.42 | \$ - | \$ - | \$ - | \$ 0.49 | \$ - | \$ 0.42 | Weighted average exercise price | | |

During the three months ended March 31, 2023, there was no stock option activity.

During the year ended December 31, 2022, the Company granted 1,690,000 stock options to officers, consultants, of the Company with an exercise price of \$0.30 per share. The stock options have an expiry of five years and will vest equally over three years beginning from the grant date.

During the year ended December 31, 2022, 1,149,999 stock options with an exercise price ranging from \$0.45 to \$0.53 per common share were exercised by consultants of the Company for gross proceeds of \$537,499. The market price on the dates of exercise ranged from \$0.51 to \$0.54.

Restricted Share Units

A summary of the Company’s RSU activities for the three months ended March 31, 2023 and the year ended December 31, 2022 is presented below:

| | Three Months ended March 31, 2023 | Year ended December 31, 2022 |
|-----------------------------------|--|---|
| | Number of units | Number of units |
| Balance as at beginning of period | 1,456,669 | 1,386,667 |
| Granted | - | 320,000 |
| Exercised (equity-settled) | (16,666) | (149,998) |
| Expired or cancelled | - | (100,000) |
| Balance as at end of period | 1,440,003 | 1,456,669 |

Newcore Gold Ltd.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Funds)

FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022

6. SHARE CAPITAL – cont'd.

Restricted Share Units – cont'd

The RSUs granted vest equally over three years beginning one year from the grant date. The Company expects to settle the RSUs through the issuance of shares and as such has accounted for these awards as equity-settled instruments. The fair value of the RSU is based on the share price at the time of grant and the total fair value is amortized over the RSU vesting period on a graded method. There were no RSUs awarded in 2023.

Performance Share Units

A summary of the Company's PSU activities for the three months ended March 31, 2023 and the year ended December 31, 2022 is presented below:

| | Three Months ended | Year ended |
|-----------------------------------|---------------------------|--------------------------|
| | March 31, 2023 | December 31, 2022 |
| | Number of units | Number of units |
| Balance as at beginning of period | 550,000 | 650,000 |
| Granted | - | - |
| Exercised (equity-settled) | - | (100,000) |
| Balance as at end of period | 550,000 | 550,000 |

The Company expects to settle the PSUs through the issuance of shares and as such has accounted for these awards as equity-settled instruments. The fair value of the PSU is based on the share price at the time of grant and the total fair value is amortized over the PSU vesting period on a straight-line method. There were no PSUs awarded in 2023.

Share-based Compensation

The weighted average fair value of the stock options granted during the year ended December 31, 2022 is \$0.14 per share. Options are valued using the Black-Scholes option pricing model. The fair value of options granted during the year ended December 31, 2022 were estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions:

| | Three Months ended | Year ended |
|--|---------------------------|--------------------------|
| | March 31, 2023 | December 31, 2022 |
| Weighted average risk-free rate | n/a | 3.06% |
| Weighted average expected option life | n/a | 5 years |
| Weighted average expected stock volatility | n/a | 71% |
| Weighted average expected dividend yield | n/a | Nil |

The Company amortizes the total fair value of options and RSUs granted over the graded vesting schedule. The fair value of PSUs is amortized over the straight-line schedule. Consequently, the total compensation expense recognized for options, RSUs, and PSUs during the three months ended March 31, 2023 was \$163,378 (2022 - \$330,577). Of the total compensation recorded, \$130,289 (2022 - \$281,959) was charged to operations and \$33,089 (2022 - \$48,618) was capitalized to mineral interests.

Newcore Gold Ltd.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Funds)

FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022

7. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

Key management personnel include members of the Board, the President and Chief Executive Officer, the Chief Financial Officer, the VP Exploration and the VP Business Development and Investor Relations. The aggregate total compensation paid, or payable to key management for management and employee services during the three months ended March 31 was as follows:

| | 2023 | 2022 |
|--|-------------------|------------|
| Short-term salaries and benefits | \$ 54,064 | \$ 58,834 |
| Share-based compensation | 127,510 | 280,284 |
| Consulting fees paid to key management | 140,001 | 127,502 |
| | \$ 321,575 | \$ 466,620 |

8. CAPITAL MANAGEMENT

The Company's objectives in managing its capital resources are to safeguard the entity's ability to continue as a going concern and maximize returns to shareholders in the context of the market. The Company satisfies its capital requirements through careful management of its cash resources and by utilizing equity issues, as necessary, based on the prevailing economic conditions of both the industry and the capital markets and the underlying risk characteristics of the related assets. The Company's principal source of capital is from the issuance of common shares. To meet the objectives, management monitors the Company's ongoing capital requirements against net working capital and assesses additional capital requirements on a case-by-case basis. The Company is not subject to any externally imposed capital requirements. The capital structure of the Company consists of equity attributable to common shareholders comprising issued capital, warrants reserve, share-based payments reserve, accumulated other comprehensive income, and accumulated deficit.

9. FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) Financial Instruments by Category

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Short-term investment and trade and other payables are the same as or approximately equal to their respective fair values due to their short-term maturity. The carrying values of the Company's financial assets and financial liabilities are approximately equal to their fair values.

(b) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company ensures there is sufficient capital to meet short-term business requirements. One of management's goals is to maintain an optimal level of liquidity through the active management of the Company's assets, liabilities, and cash flows. The Company's cash which is held as bank deposits are available on demand to fund the Company's short-term financial obligations.

Newcore Gold Ltd.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Funds)

FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022

9. FAIR VALUE OF FINANCIAL INSTRUMENTS – cont'd

(c) Credit Risk and Concentration Risk

The Company's credit risk is primarily attributable to its cash, short-term investments, and loan receivable. The risk exposure is limited to their carrying values at the balance sheet date. Cash and short-term investments are held with counterparties that carry investment grade ratings as assessed by external rating agencies. The Company does not invest in asset-backed deposits or investments. Concentration risk exists in cash and short-term investments because significant balances are maintained with one financial institution. The risk is mitigated because the instruments are maintained with a large Canadian financial institution.

(d) Market Risks

The significant market risk to which the Company is exposed is interest rate risk. The Company's interest rate risk arises primarily from the interest earned on cash and cash equivalents and short-term investment. Deposits are invested on a short-term basis to enable adequate liquidity for payment of operational and capital expenditures. The Company's short-term investment are funds invested in GIC's. Other financial assets and liabilities of the Company are not subject to interest rate risk since they do not bear interest.

10. SEGMENTED INFORMATION

The Company's operations are in one segment, the acquisition, exploration, evaluation, and development of mineral resource properties. Consistent with December 31, 2022, the Company has two geographic locations at March 31, 2023: Canada and Ghana. The total assets and liabilities attributable to the graphic locations relates primarily to the exploration and evaluation assets held by the Company which have been disclosed in Note 5.

| | | March 31, 2023 | December 31, 2022 |
|-------------------|----|-------------------|----------------------|
| <i>Canada</i> | | | |
| Total assets | \$ | 2,032,088 | \$ 3,437,432 |
| Total liabilities | \$ | 300,244 | \$ 283,405 |
| <i>Ghana</i> | | | |
| Total assets | \$ | 41,817,600 | \$ 41,075,555 |
| Total liabilities | \$ | 20,062 | \$ 209,569 |

The following geographic data denotes net losses based on their country of origin for the three months ended March 31:

| | | 2023 | 2022 |
|---------------------|----|----------------|------------|
| Canada | \$ | 492,098 | \$ 678,696 |
| Ghana | | 128,854 | 31,429 |
| Loss for the period | \$ | 620,952 | \$ 710,125 |