



G2 GOLDFIELDS INC.

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED NOVEMBER 30, 2022**

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

G2 Goldfields Inc.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

	As at November 30, 2022	As at May 31, 2022 (audited)
ASSETS		
<i>Current</i>		
Cash	\$ 8,378,795	\$ 1,252,612
Short-term investments (note 3)	70,051	64,063
Amounts receivable (note 4)	57,636	69,839
Due from related parties (note 13)	142,527	142,527
Prepays	162,635	35,830
Total current assets	8,811,644	1,564,871
<i>Non-Current</i>		
Fixed assets (note 5)	512,150	230,498
Mining interests (note 6)	21,716,627	16,101,243
Total non-current assets	22,228,777	16,331,741
Total assets	\$ 31,040,421	\$ 17,896,612
LIABILITIES		
<i>Current</i>		
Accounts payable and accrued liabilities	\$ 1,977,547	\$ 831,134
Due to related parties (note 13)	71,190	136,415
Total current liabilities	2,048,737	967,549
Total liabilities	2,048,737	967,549
SHAREHOLDERS' EQUITY		
Share capital (note 7)	70,899,885	57,856,667
Warrants (note 8)	795,514	679,662
Contributed surplus (note 11 and 12)	10,424,394	10,224,749
Deficit	(51,840,043)	(49,767,924)
Cumulative Translation Adjustment	(1,288,066)	(2,064,091)
Total shareholders' equity	28,991,684	16,929,063
Total liabilities and shareholders' equity	\$ 31,040,421	\$ 17,896,612

Nature of Operations (note 1)
Subsequent events (note 14)

Approved on behalf of the Board:

"Bruce Rosenberg"

Director

"Daniel Noone"

Director

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

G2 Goldfields Inc.
Condensed Interim Consolidated Statements of Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Three Months Ended November 30,		Six Months Ended November 30,	
	2022	2021	2022	2021
Revenue				
Royalties	\$ 88,086	\$ 68,419	\$ 170,185	\$ 165,197
Operating expenses				
Share-based compensation (note 11 and 12)	519,337	289,959	626,694	460,762
Professional fees	160,055	79,937	223,573	96,442
Wages and employee benefits	212,487	120,062	349,249	304,048
Office rent and utilities	50,414	53,555	100,904	119,169
Office and administrative	108,388	103,695	262,964	164,429
Transfer agent and filing fees	100,622	65,534	153,593	84,179
Insurance	4,687	6,397	8,848	9,630
Investor and community relations	108,681	25,164	238,728	78,833
Interest expense	3,876	4,915	6,837	8,099
Depreciation	15,930	13,983	29,877	26,921
Total operating loss	(1,196,391)	(694,782)	(1,831,082)	(1,187,315)
Unrealized gain (loss) on short-term investments	801	(5,125)	988	(9,187)
Impairment of mining interests (note 6)	(193,822)	-	(193,822)	-
(Loss) gain on foreign exchange	(47,906)	5,575	(48,203)	16,168
Net loss for the period	(1,437,318)	(694,332)	(2,072,119)	(1,180,334)
Other comprehensive loss				
Cumulative translation adjustment	285,038	86,404	776,025	205,130
Loss and comprehensive loss for the period	\$ (1,152,280)	\$ (607,928)	\$ (1,296,094)	\$ (975,204)
Loss and comprehensive loss per share				
- basic and diluted (note 9)	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding				
- basic and diluted (note 9)	164,410,598	132,321,593	158,540,905	129,621,992

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

G2 Goldfields Inc.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

Six Months Ended November 30,	2022	2021
Operating activities		
Net loss for the period	\$ (2,072,119)	\$ (1,180,334)
Items not affecting cash:		
Depreciation (note 5)	29,877	26,921
Share-based compensation (notes 11 and 12)	626,694	460,762
Impairment of mining interests (note 6)	193,822	-
Unrealized (gain) loss on short-term investments	(988)	9,187
	(1,222,714)	(683,464)
<i>Changes in non-cash working capital items:</i>		
Amounts receivable	12,203	55,339
Due from related parties	-	(15,487)
Due to related parties	(65,225)	(117,037)
Prepaid expenses	(126,805)	50,421
Accounts payable and accrued liabilities	1,146,413	95,332
Net cash provided by (used in) operating activities	(256,128)	(614,896)
Investing activities		
Mining interests	(4,683,847)	(2,105,930)
Redemption (Purchase) of short-term investments	(5,000)	5,000
Fixed assets	(289,870)	(33,312)
Net cash used in investing activities	(4,978,717)	(2,134,242)
Financing activities		
Private placements	13,370,020	-
Share issue costs	(769,999)	-
Proceeds from stock options exercised	132,000	352,000
Proceeds from warrants exercised	-	1,581,250
Net cash provided by financing activities	12,732,021	1,933,250
Effects of foreign currency translation	(370,993)	51,375
Net change in cash and cash equivalents	7,126,183	(764,513)
Cash, beginning of period	1,252,612	2,037,445
Cash, end of period	\$ 8,378,795	\$ 1,272,932

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

G2 Goldfields Inc.
Condensed Interim Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)
(Unaudited)

	Number of Shares	Share Capital	Warrants	Contributed Surplus	Deficit	Cumulative Translation Adjustment	Total
Balance, May 31, 2021	126,556,758	\$ 52,013,845	\$ 1,679,424	\$ 8,775,464	\$ (47,564,247)	\$ (2,006,734)	\$ 12,897,752
RSUs converted	100,000	17,000	-	(17,000)	-	-	-
Exercise of stock options	1,270,000	527,460	-	(175,460)	-	-	352,000
Exercise of warrants	5,525,000	2,031,426	(450,176)	-	-	-	1,581,250
Warrants expired	-	-	(1,249)	1,249	-	-	-
Stock based compensation (notes 11 and 12)	-	-	-	460,762	-	-	460,762
Net loss for the period	-	-	-	-	(1,180,334)	205,130	(975,204)
Balance November 30, 2021	133,451,758	\$ 54,589,731	\$ 1,227,999	\$ 9,045,015	\$ (48,744,581)	\$ (1,801,604)	\$ 14,316,560

	Number of Shares	Share Capital	Warrants	Contributed Surplus	Deficit	Cumulative Translation Adjustment	Total
Balance, May 31, 2022	141,601,758	\$ 57,856,667	\$ 679,662	\$ 10,224,749	\$ (49,767,924)	\$ (2,064,091)	\$ 16,929,063
RSUs converted	500,000	365,000	-	(365,000)	-	-	-
Exercise of stock options	330,000	194,049	-	(62,049)	-	-	132,000
Units issued for private placement (note 7)	22,283,366	13,254,168	115,852	-	-	-	13,370,020
Share issue costs (note 7)	-	(769,999)	-	-	-	-	(769,999)
Stock based compensation (notes 11 and 12)	-	-	-	626,694	-	-	626,694
Net loss for the period	-	-	-	-	(2,072,119)	776,025	(1,296,094)
Balance November 30, 2022	164,715,124	\$ 70,899,885	\$ 795,514	\$ 10,424,394	\$ (51,840,043)	\$ (1,288,066)	\$ 28,991,684

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

G2 Goldfields Inc.
Notes to Condensed Interim Consolidated Financial Statements
Three and Six Months Ended November 30, 2022
(Expressed in Canadian Dollars)
(Unaudited)

1. NATURE OF OPERATIONS

G2 Goldfields Inc. ("G2" or the "Company") was incorporated as 7177411 Canada Corporation on May 21, 2009, under the laws of Canada. The Company is primarily engaged in the business of acquiring and exploring mineral properties. The common shares of the Company trade on the TSX Venture Exchange under the symbol "GTWO".

The head office, principal address, and records office of the Company are located at 141 Adelaide Street West, Suite 1101, Toronto, Ontario, Canada, M5H 3L5.

The extent of the impact of the COVID-19 pandemic is still unknown, as the ultimate duration and magnitude of the impact on the economy, capital markets and the Company's financial position cannot be reasonably estimated at this time. The situation remains dynamic, and the Company is continuing to monitor developments and adapting its business plans accordingly. While the extent of the impact is unknown, the actual and threatened spread of COVID-19 globally could adversely impact the Company's ability to carry out its plans and raise capital. Exploration activities in Guyana remain to be operational as the Company has setup an isolated camp to continue its drill program.

These unaudited condensed consolidated interim financial statements were authorized for issuance by the Board on January 25, 2023.

2. BASIS OF PREPARATION

These unaudited condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain disclosures included in the Company's annual consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been condensed or omitted. These condensed consolidated interim financial statements should be read in conjunction with the Company's annual consolidated financial statements for the year ended May 31, 2022, which include information necessary or useful to understanding the Company's business and financial statement presentation.

The accounting policies applied in the preparation of these unaudited condensed consolidated interim financial statements are consistent with those applied and disclosed in the Company's consolidated financial statements for the year ended May 31, 2022, except for the adoption of new amendments to IFRS standards as set out below.

In preparing these unaudited condensed consolidated interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates. The critical judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied and disclosed in the Company's consolidated financial statements for the year ended May 31, 2022.

Adoption of Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)

The Company adopted Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) on June 1, 2022. These amendments clarify the accounting for the net proceeds from selling any items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management. The amendments prohibit entities from deducting amounts received from selling items produced from the cost of property, plant and equipment while the Company is preparing the asset for its intended use. Instead, sales proceeds and the cost of producing these items will be recognized in the consolidated statement of operations. The amendments did not have any impact on the Company's consolidated financial statements upon adoption.

G2 Goldfields Inc.
Notes to Condensed Interim Consolidated Financial Statements
Three and Six Months Ended November 30, 2022
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2. BASIS OF PREPARATION (CONTINUED)

Other Narrow Scope Amendments to IFRSs and IFRS Interpretations

The Company adopted various amendments to IFRSs, which were effective for accounting periods beginning on or after June 1, 2022. The impact of adoption was not significant to the Company's consolidated financial statements.

New and Revised IFRSs, Narrow Scope Amendments to IFRSs and IFRS Interpretations not yet Effective

Certain pronouncements have been issued by the IASB that are mandatory for accounting periods after December 31, 2022. Management is still evaluating and does not expect any such pronouncements to have a significant impact on the Company's consolidated financial statements upon adoption.

3. SHORT-TERM INVESTMENTS

Short-term investments consist of marketable securities and Canadian Guaranteed Investments ("GICs") which have been designate as fair value through profit and loss. As at each period end, short-term investments are recorded at fair value, with changes recognized in the statement of loss and comprehensive loss. The fair value of marketable securities are determined using the last bid price and the fair value of GICs are determined by reference to the risk-free market rate of interest at period end. Short-term investments are composed of the following:

November 30, 2022	Number of securities	Cost	Fair Market Value
Big River Gold Ltd.	62,500	\$ 211,604	\$ 20,051
GICs	-	50,000	50,000
	62,500	\$ 261,604	\$ 70,051

May 31, 2022	Number of securities	Cost	Fair Market Value
Big River Gold Ltd.	62,500	\$ 211,604	\$ 19,063
GICs	-	45,000	45,000
	62,500	\$ 256,604	\$ 64,063

During the six months ended November 30, 2022, a gain on marketable securities totaling \$988 (May 31, 2022 - loss of \$2,937) was recognized in the unaudited condensed interim consolidated statements of loss and comprehensive loss.

4. AMOUNTS RECEIVABLE

	As at November 30, 2022	As at May 31, 2022
Receivables	\$ 31,598	\$ 25,681
Harmonized sales tax - Canada	26,038	44,158
Total	\$ 57,636	\$ 69,839

G2 Goldfields Inc.
Notes to Condensed Interim Consolidated Financial Statements
Three and Six Months Ended November 30, 2022
(Expressed in Canadian Dollars)
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5. FIXED ASSETS

Cost	Furniture and equipment	Machinery and equipment	Vehicles	Total
Balance, May 31, 2022	\$ 8,490	\$ 208,713	\$ 148,724	\$ 365,927
Additions	1,714	229,804	58,352	289,870
Foreign currency adjustment	601	19,470	11,229	31,300
Balance, November 30, 2022	\$ 10,805	\$ 457,987	\$ 218,305	\$ 687,097

Accumulated Amortization	Furniture and equipment	Machinery and equipment	Vehicles	Total
Balance, May 31, 2022	\$ 2,618	\$ 84,671	\$ 48,140	\$ 135,429
Depreciation	570	13,417	15,890	29,877
Foreign currency adjustment	186	5,895	3,560	9,641
Balance, November 30, 2022	\$ 3,374	\$ 103,983	\$ 67,590	\$ 174,947

Carrying amounts

Balance, May 31, 2022	\$ 5,872	\$ 124,042	\$ 100,584	\$ 230,498
Balance, November 30, 2022	\$ 7,431	\$ 354,004	\$ 150,715	\$ 512,150

6. MINING INTERESTS

The Company enters into exploration agreements or permits with other companies or foreign governments under which it may explore or earn interests in mineral properties by issuing common shares and making an option or rental payments and incurring expenditures in varying amounts by varying dates. Failure by the Company to meet such requirements can result in a reduction or loss of the Company's ownership interests or entitlements under the agreements or permits.

	Guyana Projects
Balance, May 31, 2022	\$16,101,243
Additions	4,683,847
Impairment	(193,822)
Foreign currency adjustment	1,125,359
Balance, November 30, 2022	\$21,716,627

Guyana Projects, Guyana, South America

There are currently artisanal workings on one of the properties and the operators pay production royalties to the Company which are reflected as royalty revenue.

The Oko Option Agreement

Through the Oko option agreement (which was executed on December 22, 2017), the Company has the right to acquire a 100% interest in 8 mining permits. The Oko option agreement is subject to the following payments to the owner of such permits:

- i. A cash payment of US\$50,000 on the date of signing (paid by Ontario Inc.); and
- ii. US\$100,000 on the first anniversary (paid by Ontario Inc.), US\$200,000 on the second anniversary (paid), US\$200,000 on the third anniversary (paid) and US\$200,000 (paid) on the fourth anniversary.

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6. MINING INTERESTS (CONTINUED)

Guyana Projects, Guyana, South America (continued)

The Oko Option Agreement (continued)

Once the above payments are made and upon the notification to the owner of the determination of gold resources greater than 250,000 ounces, the Company can exercise its option and is then subject to a Net Smelter Royalty (NSR) payment of US\$1,000,000 to the owner. After the exercise, the Company will be subject to a 2 ½% NSR on all marketable minerals derived from the properties. The Company can purchase this NSR through a US\$5,000,000 cash payment to the owner.

The Jubilee Option Agreement

On November 19, 2019, the Company entered into the Jubilee option agreement. In accordance with the agreement, the Company has the right to acquire a 100% interest in 7 mining permits. The Jubilee option agreement is subject to the following payments to the owner of such permits: (i) A cash payment of US\$25,000 on the date of signing (paid); and (ii) US\$50,000 on the first anniversary (paid), US\$100,000 on the second anniversary (paid), US\$300,000 on the third anniversary.

Once the above payments are made and upon the notification to the owner of the determination of gold resources greater than 150,000 ounces, the Company can exercise its option. After the exercise, the Company will be subject to a 2% NSR on all marketable minerals derived from the properties. The Company can purchase this NSR through a US\$2,000,000 cash payment to the owner.

During the six months ended November 30, 2022, the Company did not complete the 3rd anniversary payment which terminated the option agreement. The Company recorded \$193,822 of impairment loss included in the condensed interim consolidated statements of comprehensive loss.

The Ghanie Option Agreement

On February 25, 2020, the Company entered into the Ghanie option agreement. In accordance with the agreement, the Company has the right to acquire a 100% interest in 4 mining permits. The Ghanie option agreement is subject to the following payments to the owner of such permits:

- i. A cash payment of US\$15,000 on the date of signing (paid); and
- ii. US\$25,000 on the first anniversary (paid), US\$100,000 on the second anniversary (paid), US\$75,000 on the third anniversary and US\$100,000 on the fourth anniversary.

Once the above payments are made and upon the notification to the owner of the determination of gold resources greater than 150,000 ounces, the Company can exercise its option. After the exercise, the Company will be subject to a 2% NSR on all marketable minerals derived from the properties. The Company can purchase this NSR through a US\$2,000,000 cash payment to the owner.

Amsterdam Properties

On November 19, 2021, the Company indirectly entered into an option agreement in respect of the "Amsterdam properties". In connection with the option agreement on the "Amsterdam properties", the equivalent of US\$100,000 was paid upon signing and a 100% interest in such properties may be acquired by making additional payments totaling US\$1,075,000 based on the payment terms set out below and having a mineral resource of more than 150,000 ounces of gold in a technical report prepared in accordance with National Instrument 43-101 standards. The owner retains a 2.5% NSR, which can be purchased for US\$3 million. The option agreement terminates if the option is not exercised before November 19, 2028.

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6. MINING INTERESTS (CONTINUED)

Guyana Projects, Guyana, South America (continued)

Amsterdam Properties (continued)

The payment terms totalling US\$1,075,000 are as follows: US\$150,000 on the first anniversary (paid); US\$225,000 on the second anniversary; US\$300,000 on the third anniversary; and US\$400,000 on the fourth anniversary.

7. SHARE CAPITAL

Authorized share capital

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

Common shares issued

	Number of Shares	Share Capital
Balance, May 31, 2021	126,556,758	\$ 52,013,845
RSU's converted	100,000	17,000
Stock options exercised	1,270,000	527,460
Warrants exercised	5,525,000	2,031,426
Balance, November 30, 2021	133,451,758	\$ 54,589,731

	Number of Shares	Share Capital
Balance, May 31, 2022	141,601,758	\$ 57,856,667
RSU's converted	500,000	365,000
Stock options exercised	330,000	194,049
Common shares issued for private placements	22,283,366	13,370,020
Warrants issued for private placements	-	(115,852)
Share issue costs	-	(769,999)
Balance November 30, 2022	164,715,124	\$ 70,899,885

2022 activity

During the six months ended November 30, 2021, 5,525,000 warrants with an exercise price between \$0.20 and \$0.35 were exercised for gross proceeds of \$1,581,250. The fair value of the warrants exercised was \$450,176 which was reallocated from warrants to share capital.

During the six months ended November 30, 2021, 1,270,000 stock options with an exercise price of \$0.21 and \$0.40 were exercised for gross proceeds of \$352,000. The fair value of the stock options exercised was \$175,460 which was reallocated from contributed surplus to share capital.

During the six months ended November 30, 2021, 100,000 RSUs were vested and the corresponding 100,000 common shares were issued from treasury. The fair value of the RSUs exercised was \$17,000 which was reallocated from contributed surplus to share capital.

G2 Goldfields Inc.
Notes to Condensed Interim Consolidated Financial Statements
Three and Six Months Ended November 30, 2022
(Expressed in Canadian Dollars)
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7. SHARE CAPITAL (CONTINUED)

2023 activity

On August 4, 2022, G2 completed the second tranche and final tranche of the non-brokered private placement (the "Offering"). The Company raised a total of \$13,370,020 pursuant to the Offering. The first tranche of the Offering closed on July 15, 2022 and consisted of 19,733,401 common shares of the Company at a price of \$0.60 per share, for gross proceeds of \$11,840,041. The second tranche consisted of 2,549,965 common shares at a price of \$0.60 per share, for gross proceeds of \$1,529,979. In connection with the closing of the first tranche and second tranche of the Offering, Stephen Stow, a director of the Company, purchased 416,800 common shares for an aggregate subscription price of \$250,080. In connection with the closing of the second tranche of the Offering, Patrick Sheridan, Executive Chairman of the Company, purchased 1,700,000 common shares for an aggregate subscription price of \$1,020,000.

The Company issued an aggregate of 954,990 broker warrants. Each broker warrant entitles the holder thereof to purchase one Share at a price of \$0.70 per share until July 15, 2023. The broker warrants were valued at \$115,852.

The fair value of the broker warrants was estimated using the Black-Scholes option pricing model with the following assumptions: share price of \$0.55 for broker warrants; expected dividend yield of 0%; risk-free interest rate of 3.20%; volatility of 74.64% and an expected life of 1.0 year.

During the six months ended November 30, 2022, 500,000 RSUs were vested and the corresponding 500,000 common shares were issued from treasury. The fair value of the RSUs exercised was \$365,000 which was reallocated from contributed surplus to share capital.

During the six months ended November 30, 2022, 330,000 stock options with an exercise price of \$0.40 were exercised for gross proceeds of \$132,000. The fair value of the stock options exercised was \$62,049 which was reallocated from contributed surplus to share capital.

8. WARRANTS

	Number of Warrants	Weighted Average Exercise Price
Balance, May 31, 2021	10,910,634	\$ 0.59
Expired	(12,500)	0.35
Exercised	(5,525,000)	0.29
Balance, November 30, 2021	5,373,134	0.92
Balance, May 31, 2022	6,800,000	1.20
Issued (note 7)	954,990	0.70
Balance November 30, 2022	7,754,990	\$ 1.14

Expiry Date	Exercise Price (\$)	Black Scholes / Fair Value (\$)	Number of Warrants Outstanding
July 15, 2023	0.70	115,852	954,990
January 6, 2024	1.20	223,637	2,250,000
January 28, 2024	1.20	456,025	4,550,000
		795,514	7,754,990

G2 Goldfields Inc.
Notes to Condensed Interim Consolidated Financial Statements
Three and Six Months Ended November 30, 2022
(Expressed in Canadian Dollars)
(Unaudited)

9. LOSS PER SHARE

The calculation of basic and diluted loss per share for the three and six months ended November 30, 2022 was based on the loss attributable to common shares of \$1,437,318 and \$2,072,119, respectively (three and six months ended November 30, 2021 – loss of \$694,332 and \$1,180,334, respectively) and the weighted average number of common shares outstanding of 164,410,598 and 158,540,905, respectively (three and six months ended November 30, 2021 – 132,321,593 and 129,621,992, respectively). Diluted loss did not include the effect of stock options, RSUs and warrants for the three and six months ended November 30, 2022 and November 30, 2021, as they are anti-dilutive.

10. SEGMENTED INFORMATION

November 30, 2022	Canada	Guyana
Revenue	\$ -	\$ 170,185
Loss for the period	\$ (2,018,956)	\$ (53,163)
Total assets	\$ 8,720,062	\$ 22,320,359

November 30, 2021	Canada	Guyana
Revenue	\$ -	\$ 165,197
Loss for the period	\$ (1,166,739)	\$ (13,595)
Total assets	\$ 1,394,227	\$ 13,925,166

11. STOCK OPTIONS

The Company has a formal stock option plan (the "Plan"). The number of common shares reserved for issuance to any one insider, within a one-year period, pursuant to options granted under the Plan must not exceed 5% of the outstanding issue. The number of common shares reserved for issuance to insiders, within a one-year period, pursuant to options granted under the Plan must not exceed 10% of the outstanding issue. The option price of the common shares shall be fixed by the Board of Directors of the Company but must not be less than the closing price of the common shares on the TSX-V on the day immediately preceding the date of grant.

The Company issued stock options to acquire common shares as follows:

	Number of Stock options	Weighted Average Exercise Price (\$)
Balance, May 31, 2021	8,250,000	0.42
Issued (i)(ii)(iii)	1,025,000	0.58
Expired	(543,750)	0.31
Forfeited	(56,250)	0.50
Exercised (note 7)	(1,270,000)	0.28
Balance, November 30, 2021	7,405,000	0.47

	Number of Stock options	Weighted Average Exercise Price (\$)
Balance, May 31, 2022	5,930,000	0.51
Issued (iv)(v)(vi)(vii)	6,700,000	0.74
Expired	(1,025,000)	0.40
Exercised (note 7)	(330,000)	0.40
Balance, November 30, 2022	11,275,000	0.66

11. STOCK OPTIONS (CONTINUED)

(i) On June 25, 2021, the Company granted an aggregate of 50,000 options to an employee of the Company with such options being exercisable at a price of \$0.50 per share until June 24, 2024 and vesting as to one-quarter immediately and one-quarter after 6, 12 and 18 months respectively from the date of grant. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.51; expected dividend yield of 0%; risk-free interest rate of 0.63%; volatility of 112% and an expected life of 3.00 years. The fair value assigned to these options was \$17,145.

(ii) On July 27, 2021, the Company announced that Carmelo Marrelli had been appointed as the Company's Chief Financial Officer. Mr. Marrelli succeeded Paul Murphy, who retired from the position. In connection with his appointment, Mr. Marrelli was granted 150,000 options exercisable at a price of \$0.50 per share until July 27, 2024 and vesting as to one-quarter immediately and one-quarter after 6, 12 and 18 months respectively from the date of grant. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.49; expected dividend yield of 0%; risk-free interest rate of 0.54%; volatility of 109% and an expected life of 3.00 years. The fair value assigned to these options was \$48,147.

(iii) On August 25, 2021, the Company granted an aggregate of 825,000 options to directors, officers, employees and consultants of the Company, with such options being exercisable at a price of \$0.60 per share until August 25, 2024 and vesting as to one-quarter immediately and one-quarter after 6, 12 and 18 months respectively from the date of grant. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.51; expected dividend yield of 0%; risk-free interest rate of 0.57%; volatility of 107% and an expected life of 3.00 years. The fair value assigned to these options was \$260,666.

(iv) On September 2, 2022, the Company granted an aggregate of 750,000 options to a consultant of the Company with such options being exercisable at a price of \$0.63 per share until September 2, 2025 and vesting as to one-quarter immediately and one-quarter after 6, 12 and 18 months respectively from the date of grant. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.61; expected dividend yield of 0%; risk-free interest rate of 3.53%; volatility of 94.03% and an expected life of 3.00 years. The fair value assigned to these options was \$274,384.

(v) On November 8, 2022, the Company granted an aggregate of 3,000,000 options to officers and directors of the Company with such options being exercisable at a price of \$0.75 per share until November 8, 2025 and vesting as to one-third after 6, 12 and 18 months from the date of grant. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.55; expected dividend yield of 0%; risk-free interest rate of 4.10%; volatility of 93.42% and an expected life of 3.00 years. The fair value assigned to these options was \$894,068.

(vi) On November 23, 2022, the Company granted an aggregate of 750,000 options to directors and an officer of the Company with such options being exercisable at a price of \$0.75 per share until November 23, 2025 and vesting as to one-quarter immediately and one-quarter after 6, 12 and 18 months respectively from the date of grant. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.63; expected dividend yield of 0%; risk-free interest rate of 3.70%; volatility of 92.88% and an expected life of 3.00 years. The fair value assigned to these options was \$267,157.

(vii) On November 28, 2022, the Company granted an aggregate of 2,200,000 options to consultants and employees of the Company with such options being exercisable at a price of \$0.75 per share until November 28, 2025 and vesting as to one-quarter immediately and one-quarter after 6, 12 and 18 months respectively from the date of grant. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.62; expected dividend yield of 0%; risk-free interest rate of 3.67%; volatility of 92.91% and an expected life of 3.00 years. The fair value assigned to these options was \$766,532.

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11. STOCK OPTIONS (CONTINUED)

The following table reflects the actual stock options issued and outstanding as of November 30, 2022:

Expiry Date	Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)
March 6, 2023	0.18	0.26	225,000	225,000
March 11, 2023	0.21	0.28	475,000	475,000
August 13, 2023	0.75	0.70	1,000,000	1,000,000
November 19, 2023	0.52	0.97	1,150,000	1,150,000
December 8, 2023	0.52	1.02	125,000	125,000
June 25, 2024	0.50	1.57	50,000	37,500
July 27, 2024	0.50	1.66	150,000	112,500
August 25, 2024	0.60	1.74	775,000	581,250
December 13, 2024	0.50	2.04	125,000	62,500
March 5, 2025	0.54	2.26	150,000	75,000
March 17, 2025	0.60	2.30	200,000	100,000
April 28, 2025	0.80	2.41	150,000	100,000
September 2, 2025	0.63	2.76	750,000	187,500
November 8, 2025	0.75	2.94	3,000,000	-
November 23, 2025	0.75	2.98	750,000	187,500
November 28, 2025	0.75	3.00	2,200,000	550,000
Total	0.66	2.21	11,275,000	4,968,750

Total share-based compensation recognized in the consolidated statements of loss and comprehensive loss from the vesting of stock options during the three and six months ended November 30, 2022 was \$501,285 and \$580,709, respectively (three and six months ended November 30, 2021 - \$203,185 and \$319,680, respectively).

12. RESTRICTED SHARE UNITS (RSUs)

The Company has a formal restricted share unit plan (the "RSU Plan"). The maximum number of common shares available for issuance from treasury under the RSU Plan shall be the lesser of (i) 7,300,000 common shares; and (ii) such number of common shares, when combined with all other common shares subject to grants made under the Company's other share compensation arrangements, as is equal to 10% of the aggregate number of common shares issued and outstanding from time to time.

The grant of RSUs under the RSU Plan is subject to a restriction such that (i) the number of RSUs granted to insiders of the Company within any one year period, and (ii) the number of common shares reserved for issuance under RSUs granted to insiders of the Company at any time, in each case under the RSU Plan when combined with all of the other share compensation arrangements, shall not exceed 10% of the Company's total issued and outstanding shares, respectively.

The total number of RSUs granted to any one individual under the RSU Plan within any one year period shall not exceed 5% of the total number of common shares issued and outstanding at the grant date. The maximum number of RSUs which may be granted to any one consultant within any one year period must not exceed in the aggregate 2% of the common shares issued and outstanding as at the grant date.

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12. RESTRICTED SHARE UNITS (RSUs) (CONTINUED)

As of November 30, 2022, 960,000 RSUs were outstanding (May 31, 2022 – 1,460,000) and 860,000 RSUs were exercisable (May 31, 2022 – 1,239,999). Total share-based compensation recognized in the unaudited condensed interim consolidated statement of loss and comprehensive loss from the vesting of RSUs during the three and six months ended November 30, 2022 was \$18,052 and \$45,985, respectively (three and six months ended November 30, 2021 - \$86,774 and \$141,082, respectively).

Movements in RSUs are summarized below:

	Number of RSUs
Balance, May 31, 2021	1,200,000
Exercised	(100,000)
Granted (i)(ii)	160,000
Balance, November 30, 2021	1,260,000
Balance, May 31, 2022	1,460,000
Exercised (note 7)	(500,000)
Balance, November 30, 2022	960,000

(i) On June 25, 2021, the Company awarded 60,000 RSUs to employees of the Company with a maturity date that is 15 months from the grant date. 1/3 of the RSUs vest after each 3, 9 and 15 months after the date of grant. The fair value of the RSUs granted was \$30,600 and were valued based on the fair market value of one common share on the date of grant.

(ii) On August 25, 2021, the Company awarded 100,000 RSUs to a consultant of the Company with a maturity date that is 15 months from the grant date. 1/3 of the RSUs vest after 3, 9 and 15 months respectively from the date of grant. The fair value of the RSUs granted was \$51,000 and were valued based on the fair market value of one common share on the date of grant.

13. RELATED PARTY TRANSACTIONS

The Company has identified its directors and certain senior officers as its key management personnel. The compensation cost for key management personnel is as follows:

Six Months Ended November 30,	2022	2021
Salaries and fees	\$ 258,495	\$ 105,000
Stock-based compensation	154,960	243,918
	\$ 413,455	\$ 348,918
Three Months Ended November 30,	2022	2021
Salaries and fees	\$ 190,860	\$ 52,500
Stock-based compensation	144,693	124,704
	\$ 335,553	\$ 177,204

At November 30, 2022, accounts payable and accrued liabilities and amounts due to related parties includes \$71,190 (May 31, 2022 - \$136,415) owing to officers, directors and companies controlled by officers and directors.

As of November 30, 2022, G2 is owed \$142,527 (May 31, 2022 - \$142,527) from S2 Minerals Inc., a company with common directors and management with G2, which is unsecured, non-interest bearing, and due on demand. The amount is included in current assets.

13. RELATED PARTY TRANSACTIONS (CONTINUED)

Major shareholder

To the knowledge of the directors and senior officers of the Company, as at November 30, 2022, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all common shares of the Company other than Patrick Sheridan, who owns 40,344,074 common shares (May 31, 2022 - 38,144,074) or 24.49% (May 31, 2022 - 26.94%) of the outstanding common shares.

14. SUBSEQUENT EVENTS

On December 15, 2022, G2 filed a final short form base shelf prospectus (the "Shelf Prospectus") with the securities regulatory authorities in each of the provinces and territories of Canada, other than Québec. This follows the completion of a regulatory review of the preliminary base shelf prospectus, which was filed on October 5, 2022. The Shelf Prospectus will allow the Company to make offerings of up to \$50 million of any combination of common shares, warrants, subscription receipts, units and debt securities. The specific terms of any offering of securities under the Shelf Prospectus, including the use of proceeds from any offering, will be set forth in a shelf prospectus supplement. The Shelf Prospectus will be effective for a 25-month period, expiring in January 2025.