

Condensed Consolidated Interim Financial Statements
(In U.S. dollars) (Unaudited)

GOLCONDA GOLD LTD.

For the three and six month periods ended June 30, 2023 and June 30, 2022

The accompany unaudited condensed consolidated financial statements of Golconda Gold Ltd. (the “Company”) have been prepared by and are the responsibility of the Company’s management and approved by the board of directors of the Company (the “Board”).

The Company’s independent auditor has not performed a review of these unaudited condensed interim consolidated financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants for a review of interim financial statements by an entity’s auditor.

GOLCONDA GOLD LTD.

Condensed Consolidated Interim Statement of Financial Position
(In U.S. dollars) (Unaudited)

As at June 30, 2023 and December 31, 2022

	Note	June 30, 2023	December 31, 2022
Assets			
Current assets:			
Cash		267,186	639,033
Trade receivables and other assets	6	1,340,146	962,627
Inventories	7	285,052	444,182
		1,892,384	2,045,842
Non-current assets:			
Mining properties and plant and equipment	8	40,602,386	40,573,511
		40,602,386	40,573,511
		42,494,770	42,619,353
Liabilities and Shareholders' Equity			
Current liabilities:			
Accounts payable and accrued liabilities	9	4,254,275	3,870,141
Interest-bearing loans and borrowings	10	4,137,778	3,025,094
		8,392,053	6,895,235
Non-current liabilities:			
Restoration and rehabilitation provision	11	2,052,063	2,123,017
Warrants	13	-	253,597
		2,052,063	2,376,614
Equity			
Share capital	13	58,149,241	58,149,241
Reserves	13	2,885,393	2,829,896
Deficit		(28,983,980)	(27,631,633)
		32,050,654	33,347,504
		42,494,770	42,619,353

Going Concern (Note 2)

Approved and authorized by the Board for issue on August 22, 2023:

“Ravi Sood” Director “Dino Titaro” Director

See accompanying notes to the consolidated financial statements.

GOLCONDA GOLD LTD.

Condensed Consolidated Interim Statement of Earnings (Loss) and Comprehensive Earnings (Loss)
(In U.S. dollars) (Unaudited)

	Note	Three months ended June 30,		Six months ended June 30,	
		2023	2022	2023	2022
Revenue		2,487,071	3,558,309	4,464,238	8,044,067
Operating cost	14	(2,327,861)	(3,085,831)	(4,787,200)	(5,753,210)
Earnings / (loss) from operations		159,210	472,478	(322,962)	2,290,857
Foreign exchange gain / (loss)		38,975	485,983	196,171	(221,009)
Corporate general and administration	14	(552,646)	(588,304)	(1,025,791)	(1,194,260)
Net financing gain / (expense)	14	(8,113)	920,030	(107,742)	461,382
Other expenses	14	(39,526)	-	(92,023)	-
Other income / (expenses)		(561,310)	817,709	(1,029,385)	(953,887)
Net (loss) / earnings from continuing operations before taxation		(402,100)	1,290,187	(1,352,347)	1,336,970
Taxation	12	-	-	-	-
Net (loss) / earnings and comprehensive income (loss) from continuing operations		(402,100)	1,290,187	(1,352,347)	1,336,970
Net earnings (loss) and comprehensive income (loss) from discontinued operations	5	-	42,500	-	147,107
Net (loss) / and comprehensive (loss)		(402,100)	1,332,687	(1,352,347)	1,484,077
Basic and diluted (loss) / earnings per common share from continuing operations	13	(0.01)	0.02	(0.02)	0.02
Basic and diluted earnings (loss) per common share from discontinued operations	13	-	0.00	-	0.00
Total basic and diluted (loss) / earnings per common share		(0.01)	0.02	(0.02)	0.02
Weighted average number of common shares – basic	13	71,273,309	71,237,309	71,273,309	71,237,309
Weighted average number of common shares – diluted	13	72,707,318	73,077,883	72,707,318	73,066,168

See accompanying notes to the consolidated financial statements.

GOLCONDA GOLD LTD.

Condensed Consolidated Interim Statement of Changes in Equity
(In U.S. Dollars) (Unaudited)

Six month periods ended June 30, 2023 and 2022

	Notes	Capital stock		Reserves		Total
		Number ¹	Amount	Stock based payments	Deficit	
Balance as at December 31, 2021		71,273,309	58,149,241	2,744,270	(26,661,193)	34,232,318
Stock-based compensation	13	-	-	24,841	-	24,841
Net income and comprehensive income for the period		-	-	-	1,484,077	148,4077
Balance as at June 30, 2022		71,273,309	58,149,241	2,769,111	(25,177,116)	35,741,236
Balance as at December 31, 2022		71,273,309	58,149,241	2,829,896	(27,631,633)	33,347,504
Stock-based compensation	13	-	-	55,497	-	55,497
Net income and comprehensive income for the period		-	-	-	(1,352,347)	(1,352,347)
Balance as at June 30, 2023		71,273,309	58,149,241	2,885,393	(28,983,980)	32,050,654

¹ On October 21, 2022, the Company completed a share consolidation on the basis of one new common share for every five existing common shares (the “Consolidation”). All common share numbers referenced are expressed on a post-Consolidation basis, as have any associated common share prices.

See accompanying notes to the consolidated financial statements.

GOLCONDA GOLD LTD.

Condensed Consolidated Interim Statement of Cash Flows
(In U.S. Dollars) (Unaudited)

Six month periods ended June 30, 2023 and 2022

	Notes	Six months ended June 30,	
		2023	2022
Cash flows from operating activities:			
Net earnings (loss) for the period		(1,352,347)	1,336,970
Items not involving cash:			
Depreciation and amortization	14	371,294	655,916
Share based compensation	13	55,497	24,841
Accretion	11	80,303	128,772
Interest expense	14	281,036	115,562
Foreign exchange loss (gain)		(143,245)	(91,319)
Change in fair value of warrants	13	(253,597)	(705,716)
Working capital adjustments:			
Change in trade and other receivables		(377,521)	(873,137)
Change in inventories		159,129	117,802
Change in trade and other payables		384,137	578,814
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Cash flows from operating activities			
Continuing operations		(795,314)	1,288,505
Discontinuing operations		-	714,765
<hr/>			
Cash flows from investing activities:			
Mining assets acquired		(400,167)	(631,901)
<hr/>			
Cash flows used in investing activities			
Continuing operations		(400,167)	(631,901)
Discontinuing operations		-	(317,737)
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Cash flow from financing activities:			
Barak facility repayment and royalty	10	-	(1,123,746)
Short-term borrowings	10	1,000,000	-
Interest paid		(168,353)	-
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Cash flows from financing activities			
Continuing operations		831,647	(1,123,746)
Discontinuing operations		-	(248,859)
<hr/>			
(Decrease) Increase in cash		(363,834)	(318,973)
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Effect of unrealized foreign exchange gain/(loss) on cash		(8,013)	(8,199)
Cash, at January 1		639,033	963,350
Disposal of Mupane	5	-	(222,042)
Cash, at June 30		267,186	414,136

See accompanying notes to the consolidated financial statements.

GOLCONDA GOLD LTD.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements
(in U.S. Dollars)

For the three and six months ended June 30, 2023 and 2022

1. Corporate Information

The Company was incorporated under the *Business Corporations Act* (Ontario) on October 24, 2007 and its principal business activities are the exploration for, development of, and operation of gold mining properties. The Company's registered and head office is located at Suite 1800, 181 Bay St., Toronto, Ontario, Canada.

2. Going Concern

The condensed consolidated interim financial statements were prepared using International Financial Reporting Standards ("IFRS") that are applicable to a going concern.

As at June 30, 2023, the Company had a working capital deficiency (current assets less current liabilities) of \$6.5 million, including a \$3 million rolling prepayment loan facility that is expected to be re-drawn on maturity during 2023, compared to a working capital deficiency of \$4.8 million at December 31, 2022. The loss from mining operations was \$0.3 million for the six months ended June 30, 2023. Cashflow from operating activities was negative \$0.8 million for the six months ended June 30, 2023. The Company has no material commitments for capital expenditures as of June 30, 2023.

The current commodity price and exchange rate environment can be volatile, which may have an impact on the Company's cash flows and the Company continues to review its near-term operating plans and to take steps to reduce costs and maximize cash flow generated from operations. These steps include assessing viable financing options for both the near and longer term to support the Company's growth plans.

The Company's financial position and the ability to generate sufficient positive cash flow from operating activities result in material uncertainties that give rise to significant doubt as to the ability of the Company to continue as a going concern. Because of these uncertainties, there can be no assurance that the measures that management is taking to mitigate risks to the Company's liquidity position will be successful.

These condensed consolidated interim financial statements do not reflect adjustments to the carrying values of the assets and liabilities, the reported revenues and expenses, and the balance sheet classifications used, that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

3. Basis of preparation

(a) Statement of compliance

The unaudited condensed consolidated interim financial statements (the "**Financial Statements**") of the Company as at and for the three and six months ended June 30, 2023 have been prepared in accordance with IAS 34, *Interim Financial Reporting*, and do not include all of the information required for full annual consolidated financial statements. Accordingly, certain information and disclosures normally included in annual financial statements prepared in accordance with IFRS have been omitted or condensed.

(b) Significant accounting judgments, estimates and assumptions

The preparation of the Financial Statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the Financial Statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are regularly evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ

GOLCONDA GOLD LTD.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements
(In U.S. Dollars)

For the three and six months ended June 30, 2023 and 2022

from these estimates. The particular areas of estimation uncertainty and critical judgments are outlined in detail in Note 3(e) in the annual audited consolidated financial statements for the year ended December 31, 2022 (the “**Annual Financial Statements**”).

(c) Functional and presentation currency

These Financial Statements are presented in U.S. dollars, which is the functional currency of the Company and each of its subsidiaries. All amounts are in U.S. dollars, except where otherwise indicated.

4. Significant Accounting Policies

These Financial Statements have been prepared following the same accounting policies and methods of computation as the Annual Financial Statements. Please see Note 4 in the Annual Financial Statements for further information.

5. Disposal of the Mupane Property

On November 29, 2021, the Board approved the disposition of the Company’s interests in Botswana, namely the Mupane gold mine in Botswana (the “**Mupane Property**”).

On February 7, 2022, the Company entered into definitive agreements to sell 100% of the issued and outstanding share capital of the Company’s subsidiaries that own the Mupane Property to Hawks Mining Company Proprietary Limited, a company registered under the laws of Botswana and owned by certain individuals forming part of the Company’s local Botswana management team. On May 3, 2022, the disposal of the Mupane Property was completed.

The net earnings from discontinued operations for the three and six month periods ended March 31 and June 30, 2022 were as follows:

	Three months ended June 30, 2022	Six months ended June 30, 2022
Revenue	2,546,338	9,842,724
Operating cost	(2,178,223)	(8,690,347)
Earnings from mining operations	368,115	1,152,377
Expenses:		
Foreign exchange gain (loss)	55,896	(143,407)
Financing costs	(38,946)	(157,715)
Impairment	-	(362,334)
Other income	2,111	2,862
Loss on sale	(344,676)	(344,676)
	(325,615)	(1,005,270)
Earnings (loss) from discontinuing operations before taxation	42,500	147,107
Taxation	-	-
Net earnings (loss) and comprehensive income (loss) from discontinuing operations	42,500	147,107

GOLCONDA GOLD LTD.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements
(In U.S. Dollars)

For the three and six months ended June 30, 2023 and 2022

6. Trade receivables and other assets

	June 30, 2023	December 31, 2022
Trade receivables	478,770	762,677
Taxes recoverable	622,055	41,143
Prepaid expenses	117,715	38,984
Other receivables	121,606	119,823
	<u>1,340,146</u>	<u>962,627</u>

7. Inventories

The amount of inventories recognized as an expense during the period is included in mining costs in the condensed consolidated interim statement of earnings and comprehensive earnings. The carrying values at the end of the respective periods are:

	June 30, 2023	December 31, 2022
Finished goods	125,198	138,800
Supplies	151,254	231,529
Ore Stockpiles	8,600	73,853
	<u>285,052</u>	<u>444,182</u>

8. Mining assets and plant and equipment

The continuity of mining assets for the six month period ended June 30, 2023 is as follows:

	Mining Properties	Construction in Progress	Plant and Equipment	Total
Cost at December 31, 2022	34,757,384	567,912	8,218,974	43,544,270
Movements:				
Additions	371,845	-	28,324	400,169
Transfers	567,912	(567,912)	-	-
Cost at June 30, 2023	<u>35,697,141</u>	<u>-</u>	<u>8,247,298</u>	<u>43,944,439</u>
Accumulated depreciation and amortization at December 31, 2022	(898,730)	-	(2,072,029)	(2,970,759)
Depreciation and amortization for the period	(93,317)	-	(277,977)	(371,294)
Accumulated depreciation and amortization at June 30, 2023	<u>(992,047)</u>	<u>-</u>	<u>(2,350,006)</u>	<u>(3,342,053)</u>
Net book value, June 30, 2023	<u>34,705,094</u>	<u>-</u>	<u>5,897,292</u>	<u>40,602,386</u>

GOLCONDA GOLD LTD.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements
(In U.S. Dollars)

For the three and six months ended June 30, 2023 and 2022

The continuity of mining assets and plant and equipment for the year ended December 31, 2022 is as follows:

	Mining Properties	Construction in Progress	Plant and Equipment	Total
Cost at December 31, 2021	112,194,394	723,653	16,801,764	129,719,811
Movements:				-
Additions	1,272,581	-	261,002	1,533,583
Impairment of Mupane	(362,334)	-	-	(362,334)
Loss on sale of Mupane	(344,676)	-	-	(344,676)
Change in rehabilitation provision estimate	(1,413,964)			(1,413,964)
Disposal of Mupane	(76,588,617)	(155,741)	(8,843,792)	(85,588,150)
Cost at December 31, 2022	34,757,384	567,912	8,218,974	43,544,270
Accumulated depreciation and amortization at December 31, 2021	(68,047,024)	-	(7,335,729)	(75,382,753)
Depreciation and amortization for the period	(469,064)	-	(616,565)	(1,085,629)
Disposal of Mupane	67,617,358	-	5,880,265	73,497,623
Accumulated depreciation and amortization at December 31, 2022	(898,730)	-	(2,072,029)	(2,970,759)
Net book value, December 31, 2022	33,858,654	567,912	6,146,945	40,573,511

9. Trade accounts payable and accrued liabilities

	June 30, 2023	December 31, 2022
Trade accounts payable	3,578,429	3,375,949
Accrued liabilities	675,846	494,192
	4,254,275	3,870,141

Trade payables and accrued liabilities are non-interest bearing.

10. Loans and borrowings

	June 30, 2023	December 31, 2022
Current:		
Concentrate prepayment facility	3,032,584	3,025,094
Short-term loan note	1,105,194	-
	4,137,778	3,025,094

On October 2, 2018, the Company entered into a loan agreement with Barak Fund SPC Limited (“**Barak**”) with respect to a \$5,000,000 secured loan facility (the “**Barak Facility**”), for a term ending three years from the date of the first drawdown and bearing interest at a rate of 14% per annum. The funds were used towards the refurbishment and expansion of the processing facilities and restarting underground mining operations at the Galaxy gold mine in Barberton, South Africa (“**Galaxy**”). The Company agreed to pay to Barak, or its nominee, 0.75% of the net proceeds accruing to Galaxy under an off-take agreement covering the annual gold concentrate production of the Agnes gold

GOLCONDA GOLD LTD.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements
(In U.S. Dollars)

For the three and six months ended June 30, 2023 and 2022

mine in Barberton owned and operated by Galaxy, after taking into account all attributable logistics and freight costs, State Royalties (as defined in the Barak Facility) and value-added tax (if applicable) during the period over which the loan remained outstanding. During the three month period ended September 30, 2022, the Company fully repaid the Barak Facility and the net proceeds payments ceased accruing.

On August 3, 2022, the Company entered into a new gold concentrate offtake agreement (“**Ocean Partners Offtake Agreement**”) with Ocean Partners UK Limited (“**Ocean Partners**”) which included providing the Company with an unsecured \$3,000,000 revolving credit facility bearing interest at US\$ 3-month LIBOR (or CME Term SOFR) plus 7.5% (the “**Ocean Partners Facility**”). Interest and principal for the Ocean Partners Facility will be repaid against deliveries of gold concentrate or cash by the Company to Ocean Partners under the Ocean Partners Offtake Agreement. The Company can elect to repay the full principal amount outstanding under the Ocean Partners Facility and any accrued interest without any penalty with two weeks of advance notice. Once a drawdown under the Ocean Partners Facility is repaid, such amount can subsequently be redrawn.

On March 29, 2023 the Company entered into a loan agreement with Dantinator SA with respect to a term loan facility of up to \$1,000,000, with a maturity date of March 29, 2024, extendable by a further six months upon satisfaction of certain conditions. The loan bears an interest rate of 6% per annum and has a redemption premium of between 50% and 100%. The loan is secured against all of the issued and outstanding shares of Summit Gold Corporation. \$1,000,000 of the facility had been drawn as at June 30, 2023.

11. Restoration and rehabilitation provision

At December 31, 2022	2,123,017
Accretion	80,303
Foreign exchange revaluation	(151,257)
At June 30, 2023	2,052,063

12. Income and Mining Taxes

The Company estimates the effective tax rate expected to be applicable for the full fiscal year and uses that rate to provide for income taxes in interim reporting periods. The Company also recognizes the tax impact on certain discrete (unusual or infrequently occurring) items, including changes in judgment concerning the probable realization of losses and effects of changes in tax laws or rates, in the interim period in which they occur.

The Company reported no income tax expense for the three and six months ended June 30, 2023 (three and six months ended June 30, 2022 - \$nil). The effective income tax rates vary from the combined Canadian federal and provincial statutory income tax rate of 26.50% for the three and six months ended June 30, 2023 (three and six months ended June 30, 2022 – 26.50%) due to the geographical distribution of earnings, which are subject to different tax rates, fluctuations in exchange rates, changes in unrecognized deferred tax assets and other non-deductible expenses.

13. Share Capital

(a) Authorized share capital:

As at June 30, 2023, the authorized share capital of the Company consisted of an unlimited number of common shares. All issued shares are fully paid.

(b) Issued share capital:

As at June 30, 2023, 71,273,309 common shares were issued and outstanding (December 31, 2022 - 71,723,309).

GOLCONDA GOLD LTD.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements
(In U.S. Dollars)

For the three and six months ended June 30, 2023 and 2022

(c) Stock Options:

The Company has an omnibus equity incentive plan (the “Equity Incentive Plan”), which replaced the Company’s old stock option plan and deferred share unit (“DSU”) plan effective May 23, 2022. Under the Equity Incentive Plan, options may be granted to directors, officers, employees and consultants. As at June 30, 2023 options to purchase a maximum of 7,127,330 common shares were issuable under the Equity Incentive Plan, of which 1,283,652 were outstanding and 5,843,678 remained available for issuance. Under the Equity Incentive Plan, the Company may grant options for up to 10% of the issued and outstanding common shares to directors, officers, employees and consultants. Under the Equity Incentive Plan, the exercise price and vesting is at the discretion of the Board, with vesting conditions normally being time based over three years, and options can be granted for a maximum term of ten years, with certain restrictions as to limits on amounts granted to insiders, consultants or persons engaged in investor relations activities.

The following is a summary of stock options outstanding as at June 30, 2023 and December 31, 2022 along with changes during the periods then ended:

	Number of Options	Weighted Average Exercise Price (CDN\$)
Balance December 31, 2021	1,100,000	0.46
Options granted	383,652	0.35
Options forfeited	(200,000)	0.45
Balance December 31, 2022 and June 30, 2023 ^{(1) (2)}	1,283,652	0.42

⁽¹⁾ The weighted average time to expiration for outstanding options is 2.16 years. The range of exercise prices is Cdn.\$0.345 to Cdn.\$0.625.

⁽²⁾ As at June 30, 2023, 991,152 options were exercisable (December 31, 2022 – 799,326).

(d) Earnings (loss) per share:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Earnings (loss) attributable to Golconda Shareholders				
- Continuing operations	(402,100)	1,290,187	(1,352,347)	1,336,970
- Discontinuing operations	-	42,500	-	147,107
Weighted average number of common shares outstanding for purposes of basic earnings per share	71,273,309	71,237,309	71,273,309	71,237,309
Dilutive options and deferred share units	1,434,009	1,804,574	1,434,009	1,792,859
Weighted average number of common shares outstanding for the purpose of diluted earnings per share	72,707,318	73,077,883	72,707,318	73,066,168
Earnings (loss) per share				
- Continuing operations – Basic and Diluted	(0.01)	0.02	(0.02)	0.02
- Discontinuing operations – Basic and Diluted	-	0.00	-	0.00

Basic earnings (loss) per share is computed by dividing the earnings (loss) by the weighted average number of common shares outstanding during the period. Diluted earnings per share reflects the potential dilution of outstanding DSUs, warrants and stock options in the weighted average number of common shares outstanding during the period, if

GOLCONDA GOLD LTD.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements
(In U.S. Dollars)

For the three and six months ended June 30, 2023 and 2022

dilutive. For the three and six months ended June 30, 2023, all instruments were anti-dilutive, while for the three and six months ended June 30, 2022 the dilutive impact of these instruments has been recognised

(e) Deferred Share Units

The Company may grant DSUs to directors, officers, employees and consultants under the Equity Incentive Plan. As at June 30, 2023, a maximum of 7,127,330 DSUs and other forms of share based incentives (excluding stock options) were issuable under the Equity Incentive Plan, of which 1,434,009 DSUs were issued and outstanding (December 31, 2022 – 1,434,009). On issuance of DSUs, the fair value is calculated as the quoted share price on the date of grant multiplied by the number of DSUs granted. The compensation expense is then recognized over the vesting period of the DSUs. All outstanding DSUs were fully vested as at June 30, 2023. The Board at its discretion can determine the vesting schedule applicable to an award of DSUs at the time of award.

(f) Warrants:

The following is a summary of warrants outstanding as at June 30, 2023 and December 31, 2022 and changes during the periods then ended:

	Number of Warrants	Weighted Average Exercise Price (CDN\$)
Balance, December 31, 2021 and December 31, 2022	12,615,460	1.48
Warrants expired	(609,720)	1.10
Balance, June 30, 2023	12,005,740	1.50

The outstanding warrants expire on May 19, 2024.

The following is a summary of the value of the warrants outstanding as at June 30, 2023 and December 31, 2021 and 2022 and changes during the periods then ended:

	Warrants denominated in a foreign currency
Balance, December 31, 2021	1,139,262
Revaluation	(885,665)
Balance, December 31, 2022	253,597
Revaluation	(253,597)
Balance, June 30, 2023	-

GOLCONDA GOLD LTD.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements
(In U.S. Dollars)

For the three and six months ended June 30, 2023 and 2022

14. Breakdown of costs

(a) Operating costs

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Mining and processing	1,764,642	2,698,932	3,575,329	4,142,050
Administrative	381,031	244,643	840,577	955,244
Total costs	2,145,673	2,943,575	4,415,906	5,097,294
Depreciation and amortization	182,188	142,256	371,294	655,916
	2,327,861	3,085,831	4,787,200	5,753,210

(b) Corporate and General Administration

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Professional Fees	114,747	234,180	230,104	493,692
Corporate Administration	434,512	341,755	740,190	675,727
Share Based Compensation	3,387	12,369	55,497	24,841
	552,646	588,304	1,025,791	1,194,260

(c) Financing (income) costs

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Interest on borrowings	183,156	61,016	281,036	115,562
Decrease in fair value of warrants denominated in foreign currency	(202,073)	(1,048,239)	(253,597)	(705,716)
Accretion	27,030	67,193	80,303	128,772
	8,113	(920,030)	107,742	(461,382)

(d) Other expenses

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Summit pre-start costs	39,526	-	92,023	-
	39,526	-	92,023	-

GOLCONDA GOLD LTD.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

(In U.S. Dollars)

For the three and six months ended June 30, 2023 and 2022

15. Related party transactions

The remuneration of directors and other members of key management personnel during the three and six months ended June 30, 2023 are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Salaries	243,100	231,627	480,967	497,535
Directors fees	76,127	77,903	149,877	150,978
Share-based compensation ⁽¹⁾	6,632	12,369	58,742	24,841
	325,859	321,899	689,586	673,354

⁽¹⁾ Share-based compensation is the fair value of options and DSUs granted to key management personnel.

On August 13, 2020, the Company entered into loan agreements with its CEO, COO and former CFO (the “Executives”) as partial compensation for the services provided by the Executives in 2019. The loans are non-interest bearing, non-recourse loans with a term of three years. Pursuant to the terms of the loan agreements, the Executives used the proceeds of the loans to exercise 4,563,000 warrants held by the Executives. The shares issued to the Executives on exercise of the warrants are held by the Company as security for the outstanding loan balance. In February 2022, the Company settled C\$118,482 of the loans with certain Executives. The loan receivable balance at June 30, 2023 is C\$109,668.

16. Segmented information

The Company operates in one reportable segment, being the exploration, development and operation of gold mining properties. The Company’s equipment and mining assets are located in the Republic of South Africa and the U.S.A., with corporate assets held in Canada. A breakdown of the revenue and total assets by geographic segment is as follows as at and for the three and six months ended June 30, 2023:

	Canada	U.S.A.	South Africa	Total
Revenue				
Three months ended June 30, 2023	-	-	2,487,071	2,487,071
Six months ended June 30, 2023	-	-	4,464,238	4,464,238
Net earnings / (loss) loss before tax				
Three months ended June 30, 2023	(438,438)	(44,856)	81,194	(402,100)
Six months ended June 30, 2023	(776,134)	(102,681)	(473,532)	(1,352,347)
As at June 30, 2023				
Cash	121,386	-	145,800	267,186
All other assets	133,623	12,054,617	30,039,344	42,227,584
Total assets	255,009	12,054,617	30,185,144	42,494,770
Total liabilities	2,463,558	667,431	7,313,127	10,444,116

GOLCONDA GOLD LTD.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements
(In U.S. Dollars)

For the three and six months ended June 30, 2023 and 2022

As at December 31, 2022:

	Canada	U.S.A.	South Africa	Total
Cash	632,132	-	6,901	639,033
All other assets	41,427	12,054,617	29,884,276	41,980,320
Total assets	673,559	12,054,617	29,891,177	42,619,353
Total liabilities	1,338,048	656,773	7,277,028	9,271,849