



Condensed Consolidated Interim Financial Statements

March 31, 2024 and 2023

(Unaudited)
(Expressed in thousands of Canadian Dollars)

Victoria Gold Corp.

March 31, 2024 and December 31, 2023

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The accompanying condensed consolidated interim financial statements and all other financial information included in this report are the responsibility of management. The condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Financial statements include certain amounts based on estimates and judgments. When alternative methods exist, management has chosen those it deems most appropriate in the circumstances to ensure that the condensed consolidated interim financial statements are presented fairly, in all material respects.

Management maintains appropriate systems of internal control, to give reasonable assurance that its assets are safeguarded, and the financial records are properly maintained.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Audit Committee, which is comprised of three Directors, all of whom are non-management and independent, meets with management to review the condensed consolidated interim financial statements to satisfy itself that management is properly discharging its responsibilities to the Directors, who approve the condensed consolidated interim financial statements.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial reporting standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(signed) "John McConnell"
Director, President and CEO
May 13, 2024

(signed) "Marty Rendall"
CFO
May 13, 2024

See accompanying notes to the condensed consolidated interim financial statements.

Victoria Gold Corp.
Condensed Consolidated Interim Statements of Financial Position
(Expressed in thousands of Canadian Dollars)

(Unaudited)

	<i>Notes</i>	March 31, 2024	December 31, 2023
Assets			
Current assets			
Cash and cash equivalents		\$ 28,495	\$ 14,971
Marketable securities		10,898	11,778
Receivables	6	7,845	10,824
Inventory	7	225,138	217,941
Current portion of derivative instruments	14	451	1,903
Prepaid expenses		4,472	3,692
		<u>277,299</u>	<u>261,109</u>
Non-current assets			
Restricted cash		185	185
Investment in associate	10	2,178	2,327
Deferred taxes		11,982	11,982
Exploration and evaluation assets	8	66,435	65,623
Property, plant and equipment	9	677,078	675,660
		<u>768,878</u>	<u>766,777</u>
Total assets		<u>\$ 1,035,157</u>	<u>\$ 1,016,886</u>
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable and accrued liabilities	11	\$ 73,896	\$ 59,879
Consideration payable on acquisition	5	2,894	2,859
Income and mining taxes payable		2,175	2,175
Deferred premium	17	2,535	-
Current portion of lease liability	12	1,344	1,385
Current portion of derivative instruments	14	6,081	2,475
Current portion of long-term debt	13	40,268	45,307
		<u>129,193</u>	<u>114,080</u>
Non-current liabilities			
Deferred taxes		72,314	75,493
Lease liability	12	1,927	2,086
Long-term debt	13	192,292	190,868
Consideration payable on acquisition	5	1,838	1,817
Asset retirement obligations ("ARO")	15	48,677	43,161
		<u>446,241</u>	<u>427,505</u>
Shareholders' Equity			
Share capital	17	457,528	449,988
Contributed surplus		21,031	20,065
Accumulated other comprehensive loss		(2,517)	(2,517)
Retained earnings		112,874	121,845
		<u>588,916</u>	<u>589,381</u>
Total shareholders' equity		<u>588,916</u>	<u>589,381</u>
Total liabilities and shareholders' equity		<u>\$ 1,035,157</u>	<u>\$ 1,016,886</u>

See accompanying notes to the condensed consolidated interim financial statements.

**Authorized for issue by the Board of
Directors on May 13th, 2024 and
signed on its behalf.**

"T. Sean Harvey"

Director

"Chris Hill"

Director

Victoria Gold Corp.**Condensed Consolidated Interim Statements of Income (loss) and Comprehensive Income (loss)***(Expressed in thousands of Canadian Dollars, except share and per share amounts)**(Unaudited)*

		Three month period ended	
	Notes	March 31, 2024	March 31, 2023
Revenue		\$ 82,982	\$ 96,549
Cost of goods sold	20	56,461	57,938
Depreciation and depletion		17,544	17,627
Gross profit		8,977	20,984
Corporate general and administration	21	3,041	3,226
Operating earnings		5,936	17,758
Finance income		204	178
Finance costs	22	(5,687)	(5,815)
Unrealized loss on marketable securities		(813)	(320)
Share of loss from equity-accounted investment	10	(149)	(142)
Unrealized and realized loss on derivative instruments	14	(6,105)	(9,576)
Foreign exchange loss		(5,535)	(414)
		(18,085)	(16,089)
Income (loss) before taxes		(12,149)	1,669
Deferred tax (expense) recovery		3,178	(686)
Net income (loss)		\$ (8,971)	\$ 983
Other comprehensive income (loss)			
Currency translation adjustment		-	-
Total comprehensive income (loss) for the period		\$ (8,971)	\$ 983
Earnings (loss) per share	16		
Basic		\$ (0.13)	\$ 0.02
Diluted		\$ (0.13)	\$ 0.02
Weighted average number of shares outstanding	16		
Basic		66,587,878	64,522,683
Diluted		66,587,878	65,460,478

See accompanying notes to the condensed consolidated interim financial statements.

Victoria Gold Corp.
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Expressed in thousands of Canadian Dollars, except for share amounts)
(Unaudited)

	Notes	Share capital		Contributed surplus	Accumulated other comprehensive loss	Retained earnings	Total equity
		Number of shares	Amount				
Balance at December 31, 2022		64,522,683	\$ 426,260	\$ 23,737	\$ (2,517)	\$ 96,706	\$ 544,186
Transactions with owners:							
Share-based payments, expensed		-	-	964	-	-	964
Share-based payments, capitalized		-	-	185	-	-	185
Total transactions with owners:		-	-	1,149	-	-	1,149
Net income for the period		-	-	-	-	983	983
Balance at March 31, 2023	17	64,522,683	\$ 426,260	\$ 24,886	\$ (2,517)	\$ 97,689	\$ 546,318
Balance at December 31, 2023		66,534,350	\$ 449,988	\$ 20,065	\$ (2,517)	\$ 121,845	\$ 589,381
Transactions with owners:							
Proceeds from share issue	17	1,176,500	10,000	-	-	-	10,000
Fair values allocated upon exercise:							
DSUs		-	-	(159)	-	-	(159)
Share issuance costs, net of tax		-	(18)	-	-	-	(18)
Share-based payments, expensed		-	-	898	-	-	898
Share-based payments, capitalized		-	-	227	-	-	227
Shares issued on RSU exercise	18	15,000	93	-	-	-	93
Premium on flow-through shares	17	-	(2,535)	-	-	-	(2,535)
Total transactions with owners:		1,191,500	7,540	966	-	-	8,506
Net loss for the period		-	-	-	-	(8,971)	(8,971)
Balance at March 31, 2024	17	67,725,850	\$ 457,528	\$ 21,031	\$ (2,517)	\$ 112,874	\$ 588,916

See accompanying notes to the condensed consolidated interim financial statements.

Victoria Gold Corp.
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in thousands of Canadian Dollars)

(Unaudited)

	Notes	Three month period ended	
		March 31, 2024	March 31, 2023
Operating activities			
Net (loss) income for the period		\$ (8,971)	\$ 983
Adjustments for:			
Depreciation and depletion		17,544	17,627
Share-based payments	18	1,308	1,420
Income and mining taxes		(3,178)	686
Share of loss from equity-accounted investment	10	149	142
Finance costs		5,671	5,814
Unrealized loss on marketable securities		813	320
Unrealized loss on derivative instruments	14	5,060	9,643
Amortization		31	27
Unrealized foreign exchange loss (gain), net		5,285	(261)
Operating cash flow before working capital adjustments		23,712	36,401
Working capital adjustments and income taxes paid:			
(Increase) decrease in receivables		2,979	5,525
(Increase) decrease in inventory		(7,197)	(11,857)
(Increase) decrease in marketable securities		67	-
(Increase) decrease in prepaid expenses and deposits		(780)	645
Increase (decrease) in accounts payables and accrued liabilities		11,238	(18,879)
		6,307	(24,566)
Net cash flows from operating activities		30,019	11,835
Investing activities			
Exploration and evaluation assets	8	(492)	(1,271)
Purchase of property, plant and equipment		(11,435)	(20,852)
Net cash flows used in investing activities		(11,927)	(22,123)
Financing activities			
Shares issued for cash, net of issuance costs	17	9,982	-
Exercise of DSUs		(129)	-
Interest paid		(4,663)	(4,770)
Principal (repayment) draw of long-term debt, net	13	(9,963)	18,300
Principal repayment of lease liability		(200)	(197)
Net cash flows from (used in) financing activities		(4,973)	13,333
Foreign exchange (gain) loss on cash balances		405	(11)
Net increase (decrease) in cash and cash equivalents		13,524	3,034
Cash and cash equivalents, beginning of the period		14,971	20,572
Cash and cash equivalents, end of the period		\$ 28,495	\$ 23,606

See accompanying notes to the condensed consolidated interim financial statements. Supplementary Cash Flow information is provided in Note 24.

Victoria Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements For the three month periods ended March 31, 2024 and 2023

(Unaudited)

(Tables expressed in thousands of Canadian Dollars, except share and per share amounts)

1. NATURE OF OPERATIONS

Victoria Gold Corp. (“Victoria” or “Company”), a British Columbia company, was incorporated in accordance with the *Business Corporations Act* (British Columbia) on September 21, 1981. The Company’s common shares are listed on the Toronto Stock Exchange (“TSX-VGXC”).

The Company is engaged in the operation, exploration, and acquisition of mineral properties. The Company’s producing asset is the Eagle Gold Mine. The Company’s registered office is located at 80 Richmond St. West, Suite 204, Toronto, Ontario, M5H 2A4, Canada.

2. BASIS OF PRESENTATION

These unaudited condensed consolidated interim financial statements for the three months ended March 31, 2024 have been prepared in accordance with IAS 34, ‘Interim financial reporting’. The condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2023, which have been prepared in accordance with IFRS.

These condensed consolidated interim financial statements include the accounts of Victoria, its 33.03% interest in Lahontan Gold Corp. (“Lahontan”) and the Company’s 100% interest in Golden Predator Mining Corp. and Golden Predator Exploration Ltd. (together “Golden Predator”).

These condensed consolidated interim financial statements were approved by the Board of Directors for issue on May 13, 2024.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies followed in these condensed consolidated interim financial statements are the same as those applied in the Company’s audited consolidated financial statements for the year ended December 31, 2023.

The Company has reviewed new accounting policies effective January 1, 2024. There are no other IFRS standards or interpretations that would be expected to have a material impact on the condensed consolidated interim financial statements of the Company.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of these condensed consolidated interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed consolidated interim financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the group’s accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended December 31, 2023.

Victoria Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements For the three month periods ended March 31, 2024 and 2023

(Unaudited)

(Tables expressed in thousands of Canadian Dollars, except share and per share amounts)

5. ACQUISITION OF GOLDEN PREDATOR

On September 14, 2023 (the “Closing”), the Company completed the acquisition of Golden Predator from Sabre Gold Mines Corp. (the “Acquisition”). Consideration for the Acquisition was comprised of:

- i. \$0.9 million in cash and an additional \$7.0 million in cash or Victoria shares at Victoria’s election (Victoria elected to pay cash), paid on closing;
- ii. \$0.5 million in cash and an additional \$2.5 million in cash or Victoria shares at Victoria’s election, payable on the 12-month anniversary of the closing date (this has been discounted to \$2.9 million using the Bank of Canada quarterly yield on marketable bonds of 1.21%); and
- iii. \$0.5 million in cash and an additional \$1.5 million in cash or Victoria shares at Victoria’s election, payable on the 24-month anniversary of the closing date (this has been discounted to \$1.8 million using the Bank of Canada quarterly yield on marketable bonds of 1.21%).

	Total
As at December 31, 2023	\$ 4,676
Accretion on consideration payable (Note 22)	56
Consideration payable at March 31, 2024	\$ 4,732

6. RECEIVABLES

Receivables includes the following components:

	March 31, 2024	December 31, 2023
GST receivable	\$ 5,032	\$ 4,621
Trade and other receivables	2,813	6,203
Total	\$ 7,845	\$ 10,824

7. INVENTORY

Inventory includes the following components:

	March 31, 2024	December 31, 2023
Stockpiled ore	\$ 2,523	\$ 3,847
In-process inventory	175,647	160,571
Finished goods inventory	4,720	11,924
Total mineral inventory	182,890	176,342
Materials and supplies	42,248	41,599
Total	\$ 225,138	\$ 217,941

All inventories are valued at the lower of average cost or net realizable value. As at March 31, 2024, all inventories are valued at average cost which includes \$37.7 million (December 31, 2023 – \$37.0 million) of non-cash costs such as depreciation, depletion and site share-based compensation. The Company estimates there are 83,118 recoverable oz within mineral inventory as at March 31, 2024 (December 31, 2023 – 86,073 recoverable oz).

Victoria Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements For the three month periods ended March 31, 2024 and 2023

(Unaudited)

(Tables expressed in thousands of Canadian Dollars, except share and per share amounts)

8. EXPLORATION AND EVALUATION ASSETS

	Brewery Creek (Yukon)	Dublin Gulch (Yukon)	Other properties **	Total
Balance December 31, 2023	\$ 1,071	\$ 57,172	\$ 7,380	\$ 65,623
Salaries and benefits	77	461	18	556
Land claims and royalties	-	-	33	33
Environmental and permitting	35	75	12	122
Drilling and indirects	-	(2)	-	(2)
Other exploration	3	100	-	103
Exploration and evaluation costs for the period	115	634	63	812
Balance March 31, 2024	\$ 1,186	\$ 57,806	\$ 7,443	\$ 66,435

** Other properties include interests in Donjek, Aurex, Clear Creek, Gold Dome and Grew Creek in Yukon Territory.

	Brewery Creek (Yukon)	Dublin Gulch (Yukon)	Other properties **	Total
Balance December 31, 2022	\$ -	\$ 49,378	\$ 7,841	\$ 57,219
Acquisitions	935	-	54	989
McQuesten earn in	-	-	(600)	(600)
Salaries and benefits	82	1,907	-	1,989
Land claims and royalties	-	17	85	102
Environmental and permitting	42	38	-	80
Government and community relations	-	23	-	23
Drilling and indirects	10	3,130	-	3,140
Other exploration	2	2,679	-	2,681
Exploration and evaluation costs for the year	136	7,794	85	8,015
Balance December 31, 2023	\$ 1,071	\$ 57,172	\$ 7,380	\$ 65,623

** Other properties include interests in Donjek, Aurex, Clear Creek, Gold Dome and Grew Creek in Yukon Territory.

Victoria Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements For the three month periods ended March 31, 2024 and 2023

(Unaudited)

(Tables expressed in thousands of Canadian Dollars, except share and per share amounts)

9. PROPERTY, PLANT AND EQUIPMENT

	Other assets	Right-of-use assets	Leasehold improvements	Buildings & structures	Equipment	Mineral Properties	Total
Cost							
December 31, 2022	\$ 1,749	\$ 4,893	\$ 589	\$ 299,969	\$ 195,637	\$ 360,003	\$ 862,840
Additions	-	611	-	51,543	25,893	418	78,465
Disposals	-	(438)	-	-	-	-	(438)
December 31, 2023	1,749	5,066	589	351,512	221,530	360,421	940,867
Additions	-	-	-	2,940	3,470	12,785	19,195
March 31, 2024	\$ 1,749	\$ 5,066	\$ 589	\$ 354,452	\$ 225,000	\$ 373,206	\$ 960,062
Accumulated amortization							
December 31, 2022	\$ 1,208	\$ 1,655	\$ 589	\$ 75,905	\$ 64,378	\$ 48,292	\$ 192,027
Charge	271	921	-	27,805	21,009	23,612	73,618
Disposals	-	(438)	-	-	-	-	(438)
December 31, 2023	1,479	2,138	589	103,710	85,387	71,904	265,207
Charge	68	232	-	7,804	5,046	4,627	17,777
March 31, 2024	\$ 1,547	\$ 2,370	\$ 589	\$ 111,514	\$ 90,433	\$ 76,531	\$ 282,984
Net book value							
December 31, 2022	\$ 541	\$ 3,238	\$ -	\$ 224,064	\$ 131,259	\$ 311,711	\$ 670,813
December 31, 2023	\$ 270	\$ 2,928	\$ -	\$ 247,802	\$ 136,143	\$ 288,517	\$ 675,660
March 31, 2024	\$ 202	\$ 2,696	\$ -	\$ 242,938	\$ 134,567	\$ 296,675	\$ 677,078

During the three months ended March 31, 2024, the Company capitalized \$9.1 million (March 31, 2023 – \$7.6 million) of deferred stripping costs to mineral properties. The depletion expense related to deferred stripping for the three months ended March 31, 2024 was \$1.6 million (March 31, 2023 – \$1.3 million). Included in the mineral properties balance at March 31, 2024 is \$103.2 million (March 31, 2023 – \$80.1 million) related to deferred stripping costs.

The carrying value of equipment pledged as security for the related Equipment Financing Facility at March 31, 2024 was \$39.0 million (December 31, 2023 – \$36.3 million) (*Note 13*).

Mineral Properties includes construction in progress which gets transferred and allocated to buildings & structures, equipment, and other assets.

Certain of the Company's mining properties are subject to royalty arrangements based on their net smelter returns ("NSR"s). At March 31, 2024, the Company's royalty arrangements based on production were as follows:

Royalty arrangements:

Franco-Nevada Corp.	1% Cash NSR – Settled via cash payment royalty expense after production
Osisko Gold Royalties Ltd.	5% Metal NSR – Settled via delivery of metal ounces after production

The royalty arrangements listed above have an impact on the Company's financial statement presentation of Revenue and Royalty expense. Revenue herein is based on 95% of the production from the Eagle Mine after the delivery of the 5% metal NSR attributable to Osisko Gold Royalties Ltd. As a result, this 5% NSR is not recorded in Revenue nor as a Royalty expense. The 1% cash NSR held by Franco-Nevada Corp. is included in Revenue as it does not impact ounces available for sale, and a Royalty expense recorded is associated with the cash payment.

Victoria Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements For the three month periods ended March 31, 2024 and 2023

(Unaudited)

(Tables expressed in thousands of Canadian Dollars, except share and per share amounts)

10. INVESTMENT IN ASSOCIATE

As at March 31, 2024, the Company had a 33.03% (December 31, 2023 – 33.03%) ownership interest in Lahontan. The following table summarizes the change in investment in Lahontan for the period ended March 31, 2024:

	March 31, 2024	December 31, 2023
Balance, beginning of the period	\$ 2,327	\$ 2,806
Purchase of shares	-	200
Share of loss from equity-accounted investment	(149)	(679)
Balance, end of the period	\$ 2,178	\$ 2,327

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities include the following components:

	March 31, 2024	December 31, 2023
Trade payables	\$ 40,672	\$ 29,435
Accrued liabilities	29,808	23,263
Payroll related liabilities	3,416	7,181
Total	\$ 73,896	\$ 59,879

12. LEASE LIABILITY

	Total
As at December 31, 2023	\$ 3,471
Interest expense	38
Lease payments	(238)
Lease liabilities at March 31, 2024	\$ 3,271
Current lease liability	\$ 1,344
Non-current lease liability	\$ 1,927

The Company has lease liabilities for contracts related to equipment, vehicles, and office premises in: (1) Vancouver, BC, (2) Toronto, Ontario and (3) Whitehorse, Yukon. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Victoria Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements For the three month periods ended March 31, 2024 and 2023

(Unaudited)

(Tables expressed in thousands of Canadian Dollars, except share and per share amounts)

	March 31, 2024	December 31, 2023
MATURITY ANALYSIS		
< 1 year	\$ 1,344	\$ 1,385
1 to 3 years	616	613
3 to 5 years	1,299	1,332
> 5 years	12	141
Total	\$ 3,271	\$ 3,471

13. DEBT

On October 10, 2023, the Company further amended its Loan Facility dated December 18, 2020, as amended December 20, 2021, June 16, 2022 and February 17, 2023. Pursuant to the amended Loan Facility, the Company has extended the maturity date of the Revolving Credit Facility from December 31st, 2024 to December 31st, 2025. No other terms of the Revolving Credit Facility have changed.

On February 22, 2023, the Company further amended its Loan Facility dated December 18, 2020, as amended December 20, 2021 and June 16, 2022. Pursuant to the amended Loan Facility, the Company added Desjardins and National Bank to the syndicate (including CIBC and Bank of Montreal), replacing BNP Paribas. In addition, the Company increased the amount of the Term Facility by US\$25.0 million and extended the maturity date of the Term Facility to September 30, 2024. The Term Facility is repayable in seven equal quarterly instalments through to the Maturity Date.

The Loan Facilities are outlined below and include certain financial covenants related to maintaining a leverage ratio at less than or equal to 3.0, an interest service coverage ratio at greater than or equal to 4.0 and a tangible net worth covenant. As at March 31, 2024, the Company is in compliance with all financial covenants.

Loan Facilities

Term Facility

US\$58 million loan facility with the following commercial terms:

- Interest rate of SOFR plus 3.0%;
- Principal and interest are repayable in 7 equal quarterly installments.

As at March 31, 2024, principal of US\$16.7 million was outstanding on the Term Facility. Deferred financing charges in the amount of \$2.6 million have been amortized over the remaining term using the effective interest rate method.

Revolving Credit Facility

US\$125 million loan facility with the following commercial terms:

- Interest rate of SOFR plus 3.0%;
- Accrued interest is repayable quarterly;
- Principal and accrued interest are due at maturity, on December 31, 2025, and may be repaid early without penalty.

Victoria Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements For the three month periods ended March 31, 2024 and 2023

(Unaudited)

(Tables expressed in thousands of Canadian Dollars, except share and per share amounts)

As at March 31, 2024, principal of US\$119.9 million was outstanding on the Revolving Credit Facility. Deferred financing charges in the amount of \$2.6 million have been amortized using the full amount of the facility, including any undrawn amount, over the full term of the facility using the effective interest rate method.

Equipment Finance Facility

US\$50 million facility with Caterpillar Financial Services Limited ("Cat Financial") with the following commercial terms:

- Available for drawdown against the acquisition cost of Cat mining equipment;
- Interest rates of SOFR plus 2.65-3.65%;
- 4-6 year, amortizing facility, maturing between September 30, 2024 and April 14, 2027 (the "Term") and;
- Secured by Cat mining equipment.

As at March 31, 2024, principal of US\$34.2 million was outstanding on the Equipment Finance Facility. Deferred financing charges in the amount of \$2.7 million are being amortized over the remaining term using the effective interest rate method.

	March 31, 2024	December 31, 2023
Equipment Finance Facility, principal	\$ 46,409	\$ 43,825
Equipment Finance Facility, interest	966	538
Equipment Finance Facility, ending balance	<u>\$ 47,375</u>	<u>\$ 44,363</u>
Term Debt Facility, principal	\$ 22,583	\$ 33,065
Term Debt Facility, interest	16	15
Term Debt Facility, ending balance	<u>\$ 22,599</u>	<u>\$ 33,080</u>
Revolver Facility, principal	\$ 162,423	\$ 158,539
Revolver Facility, interest	163	193
Revolver Facility, ending balance	<u>\$ 162,586</u>	<u>\$ 158,732</u>
Total Debt	\$ 232,560	\$ 236,175
Less: Current portion	<u>(40,268)</u>	<u>(45,307)</u>
Long-term Debt	<u>\$ 192,292</u>	<u>\$ 190,868</u>

During the three month period ended March 31, 2024 the Company incurred interest expense of \$5.2 million (March 31, 2023 – \$5.2 million) and amortized deferred financing charges of \$12,796 (March 31, 2023 – \$0.3 million) in the condensed consolidated interim statements of income and comprehensive income.

The Equipment Finance Facility with Cat Financial is secured by leased equipment with a carrying value of \$39.0 million as of March 31, 2024 (December 31, 2023 – \$36.3 million).

The Company's scheduled debt principal repayments as at March 31, 2024 are summarized in the table, below:

Victoria Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements For the three month periods ended March 31, 2024 and 2023

(Unaudited)

(Tables expressed in thousands of Canadian Dollars, except share and per share amounts)

	2024	2025	2026	2027 and thereafter	Total
Term Debt Facility	\$ 22,583	\$ -	\$ -	\$ -	\$ 22,583
Revolving Loan Facility	-	162,423	-	-	162,423
Equipment Finance Facility	10,704	13,550	13,550	8,950	46,754
	\$ 33,287	\$ 175,973	\$ 13,550	\$ 8,950	\$ 231,760

14. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative Instruments outstanding	Quantity outstanding	Remaining term	Exercise price	Fair value - asset (liability) (C\$)
<i>Current Instruments</i>				
<i>Gold Forwards</i>				
Gold forwards	30,000 oz	April 2024 - December 2024	US\$2,116	\$ (6,081)
<i>Gold Put Options</i>				
Gold put options - purchased	27,000 oz	April 2024 - December 2024	US\$1,800	14
<i>Currency Contracts</i>				
Currency contracts	US\$27.0M	April 2024 - December 2024	US/C 1.3680	437
<i>Total Instruments</i>				\$ (5,630)

Gold Forwards

As at March 31, 2024, the Company has gold forward contracts for a total of 30,000 ounces of gold at a weighted average price of US\$2,116 per ounce with expiry dates ranging from April 2024 through to December 2024. These derivative financial instruments are classified within Level 2 of the fair value hierarchy and classified in the condensed consolidated interim financial statements based on contractual maturity. These derivative financial instruments are recorded at fair value using external broker-dealer quotations corroborated by option pricing models that utilize a variety of inputs that are a combination of quoted prices and market-corroborated inputs. The Company recognized the mark-to-market adjustment loss of \$4.8 million, based on US\$2,214 per ounce of gold and a foreign exchange rate of 1.3550 US\$ to C\$, in net income of the condensed consolidated interim statements of income and comprehensive income for the period ended March 31, 2024.

Gold Put Options

As at March 31, 2024, the Company has gold put options on 27,000 ounces of gold at a price of US\$1,800 per ounce with monthly expiry dates of April 2024 through to December 2024. These derivative financial instruments are classified within Level 2 of the fair value hierarchy and classified in the condensed consolidated interim financial statements based on contractual maturity. These derivative financial instruments are recorded at fair value using external broker-dealer quotations corroborated by option pricing models that utilize a variety of inputs that are a combination of quoted prices and market-corroborated inputs. The Company recognized the mark-to-market adjustment loss of \$0.3 million, based on US\$2,214 per ounce of gold and a foreign exchange rate of 1.3550 US\$ to C\$, in net income of the condensed consolidated interim statements of income and comprehensive income for the period ended March 31, 2024.

Victoria Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements For the three month periods ended March 31, 2024 and 2023

(Unaudited)

(Tables expressed in thousands of Canadian Dollars, except share and per share amounts)

Currency Contracts

As at March 31, 2024, the Company has foreign exchange currency contracts for a notional amount of US\$3.0 million per month at a rate of US\$ to C\$ of 1.3680 and with monthly expiry dates of April 2024 through to December 2024. These derivative financial instruments are classified within Level 2 of the fair value hierarchy and classified in the condensed consolidated interim financial statements based on contractual maturity. These derivative financial instruments are recorded at fair value using external broker-dealer quotations corroborated by option pricing models that utilize a variety of inputs that are a combination of quoted prices and market-corroborated inputs. The Company recognized the mark-to-market adjustment loss of \$1.0 million in net income of the condensed consolidated interim statements of income and comprehensive income for the period ended March 31, 2024.

15. ASSET RETIREMENT OBLIGATIONS

Reclamation and closure costs have been estimated based on the Company's interpretation of current regulatory requirements and measured with the most reliable information available. Management's estimate is determined based on the net present value of estimated future cash expenditures for reclamation and closure activities. Reclamation and closure costs are capitalized into exploration and evaluation assets or mineral properties depending on the nature of the asset related to the obligation and amortized over the life of the related asset. Future changes to those regulations and standards, as well as changes resulting from operations, may result in actual reclamation costs differing from the estimate.

The Company's asset retirement obligations arise from its obligations to undertake site reclamation and remediation in connection with the Dublin Gulch property. The Company prepared the Dublin Gulch reclamation obligation using prescribed third-party contractor rates with a 5% contingency. The estimated costs of reclamation are based on current regulatory requirements and the estimated reclamation costs at the reporting date use the following assumptions:

- total undiscounted amount of inflation adjusted future reclamation costs at March 31, 2024 was determined to be \$67.2 million for Dublin Gulch (December 31, 2023 - \$59.5 million);
- weighted average risk-free interest rate at 3.4% and a long-term inflation rate of 2.0%; and
- expected timing of risk adjusted cash outflows required to settle the obligation will be incurred over the period through 2035 for Dublin Gulch.

The following is an analysis of the Company's asset retirement obligation:

	March 31, 2024	December 31, 2023
Balance, beginning of the period	\$ 43,161	\$ 34,980
Accretion on reclamation provision	330	1,439
ARO change due to revaluation	5,186	6,742
Balance, end of the period	\$ 48,677	\$ 43,161

Victoria Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements For the three month periods ended March 31, 2024 and 2023

(Unaudited)

(Tables expressed in thousands of Canadian Dollars, except share and per share amounts)

16. EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the net income attributable to common shareholders by the weighted average number of common shares outstanding during the year.

	Three month period ended	
	March 31, 2024	March 31, 2023
Net income (loss)	\$ (8,971)	\$ 983
Basic weighted average number of common shares outstanding	66,587,878	64,522,683
Basic earnings (loss) per share	\$ (0.13)	\$ 0.02

(b) Diluted

	Three month period ended	
	March 31, 2024	March 31, 2023
Net income (loss) attributable to common shareholders	\$ (8,971)	\$ 983
Weighted average number of common shares issued	66,587,878	64,522,683
Adjustment for:		
Deferred share units & restricted share units	-	592,800
Stock options	-	344,995
Diluted weighted average number of common shares outstanding	66,587,878	65,460,478
Diluted earnings (loss) per share	\$ (0.13)	\$ 0.02

17. SHARE CAPITAL AND OTHER EQUITY

Authorized, issued and outstanding common shares

Common shares, no par value, authorized unlimited number of shares, issued and outstanding were 67,725,850 and 64,522,683 shares for three month period ended March 31, 2024 and March 31, 2023, respectively.

On March 28, 2024, the Company closed a non-brokered flow-through share offering (the "Offering") raising gross proceeds of \$10.0 million, representing the issuance of 1,176,500 common shares priced at \$8.50 per share. Issuance costs of \$17,820 were incurred in conjunction with the Offering. The flow-through shares were subject to a four-month hold period.

Victoria Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements For the three month periods ended March 31, 2024 and 2023

(Unaudited)

(Tables expressed in thousands of Canadian Dollars, except share and per share amounts)

18. SHARE-BASED PAYMENTS

Omnibus Incentive Plan

The omnibus incentive plan of the Company (the "**Omnibus Plan**") was most recently approved by the shareholders of the Company on May 10, 2023. The Omnibus Plan has been established to attract and retain key talent who are necessary or essential to Victoria's success, reputation and activities and allows Victoria to reward key talent for their performance and greater align their interest with those of Victoria's shareholders. The Omnibus Plan is an "evergreen" plan and the Common Shares available for issuance pursuant to awards granted under the Omnibus Plan may not exceed 9% of the total number of issued and outstanding Common Shares. At March 31, 2024, 4,595,796 (5,162,728 as at December 31, 2023) additional stock options, or other equity based awards were available for grant under the Company's Omnibus Plan.

A summary of the status of the Omnibus Plan as at March 31, 2024 and as at December 31, 2023, and changes during the periods ended on those dates is presented below:

	March 31, 2024			December 31, 2023		
	Number of stock options	Weighted average exercise price	Fair Value Assigned	Number of stock options	Weighted average exercise price	Fair Value Assigned
Outstanding, beginning of the period	319,995	\$ 10.44	\$ 1,488	1,189,495	\$ 10.93	\$ 4,742
Granted	437,000	\$ 6.58	1,265	330,000	\$ 10.44	1,534
Exercised	-	\$ -	-	(345,000)	\$ 8.05	(966)
Expired	-	\$ -	-	(847,000)	\$ 10.41	(3,787)
Forfeited	-	\$ -	-	(7,500)	\$ 10.44	(35)
Outstanding, end of the period	756,995	\$ 8.21	\$ 2,753	319,995	\$ 10.44	\$ 1,488

As at March 31, 2024, the Company had stock options issued to directors, officers, employees and contractors of the Company outstanding as follows:

Date of grant	Number of options outstanding	Number of options exercisable	Exercise price	Expiry date
January 27, 2023	319,995	80,000	\$ 10.44	January 27, 2028
January 8, 2024	437,000	-	\$ 6.58	January 8, 2029

The fair value of each option is accounted for in the condensed consolidated interim statements of income and comprehensive income or capitalized to exploration and evaluation assets over the vesting period of the options, and the related credit is included in contributed surplus.

On January 8, 2024, the Company granted 437,000 incentive stock options with an exercise price of \$6.58 per option to directors, officers and employees of the Company. The stock options have a term of five years and expire on January 8, 2029. The fair value of these options, totaling \$1.3 million will be recognized (expensed and capitalized) over the vesting period of three years, of which \$0.5 million (\$0.4 million expensed and \$0.1mil capitalized) has been recognized as at March 31, 2024. The fair value of these options was calculated based on a risk-free annual interest rate of 3.5%, an expected life of 5.0 years, an expected volatility of 51% and a dividend yield rate of nil. This results in an estimated fair value of \$2.90 per option at the grant date using the Black-Scholes option-pricing model.

Victoria Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements For the three month periods ended March 31, 2024 and 2023

(Unaudited)

(Tables expressed in thousands of Canadian Dollars, except share and per share amounts)

For purposes of the options granted, the fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model, with the certain assumptions and a forfeiture rate of 8.0%.

As at March 31, 2024, the Company had restricted share units and deferred share units issued to directors, officers and employees of the Company outstanding as follows:

	March 31, 2024		December 31, 2023	
	Restricted share units	Deferred share units	Restricted share units	Deferred share units
Outstanding, beginning of the period	371,369	134,000	227,500	56,000
Granted	297,400	100,000	231,300	78,000
Exercised	(140,233)	(20,000)	(75,831)	-
Expired	-	-	-	-
Forfeited	-	-	(11,600)	-
Outstanding, end of the period	528,536	214,000	371,369	134,000

Restricted share units

During the three month period ended March 31, 2024, the Company granted 297,400 restricted share units ("RSU"). The RSUs were granted to eligible employees and vest one-third per year over three years from date of grant. Each RSU entitles the recipient to a payment in shares upon vesting unless the recipient elects to be paid in cash. The payment in cash is based on the market value of common shares at the end of the vesting period.

Total share-based compensation expense related to RSUs for the three month period ended March 31, 2024 was \$0.3 million (March 31, 2023 - \$0.3 million) and \$29,757 (March 31, 2023 - \$50,058) was capitalized.

Deferred share units

During the three month period ended March 31, 2024, the Company granted 100,000 deferred share units ("DSU") to directors of the Company. The DSUs do not vest until the end of service as a director of the Company. Each vested DSU entitles the recipient to a payment either in shares or in cash at the option of the Company. The fair value of the DSUs were estimated as of the date of issuance using the Black-Scholes option pricing model with the following assumptions: a risk-free annual interest rate of 3.8%, an expected life of 3 years, an expected volatility of 44.3% and a dividend yield rate of nil. Total share-based compensation expense related to DSUs for the three month period ended March 31, 2024 was \$0.6 million (March 31, 2023 - \$0.7 million).

19. RELATED PARTIES

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

The remuneration of directors and key management of the Company for the three month periods ended March 31, 2024 and March 31, 2023 was as follows:

	March 31, 2024	March 31, 2023
Salaries and other short term employment benefits	\$ 1,590	\$ 1,101
Share-based compensation	\$ 1,297	\$ 1,412

Victoria Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements For the three month periods ended March 31, 2024 and 2023

(Unaudited)

(Tables expressed in thousands of Canadian Dollars, except share and per share amounts)

20. COST OF GOODS SOLD

Cost of goods sold include the following components:

	Three month period ended	
	March 31, 2024	March 31, 2023
Operating costs:		
Mining	\$ 27,659	\$ 27,046
Processing	29,741	30,346
Site services	5,994	6,832
Site general and administration costs	7,722	6,819
Royalty (Note 9)	968	1,041
Production costs	72,084	72,084
Change in inventory	(6,548)	(6,508)
Less: Capitalized stripping (Note 9)	(9,075)	(7,638)
Total	\$ 56,461	\$ 57,938

21. CORPORATE GENERAL AND ADMINISTRATION

Corporate general and administration costs include the following components:

	Three month period ended	
	March 31, 2024	March 31, 2023
Salaries and benefits	\$ 1,094	\$ 1,173
Office and administrative	618	537
Share-based payments (Note 18)	1,025	1,166
Marketing	182	145
Professional fees	91	178
Amortization	31	27
Total	\$ 3,041	\$ 3,226

Victoria Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements For the three month periods ended March 31, 2024 and 2023

(Unaudited)

(Tables expressed in thousands of Canadian Dollars, except share and per share amounts)

22. FINANCE COSTS

Finance costs include the following components:

	Three month period ended	
	March 31, 2024	March 31, 2023
Interest on debt facilities (Note 13)	\$ 5,235	\$ 5,168
Amortization of deferred financing charges (Note 13)	13	319
Interest and bank charges	15	1
Interest expense on leases (Note 12)	38	37
Accretion on reclamation provision (Note 15)	330	290
Accretion on consideration payable (Note 5)	56	-
Total	<u>\$ 5,687</u>	<u>\$ 5,815</u>

23. SEGMENTED INFORMATION

The Company manages its reportable operating segments by operating mines and development projects. A breakdown of exploration and evaluation assets by geographic expenditures is disclosed in Note 8. The results from operations of these reportable operating segments are summarized in the following tables:

	Eagle Mine	Dublin Gulch	Brewery Creek	Corporate and other	Total
Three months ended March 31, 2024					
Revenue	\$ 82,982	\$ -	\$ -	\$ -	\$ 82,982
Cost of goods sold	56,461	-	-	-	56,461
Depreciation and depletion	17,544	-	-	-	17,544
Mine operating earnings	8,977	-	-	-	8,977
Corporate general & administration	-	-	33	3,008	3,041
Operating earnings (loss)	<u>\$ 8,977</u>	<u>\$ -</u>	<u>\$ (33)</u>	<u>\$ (3,008)</u>	<u>\$ 5,936</u>
March 31, 2024					
Property, plant and equipment	\$ 676,548	\$ -	\$ -	\$ 530	\$ 677,078
Exploration and evaluation assets	\$ -	\$ 57,806	\$ 1,186	\$ 7,443	\$ 66,435
Total assets	<u>\$ 925,636</u>	<u>\$ 57,806</u>	<u>\$ 1,186</u>	<u>\$ 50,529</u>	<u>\$ 1,035,157</u>
Three months ended March 31, 2023					
Revenue	\$ 96,549	\$ -	\$ -	\$ -	\$ 96,549
Cost of goods sold	57,938	-	-	-	57,938
Depreciation and depletion	17,627	-	-	-	17,627
Mine operating earnings	20,984	-	-	-	20,984
Corporate general & administration	-	-	-	3,226	3,226
Operating earnings (loss)	<u>\$ 20,984</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,226)</u>	<u>\$ 17,758</u>
December 31, 2023					
Property, plant and equipment	\$ 675,130	\$ -	\$ -	\$ 530	\$ 675,660
Exploration and evaluation assets	\$ -	\$ 57,172	\$ 1,071	\$ 7,380	\$ 65,623
Total assets	<u>\$ 916,787</u>	<u>\$ 57,172</u>	<u>\$ 1,071</u>	<u>\$ 41,856</u>	<u>\$ 1,016,886</u>

Victoria Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements For the three month periods ended March 31, 2024 and 2023

(Unaudited)

(Tables expressed in thousands of Canadian Dollars, except share and per share amounts)

24. SUPPLEMENTARY CASH FLOW INFORMATION

	March 31,	December 31,
	2024	2023
Non-cash investing and financing activities:		
Accounts payable and accrued liabilities relating to property, plant and equipment and exploration and evaluation asset expenditures	\$ 10,522	\$ 7,945
Stock-based compensation, capitalized to exploration and evaluation assets	\$ 80	\$ 231
Income taxes paid	\$ -	\$ 158
Interest paid	\$ 4,663	\$ 20,563

Reconciliation of movements in liabilities to cash flows arising from financing activities:

	Long term debt	Lease liability	Total
	<i>(Note 13)</i>	<i>(Note 12)</i>	
Balance December 31, 2023	\$ 236,175	\$ 3,471	\$ 239,646
Changes from financing activities:			
Net proceeds from Credit Facility draws	4,255	-	4,255
Principal paid	(14,218)	(200)	(14,418)
Interest paid	(4,625)	(38)	(4,663)
	221,587	3,233	224,820
Non-cash changes:			
Interest expense	5,235	38	5,273
Amortization of deferred financing charges	13	-	13
Foreign exchange (gain) loss	5,725	-	5,725
Balance March 31, 2024	\$ 232,560	\$ 3,271	\$ 235,831

25. FINANCIAL RISK MANAGEMENT

(a) Fair value of financial assets and liabilities

The book values of the cash, restricted cash, accounts receivable, accounts payable and accrued liabilities, approximate their respective fair values.

The fair values together with the carrying amounts shown in the statements of financial position are as follows:

Victoria Gold Corp.

Notes to the Condensed Consolidated Interim Financial Statements For the three month periods ended March 31, 2024 and 2023

(Unaudited)

(Tables expressed in thousands of Canadian Dollars, except share and per share amounts)

	Classification	March 31, 2024		December 31, 2023	
		Carrying amount	Fair value	Carrying amount	Fair value
Cash and cash equivalents	Level 1	\$ 28,495	\$ 28,495	\$ 14,971	\$ 14,971
Restricted cash	Level 1	185	185	185	185
Marketable securities	Level 1	10,898	10,898	11,778	11,778
Receivables	Amortized Cost	7,845	7,845	10,824	10,824
Accounts payable and accrued liabilities	Amortized Cost	(73,896)	(73,896)	(59,879)	(59,879)
Lease liability	Amortized Cost	(3,271)	(3,271)	(3,471)	(3,471)
Debt	Amortized Cost	(232,560)	(232,560)	(236,175)	(236,175)
Fair value of derivative instruments	Level 2	(5,630)	(5,630)	(572)	(572)

The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices);
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(b) Estimation of fair values

The following summarizes the major methods and assumptions used in estimating the fair values of financial instruments reflected in the table:

Restricted cash / Securities in listed entities (financial assets at fair value through profit or loss)

Fair value is based on quoted market prices at the balance sheet date without any deduction for transaction costs.

Trade and other receivables / payables

For receivables / payables with a remaining life of less than one year, the notional amount is deemed to reflect the fair value.

Derivative instruments

The fair value of these derivatives is determined using a valuation model that incorporates such factors as metal prices, metal price volatility, common share prices, common share price volatility, risk-free interest rate and expiry date.

(c) Foreign currency risk

The Company has debt facilities in US dollars being utilized. The Company funds certain expenditures in US dollars. This gives rise to a risk that its US dollar expenditures and US dollar cash holdings and debt may be adversely impacted by fluctuations in foreign exchange.