
FRONTLINE GOLD CORPORATION
CONDENSED CONSOLIDATED INTERIM FINANCIAL
STATEMENTS
THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2022
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Frontline Gold Corporation

Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian Dollars)

Unaudited

As at	September 30, 2022	December 31, 2021
Assets		
Current assets		
Cash	\$ 720	\$ 8,181
Short-term investment (note 4)	15,256	22,339
Amounts receivable	30,881	19,882
Prepaid expenses	62,934	2,933
Total current assets	109,791	53,335
Non-current assets		
Deposit	-	25,000
Exploration and evaluation assets (note 5)	751,077	632,677
Equipment (note 6)	912	1,137
Right-of-use assets (note 7)	5,298	29,139
Total assets	\$ 867,078	\$ 741,288
Liabilities and Shareholders' Deficiency		
Current liabilities		
Accounts payable and accrued liabilities (note 8)	\$ 394,322	\$ 396,108
Loans payable (note 9)	137,163	197,163
Current portion of lease liabilities (note 10)	5,795	30,714
Amounts owing to related parties (note 11)	1,040,865	1,007,951
Total current liabilities	1,578,145	1,631,936
Non-current liabilities		
Loans payable (note 9)	60,000	-
Total liabilities	1,638,145	1,631,936
Shareholders' deficiency		
Share capital (note 12)	13,621,585	13,540,085
Share-based payments reserve (note 12)	1,718,102	1,718,102
Deficit	(16,110,754)	(16,148,835)
Total shareholders' deficiency	(771,067)	(890,648)
Total liabilities and shareholders' deficiency	\$ 867,078	\$ 741,288

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

Nature of Operations and Going Concern (note 1)

These unaudited condensed consolidated interim financial statements were authorized for issue by the Board of Directors on November 28, 2022. They are signed on the Company's behalf by:

"Walter Henry" _____ Director (Signed)

"Tom Hussey" _____ Director (Signed)

Frontline Gold Corporation

Condensed Consolidated Interim Statements of Income (loss) and Comprehensive Income (loss)

(Expressed in Canadian Dollars)

Unaudited

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Operating expenses				
Consulting fees	\$ 5,000	\$ -	\$ 15,000	\$ 20,650
Depreciation (notes 6 and 7)	8,021	8,050	24,066	24,150
Interest and loan fees	6,172	4,478	18,516	18,516
Interest on lease liabilities (note 10)	287	1,094	1,484	3,846
Office and general	12,288	15,630	38,325	43,520
Professional fees	13,929	7,575	26,505	26,517
Rent	(1,463)	(1,567)	(3,617)	(6,697)
Shareholder information and communications	-	400	173	2,652
Share transfer, listing and filing fees	6,379	4,176	21,164	19,799
Total operating expenses	50,613	39,836	141,616	152,953
Net loss before other items	(50,613)	(39,836)	(141,616)	(152,953)
Other items				
Unrealized (loss) gain on short-term investments (note 4)	29	(1,959)	(210)	(53,023)
Debt settlement (note 11)	-	-	179,907	803,163
Total other items	29	(1,959)	179,697	750,140
Total comprehensive income (loss) for the period	\$ (50,584)	\$ (41,795)	\$ 38,081	\$ 597,187
Net income (loss) and comprehensive loss per share - basic and diluted	\$ (0.00)	\$ (0.00)	\$ 0.00	\$ 0.00
Weighted average number of shares outstanding - basic and diluted	130,817,803	126,753,673	128,589,579	126,753,673

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

Frontline Gold Corporation
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
Unaudited

	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Operating activities		
Net income (loss) for the period	\$ 38,081	\$ 597,187
Adjustments for:		
Depreciation	24,066	24,150
Interest on lease liabilities	1,484	3,846
Unrealized loss on short-term investments	210	53,023
Debt settlement	(179,907)	(803,163)
Changes in non-cash working capital items:		
Amounts receivable	(10,999)	2,568
Prepaid expenses	-	2,933
Accounts payable and accrued liabilities	(1,786)	55,799
Net cash used in operating activities	(128,851)	(63,657)
Investing activities		
Expenditures on exploration and evaluation assets (net of recovery)	(151,901)	(392,691)
Proceeds from sale of short-term investments	6,873	356,469
Net cash used in investing activities	(145,028)	(36,222)
Financing activities		
Lease payments	(26,403)	(26,403)
Proceeds from loans payable	-	60,000
Related party loans	292,821	(69,946)
Net cash provided by (used in) financing activities	266,418	(36,349)
Net change in cash	(7,461)	(136,228)
Cash, beginning of period	8,181	145,812
Cash, end of period	\$ 720	\$ 9,584
Non-cash transactions		
Shares issued as property acquisition cost	\$ 1,500	\$ -

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

Frontline Gold Corporation

Condensed Consolidated Interim Statements of Changes in Shareholders' Deficiency

(Expressed in Canadian Dollars)

Unaudited

	Common shares without par value		Share-based payments reserve	Deficit	Total deficiency
	#	Amount			
Balance, December 31, 2020	126,753,673	\$ 13,540,085	\$ 1,718,102	\$ (16,373,670)	\$ (1,115,483)
Net income for the period	-	-	-	597,187	597,187
Balance, September 30, 2021	126,753,673	\$ 13,540,085	\$ 1,718,102	\$ (15,776,483)	\$ (518,296)
Balance, December 31, 2021	126,753,673	\$ 13,540,085	\$ 1,718,102	\$ (16,148,835)	\$ (890,648)
Shares issued for debt settlement	4,000,000	80,000	-	-	80,000
Mineral property acquisition cost (note 5)	100,000	1,500	-	-	1,500
Net income for the period	-	-	-	38,081	38,081
Balance, September 30, 2022	130,853,673	\$ 13,621,585	\$ 1,718,102	\$ (16,110,754)	\$ (771,067)

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

Frontline Gold Corporation

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2022

(Expressed in Canadian Dollars, except as otherwise indicated)

Unaudited

1. Nature of Operations and Going Concern

Frontline Gold Corporation ("Frontline" or the "Company") was incorporated under the Canada Business Corporations Act on January 16, 2008 and completed an initial public offering on March 23, 2009. The address of the Company's corporate office and principal place of business is 372 Bay Street, Suite 301, Toronto, Ontario, Canada.

The Company is in the process of exploring mineral properties in Canada and Turkey and has not yet determined whether these properties contain economic reserves. To date, the Company has not earned production revenue and is considered to be in the development stage.

The Company's unaudited condensed consolidated interim financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company has incurred net losses to date and as at September 30, 2022 has a working capital deficiency of \$1,468,354 (December 31, 2021 - \$1,578,601).

Management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive, or raise additional debt and/or equity capital. Management intends to continue to raise additional funding in the form of equity financing from the sale of common stock and/or monetization of assets to improve the working capital position, but there is no assurance that the Company will be successful in achieving these goals. These factors may cast significant doubt on the use of the going concern basis of accounting used in the preparation of these consolidated financial statements. These financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue in business, and these adjustments may be material.

2. Basis of Preparation

Statement of Compliance

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standard 34 Interim Financial Reporting ("IAS 34"). The accounting policies used in the preparation of these unaudited condensed consolidated interim financial statements are consistent with the accounting policies disclosed in the Company's December 31, 2021 annual consolidated financial statements. These unaudited condensed consolidated interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's December 31, 2021 year end consolidated financial statements. These unaudited condensed consolidated interim financial statements were authorized for issue by the Board of Directors on November 28, 2022.

Frontline Gold Corporation

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2022

(Expressed in Canadian Dollars, except as otherwise indicated)

Unaudited

3. Capital Management

The Company's objective when managing capital is to maintain adequate levels of funding to support the acquisition and exploration of mineral properties and maintain the necessary corporate and administrative functions to facilitate these activities. The Company's definition of capital is equity and working capital.

The properties in which the Company currently has an interest are in the exploration stage; as such, the Company is dependent on external financing, primarily equity financing, to fund its activities. There can be no assurance that the Company will be able to continue to raise capital in this manner. To carry out the planned exploration and fund administrative costs, the Company will raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it believes there is sufficient geologic and economic potential and if it has adequate financial resources to do so. There were no changes to the Company's approach to capital management during the period. The Company is not subject to externally imposed capital requirements.

4. Short-term Investments

	Number of shares	Historical cost	Fair value September 30, 2022	Fair value December 31, 2021
EMX Royalty Corp.	100	\$ 387	\$ 256	\$ 7,339
Alturas Minerals Corp.	750,000	15,000	15,000	15,000
		\$ 15,387	\$ 15,256	\$ 22,339

Frontline Gold Corporation

Notes to Condensed Consolidated Interim Financial Statements
 Three and Nine months Ended September 30, 2022
 (Expressed in Canadian Dollars, except as otherwise indicated)
 Unaudited

5. Exploration and Evaluation Assets

The change in exploration and evaluation (“E&E”) assets during the period ended September 30, 2022 is as follows:

	As at December 31, 2021	Acquisition costs	Geological services	Assays	Logging and mapping	Office and general	Option proceeds received	As at September 30, 2022
Whitehorse Property	\$ 6,054	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,054
Paint Lake Property	14,456	-	-	-	-	-	-	14,456
Portage River Property	26,011	-	112	-	-	-	-	26,123
Crooked Pine Property	219,024	40,000	6,586	-	-	-	-	265,610
Route 109 Property	119,242	-	112	-	-	-	-	119,354
NE Bachelor Property	35,325	20,000	113	-	-	-	-	55,438
Epworth Property	60,478	1,500	39,963	4,364	-	540	-	106,845
Menderes Property	72,279	-	5,110	-	-	-	-	77,389
Other Ontario Property	79,808	-	-	-	-	-	-	79,808
	\$ 632,677	\$ 61,500	\$ 51,996	\$ 4,364	\$ -	\$ 540	\$ -	\$ 751,077

	As at December 31, 2020	Acquisition costs	Geological services	Assays	Logging and mapping	Office and general	Option proceeds received	Impairment	As at December 31, 2021
Whitehorse Property	\$ 228	\$ -	\$ 5,712	\$ -	\$ -	\$ 114	\$ -	\$ -	\$ 6,054
Rainy River Property	89,000	-	-	-	-	-	-	(89,000)	-
Rex Lake Property	38,301	-	-	-	-	-	-	(38,301)	-
Paint Lake Property	7,184	-	7,272	-	-	-	-	-	14,456
Portage River Property	8,000	12,000	6,011	-	-	-	-	-	26,011
Crooked Pine Property	72,172	36,250	33,161	5,203	72,238	-	-	-	219,024
Route 109 Property	98,400	14,000	6,842	-	-	-	-	-	119,242
NE Bachelor Property	15,000	20,000	325	-	-	-	-	-	35,325
Copperlode Property	-	20,000	12,498	-	-	420	(32,918)	-	-
Epworth Property	-	25,000	29,616	5,862	-	-	-	-	60,478
Menderes Property	5,163	-	67,116	-	-	-	-	-	72,279
Other Ontario Property	30,379	4,600	38,824	6,005	-	-	-	-	79,808
	\$ 363,827	\$ 131,850	\$ 207,377	\$ 17,070	\$ 72,238	\$ 534	\$ (32,918)	\$ (127,301)	\$ 632,677

Frontline Gold Corporation

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2022

(Expressed in Canadian Dollars, except as otherwise indicated)

Unaudited

5. Exploration and Evaluation Assets (Continued)

Red Lake - Birch Lake

The Company holds a 100% interest in mineral claims in the Red Lake-Birch Lake District in Northwestern Ontario, approximately 80 kilometres east-northeast of the town of Red Lake.

Frontline's Red Lake Property Group comprises 34 mineral claims and 2 mineral patents, totaling 274 claims units for a total area of approximately 4,420 hectares. The Red Lake Property Group primarily consists of 3 properties: 1) Baird/Heyson mineral claims ("Baird/Heyson Property"), 2) the Chukuni package, and 3) the Whitehorse Island Patents ("Whitehorse Property"):

2017 Option Agreement

On May 17, 2017 the Company executed an option agreement ("2017 Option Agreement") with Pacton Gold Inc. ("Pacton", TSXV: PAC) wherein, Pacton has the option to acquire a 100% percent interest in the Company's Red Lake Property Group, in the Red Lake District (which includes the Chukuni and Whitehorse properties), by making certain payments and share issuances to Frontline. The Company has received from Pacton the first payment of \$75,000 and 120,000 common shares with a fair value of \$120,000 during 2017.

Pacton will have the option to acquire a 100 percent interest in the Red Lake Property Group from Frontline by making four (4) cash payments totaling \$300,000 (\$75,000 paid), and issuing a total of 420,000 common shares (120,000 issued) to Frontline over a three (3) year period. Frontline's Red Lake Property Group retains a 2.25% net smelter returns royalty, with Frontline's net smelter returns royalty ranging from 0.25% to 2.25% on all the mineral claims and mineral patents. Pacton can purchase one-half (1/2) of Frontline's royalty by payment of \$250,000 for each 0.25% of Frontline's Royalty. The acquisition of the Red Lake Property Group by Pacton was approved by the TSX Venture Exchange.

2018 Option Agreement

On November 1, 2018, the Company entered into an option agreement ("2018 Option Agreement") with Pacton, wherein, Pacton has the option to acquire a 100% interest in the 12 mineral claims located in the Red Lake District, by making certain payments and share issuances to Frontline.

Pursuant to the terms of the 2018 Option Agreement, Pacton will have the option to acquire a 100 percent interest in the 12 mineral claims located the Red Lake Property Group from Frontline by making four (4) cash payments totaling \$110,000 (\$70,000 received), and issuing a total of 25,000 common shares (received) to Frontline over a two (2) year period as follows:

- (i) cash payment of \$30,000 (received) and issue 10,000 shares (received, valued at \$27,000) immediately;
- (ii) cash payment of \$40,000 (received) and issue 7,500 shares (received, valued at \$7,875) on or before the first anniversary; and
- (iii) cash payment of \$40,000 (received) and issue 7,500 shares (received, valued at \$7,425) on or before the second anniversary.

Frontline Gold Corporation

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2022

(Expressed in Canadian Dollars, except as otherwise indicated)

Unaudited

5. Exploration and Evaluation Assets (Continued)

Red Lake - Birch Lake (continued)

Tilly Property

On January 29, 2019, the Company entered into an acquisition agreement with Pacton, wherein Pacton acquired 100% interest in certain claims located in the Red Lake Mining District known as the Tilly Property from the Company. Pursuant to the terms of the acquisition agreement, the Company received 19,231 common shares of Pacton valued at \$48,078.

Duchess Property

On February 20, 2019, the Company entered into an option agreement ("Duchess Option Agreement") with Pacton, wherein, Pacton has the option to acquire a 100% interest in certain mineral claims located in the Red Lake District, known as the Duchess Property. Pursuant to the terms of the Duchess Option Agreement, Pacton will have the option to acquire the 100% interest in the Duchess Property from Frontline by:

- (i) directly paying a maximum of \$30,000 on behalf of Frontline to cover the costs of conducting certain exploration work on the property;
- (ii) issuance of 12,500 common shares of Pacton (received, valued at \$31,250);
- (iii) cash payment of \$50,000 (received) and issuance of 10,000 common shares of Pacton on or before the first anniversary date (received, valued at \$8,000); and
- (iv) cash payment of \$50,000 and issuance of 12,500 common shares of Pacton on or before the second anniversary date.

Whitehorse Property

During 2015, the Company had, subject to regulatory approval, acquired a 100% interest in the Whitehorse Island property ("Whitehorse"), which hosts the Whitehorse Island gold shaft. The property comprised of two contiguous claims, totalling 35.55 hectares, is strategically situated between Goldcorp/Premier Gold's Rahill-Bonanza Gold Property to the North-east and Premier Gold's Hasaga Gold property to the south west. The Whitehorse Island mining patents were previously owned by Grandview Gold Inc. On August 31, 2015, the Company entered into a binding Letter of Intent with Abitibi Royalties Inc. to sell a 2% net smelter royalty ("NSR") on the property and 15% of any cash proceeds should the property be sold or joint ventured. Abitibi Royalties Inc. has paid the Company \$10,000.

Frontline Gold Corporation

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2022

(Expressed in Canadian Dollars, except as otherwise indicated)

Unaudited

5. Exploration and Evaluation Assets (Continued)

Gullrock Property

On November 27, 2018, the Company acquired a 100% interest in the Gullrock property, located in the Red Lake district, from Alexandria Minerals Corporation ("Alexandria", a company related to a director and officer of the Company").

The acquisition of the Gullrock Property also includes all exploration data and technical information associated with the properties in the possession of the Alexandria, and any other hard assets located on the property underlying the properties.

On October 22, 2019, the Company entered into an option agreement ("Gullrock Agreement") with Pacton, wherein Pacton has the option to acquire a 100% interest in the Gullrock Property. Pursuant to the terms of the Gullrock Agreement, Pacton will have the option to acquire the 100% interest in the Gullrock Property from Frontline by making cash payments to Frontline totalling \$125,000 and issuing Frontline an aggregate of 75,000 shares as follows:

- (i) cash payment of \$35,000 (\$30,000 received) and issue 15,000 shares (received, valued at \$22,500) immediately;
- (ii) cash payment of \$22,500 (received) and issue 15,000 shares (received, valued at \$14,850) on or before the first anniversary;
- (iii) cash payment of \$22,500 and issue 15,000 shares on or before the second anniversary;
- (iv) cash payment of \$22,500 and issue 15,000 shares on or before the third anniversary; and
- (v) cash payment of \$22,500 and issue 15,000 shares on or before the fourth anniversary.

Sale of Red Lake NSR's

On December 8, 2020, the Company executed a purchase agreement to sell its portfolio of Red Lake NSR's to EMX Royalties Corporation ("EMX") for a total purchase price of \$800,000, which will be paid 50% in cash (received) and 50% in shares of EMX (103,721 shares received, valued at \$400,000). The Company's NSR's arose from the option agreements distributed over the Gullrock Property, Duchess Property, Red Lake Properties, and Tilly Property).

Paint Lake Property

On April 29, 2020, the Company acquired a 100% interest in certain claim units primarily within the Mishibishu Lake and Abbie Lake Townships of Ontario ("Paint Lake Property"). In addition, Frontline entered into a 50/50 Joint Venture Agreement ("JV Venture Agreement") with Talisker Gold Corp. ("Talisker"). Talisker will be responsible for 50% of Frontline's Paint Lake Property Option and Talisker agrees to add its East Pukaskwa property to the Joint Venture and Frontline agrees to reimburse Talisker for the acquisition costs of its property.

To exercise its option and acquire a 100% interest in the Mishibishu Lake area claims, Frontline must pay the optionor a total of \$56,000 (of which a total of \$38,000 is due in years 2 and 3 of the option agreement), with \$10,000 due on signing (\$5,000 paid by Frontline, \$5,000 paid by Talisker) and \$8,000 due on the first anniversary, and grant the optionor a 1.5% net smelter returns royalty. Frontline may repurchase one-half of the 1.5% royalty for \$500,000.

Under the terms of the JV Agreement Talisker will be responsible for 50% of Frontline Option and Frontline agrees to reimburse Talisker for the acquisition costs for this property. Frontline's cost to reimburse Talisker is approximately \$2,500.

Frontline Gold Corporation

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2022

(Expressed in Canadian Dollars, except as otherwise indicated)

Unaudited

5. Exploration and Evaluation Assets (Continued)

Portage River Property

On May 5, 2020, the Company acquired a 100% interest in twenty-eight (28) adjacent claim units covering a total area of approximately 1983 hectares located approximately 10 kilometers to the southwest of the village of Normetal and the Normetal mine, and approximately 110 kilometers north of the town of Rouyn-Noranda in the Abitibi region of Quebec. The property has road access year-round and is located just southeast of Amex Exploration Inc.'s Perron Gold Property.

To exercise its option and to acquire a 100% interest in the Portage River claims, Frontline must pay the optionor a total of \$61,000 (of which a total of \$41,000 is due in years 2 and 3 of the option agreement), with \$8,000 due on signing (paid) and \$12,000 due on the first anniversary (paid), and grant the optionor a 1.5% net smelter returns royalty. Frontline may repurchase one-half of the 1.5% royalty for \$400,000.

Crooked Pine Property

On July 9, 2020, the Company entered into an option agreement to earn up to 100% interest in 164 claim units located in Northwestern Ontario within the Thunder Bay Mining District of Ontario ("Crooked Pine Property"). To exercise its option and acquire a 100% interest in the Crooked Pine property claims, the Company must pay the optionor a total of \$150,000 (of which a total of \$95,000 is due in years 2 and 3 of the option agreement, \$40,000 paid in year 2), with \$15,000 due on signing (paid) and \$10,000 due within 3 months of the signing day (paid), and issuing 1,000,000 common shares of Frontline (issued, valued at \$20,000). The optionor will retain a 2.0% NSR royalty. Frontline may repurchase one half of the 2.0% royalty for \$1,000,000.

On February 9, 2021, the Company acquired a 100% interest in 5 mining cells within its Crooked Pine Lake Property boundary for a total sum of \$4,000 and granting the vendor a 2% NSR. The Company may repurchase 1% of the royalty for \$500,000.

Route 109 Property

On September 21, 2020, the Company acquired a 100% interest in the Route 109 Property which consists of 100 mining claims in the Province of Quebec. To exercise its option and to acquire 100% interest, the Company must pay the optionor a total of \$123,000 (of which a total of \$95,000 is due in years 2-4 of the option agreement), with \$14,000 due on signing (paid) and \$14,000 due on the first anniversary (paid), and grant the optionor a 1.5% NSR. The Company may repurchase 0.5% of royalty for \$500,000.

NE Bachelor Property

On December 1, 2020, the Company acquired a 100% interest in the NE Bachelor Property, which consists of 62 mining claims in the Province of Quebec. To exercise its option and to acquire 100% interest, the Company must pay the optionors a total of \$85,000 (of which a total of \$85,000 is due in years 2-4 of the option agreement, \$20,000 paid in year 2), with \$15,000 due on signing (paid) and grant the optionors a 1.5% NSR. The Company may repurchase 0.75% of the royalty for \$500,000.

Frontline Gold Corporation

Notes to Condensed Consolidated Interim Financial Statements
Three and Nine months Ended September 30, 2022
(Expressed in Canadian Dollars, except as otherwise indicated)
Unaudited

5. Exploration and Evaluation Assets (Continued)

Copperlode Property

In September 2021, the Company and Alturas Minerals Corp. (TSX-V: ALT) (“Alturas”) signed a definitive agreement on a 50/50 Joint Venture on Frontline’s 100% owned Copperlode Property. Pursuant to the terms of the definitive agreement, Alturas has agreed to the following initial payment terms to acquire a 50% interest in the property:

- A money cash payment of \$40,000 (received);
- The issuance of 750,000 shares of Alturas (received); and
- The agreement to fund 50% of a comprehensive review of all existing government and past exploration data for the Company’s Copperlode Property.

6. Equipment

Cost	December 31, 2020	Additions	December 31, 2021	Additions	September 30, 2022
Furniture and equipment	\$ 5,015	\$ -	\$ 5,015	\$ -	\$ 5,015
Computer hardware	38,148	-	38,148	-	38,148
	\$ 43,163	\$ -	\$ 43,163	\$ -	\$ 43,163

Accumulated Depreciation	December 31, 2020	Additions	December 31, 2021	Additions	September 30, 2022
Furniture and equipment	\$ 4,506	\$ 100	\$ 4,606	\$ 60	\$ 4,666
Computer hardware	37,108	312	37,420	165	37,585
	\$ 41,614	\$ 412	\$ 42,026	\$ 225	\$ 42,251

Carrying amounts	December 31, 2021	September 30, 2022
Furniture and equipment	\$ 409	\$ 349
Computer hardware	728	563
	\$ 1,137	\$ 912

Frontline Gold Corporation

Notes to Condensed Consolidated Interim Financial Statements
Three and Nine months Ended September 30, 2022
(Expressed in Canadian Dollars, except as otherwise indicated)
Unaudited

7. Right-of-Use Assets

Cost	December 31, 2020	Additions	December 31, 2021	Additions	September 30, 2022
Office lease	\$ 63,577	\$ -	\$ 63,577	\$ -	\$ 63,577
Accumulated Depreciation	December 31, 2020	Additions	December 31, 2021	Additions	September 30, 2022
Office lease	\$ 2,649	\$ 31,789	\$ 34,438	\$ 23,841	\$ 58,279
Carrying amounts			December 31, 2021		September 30, 2022
Office lease			\$ 29,139		\$ 5,298

8. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities of the Company are principally comprised of amounts outstanding for purchases relating to general operating activities.

	As at September 30, 2022	As at December 31, 2021
Accounts payable	\$ 211,634	\$ 246,934
Accrued liabilities	182,690	149,174
Total accounts payable and accrued liabilities	\$ 394,324	\$ 396,108

9. Loans Payable

(i) On April 27, 2016, the Company received \$250,000 in an unsecured loan from two non-arm's length investors. On June 27, 2016 the Company received an additional \$200,000 from these investors. The loans are to be repaid in 12 monthly instalments of \$37,500 beginning in November 2016. The loan bears interest at 12%. In the event the Company defaults on any payment of interest or principal when due, the interest rate shall increase to 18% with the unpaid balance of the loan becoming payable on demand. The balance of the outstanding loan as at September 30, 2022 is \$137,163 (2021 - \$137,163). The accrued interest as of September 30, 2022 is \$145,190 (2021 - \$126,674) and is included in accounts payable and accrued liabilities.

In addition, the Investors are also entitled to receive royalty payments "(Royalties)" from the Company. The Royalties shall be calculated as 3.5% of the "Net Proceeds", as defined below, received by the Company from the Keban and Kambertepe tailings projects in Turkey (the "Tailings Projects"). Net Proceeds shall mean the gross revenue received by the Company or any of its subsidiaries from the sale of metals or any other products derived from the Tailings Projects after deducting the excavating and transportation costs, and processing costs.

The Company has the right to buy back 0.5% of the Royalty (in which case the outstanding royalty will drop to 3%) one year after the first royalty payment has been made at a purchase price of \$100,000. The right is exercisable for a period of 30 days after which it shall expire and terminate if not exercised by the Company.

Frontline Gold Corporation

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2022

(Expressed in Canadian Dollars, except as otherwise indicated)

Unaudited

9. Loans Payable (Continued)

(ii) In February 2021, the Company received \$60,000 under the Canada Emergency Business Account ("CEBA") program. \$20,000 of the loan is forgivable if repaid by December 31, 2022. The loan accrues no interest until December 31, 2022, and thereafter converts to a 3 year term loan with a 5% annual interest rate. Any portion of the loan is repayable without penalty at any time prior to December 31, 2025. On January 12, 2022, the Canadian Government announced the CEBA loan forgiveness repayment date will be extended to December 31, 2023 for eligible CEBA loan holders in good standing.

10. Lease Liabilities

	Office leases
Balance, December 31, 2020	\$ 61,173
Interest expense	4,746
Lease payments	(35,205)
Balance, December 31, 2021	30,714
Interest expense	1,484
Lease payments	(26,403)
Balance, September 30, 2022	5,795
Less: non-current portion	-
Current portion of lease liabilities	\$ 5,795

The following table presents a maturity analysis of the contractual undiscounted cash flows from lease obligations.

Less than one year	\$ 14,669
One to five years	-
Balance, September 30, 2022	\$ 14,669

Frontline Gold Corporation

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2022

(Expressed in Canadian Dollars, except as otherwise indicated)

Unaudited

11. Related Party Transactions

Payments to key management personnel including the Chief Executive Officer, Chief Financial Officer, and Directors and companies directly controlled by key management personnel are for salaries, director fees, consulting fees, management fees or professional fees and are directly related to their position in the organization.

	September 30, 2022	December 31, 2021
Due to Merrex Gold Inc. (i)	\$ -	\$ 259,907
Due to President and Chief Executive Officer (ii)	764,470	471,649
Due to directors, officers and related corporations (ii)	276,395	276,395
	\$ 1,040,865	\$ 1,007,951

(i) The Company is related to Merrex Gold Inc. ("Merrex") by way of common directors and shared staff, rent and office costs in Mali to February 28, 2013. The balance owing to Merrex was \$259,907 and the amount was subject to mutual agreement of the Company's share of costs in Mali. The amount payable to Merrex was non-interest bearing with no fixed terms of repayment.

During the nine months ended September 30, 2022, the Company issued 4,000,000 shares to settle the balance owed to Merrex. As a result, the Company recognized a gain on debt settlement of \$179,907.

(ii) The Company has a loan agreement to borrow from its President and Chief Executive Officer. The loan is unsecured and non-interest bearing with no fixed terms of repayment.

Included in amounts owing to related parties are additional amounts owing to directors, officers, and corporations in which directors and officers are shareholders totalling \$276,395 (December 31, 2021 - \$276,395); and \$764,470 (2021 - \$471,649) owing to the President and Chief Executive Officer.

During the three and nine months ended September 30, 2022, \$5,000 and \$15,000, respectively (2021 - \$nil and \$20,650, respectively) in directors fees were paid to directors of the Company.

Related party transactions are in the ordinary course of business and are measured at the amount agreed to by the related parties.

Frontline Gold Corporation

Notes to Condensed Consolidated Interim Financial Statements
Three and Nine months Ended September 30, 2022
(Expressed in Canadian Dollars, except as otherwise indicated)
Unaudited

12. Share Capital

Authorized

Unlimited number of common shares, without nominal or par value.

Issued during 2022 and 2021

	Number of common shares	Amount
Balance, December 31, 2020, September 30, 2021 and December 31, 2021	126,753,673	\$ 13,540,085
Shares issued for debt settlement (i)	4,000,000	80,000
Mineral property acquisition cost	100,000	1,500
Balance, September 30, 2022	130,853,673	\$ 13,621,585

(i) During the nine months ended September 30, 2022, the Company issued 4,000,000 shares valued at \$80,000 to settle \$259,907 of debt owed by the Company. As a result, the Company recognized a gain on debt settlement of \$179,907.

Share Purchase Warrants

There were no changes in warrants during the periods ended September 30, 2022 and 2021.

Share Purchase Options

The Company adopted a stock option plan under which it is authorized to grant options to officers, directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. The options can be granted for a maximum of 10 years and vest as determined by the Board of Directors.

The change in stock options during the periods ended September 30, 2022 and 2021 is as follows:

	Number of options	Weighted average exercise price
Balance, December 31, 2020	1,050,000	\$ 0.05
Expired	(1,050,000)	0.05
Balance, September 30, 2021, December 31, 2021 and September 30, 2022	-	\$ -

As at September 30, 2022, there were no outstanding stock options.

Frontline Gold Corporation

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine months Ended September 30, 2022

(Expressed in Canadian Dollars, except as otherwise indicated)

Unaudited

13. Financial Instruments

The Company's risk exposures and the impact on the Company's financial instruments are summarized below.

Credit Risk

The Company has no significant credit risk arising from operations. The Company's credit risk is primarily attributable to cash. The Company holds its cash with a Canadian chartered bank and the risk of default is considered to be remote.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due (Note 1). The Company's approach to managing liquidity risk is to ensure it will have sufficient liquidity to meet liabilities when due. The Company's accounts payable and accrued liabilities are due within one year. As at September 30, 2022, the Company has a working capital deficiency of \$1,468,354 (2021 - \$1,578,601) to settle current liabilities of \$1,578,145 (2021 - \$1,631,936). In addition to the normal working capital requirements, the Company has further payment requirements under option agreements and to maintain its interests in its mineral properties that are outlined in note 5.

Interest Rate Risk

Interest rate risk is the risk that the value of the Company's assets and liabilities can change due to a change in interest rates. The Company considers interest rate risk related to cash to be low.

Foreign Currency Risk

The Company conducts exploration activities in foreign countries and a portion of exploration expenditures are transacted in US dollars, CFA francs and Turkish Lira. The Company could be exposed to risk of major changes in these currencies relative to the Canadian dollar.

14. Segment Reporting

The Company has one reportable operating segment, being that of acquisition, exploration and evaluation of mineral properties.