Form 51-102F4
Business Acquisition Report

Item 1 Identity of Company

1.1 Name and Address of Company

Augusta Gold Corp. (the "**Company**")
Suite 555 - 999 Canada Place,
Vancouver, BC
V6C 3E1

1.2 Executive Officer

Tom Ladner, Vice President Legal
604-638-1470

Item 2 Details of Acquisition

2.1 Nature of Business Acquired

On June 13, 2022, the Company acquired (the "**Transaction**") CR Reward LLC ("**CR Reward**") from Waterton Nevada Splitter LLC ("**Waterton**"). CR Reward is a mining company focused on the Reward Gold Project located in the Walker Lane Trend in Nevada, USA.

2.2 Acquisition Date

June 13, 2022.

2.3 Consideration

CR Reward was acquired for the following consideration:

- US$12.5M cash paid on closing of the Transaction ("**Closing**") with cash on hand;
- US$15.0M comprised of 7,800,000 Augusta Gold shares paid on Closing with the remaining payable at the time of Augusta Gold's next equity or debt financing, in cash or Augusta Gold shares, provided the additional amount of shares does not result in Waterton owning more than 9.99% of Augusta Gold's issued and outstanding shares; and
- US$17.5M cash paid within 90 days of Closing, which is backstopped by the Company's Executive Chairman and significant shareholder, Mr. Richard Warke.

2.4 Effect on Financial Position

The Company will update the prior economic studies completed on the Reward Project and, pending the results, anticipates commencing construction at the Reward Project.

2.5 Prior Valuations

No valuation opinion was obtained within the last 12 months by CR Reward or the Company required by securities legislation or a Canadian exchange or market to support the consideration paid by the Company.

2.6 Parties to Transaction

The Transaction was not with an informed person, associate or affiliate of the Company.

2.7 Date of Report

July 7, 2022.

Item 3 Financial Statements and Other Information

Attached to this Report are the following financial statements:

Schedule A - Audited consolidated financial statements of CR Reward as of and for the years ended December 31, 2021 and 2020, the related notes thereto, and the independent auditor's report thereon.

Schedule B - Unaudited condensed consolidated financial statements of CR Reward as of and for the period ended March 31, 2022 and 2021, and the related notes thereto.

Schedule C - The unaudited pro forma condensed combined financial information of the Company, giving effect to the acquisition of CR Reward, which includes the unaudited pro forma condensed combined balance sheet as of March 31, 2022 and the unaudited pro forma condensed combined statements of income for the year ended December 31, 2021 and for the three months ended March 31, 2022.

The Company's auditors, Davidson & Company LLP, have given their consent to include their audit report in this Report.

SCHEDULE A

CR REWARD

LIMITED LIABILITY COMPANY

Consolidated Financial Statements

CR REWARD LLC

Years Ended December 31, 2021 and 2020

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Member of
CR Reward LLC

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of CR Reward LLC (the "Company"), as of December 31, 2021 and 2020, and the related consolidated statements of loss and comprehensive loss, changes in members' equity (deficit), and cash flows for the years ended December 31, 2021 and 2020, and the related notes (collectively referred to as the "financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of CR Reward LLC as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years ended December 31, 2021 and 2020, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatements of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is matter arising from the current periods audit of the financial statements that were communicated or required to be communicated to the members and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matter does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing separate opinions on the critical audit matter or on the accounts or disclosures to which it relates.

Description of Critical Audit Matter

As described in Note 1 to the consolidated financial statements, the Company's asset retirement obligation ("ARO") as at December 31, 2021 and 2020 totaled $1,168,968 and $1,211,386 respectively. We considered the Company's ARO a critical audit matter due to high professional judgement by management when assessing this obligation, including the assessment of the nature and extent of future work to be performed, the future cost of performing the rehabilitation work, the timing of when the rehabilitation will take place and economic assumptions such as the discount rate and inflation rates applicable to future cash outflows associated with rehabilitation activities to bring them to their present value.

How we addressed Critical Audit Matter

We reviewed the Company's calculation of its ARO, and verified the correct valuation of the principal components of the provision in accordance with FASB ASC 410-20. To audit the ARO liability, our procedures included evaluating the methodology used, and testing the significant assumptions in the ARO calculations. We compared assumptions including the credit-adjusted risk-free rate, and inflation rate to current market data. In addition, to assess the estimates of disturbed acreage, timing of reclamation activities and reclamation costs, we verified consistency between timing of reclamation activities and projected mine life, considered the appropriateness of the estimated costs based on mine type, compared anticipated costs to recent reclamation expenditures, and recalculated management's estimate.

We have served as the Company's auditor since 2022.

/s/ DAVIDSON & COMPANY LLP

Vancouver, Canada

Chartered Professional Accountants

July 7, 2022

CR REWARD LLC
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND DECEMBER 31, 2020
(Expressed in US dollars)

	12/31/21	12/31/20
Assets		
Current assets		
Cash	$ 549,350	$ 77,218
Prepaid	32,195	35,422
Total current assets	581,545	112,640
Other assets		
Mineral properties, net	11,084,945	11,084,945
Property, plant and equipment	838,991	813,851
Total other assets	11,923,936	11,898,796
Total assets	$ 12,505,481	$ 12,011,436
Liabilities and Member's Equity (Deficit)		
Current liabilities		
Accounts payable	$ 22,697	$ 96,917
Total current liabilities	22,697	96,917
Long term liabilities		
Asset retirement obligation	1,168,968	1,211,386
Total long-term liabilities	1,168,968	1,211,386
Total liabilities	1,191,665	1,308,303
Member's equity		
Member's capital	21,317,522	20,417,522
Accumulated deficit	(10,003,706)	(9,714,389)
Total member's equity	11,313,816	10,703,133
Total liabilities and member's equity	$ 12,505,481	$ 12,011,436

Commitment and contingencies *(note 7)*

See accompanying notes to consolidated financial statements

CR REWARD LLC
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE YEAR ENDED DECEMBER 31, 2021 AND 2020
(Expressed in US dollars)

	Year Ended	
	12/31/21	**12/31/20**
Operating expenses		
General and administrative	$ 100,055	$ 233,790
Exploration, evaluation, and project expense	161,035	544,733
Accretion expense	11,266	20,178
Total operating expenses	272,356	798,701
Net operating loss	(272,356)	(798,701)
Financing expense	16,961	25,606
Net loss and comprehensive loss	$ (289,317)	$ (824,307)

See accompanying notes to consolidated financial statements

CR REWARD LLC
CONSOLIDATED STATEMENTS OF MEMBER'S EQUITY (DEFICIT)
FOR THE YEAR ENDED DECEMBER 31, 2021 AND 2020
(Expressed in US dollars)

	Member's Capital	Accumulated Deficit	Total Member's Equity (Deficit)
December 31, 2019	$ 19,217,522	$ (8,890,082)	10,327,440
Member's contribution	1,200,000	-	1,200,000
Net loss	-	(824,307)	(824,307)
December 31, 2020	$ 20,417,522	$ (9,714,389)	$ 10,703,133
Member's contribution	900,000	-	900,000
Net loss	-	(289,317)	(289,317)
December 31, 2021	$ 21,317,522	$ (10,003,706)	$ 11,313,816

See accompanying notes to consolidated financial statements

CR REWARD LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021 AND 2020
(Expressed in US dollars)

	Year Ended	
	12/31/21	**12/31/20**
Cash flows from operating activities		
Net loss	$ (289,317)	$ (824,307)
Adjustments to reconcile net loss to net cash used in operating activities; change in operating assets and liabilities:		
Prepaid expenses	3,227	(14,314)
Accounts payable	(74,220)	(42,481)
Asset retirement obligation	(42,418)	149,390
Net cash used in operating activities	(402,728)	(731,712)
Cash flows from investing activity		
Additions to Property, plant and equipment	(25,140)	(813,865)
Net cash used in investing activities	(25,140)	(813,865)
Cash flows from financing activities		
Proceeds from member contribution	900,000	1,200,000
Net cash provided by financing activities	900,000	1,200,000
Net increase (decrease) in cash	472,132	(345,577)
Cash, beginning of period	77,218	422,795
Cash, end of period	$ 549,350	$ 77,218

See accompanying notes to consolidated financial statements

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

CR Reward Corporation was formed on June 1, 2007. On July 1, 2018, the corporation was converted to a Nevada limited liability company and renamed CR Reward LLC ("Reward" or the "Company"). The Company is a junior exploration company engaged in the acquisition and exploration of properties that may contain gold, silver, and other metals. On October 9, 2020, the Company formed a wholly owned subsidiary, CR Reward Water Holdings LLC, a Nevada limited liability company to hold the Reward mine and related assets in Nye county, Nevada. The balances and results of operations of CR Reward Water Holdings LLC are consolidated within these financial statements. The Company is a wholly owned subsidiary of Waterton Nevada Splitter, LLC ("Waterton Nevada"), a subsidiary of Waterton Precious Metals Fund II Cayman, LP ("Waterton").

Basis of Presentation and Statement of Compliance

The accompanying consolidated financial statements (the "consolidated financial statements"), have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Basis of Measurement

These consolidated financial statements have been prepared on the going concern basis, under the historical cost convention, except for certain financial instruments that are measured at fair value as described herein.

Principles of Consolidation

The consolidated financial statements include the accounts of CR Reward LLC and its wholly owned subsidiaries. All significant inter-entity balances and transactions have been eliminated in consolidation.

Cash, Cash Equivalents and Concentration

The Company considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents. The Company places its cash with high credit quality financial institutions in the United States. On December 31, 2021, the Company's cash balance was $549,350.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates have been made for asset retirement obligations.

Foreign Currency Translation

The functional currency of the Company and its subsidiary is the US dollar.

Leases

The Company has early adopted Financial Accounting Standards Board (FASB) ASU 2016-02, Leases (Topic 842). Leases of 12 months or less are accounted for similar to existing guidance for operating leases. For leases with a lease term greater than one year, the Company recognizes a lease asset for its right to use the underlying leased asset and a lease liability for the corresponding lease obligation.

Property, plant and equipment

Land includes associated resource rights where they are not legally separate. If the predominant feature of land is underlying minerals, it is classified as mineral properties, and otherwise it is classified as property, plant and equipment.

Mineral Property Acquisition and Exploration Costs

Mineral property exploration and evaluation expenditures are expensed as incurred until economic reserves are quantified and the Company has developed a plan for operating a mine. Costs of lease including associated advance royalties, exploration, carrying and retaining unproven mineral lease properties are expensed as incurred. The Company expenses all mineral exploration costs as incurred, except acquisition costs. Once the Company has identified proven and probable reserves in its investigation of its properties and developed a plan for operating a mine economically, it capitalizes future development costs until production is established. When a property reaches the production stage, the related capitalized costs will be amortized over the estimated life of the probable-proven reserves. When the Company has capitalized mineral properties, these properties are periodically assessed for impairment of value and any diminution in value. The capitalization criteria have not been met and therefore all exploration and evaluation costs are being expensed.

The Company has reclamation and closure cost obligations related to the operations of the Reward gold and silver mine in Nye County, Nevada at the end of its useful life.

	2021	2020
Balance, January 1	$ 1,211,386	$ 1,061,996
Accretion	11,266	20,178
Change in estimates	(53,684)	129,212
Balance, December 31 (current)	$ -	$ -
Balance, December 31 (long term)	$ 1,168,968	$ 1,211,386
Life of mine	2029	2029

Although the ultimate amounts for future site reclamation and remediation are uncertain, the best estimate of these obligations was based on information available, including current legislation, third-party estimates, and management estimates. The amounts and timing of the mine closure obligations will vary depending on several factors including future operations and the ultimate life of the mine, future economic conditions, and changes in applicable environmental regulations.

Fair Value of Financial Instruments

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair value:

Level 1 - Valuation based on quoted market prices in active markets for identical assets and liabilities.

Level 2 - Valuation based on quoted market prices for similar assets and liabilities in active markets.

Level 3 - Valuation based on unobservable inputs that are supported by little or no market activity, therefore requiring management's best estimate of what market participants would use as fair value.

The fair value of cash and accounts payable and accrued liabilities approximates their carrying values due to their short term to maturity.

Income Taxes

The Company and its subsidiary are limited liability companies registered in Nevada, USA. These entities are disregarded entities for United States income tax purposes; accordingly, no provision for income taxes is included in these financial statements.

Long Lived Assets

The Company assesses the impairment of long-lived assets whenever events or changes in circumstances indicate that the carrying value may not be recoverable. When the Company determines that the carrying value of long-lived assets may not be recoverable based upon the existence of one or more indicators of impairment and the carrying value of the asset cannot be recovered from projected undiscounted cash flows, the Company records an impairment charge. The Company measures any impairment based on a projected discounted cash flow method using a discount rate determined by management to be commensurate with the risk inherent in the current business model. Significant management judgment is required in determining whether an indicator of impairment exists and in projecting cash flows.

Risks and Uncertainties

Since the formation of the Company, it has not generated any revenues. Although the Company has identified mineralization, obtained applicable permits and advanced its evaluation of the Reward project, the Company has not commenced development nor established current economic feasibility of the deposit in conjunction with an operating plan for the Reward mine. The Company has determined that previous technical reports established on the basis of economic assumptions are insufficient for purposes of establishing the mining methods, processing and recoveries associated with an economically feasible mine plan.

The Company’s sole source of financing to conduct its business activities has been through equity contributions from its member. The Company is subject to all the risks inherent in the initial organization, financing, expenditures, complications and delays inherent in mineral exploration and development. Our business is dependent upon establishing the economic feasibility of extracting minerals profitably, including the development and implementation of a mine development and operating plan. There can be no assurance that our efforts will be successful or that we will ultimately be able to generate revenue or attain profitability.

Natural resource exploration, development and operation, is a business that by its nature is very speculative. There is a significant possibility that we will be able to mine or extract minerals at a profit as the deposit may not be of the quality or size necessary for us or a potential purchaser of the property to make a profit from mining it. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected geological formations, geological formation pressures, fires, power outages, labor disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labor are just some of the many risks involved in mineral programs and the subsequent development of gold deposits.

The Company business is exploring and planning for the potential extraction of gold and other minerals. If the Company determines it has commercially exploitable gold or other deposits, revenue from such discoveries will not be generated unless the gold or other minerals are actually mined.

Mining operations in the United States are subject to many different federal, state, and local laws and regulations, including stringent environmental, health and safety laws. In the event operational responsibility is assumed for mining our properties, the Company may be unable to comply with current or future laws and regulations, which can change at any time. Changes to these laws may adversely affect any of the Company potential mining operations. Moreover, compliance with such laws may cause substantial delays and require capital outlays greater than those the Company anticipate, adversely affecting any potential mining operations. Future mining operations, if any, may also be subject to liability for pollution or other environmental damage. The Company may choose to not be insured against this risk because of high insurance costs or other reasons.

The Company's exploration and development activities may be affected by existing or threatened medical pandemics, such as the novel coronavirus (COVID-19). A government may impose strict emergency measures in response to the threat or existence of an infectious disease, such as the emergency measures imposed by governments of many countries and states in response to the COVID-19 virus pandemic. As such, there are potentially significant economic and social impacts of infectious diseases, including but not limited to the inability of the Company to develop and operate as intended, shortage of skilled employees or labor unrest, inability to access sufficient healthcare, significant social upheavals or unrest, disruption to operations, supply chain shortages or delays, travel and trade restrictions, government or regulatory actions or inactions (including but not limited to, changes in taxation or policies, or delays in permitting or approvals, or mandated shut downs), declines in the price of precious metals, capital markets volatility, availability of credit, loss of investor confidence and impact on economic activity in affected countries or regions. In addition, such pandemics or diseases represent a serious threat to maintaining a skilled workforce in the mining industry and could be a major health-care challenge for the Company. There can be no assurance that the Company or the Company's personnel will not be impacted by these pandemic diseases and the Company may ultimately see its workforce productivity reduced or incur increased medical costs/insurance premiums as a result of these health risks. COVID-19 is rapidly evolving and the effects on the mining industry and the Company are uncertain. The Company may not be able to accurately predict the impact of infectious disease, including COVID-19, or the quantum of such risks. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about by pandemics on global financial markets, which may reduce resources, share prices and financial liquidity and may severely limit the financing capital available to the Company.

Recent Accounting Pronouncements

The Company is not aware of any recent accounting pronouncements expected to have a material impact on the consolidated financial statements.

NOTE 2 - MINERAL PROPERTIES

Cost and net book value		
As of December 31, 2021 and December 31, 2020	**$**	**11,084,945**

NOTE 3 – PROPERTY, PLANT AND EQUIPMENT

Cost and net book value		**Land including associated resources and rights**
As of December 31, 2019	$	-
Acquired during the year		813,851
As of December 31, 2020		**813,851**
Additions		25,140
As of December 31, 2021	**$**	**838,991**

NOTE 4 – ACCOUNTS PAYABLE

	12/31/2021	12/31/2020
Trade accounts payable	$ 5,325	$ 61,597
Due to related parties (note 5)	17,372	35,320
Total	22,697	96,917

NOTE 5 - RELATED PARTY

By virtue of common control, Elko Mining Group is related to the Company. Elko Mining Group provides certain technical services to the Company, for which it receives a service fee. In the year ended December 31, 2021, the Company incurred fees of $182,319 (2020: $251,182), of which $17,372 (2020: $35,320) was outstanding at year-end. The amount due is non-interest bearing and due on demand.

The Company has posted a reclamation bond with the Bureau of Land Management for $1,130,709. The reclamation bond is posted through a surety arrangement and is guaranteed by the Company and by Waterton. The Company is responsible for interest charges associated with the surety arrangement. In the year ended December 31, 2021, the Company incurred financing expense of $16,961 (2020: $25,606) associated with this surety arrangement and letter of credit.

NOTE 6 - MEMBER'S EQUITY

Authorized, issued and outstanding

An unlimited number of member units have been authorized. In the year ended December 31, 2021, the member of the Company contributed $900,000 in member's equity (2020: $1,200,000). The member's units issued and outstanding as at December 31, 2021 and 2020 were 21,317,522 and 20,417,522 respectively.

NOTE 7 - COMMITMENTS AND CONTINGENCIES

The Company has four leases which require annual advance royalty payments according to the following schedules. These leases are out of the scope of ASC 842 *Leases*, and any advance royalty paid is expensed off as exploration expenses. The advance royalties paid till December 31, 2021 was $415,405 (2020: $383,005). Once in production, each agreement attracts payment of net smelter royalties as per the last row of the following table.

	Connolly	Webster(1)	Orser	Meeteren	Total
2022	$ 10,000	$ 7,500	$ 20,000	$ 2,400	$ 39,900
2023	$ 10,000	$ 7,500	$ 20,000	$ 2,400	$ 39,900
2024	-	-	$ 20,000	$ 2,400	$ 22,400
2025	-	-	-	$ 2,400	$ 2,400
2026	-	-	-	$ 2,400	$ 2,400
2027	-	-	-	$ 2,400	$ 2,400
2028	-	-	-	$ 2,400	$ 2,400
2029	-	-	-	$ 2,400	$ 2,400
2030	-	-	-	$ 2,400	$ 2,400
Applicable NSR's	3.0%	3.0%	3.0%	3.0%	

(1) All amounts of annual advance minimum royalties paid during a calendar year shall be applied toward all amounts of earned mineral production royalties payable during that calendar year.

NOTE 8 - SUBSEQUENT EVENTS

On April 21, 2022, Augusta Gold Corp. (“Augusta”) announced that it had entered into an agreement to acquire the Reward Project (the “Transaction”) from Waterton Nevada for the following consideration:

- $12.5 million cash paid on closing of the Transaction (“Closing”);

- $15.0 million comprised of 7,800,000 Augusta common shares paid on Closing with the remaining payable (based on C$1.70 per common share) at the time of Augusta’s next equity financing, in cash or Augusta common shares, provided the additional amount of common shares does not result in Waterton owning more than 9.99% of Augusta’s issued and outstanding common shares.

- $17.5 million cash paid within 90 days of Closing (the “Deferred Payment”).

Augusta announced the closing of the acquisition of the Reward Project on June 14, 2022 (refer to the Augusta’s news releases dated April 21, 2022, June 7, 2022 and June 14, 2022 for further information).

SCHEDULE B

CR REWARD
LIMITED LIABILITY COMPANY

Unaudited Consolidated Financial Statements

CR REWARD LLC

Three Months Ended March 31, 2022 and 2021

CR REWARD LLC
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2022 AND DECEMBER 31, 2021
(Expressed in US dollars)

	3/31/22	12/31/21
Assets		
Current assets		
Cash	$ 485,521	$ 549,350
Prepaid	19,521	32,195
Total current assets	505,042	581,545
Other assets		
Mineral properties, net	11,084,945	11,084,945
Property, plant and equipment	838,991	838,991
Total other assets	11,923,936	11,923,936
Total assets	$ 12,428,978	$ 12,505,481
Liabilities and Member's Equity (Deficit)		
Current liabilities		
Accounts payable	$ 63,285	$ 22,697
Total current liabilities	63,285	22,697
Long term liabilities		
Asset retirement obligation	1,100,434	1,168,968
Total long-term liabilities	1,100,434	1,168,968
Total liabilities	1,163,719	1,191,665
Member's equity		
Member's capital	21,317,522	21,317,522
Accumulated deficit	(10,052,263)	(10,003,706)
Total member's equity	11,265,259	11,313,816
Total liabilities and member's equity	$ 12,428,978	$ 12,505,481

Commitment and contingencies *(note 7)*

See accompanying notes to consolidated financial statements

CR REWARD LLC
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021
(Expressed in US dollars)

	Three Months Ended	
	3/31/22	**3/31/21**
Operating expenses		
General and administrative	$ 38,943	$ 21,850
Exploration, evaluation, and project expense	1,136	11,010
Accretion expense	4,238	2,816
Total operating expenses	44,317	35,676
Net operating loss	(44,317)	(35,676)
Financing expense	4,240	4,240
Net loss and comprehensive loss	$ (48,557)	$ (39,916)

See accompanying notes to consolidated financial statements

CR REWARD LLC
CONSOLIDATED STATEMENTS OF MEMBER'S EQUITY (DEFICIT)
FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021
(Expressed in US dollars)

	Member's Capital	Accumulated Deficit	Total Member's Equity (Deficit)
December 31, 2020	$ 20,417,522	$ (9,714,389)	10,703,133
Member's contribution	400,000	-	400,000
Net loss	-	(39,916)	(39,916)
March 31, 2021	$ 20,817,522	$ (9,754,305)	$ 11,063,217
December 31, 2021	$ 21,317,522	$ (10,003,706)	11,313,816
Member's contribution	-	-	-
Net loss	-	(48,557)	(48,557)
March 31, 2022	$ 21,317,522	$ (10,052,263)	$ 11,265,259

See accompanying notes to consolidated financial statements

CR REWARD LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(Expressed in US dollars)

	Three Months Ended	
	3/31/22	3/31/21
Cash flows from operating activities		
Net loss	$ (48,557)	$ (39,916)
Adjustments to reconcile net loss to net cash used in operating activities; change in operating assets and liabilities:		
Prepaid expenses	12,674	11,510
Accounts payable	40,588	(64,016)
Asset retirement obligation	(68,534)	(75,709)
Net cash used in operating activities	(63,829)	(168,131)
Cash flows from investing activity		
Additions to property, plant and equipment	-	-
Net cash used in investing activities	-	-
Cash flows from financing activities		
Proceeds from member contribution	-	400,000
Net cash provided by financing activities	-	400,000
Net increase (decrease) in cash	(63,829)	231,869
Cash, beginning of period	549,350	77,218
Cash, end of period	$ 485,521	$ 309,087

See accompanying notes to consolidated financial statements

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

CR Reward Corporation was formed on June 1, 2007. On July 1, 2018, the corporation was converted to a Nevada limited liability company and renamed CR Reward LLC ("Reward" or the "Company"). The Company is a junior exploration company engaged in the acquisition and exploration of properties that may contain gold, silver, and other metals. On October 9, 2020, the Company formed a wholly owned subsidiary, CR Reward Water Holdings LLC, a Nevada limited liability company to hold the Reward mine and related assets in Nye county, Nevada. The balances and results of operations of CR Reward Water Holdings LLC are consolidated within these financial statements. The Company is a wholly owned subsidiary of Waterton Nevada Splitter, LLC ("Waterton Nevada"), a subsidiary of Waterton Precious Metals Fund II Cayman, LP ("Waterton").

Basis of Presentation and Statement of Compliance

The accompanying consolidated financial statements (the "consolidated financial statements"), have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Basis of Measurement

These consolidated financial statements have been prepared on the going concern basis, under the historical cost convention, except for certain financial instruments that are measured at fair value as described herein.

Principles of Consolidation

The consolidated financial statements include the accounts of CR Reward LLC and its wholly owned subsidiaries. All significant inter-entity balances and transactions have been eliminated in consolidation.

Cash, Cash Equivalents and Concentration

The Company considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents. The Company places its cash with high credit quality financial institutions in the United States. On March 31, 2022, the Company's cash balance was $485,521.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates have been made for asset retirement obligations.

Foreign Currency Translation

The functional currency of the Company and its subsidiary is the US dollar.

Leases

The Company has early adopted Financial Accounting Standards Board (FASB) ASU 2016-02, Leases (Topic 842). Leases of 12 months or less are accounted for similar to existing guidance for operating leases. For leases with a lease term greater than one year, the Company recognizes a lease asset for its right to use the underlying leased asset and a lease liability for the corresponding lease obligation.

Property, plant and equipment

Land includes associated resource rights where they are not legally separate. If the predominant feature of land is underlying minerals, it is classified as mineral properties, and otherwise it is classified as property, plant and equipment.

Mineral Property Acquisition and Exploration Costs

Mineral property exploration and evaluation expenditures are expensed as incurred until economic reserves are quantified and the Company has developed a plan for operating a mine. Costs of lease including associated advance royalties, exploration, carrying and retaining unproven mineral lease properties are expensed as incurred. The Company expenses all mineral exploration costs as incurred, except acquisition costs. Once the Company has identified proven and probable reserves in its investigation of its properties and developed a plan for operating a mine economically, it capitalizes future development costs until production is established. When a property reaches the production stage, the related capitalized costs will be amortized over the estimated life of the probable-proven reserves. When the Company has capitalized mineral properties, these properties are periodically assessed for impairment of value and any diminution in value. The capitalization criteria have not been met and therefore all exploration and evaluation costs are being expensed.

The Company has reclamation and closure cost obligations related to the operations of the Reward gold and silver mine in Nye County, Nevada at the end of its useful life.

	2022	2021
Balance, January 1	$ 1,168,968	$ 1,211,386
Accretion	4,238	2,816
Costs applied to ARO balance	-	-
Change in estimates	(72,772)	(78,525)
Balance, March 31 (current)	$ -	$ -
Balance, March 31 (long term)	$ 1,100,434	$ 1,135,677
Life of mine	2029	2029

Although the ultimate amounts for future site reclamation and remediation are uncertain, the best estimate of these obligations was based on information available, including current legislation, third-party estimates, and management estimates. The amounts and timing of the mine closure obligations will vary depending on several factors including future operations and the ultimate life of the mine, future economic conditions, and changes in applicable environmental regulations.

Fair Value of Financial Instruments

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair value:

Level 1 - Valuation based on quoted market prices in active markets for identical assets and liabilities.

Level 2 - Valuation based on quoted market prices for similar assets and liabilities in active markets.

Level 3 - Valuation based on unobservable inputs that are supported by little or no market activity, therefore requiring management's best estimate of what market participants would use as fair value.

The fair value of cash and accounts payable and accrued liabilities approximates their carrying values due to their short term to maturity.

Income Taxes

The Company and its subsidiary are limited liability companies registered in Nevada, USA. These entities are disregarded entities for United States income tax purposes; accordingly, no provision for income taxes is included in these financial statements.

Long Lived Assets

The Company assesses the impairment of long-lived assets whenever events or changes in circumstances indicate that the carrying value may not be recoverable. When the Company determines that the carrying value of long-lived assets may not be recoverable based upon the existence of one or more indicators of impairment and the carrying value of the asset cannot be recovered from projected undiscounted cash flows, the Company records an impairment charge. The Company measures any impairment based on a projected discounted cash flow method using a discount rate determined by management to be commensurate with the risk inherent in the current business model. Significant management judgment is required in determining whether an indicator of impairment exists and in projecting cash flows.

Risks and Uncertainties

Since the formation of the Company, it has not generated any revenues. Although the Company has identified mineralization, obtained applicable permits and advanced its evaluation of the Reward project, the Company has not commenced development nor established current economic feasibility of the deposit in conjunction with an operating plan for the Reward mine. The Company has determined that previous technical reports established on the basis of economic assumptions are insufficient for purposes of establishing the mining methods, processing and recoveries associated with an economically feasible mine plan.

The Company's sole source of financing to conduct its business activities has been through equity contributions from its member. The Company is subject to all the risks inherent in the initial organization, financing, expenditures, complications and delays inherent in mineral exploration and development. Our business is dependent upon establishing the economic feasibility of extracting minerals profitably, including the development and implementation of a mine development and operating plan. There can be no assurance that our efforts will be successful or that we will ultimately be able to generate revenue or attain profitability.

Natural resource exploration, development and operation, is a business that by its nature is very speculative. There is a significant possibility that we will be able to mine or extract minerals at a profit as the deposit may not be of the quality or size necessary for us or a potential purchaser of the property to make a profit from mining it. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected geological formations, geological formation pressures, fires, power outages, labor disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labor are just some of the many risks involved in mineral programs and the subsequent development of gold deposits.

The Company business is exploring and planning for the potential extraction of gold and other minerals. If the Company determines it has commercially exploitable gold or other deposits, revenue from such discoveries will not be generated unless the gold or other minerals are actually mined.

Mining operations in the United States are subject to many different federal, state, and local laws and regulations, including stringent environmental, health and safety laws. In the event operational responsibility is assumed for mining our properties, the Company may be unable to comply with current or future laws and regulations, which can change at any time. Changes to these laws may adversely affect any of the Company potential mining operations. Moreover, compliance with such laws may cause substantial delays and require capital outlays greater than those the Company anticipate, adversely affecting any potential mining operations. Future mining operations, if any, may also be subject to liability for pollution or other environmental damage. The Company may choose to not be insured against this risk because of high insurance costs or other reasons.

The Company's exploration and development activities may be affected by existing or threatened medical pandemics, such as the novel coronavirus (COVID-19). A government may impose strict emergency measures in response to the threat or existence of an infectious disease, such as the emergency measures imposed by governments of many countries and states in response to the COVID-19 virus pandemic. As such, there are potentially significant economic and social impacts of infectious diseases, including but not limited to the inability of the Company to develop and operate as intended, shortage of skilled employees or labor unrest, inability to access sufficient healthcare, significant social upheavals or unrest, disruption to operations, supply chain shortages or delays, travel and trade restrictions, government or regulatory actions or inactions (including but not limited to, changes in taxation or policies, or delays in permitting or approvals, or mandated shut downs), declines in the price of precious metals, capital markets volatility, availability of credit, loss of investor confidence and impact on economic activity in affected countries or regions. In addition, such pandemics or diseases represent a serious threat to maintaining a skilled workforce in the mining industry and could be a major health-care challenge for the Company. There can be no assurance that the Company or the Company's personnel will not be impacted by these pandemic diseases and the Company may ultimately see its workforce productivity reduced or incur increased medical costs/insurance premiums as a result of these health risks. COVID-19 is rapidly evolving and the effects on the mining industry and the Company are uncertain. The Company may not be able to accurately predict the impact of infectious disease, including COVID-19, or the quantum of such risks. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about by pandemics on global financial markets, which may reduce resources, share prices and financial liquidity and may severely limit the financing capital available to the Company.

Recent Accounting Pronouncements

The Company is not aware of any recent accounting pronouncements expected to have a material impact on the consolidated financial statements.

NOTE 2 - MINERAL PROPERTIES

Cost and net book value		
As of March 31, 2022 and December 31, 2021	**$**	**11,084,945**

NOTE 3 – PROPERTY, PLANT AND EQUIPMENT

Cost and net book value		Land including associated resources and rights
As of December 31, 2020	**$**	**813,851**
Additions		25,140
As of December 31, 2021		**838,991**
Additions		-
As of March 31, 2022	**$**	**838,991**

NOTE 4 – ACCOUNTS PAYABLE

		3/31/2022		12/31/2021
Trade accounts payable	$	7,288	$	5,325
Due to related parties (note 5)		55,997		17,372
Total		63,285		22,697

NOTE 5 - RELATED PARTY

By virtue of common control, Elko Mining Group is related to the Company. Elko Mining Group provides certain technical services to the Company, for which it receives a service fee. In the period ended March 31, 2022, the Company incurred fees of $53,908 (2021: $69,535), of which $53,908 (2020: $17,372) was outstanding at year-end. The amount due is non-interest bearing and due on demand.

The Company has posted a reclamation bond with the Bureau of Land Management for $1,161,725. The reclamation bond is posted through a surety arrangement and is guaranteed by the Company and by Waterton. The Company is responsible for interest charges associated with the surety arrangement. In the period ended March 31, 2022, the Company incurred financing expense of $4,240 (2021: $4,240) associated with this surety arrangement and letter of credit.

NOTE 6 - MEMBER'S EQUITY

Authorized, issued and outstanding

An unlimited number of member units have been authorized. In the period ended March 31, 2022, the member of the Company contributed $Nil in member's equity (2021: $400,000). The member's units issued and outstanding as at March 31, 2022 and March 31, 2021 were 21,317,522 and 20,817,522 respectively.

NOTE 7 - COMMITMENTS AND CONTINGENCIES

The Company has four leases which require annual advance royalty payments according to the following schedules. These leases are out of the scope of ASC 842 *Leases*, and any advance royalty paid is expensed off as exploration expenses. The advance royalties paid till March 31, 2022 was $435,405 (March 31, 2021: $403,005). Once in production, each agreement attracts payment of net smelter royalties as per the last row of the following table.

	Connolly	Webster(1)	Orser	Meeteren	Total
2022	$ 10,000	$ 7,500	$ 20,000	$ 2,400	$ 39,900
2023	$ 10,000	$ 7,500	$ 20,000	$ 2,400	$ 39,900
2024	-	-	$ 20,000	$ 2,400	$ 22,400
2025	-	-	-	$ 2,400	$ 2,400
2026	-	-	-	$ 2,400	$ 2,400
2027	-	-	-	$ 2,400	$ 2,400
2028	-	-	-	$ 2,400	$ 2,400
2029	-	-	-	$ 2,400	$ 2,400
2030	-	-	-	$ 2,400	$ 2,400
Applicable NSR's	3.0%	3.0%	3.0%	3.0%	

(1) All amounts of annual advance minimum royalties paid during a calendar year shall be applied toward all amounts of earned mineral production royalties payable during that calendar year.

NOTE 8 - SUBSEQUENT EVENTS

On April 21, 2022, Augusta Gold Corp. ("Augusta") announced that it had entered into an agreement to acquire the Reward Project (the "Transaction") from Waterton Nevada for the following consideration:

- $12.5 million cash paid on closing of the Transaction ("Closing");
- $15.0 million comprised of 7,800,000 Augusta common shares paid on Closing with the remaining payable (based on C$1.70 per common share) at the time of Augusta's next equity financing, in cash or Augusta common shares, provided the additional amount of common shares does not result in Waterton owning more than 9.99% of Augusta's issued and outstanding common shares.
- $17.5 million cash paid within 90 days of Closing (the "Deferred Payment").

Augusta announced the closing of the acquisition of the Reward Project on June 14, 2022 (refer to the Augusta's news releases dated April 21, 2022, June 7, 2022 and June 14, 2022 for further information).

SCHEDULE C

AUGUSTA GOLD CORP.
UNAUDITED CONDENSED COMBINED PRO FORMA FINANCIAL INFORMATION

The following unaudited pro forma condensed combined financial information of Augusta Gold Corp. (“Augusta” or the “Company”) is presented to give effect to the Company’s membership purchase agreement (the “Agreement”) entered into on April 21, 2022 and closed on June 13, 2022 (the “Acquisition”) with Waterton Nevada Splitter, LLC (“Waterton”) whereby the Company acquired all of the outstanding membership interest of CR Reward LLC (“CR Reward”). The Company would not have sufficient cash to discharge the deferred cash payment under the Agreement within 90 days from June 13, 2022, the closing date of the Acquisition, without entering into a financing arrangement. The unaudited pro forma condensed combined financial information assumes that such financing has not been raised.

The unaudited pro forma condensed balance sheet as of March 31, 2022 combines the historical consolidated balance sheets of Augusta and CR Reward giving effect to the Acquisition as if they occurred on March 31, 2022. The unaudited pro forma condensed combined statements of operations for the three months ended March 31, 2022 and the year ended December 31, 2021 combine the historical statements of operations of Augusta and CR Reward giving effect to the Acquisition as if they occurred on January 1, 2021.

The Acquisition and basis of presentation of the pro forma condensed combined financial information are described in greater detail in Note 1: Basis of Presentation included in the notes to the pro forma condensed combined financial statements. Assumptions underlying the pro forma adjustments are described in the accompanying notes, which should be read in conjunction with the unaudited pro forma condensed combined balance sheet and statements of operations.

The pro forma condensed combined financial information is based on various adjustments and assumptions and is not necessarily indicative of what Augusta’s operating results actually would have been if the Acquisition occurred as of the dates indicated or will be for any future periods. The pro forma condensed combined financial information does not include adjustments to reflect any potential revenue, synergies or dis-synergies, or cost savings or financing arrangements that may be achievable in connection with the Acquisition, or the associated costs that may be necessary to achieve such revenues, synergies or dis-synergies, or cost savings.

Augusta Gold Corp.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

March 31, 2022 and December 31, 2021

(Unaudited)

AUGUSTA GOLD CORP.
UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET
March 31, 2022
(Unaudited, expressed in United States dollars)

	Historical		Pro Forma Transaction Accounting Adjustments		Augusta Gold. Corp Pro Forma Consolidated
	Augusta Gold Corp.	CR Reward LLC	Acquisition		
Assets					
Current assets					
Cash	$ 19,024,422	485,521	(17,377,395)	[5(a)]	2,132,548
Prepaid	134,302	19,521	-		153,823
Deposits	7,028	-	-		7,028
Total current assets	19,165,752	505,042	(17,377,395)		2,293,399
Other assets					
Equipment, net	282,501	-	-		282,501
Property and plant	-	838,991	-	[5(b)]	838,991
Mineral properties, net	12,198,388	11,084,945	35,072,722	[5(b)]	58,356,055
Total other assets	12,480,889	11,923,936	35,072,722		59,477,547
Total assets	$ 31,646,641	12,428,978	17,695,327		61,770,946
Liabilities and Stockholders' Equity					
Current liabilities					
Accounts payable	$ 461,408	63,285	(55,997)	[5(c)]	468,696
Acquisition obligation	-		17,500,000	[5(d)]	17,500,000
Asset retirement obligation	1,039,786	-	-		1,039,786
Total current liabilities	1,501,194	63,285	17,444,003		19,008,482
Long term liabilities					
Asset retirement obligation, net of current	921,441	1,100,434	-	[5(e)]	2,021,875
Warrant liability	7,966,950	-	-		7,966,950
Total long-term liabilities	8,888,391	1,100,434	-		9,988,825
Total liabilities	10,389,585	1,163,719	17,444,003		28,997,307
Stockholders' equity					
Preferred stock, $0.0001 par value	-	-	-		-
Preferred stock series A, $.0001 par value	-	-	-		-
Preferred stock series B, $.0001 par value	67	-	-		67
Common stock, $.0001 par value	7,052	-	780	[5(f)]	7,832
Member's capital	-	21,317,522	(21,317,522)	[5(g)]	-
Additional paid in capital	42,844,691	-	11,515,803	[5(f)]	54,360,494
Accumulated deficit	(21,594,754	(10,052,263)	10,052,263	[5(g)]	(21,594,754)
Total stockholders' equity	21,257,056	11,265,259	251,324		32,773,639
Total liabilities and stockholders' equity	$ 31,646,641	12,428,978	17,695,327		61,770,946

See accompanying notes to unaudited pro forma condensed combined financial statements

AUGUSTA GOLD CORP.
UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Unaudited, expressed in United States dollars)

	For the year ended December 31, 2021				
	Historical		Pro Forma Transaction Accounting Adjustments		Augusta Gold Corp. Pro Forma Consolidated
	Augusta Gold Corp.	CR Reward LLC	Acquisition		
Operating expenses					
General and administrative	$ 4,664,565	100,055	-		4,764,620
Lease expense	16,000	-	-		16,000
Exploration, evaluation and project expense	7,909,333	161,035	-		8,070,368
Accretion expense	24,747	11,266	-	[5(e)]	36,015
Depreciation expense	44,057	-	-		44,057
Total operating expenses	12,658,704	272,356	-		12,931,060
Net operating loss	(12,658,704)	(272,356)	-		(12,931,060)
Financing expense	-	(16,961)	-		(16,961)
Revaluation of warrant liability	15,857,500	-	-		15,857,500
Foreign currency exchange gain	253,236	-	-		253,236
Net income (loss)	$ 3,452,032	(289,317)	-		3,162,715
Weighted average common shares outstanding – basic and diluted	68,251,261	-	7,800,000	[6]	76,051,261
Earnings per common share – basic and diluted	$ 0.05				0.04

See accompanying notes to unaudited pro forma condensed combined financial statements

AUGUSTA GOLD CORP.
UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(Unaudited, expressed in United States dollars)

	Three months ended March 31, 2022				
	Historical		Pro Forma Transaction Accounting Adjustments		Augusta Gold Corp. Pro Forma Consolidated
	Augusta Gold Corp.	CR Reward LLC	Acquisition		
Operating expenses					
General and administrative	$ 1,067,879	38,943	-		1,106,822
Exploration, evaluation and project expense	338,639	1,136	-		339,775
Accretion expense	7,099	4,238	-	[5(e)]	11,337
Depreciation expense	11,014	-	-		11,014
Total operating expenses	1,424,631	44,317	-		1,468,948
Net operating loss	(1,424,631)	(44,317)	-		(1,468,948)
Financing expense	-	(4,240)	-		(4,240)
Revaluation of warrant liability	(206,193)	-	-		(206,193)
Foreign currency exchange gain	209,611	-	-		209,611
Net loss	$ (1,421,213)	(48,557)	-		(1,469,770)
Weighted average common shares outstanding – basic and diluted	70,519,188	-	7,800,000	[6]	78,319,188
Loss per common share – basic and diluted	$ (0.02)				(0.02)

See accompanying notes to unaudited pro forma condensed combined financial statements

1. BASIS OF PRESENTATION

These unaudited pro forma condensed combined financial statements were prepared in accordance with Article 8-05 of Regulation S-X to illustrate the pro forma effects of Augusta Gold Corp.'s ("Augusta" or the "Company") membership interest purchase agreement (the "Agreement") entered into on April 21, 2022 and closed on June 13, 2022 (the "Acquisition") with Waterton Nevada Splitter, LLC ("Waterton") whereby the Company acquired all of the outstanding membership interests of CR Reward LLC ("CR Reward") which owns the Reward Mine Properties. The Company would not have sufficient cash to discharge the deferred cash payment under the Agreement within 90 days from June 13, 2022, the closing date of the Acquisition, without entering into a financing arrangement. Unaudited pro forma condensed combined financial information assumes that such financing has not been raised.

At the time of preparing these pro forma condensed combined financial statements, the Company does not have sufficient cash or funding commitments to make the Deferred Payment. If the Company fails to pay the Deferred Payment by the Deferred Payment Deadline (i.e., 90 days from closing), such failure will constitute an event of default and breach of the obligation of the Company to pay the Deferred Payment, and Waterton will be entitled to seek all available remedies at Law and in equity, including taking any proceedings with respect to the Reward Mine Properties. Accordingly, there is substantial doubt that the Company can continue its operations for the next 12 months as a going concern. Management plans to pursue a financing transaction in order to make the Deferred Payment within 90 days of closing of the acquisition including but not necessarily limited to obtaining additional equity financing. Management has successfully pursued such options previously and believes that they alleviate substantial doubt that the Company can continue its operations for the next 12 months as a going concern. However, there is no assurance that the Company will be successful in pursuing these plans.

The unaudited pro forma condensed combined balance sheet as of March 31, 2022 combines the historical unaudited consolidated balance sheet of the Company and the unaudited consolidated balance sheet of CR Reward LLC as of such date, giving effect to the Acquisition as if it had taken place on March 31, 2022, assuming no financing has been raised to discharge the Deferred Payment and adjustments described in the accompanying notes to these unaudited pro forma condensed combined financial statements.

The unaudited pro forma condensed combined statements of operations for the three months ended March 31, 2022 and the year ended December 31, 2021 combine the historical consolidated statements of operations of the Company and CR Reward for such periods, giving effect to the Acquisition as if they had both occurred on January 1, 2021,assuming no financing has been raised to discharge the Deferred Payment and adjustments described in the accompanying notes to these unaudited pro forma condensed combined financial statements.

The unaudited pro forma condensed combined financial statements are not intended to reflect the financial performance or the financial position of the Company which would have resulted had the Acquisition been completed on the dates indicated in the pro forma assumptions.

The pro forma condensed combined financial statements are based on a preliminary estimate of the purchase consideration and allocation of the purchase price to the acquired assets and assumed liabilities. Actual amounts recorded upon completion of the Acquisition and the determination of the final purchase price allocation will differ from amounts used in these unaudited pro forma condensed combined financial statements and such differences could be material.

Any potential synergies that may be realized, integration costs that may be incurred or financing that may be obtained subsequent to the completion of the Acquisition or other non-recurring charges have been excluded from the unaudited pro forma financial information. The pro forma financial information is not necessarily indicative of the results of operations that may be obtained in the future.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in preparing these unaudited pro forma condensed combined financial statements are set out in the Company's audited consolidated financial statements for the year ended December 31, 2021. In preparing the unaudited pro forma condensed combined financial statements, a preliminary review was undertaken to identify any accounting policy differences between the accounting policies used in the consolidated financial statements of CR Reward and those of the Company where the impact was potentially material and could be reasonably estimated, with the Company identifying no such differences.

3. DESCRIPTION OF THE ACQUISITION

Under the terms of the Acquisition, the Company's aggregate consideration to Waterton to acquire all the membership interest of CR Reward include the following:

- $12,500,000 in cash to be paid on the closing date ("Closing Payment");
- Issuance of 7,800,000 shares of common stock of the Company ("Common Shares") on the closing date ("Initial Payment Shares") with an estimated fair value of $11,516,583 based on the Company's closing share price of C$1.85 and a foreign exchange rate of C$0.7981 to the $ on June 13, 2022;
- Combination of cash and Common Shares, determined as per the terms of the Agreement, which have an aggregate value of $4,621,398, being $15,000,000 less the deemed price per Common Share equal to the United States dollar equivalent (based on the Bank of Canada daily exchange rate for the conversion of Canadian dollars to United States dollars (the "Currency Exchange Rate") on the business day immediately preceding the closing date) of C$1.70 for the 7,800,000 Initial Payment Shares. Such cash/shares are to be paid/issued on or before the earlier of the business day on which the Company completes any debt or equity financing (the "Financing") and the date that is 90 days following the Closing Date ("Second Payment"); and,
- Deferred Payment of $17,500,000 cash. The Company's obligation to pay the Deferred Payment will be secured by a Deed of Trust and related financing statement pursuant to which the Company will grant Waterton a first-priority, perfected security interest running with the property held by CR Reward.

If the price at which securities are sold by the Company under the Financing (the "Financing Price") is less than C$1.70, the Second payment shall be satisfied by such combination of cash and Common Shares as may be determined by Waterton in its sole discretion; and the (ii) if the Financing Price is C$1.70 or greater, the Second Payment shall be satisfied by such combination of cash and Common Shares as may be determined by the Company in its sole discretion. Any Common Shares issued pursuant to the Second Payment shall be issued at a deemed price per Common Share equal to the United States dollar equivalent (based on the Currency Exchange Rate on the business day immediately preceding the closing date of the Financing) of the Financing Price. For purposes of the pro forma assumptions and since the Company's share price on closing exceed C$1.70, the Second Payment is assumed to be settled with cash on hand rather than through the issuance of shares.

The Agreement provides that in no case will the Company be entitled to or permitted to issue any Common Shares to Waterton if such issuance would result in Waterton having beneficial ownership (as determined in accordance with applicable securities laws) of more than 9.99% of the outstanding Common Shares, and any portion of the Second Payment that would, if settled by Common Shares, cause Waterton to own more than 9.99% of the Common Shares shall be paid entirely in cash.

(Unaudited, expressed in United States dollars except as otherwise noted)

4. PURCHASE PRICE ALLOCATION

Management has preliminarily determined that the Acquisition does not constitute a business combination because the acquired assets do not contain processes sufficient to constitute a business in accordance with ASC 805. Accordingly, these pro forma combined financial statements have been prepared on the basis that the Acquisition represents the acquisition of assets in exchange for cash, assumption of liabilities and the issuance of share-based payments. As a result, the consideration is measured based on the cost accumulation model and allocated to the acquired assets on the basis of relative fair value, with no resulting goodwill or bargain purchase gain being recognized. Share-based payments issued in conjunction with the Acquisition are valued based on the fair value of the consideration issued, measured at the grant date in accordance with ASC 718.

As of the date of this Form 8-K/A, the Company has not completed its accounting for the Acquisition, which is being undertaken in conjunction with the Company's preparation of its consolidated financial statements as at and for the three months ending June 30, 2022. As a result, the pro forma adjustments are preliminary and are subject to change as additional information becomes available and as additional analysis is performed. The preliminary pro forma adjustments have been made solely for the purpose of providing this unaudited pro forma financial information. The Company has estimated the fair value of the share-based consideration, the assets acquired and liabilities assumed based on preliminary valuation information, due diligence, and the consolidated financial statements of CR Reward as at March 31, 2022.

The final purchase price allocation may be materially different than that reflected in the preliminary purchase price assumptions presented below. The purchase consideration and the allocation of the purchase price to the assets acquired are presented below.

Purchase Consideration:		
Closing Payment	$	12,500,000[1]
Initial Payment Shares (7,800,000 common shares) (1)(2)		11,516,583
Second Payment (2)		4,621,398
Deferred Payment (3)		17,500,000
Transaction costs		200,000
Total consideration		**46,337,981**
Acquisition of assets and assumption of (liabilities) (4)		
Cash		429,524
Prepaids		19,521
Property and plant		838,991
Mineral properties		46,157,667
Accounts payable		(7,288)
Asset retirement obligation		(1,100,434)
Net assets acquired	**$**	**46,337,981**

(1) Valued using the closing price on TSX of Augusta Gold Corp as at April 21, 2022 which represents the grant date under ASC 718.

(2) For purposes of these pro forma condensed combined financial statements the Second Payment is expected to be paid fully in cash and the company has sufficient cash to settle this payment. Hence, it is presented as adjustment to cash and cash equivalent in the unaudited pro forma condensed combined balance.

(3) Presented as "Acquisition Obligation" under current liabilities in the unaudited pro forma condensed combined balance sheet.

(4) The allocation of the purchase consideration to acquired assets and assumed liabilities is subject to finalization and has been estimated on the basis of CR Reward's consolidated assets and liabilities at March 31, 2022.

5. PRO FORMA ASSUMPTIONS AND ADJUSTMENTS

The unaudited pro forma combined statements of operations and the unaudited pro forma condensed combined balance sheet as of March 31, 2022, reflect the following assumptions and adjustments to give effect to the asset acquisition, as if the Acquisition had occurred on January 1, 2021 and March 31, 2022, respectively, and the fair value adjustments reflected in Note 4 had affected the periods presented.

As of the date of these pro forma financial statements, the Company is not aware of any additional reclassifications that would have a material impact on the unaudited pro forma financial information and are not reflected in the pro forma adjustments. Assumptions and adjustments made are as follows:

a) The decrease to cash represents the payment of the Closing Payment of $12,500,000, Second Payment of $4,621,398, estimated transaction costs of $200,000, and $55,997 payment of all related party payables per the terms of the Agreement.

b) The increase to mineral properties to record the relative fair value ascribed to the mineral properties and associated land package. The fair value of property and plant approximates the book value.

c) The decrease to accounts payable reflects the payment of related party payables as per the terms of the Agreement.

d) The increase to Acquisition obligation relates to the Deferred Payment (Notes 1 and 3).

e) The fair value of the asset retirement obligation approximates the book value.

f) The increase to common stock and additional paid-in capital represents the fair value of the issuance of the Initial Payment Shares, with $780 representing the par value of the common shares and $11,515,803 representing the additional paid-in capital (see Note 4).

g) The decrease to member's capital and accumulated deficit represents the elimination of CR Reward's historical balances.

6. PRO FORMA INCOME (LOSS) PER COMMON SHARE

Pro forma basic and diluted income (loss) per common share for the three months ended March 31, 2022 and the year ended December 31, 2021 have been calculated based on actual weighted average number of the Company's common shares outstanding for the respective periods; as well as the number of shares assumed issued (Note 5(f)) in connection with the Acquisition as if such shares had been outstanding since January 1, 2021.