



Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022

(Unaudited - Expressed in US dollars)

NOTICE TO READER

These condensed interim consolidated financial statements of Scorpio Gold Corporation have been prepared by management and approved by the Board of Directors of the Company. In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its external auditors have not reviewed these condensed interim consolidated financial statements, notes to the financial statements or the related Management's Discussion and Analysis.

Scorpio Gold Corporation

Condensed Interim Consolidated Statements of Net Loss and Comprehensive Loss

(Unaudited - Expressed in thousands of US dollars except for share and per share amounts)

		Three months ended March 31,	
	Note	2022	2021
REVENUE			
Revenue		\$ -	\$ 1,094
Cost of sales excluding inventory write-down		-	(503)
Depreciation and amortization		-	(11)
Inventory write-down		-	(782)
Mine operating loss		-	(202)
EXPENSES			
General and administration	4	(56)	(233)
Care and maintenance - Goldwedge		(215)	(199)
Care and maintenance - Mineral Ridge		(352)	-
Depreciation and amortization	6 & 7	(14)	(11)
Gain on disposal of assets	6	22	40
		(615)	(403)
Operating loss		(615)	(605)
Other income (expense)			
Finance costs	5	(192)	(184)
Finance income		1	3
Foreign exchange		(7)	13
Gain on warrant liability	9	275	661
		77	493
NET LOSS AND COMPREHENSIVE LOSS		\$ (538)	\$ (112)
Basic and diluted loss per common share		\$ (0.00)	\$ (0.00)
Basic and diluted weighted average number of common shares outstanding		117,142,522	110,060,867

The accompanying notes form an integral part of these condensed interim consolidated financial statements

Scorpio Gold Corporation

Condensed Interim Consolidated Statements of Financial Position

(Unaudited - Expressed in thousands of US dollars)

		As at	
	Note	March 31, 2022	December 31, 2021
ASSETS			
Current assets			
Cash		\$ 65	\$ 279
Receivables		64	144
Prepaid expenses		313	377
Total current assets		442	800
Producing mining assets	6	4,623	4,766
Non-producing mining assets	7	675	501
Reclamation bonds		7,723	7,723
TOTAL ASSETS		\$ 13,463	\$ 13,790
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Trade and other payables		\$ 1,005	\$ 623
Loans	8	531	450
Total current liabilities		1,536	1,073
Provision for environmental rehabilitation		5,906	5,889
Warrant liability	9	101	370
Total liabilities		7,543	7,332
Equity			
Share capital	11	54,053	53,977
Equity reserve	11	7,143	7,143
Convertible debentures	10	6,687	6,763
Investment valuation reserve		(2)	(2)
Foreign currency translation reserve		(194)	(194)
Deficit		(61,767)	(61,229)
Total equity		5,920	6,458
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 13,463	\$ 13,790
Nature of operations and going concern	1		
Subsequent event	15		

APPROVED BY THE BOARD*"Peter Brieger"*

Director

"Chris Zerga"

Director

The accompanying notes form an integral part of these condensed interim consolidated financial statements

Scorpio Gold Corporation

Condensed Interim Consolidated Statements of Changes in Equity

(Unaudited - Expressed in thousands of US dollars, shares in thousands)

	Number of shares	Share capital	Equity reserve	Convertible debentures	Investment valuation reserve	Foreign currency translation reserve	Deficit	Total equity
Balance, December 31, 2021	117,104	\$ 53,977	\$ 7,143	\$ 6,763	\$ (2)	\$ (194)	\$ (61,229)	\$ 6,458
Issuance of common shares on conversion of convertible debentures	950	76	-	(76)	-	-	-	-
Net loss and comprehensive loss	-	-	-	-	-	-	(538)	(538)
Balance, March 31, 2022	118,054	\$ 54,053	\$ 7,143	\$ 6,687	\$ (2)	\$ (194)	\$ (61,767)	\$ 5,920

	Number of shares	Share capital	Equity reserve	Convertible debentures	Investment valuation reserve	Foreign currency translation reserve	Deficit	Total equity
Balance, December 31, 2020	109,759	\$ 53,336	\$ 7,141	\$ 6,817	\$ (2)	\$ (194)	\$ (56,553)	\$ 10,545
Issuance of common shares on conversion of convertible debentures	250	20	-	(20)	-	-	-	-
Issuance of common shares for non-producing assets	2,091	199	-	-	-	-	-	199
Share-based compensation	-	-	1	-	-	-	-	1
Net loss and comprehensive loss	-	-	-	-	-	-	(112)	(112)
Balance, March 31, 2021	112,100	\$ 53,555	\$ 7,142	\$ 6,797	\$ (2)	\$ (194)	\$ (56,665)	\$ 10,633

The accompanying notes form an integral part of these condensed interim consolidated financial statements

Scorpio Gold Corporation

Condensed Interim Consolidated Statements of Cash Flows

(Unaudited - Expressed in thousands of US dollars)

	Three months ended March 31,	
	2022	2021
CASH PROVIDED BY (USED FOR):		
OPERATING ACTIVITIES:		
Net loss for the period	\$ (538)	\$ (112)
Items not affecting cash:		
Depletion and amortization	14	22
Share-based compensation	-	1
Inventory write-down	-	782
Gain on disposal of assets	(22)	(40)
Financing costs	192	184
Gain on warrant liability	(275)	(661)
Foreign exchange on warrant liability	6	29
Change in non-cash working capital items:		
Receivables	80	(44)
Prepaid expenses	64	227
Inventory	-	(561)
Trade and other payables	166	2
	(313)	(171)
INVESTING ACTIVITIES:		
Additions to non-producing mining assets	(142)	(307)
Proceeds from disposal of assets	160	50
	18	(257)
FINANCING ACTIVITIES:		
Loans	81	-
	81	-
DECREASE IN CASH FOR THE PERIOD	(214)	(428)
CASH, BEGINNING OF THE PERIOD	279	4,147
CASH, END OF PERIOD	\$ 65	\$ 3,719
Non-cash investing and financing activities		
Issuance of common shares on conversion of convertible debentures	\$ 76	\$ 20
Issuance of common shares for non-producing mining assets	-	199
Producing mining assets included in trade and other payables	8	-
Non-producing mining assets included in trade and other payables	63	30
Supplemental cash flow information		
Cash paid for interest	-	-
Cash paid for income taxes	-	-

The accompanying notes form an integral part of these condensed interim consolidated financial statements

Scorpio Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022

(Tabular amounts expressed in thousands of US dollars unless otherwise noted)

1. Nature of operations and going concern

Scorpio Gold Corporation (the “Company”) is a publicly traded company incorporated under the laws of the Province of British Columbia. The Company’s shares are listed on the TSX Venture Exchange (“TSX-V”) and trade under the symbol SGN. The corporate office of the Company is located at Unit 1 - 15782 Marine Drive, White Rock, B.C., V4B 1E6. The Company and its subsidiaries conduct mineral exploitation, exploration and development activities in the United States of America (“USA”).

The Company suspended mining operations of its Mineral Ridge mine in November 2017 as the Company had mined all of its economical mineral reserves based on gold pricing and heap leach recovery parameters. Since then, the Company generated limited revenues from Mineral Ridge from residual but diminishing gold recoveries from the leach pads. In December 2021, the Company determined that operating the heap leach pads was no longer economic and so ceased operations at Mineral Ridge.

These condensed interim consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business in the foreseeable future. As at March 31, 2022, the Company had a working capital deficiency of \$1,094,000. The Company does not have sufficient financial resources to carry out currently planned operations through the next twelve months. Additional financing will be required by the Company to complete its strategic objectives and continue as a going concern. While the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These material uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern.

In March 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, has adversely affected workforces, economies, and financial markets globally. It is not possible for the Company to predict the duration or magnitude of the adverse impacts of the outbreak and its effects on the Company’s business or ability to raise funds.

These condensed interim consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate.

2. Basis of presentation

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”) using the accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

These condensed interim consolidated financial statements do not include all disclosures required for annual financial statements, and accordingly should be read in conjunction with the Company’s annual audited consolidated financial statements for the year ended December 31, 2021.

These condensed interim consolidated financial statements were authorized for issuance by the Board of Directors of the Company on May 27, 2022.

Scorpio Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022

(Tabular amounts expressed in thousands of US dollars unless otherwise noted)

2. Basis of presentation (Continued)

Basis of measurement

These condensed interim consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

These condensed interim consolidated financial statements are presented in United States dollars, which is the functional currency of the parent company and its subsidiaries.

Management judgments and estimates

The preparation of consolidated financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments and estimates in applying accounting policies that have the most significant effect on the amounts recognized in the condensed interim consolidated financial statements are consistent with those disclosed in the audited consolidated financial statements as at December 31, 2021.

3. Significant accounting policies

The accounting policies applied by the Company in these condensed interim consolidated financial statements are the same as those applied by the Company as at and for the year ended December 31, 2021.

New standards, interpretations and amendments not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective as of March 31, 2022 and have not been applied in preparing these condensed interim consolidated financial statements. In addition, none of these standards are applicable to the Company.

Scorpio Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022

(Tabular amounts expressed in thousands of US dollars unless otherwise noted)

4. General and administrative

	Three months ended March 31,	
	2022	2021
Salaries and benefits	\$ -	\$ 54
Consultants	34	49
Insurance, travel and office related	2	14
Investor relations	7	79
Professional fees	13	25
Share-based compensation	-	1
Transfer agent and listing fees	-	11
	\$ 56	\$ 233

5. Finance costs

		Three months ended March 31,	
	Note	2022	2021
Interest on convertible debentures	10	\$ 175	\$ 176
Unwinding of discount of provision for environmental rehabilitation		17	8
		\$ 192	\$ 184

Scorpio Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022

(Tabular amounts expressed in thousands of US dollars unless otherwise noted)

6. Producing mining assets

	Mining interest	Plant and Equipment	Mobile equipment	Furniture and office equipment	Total
Cost					
December 31, 2020	\$ 74,261	\$ 22,899	\$ 2,186	\$ 816	\$ 100,162
Additions	-	73	-	2	75
Change in provision for environmental rehabilitation	375	-	-	-	375
Disposals	-	(350)	-	-	(350)
Impairment	(375)	-	-	-	(375)
December 31, 2021	74,261	22,622	2,186	818	99,887
Additions	-	-	-	8	8
Disposals	-	(162)	(203)	-	(365)
March 31, 2022	\$ 74,261	\$ 22,460	\$ 1,983	\$ 826	\$ 99,530
Accumulated impairment, depletion and amortization					
December 31, 2020	\$ 74,261	\$ 18,933	\$ 1,312	\$ 815	\$ 95,321
Depreciation and amortization	-	104	36	-	140
Disposals	-	(340)	-	-	(340)
December 31, 2021	74,261	18,697	1,348	815	95,121
Depreciation and amortization	-	7	5	1	13
Disposals	-	(92)	(135)	-	(227)
March 31, 2022	\$ 74,261	\$ 18,612	\$ 1,218	\$ 816	\$ 94,907
Net book value					
December 31, 2021	\$ -	\$ 3,925	\$ 838	\$ 3	\$ 4,766
March 31, 2022	\$ -	\$ 3,848	\$ 765	\$ 10	\$ 4,623

Scorpio Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022

*(Tabular amounts expressed in thousands of US dollars unless otherwise noted)***6. Producing mining assets (Continued)**

	Mineral Ridge	Goldwedge	Total
Cost			
December 31, 2020	\$ 97,373	\$ 2,789	\$ 100,162
Additions	48	27	75
Change in provision for environmental rehabilitation	375	-	375
Disposals	(350)	-	(350)
Impairment	(375)	-	(375)
December 31, 2021	97,071	2,816	99,887
Additions	-	8	8
Disposals	(365)	-	(365)
March 31, 2022	\$ 96,706	\$ 2,824	\$ 99,530
Accumulated impairment, depletion and amortization			
December 31, 2020	\$ 93,090	\$ 2,231	\$ 95,321
Depreciation and amortization	133	7	140
Disposals	(340)	-	(340)
December 31, 2021	92,883	2,238	95,121
Depreciation and amortization	9	4	13
Disposals	(227)	-	(227)
March 31, 2022	\$ 92,665	\$ 2,242	\$ 94,907
Net book value			
December 31, 2021	\$ 4,188	\$ 578	\$ 4,766
March 31, 2022	\$ 4,041	\$ 582	\$ 4,623

During the three months ended March 31, 2022, the Company sold equipment with a net book value of \$138,000 for gross proceeds of \$160,000, and accordingly recorded a gain on disposal of assets of \$22,000.

Scorpio Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022

*(Tabular amounts expressed in thousands of US dollars unless otherwise noted)***7. Non-producing mining assets**

	Mining interest	Plant and Equipment	Mobile equipment	Construction in progress	Total
Cost					
December 31, 2020	\$ 14,232	\$ 689	\$ 604	\$ 1,741	\$ 17,266
Additions	1,402	-	-	83	1,485
Additions - Manhattan Gap	299	-	-	-	299
Change in provision for environmental rehabilitation	8	-	-	-	8
Disposals	-	(9)	-	-	(9)
Impairment	(1,818)	-	-	(180)	(1,998)
December 31, 2021	14,123	680	604	1,644	17,051
Additions	175	-	-	-	175
March 31, 2022	\$ 14,298	\$ 680	\$ 604	\$ 1,644	\$ 17,226
Accumulated impairment, depletion and amortization					
December 31, 2020	\$ 13,824	\$ 536	\$ 537	\$ 1,644	\$ 16,541
Depreciation and amortization	-	16	-	-	16
Disposals	-	(7)	-	-	(7)
December 31, 2021	13,824	545	537	1,644	16,550
Depreciation and amortization	-	1	-	-	1
March 31, 2022	\$ 13,824	\$ 546	\$ 537	\$ 1,644	\$ 16,551
Net book value					
December 31, 2021	\$ 299	\$ 135	\$ 67	\$ -	\$ 501
March 31, 2022	\$ 474	\$ 134	\$ 67	\$ -	\$ 675

Scorpio Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022

*(Tabular amounts expressed in thousands of US dollars unless otherwise noted)***7. Non-producing mining assets (Continued)**

	Mineral		
	Ridge	Goldwedge	Total
Cost			
December 31, 2020	\$ 7,547	\$ 9,719	\$ 17,266
Additions	-	1,485	1,485
Additions - Manhattan Gap	-	299	299
Change in provision for environmental rehabilitation	-	8	8
Disposals	-	(9)	(9)
Impairment	-	(1,998)	(1,998)
December 31, 2021	7,547	9,504	17,051
Additions	-	175	175
March 31, 2022	\$ 7,547	\$ 9,679	\$ 17,226
Accumulated impairment, depletion and amortization			
December 31, 2020	\$ 7,547	\$ 8,994	\$ 16,541
Depreciation and amortization	-	16	16
Disposals	-	(7)	(7)
December 31, 2021	7,547	9,003	16,550
Depreciation and amortization	-	1	1
March 31, 2022	\$ 7,547	\$ 9,004	\$ 16,551
Net book value			
December 31, 2021	\$ -	\$ 501	\$ 501
March 31, 2022	\$ -	\$ 675	\$ 675

Scorpio Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022

(Tabular amounts expressed in thousands of US dollars unless otherwise noted)

8. Loans

	March 31, 2022	December 31, 2021
Beginning balance	\$ 450	\$ -
Proceeds	81	490
Repayments	-	(40)
Ending balance	\$ 531	\$ 450

In October 2021, the Company entered into a credit facility agreement with certain directors of the Company. The credit facility is unsecured and interest free. Pursuant to the agreement, the Company may draw advances up to \$500,000.

In February 2022, the Company amended the credit facility agreement to increase the facility from up to \$500,000 to up to \$750,000 and to extend the repayment date from January 1, 2022 to December 31, 2022. In February 2022, the Company received further advances of \$81,000.

9. Warrant liability

	March 31, 2022	December 31, 2021
Beginning balance	\$ 370	\$ 2,305
Gain on revaluation	(275)	(1,938)
Currency translation effect	6	3
Ending balance	\$ 101	\$ 370

Share purchase warrants are considered a derivative liability, as the currency denomination of the exercise price is different from the functional currency of the Company.

The warrant liability was revalued as at March 31, 2022 using the Black-Scholes option pricing model with the following assumptions: a stock price of C\$0.065; a risk free interest rate of 2.17%; an expected volatility of 73%; an expected life of 1.46 years; a forfeiture rate of zero; an expected dividend of zero; and an exchange rate of 1.2496.

Scorpio Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022

(Tabular amounts expressed in thousands of US dollars unless otherwise noted)

10. Convertible debentures

	March 31, 2022	December 31, 2021
Beginning balance	\$ 6,763	\$ 6,817
Conversion to common shares	(76)	(54)
Ending balance	\$ 6,687	\$ 6,763

On April 26, 2019, the Company closed a non-brokered private placement offering of secured subordinated convertible debentures (each, a "Debenture") for gross proceeds of \$7,000,000.

Each Debenture has an issue price of \$1,000, bears interest at a rate of 10% per annum, payable semi-annually, and matures April 26, 2022. Interest may be paid in common shares of the Company at the option of the Company or the holder of the Debenture, subject to regulatory approval. Each Debenture is convertible into common shares at the option of the holder at any time prior to maturity at a conversion price of \$0.08 per share (the "Conversion Price"), which is equivalent to 12,500 common shares for each \$1,000 principal amount of Debentures, subject to adjustment in certain circumstances. The Company will have the option on maturity, subject to regulatory approval and there being no default to the terms of the Debentures, to repay any portion of the principal amount of the Debentures in cash or by issuing and delivering to the holders of the Debentures such number of common shares equal to the principal amount of the Debenture divided by the Conversion Price.

The Debentures are secured by a security interest subordinate to all existing and future senior indebtedness of the Company as approved by the Company's board of directors, subject to certain board composition requirements.

In March 2022, the Company issued 950,000 common shares on conversion of \$76,000 of Debentures (Note 12).

During the three months ended March 31, 2022, the Company recorded interest expense of \$175,000 (2021 - \$176,000) on the Debentures.

As at March 31, 2022, interest payable on the Debentures totalled \$304,000 (December 31, 2021 - \$129,000) and is included in trade and other payables.

In April 2022, the Company issued 5,194,976 common shares to settle its semi-annual interest payment of \$350,000 on the Debentures (Note 15).

In April 2022, the Company issued 87,687,500 common shares on maturity of the remaining Debentures of \$7,015,000 (Note 15).

Scorpio Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022

(Tabular amounts expressed in thousands of US dollars unless otherwise noted)

11. Share capital

(a) Authorized

Authorized share capital consists of an unlimited number of common shares without par value.

(b) Issued and outstanding

In March 2022, the Company issued 950,000 common shares on conversion of \$76,000 of Debentures (Note 10).

(c) Warrants

The continuity of warrants for the three months ended March 31, 2022 is as follows:

Expiry date	Exercise price C\$	Balance, December 31, 2021	Granted	Exercised	Expired	Balance, March 31, 2022		
September 14, 2023	\$ 0.24	37,500,000	-	-	-	37,500,000		
		37,500,000	-	-	-	37,500,000		
Weighted average exercise price (C\$)	\$	0.24	\$	-	\$	-	\$	0.24

(d) Stock options

The Company has a shareholder approved rolling stock option plan (“the Plan”) which is applicable to directors, officers, employees and consultants. Under the Plan, the total outstanding stock options that may be granted are limited to 10% of the outstanding common shares of the Company at any one time. The exercise price of an option shall not be less than the discounted market price at the time of granting as prescribed by the policies of the TSX-V. The maximum term of stock options is ten years from the grant date. Vesting terms are at the discretion of the directors.

The continuity of stock options for the three months ended March 31, 2022 is as follows:

Expiry date	Exercise price C\$	Balance, December 31, 2021	Granted	Exercised	Cancelled / Expired	Balance, March 31, 2022		
July 23, 2022	\$ 0.155	200,000	-	-	(200,000)	-		
June 6, 2023	\$ 0.55	420,000	-	-	(62,500)	357,500		
June 5, 2024	\$ 0.10	1,700,000	-	-	(750,000)	950,000		
July 23, 2025	\$ 0.155	150,000	-	-	-	150,000		
September 14, 2025	\$ 0.165	3,415,000	-	-	(800,000)	2,615,000		
		5,885,000	-	-	(1,812,500)	4,072,500		
Weighted average exercise price (C\$)	\$	0.17	\$	-	\$	0.15	\$	0.18

As at March 31, 2022, all stock options were exercisable. As at March 31, 2022, the weighted average remaining contractual life of the stock options outstanding was 2.96 years.

Scorpio Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022

(Tabular amounts expressed in thousands of US dollars unless otherwise noted)

12. Related party transactions and balances

Compensation of key management personnel and directors

Key management includes members of the Board of Directors, the Chief Executive Officer, the Chief Financial Officer, and the Corporate Secretary. The aggregate compensation paid or accrued to key management personnel during the three months ended March 31, 2022 and 2021 were as follows:

	Three months ended March 31,	
	2022	2021
Salaries and benefits		
Chief Executive Officer	\$ -	\$ 52
Chief Financial Officer & Corporate Secretary	40	39
	\$ 40	\$ 91

Amounts due to related parties

Included in trade and other payables as at March 31, 2022, is \$58,000 (December 31, 2021 - \$19,000) due to key management for consulting fees, director fees and the reimbursement of expenditures.

Scorpio Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022

(Tabular amounts expressed in thousands of US dollars unless otherwise noted)

13. Segmented information

Industry information

The Company is engaged in mining exploitation, exploration and development and has one operating mine and a toll milling facility. The Company has two reportable segments being Mineral Ridge and Goldwedge. The Other category is composed of head office and Scorpio Gold (US) Corporation. Segments are operations reviewed by the CEO who is considered to be the chief operating decision maker.

Operating segment details are as follows:

Three months ended March 31, 2022	Mineral			Total
	Ridge	Goldwedge	Other	
REVENUE				
Revenue	\$ -	\$ -	\$ -	\$ -
Cost of sales excluding inventory write-down	-	-	-	-
Depreciation and amortization	-	-	-	-
Inventory write-down	-	-	-	-
Mine operating loss	-	-	-	-
EXPENSES				
General and administration	-	-	(56)	(56)
Care and maintenance - Goldwedge	-	(215)	-	(215)
Care and maintenance - Mineral Ridge	(361)	-	-	(361)
Depreciation and amortization	-	(5)	-	(5)
Gain on disposal of assets	22	-	-	22
	(339)	(220)	(56)	(615)
Operating loss	(339)	(220)	(56)	(615)
Other income (expense)				
Finance costs	(16)	(1)	(175)	(192)
Finance income	-	-	1	1
Foreign exchange	-	-	(7)	(7)
Gain on warrant liability	-	-	275	275
	(16)	(1)	94	77
NET EARNINGS (LOSS) AND COMPREHENSIVE INCOME (LOSS)	\$ (355)	\$ (221)	\$ 38	\$ (538)

Scorpio Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022

*(Tabular amounts expressed in thousands of US dollars unless otherwise noted)***13. Segmented information (Continued)****Industry information (Continued)**

Three months ended March 31, 2021	Mineral			Total
	Ridge	Goldwedge	Other	
REVENUE				
Revenue	\$ 1,094	\$ -	\$ -	\$ 1,094
Cost of sales excluding inventory write-down	(503)	-	-	(503)
Depreciation and amortization	(11)	-	-	(11)
Inventory write-down	(782)	-	-	(782)
Mine operating loss	(202)	-	-	(202)
EXPENSES				
General and administration	-	-	(233)	(233)
Care and maintenance - Goldwedge	-	(199)	-	(199)
Care and maintenance - Mineral Ridge	-	-	-	-
Depreciation and amortization	-	(11)	-	(11)
Gain on disposal of assets	40	-	-	40
	40	(210)	(233)	(403)
Operating loss	(162)	(210)	(233)	(605)
Other income (expense)				
Finance costs	(7)	(1)	(176)	(184)
Finance income	-	-	3	3
Foreign exchange	-	-	13	13
Gain on warrant liability	-	-	661	661
	(7)	(1)	501	493
NET EARNINGS (LOSS) AND COMPREHENSIVE INCOME (LOSS)	\$ (169)	\$ (211)	\$ 268	\$ (112)

Scorpio Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022

(Tabular amounts expressed in thousands of US dollars unless otherwise noted)

13. Segmented information (Continued)

Industry information (Continued)

As at March 31, 2022	Mineral			Total
	Ridge	Goldwedge	Other	
TOTAL ASSETS	\$ 11,806	\$ 1,563	\$ 94	\$ 13,463
TOTAL LIABILITIES	\$ 5,711	\$ 503	\$ 1,329	\$ 7,543

As at December 31, 2021	Mineral			Total
	Ridge	Goldwedge	Other	
TOTAL ASSETS	\$ 12,126	\$ 1,408	\$ 256	\$ 13,790
TOTAL LIABILITIES	\$ 5,641	\$ 460	\$ 1,231	\$ 7,332

Geographic information

All revenue from the sale of precious metals for the three months ended March 31, 2022 and 2021 were earned in the USA. Substantially all of the Company's revenues were from two customers.

All of the Company's non-current assets are located in the USA.

14. Financial instruments and risk management

Financial instruments

Financial instruments are classified into one of the following categories: fair value through profit or loss ("FVTPL"); fair value through other comprehensive income ("FVTOCI"); or at amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instruments	Category	March 31,	December 31,
		2022	2021
Cash	FVTPL	\$ 65	\$ 279
Receivables	Amortized cost	64	144
Reclamation bonds	Amortized cost	7,723	7,723
Trade and other payables	Amortized cost	(1,005)	(623)
Loans	Amortized cost	(531)	(450)
Warrant liability	FVTPL	(101)	(370)

Scorpio Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022

(Tabular amounts expressed in thousands of US dollars unless otherwise noted)

14. Financial instruments (Continued)

Financial instruments (Continued)

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The carrying values of receivables, reclamation bonds, trade and other payables, and loans approximate their fair value due to their short-term nature. Cash is recorded at fair value using Level 1 of the fair value hierarchy. The fair value of the Company's warrant liability is recorded at fair value using Level 3 of the fair value hierarchy. The carrying value of the warrant liability is determined using the Black-Scholes option pricing model.

Risk management

The Company's risk management objectives and policies are consistent with those disclosed by the Company for the year ended December 31, 2021.

Scorpio Gold Corporation

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022

(Tabular amounts expressed in thousands of US dollars unless otherwise noted)

15. Subsequent events

Subsequent to March 31, 2022, the Company completed the following transactions:

- In April 2022, the Company issued 5,194,976 common shares to settle its semi-annual interest payment of \$350,000 on the Debentures (Note 11).
- In April 2022, the Company issued 87,687,500 common shares on maturity of the remaining Debentures of \$7,015,000 (Note 11).
- In May 2022, the Company entered into two convertible loan agreements with two directors of the Company (the "Lenders") pursuant to which the Company may borrow the principal amount of \$2,450,000 (the "Convertible Loans").

The Convertible Loans mature December 31, 2022 and bear interest at a rate of 12.375% per annum, compounding monthly, payable at maturity. The Convertible Loans may be converted, at the election of the applicable Lender, into common shares of the Company at a conversion price of \$0.06 per share, subject to adjustment until the earlier of: (i) December 31, 2022; and (ii) the date the entire outstanding principal amount of the applicable Loan has been repaid.

The Convertible Loans will be equally secured by certain security documents in favour of the Lenders to be provided by the Company and its subsidiaries pursuant to which the Company will provide the Lenders with a security interest in all present and after-acquired personal property of the Company and its subsidiaries.

In April and May 2022, the Company received \$1,150,000 from the Lenders, which amount plus accrued interest will be incorporated in the Convertible Loans as the first and second draws.