



WHITEHORSE GOLD CORP.

TSXV: WHG

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three and six months ended June 30, 2022 and 2021

(Expressed in Canadian Dollars)

Whitehorse Gold Corp.

Unaudited Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian dollars)

	Notes	As at	
		June 30, 2022	December 31, 2021
ASSETS			
Current Assets			
Cash and cash equivalents		\$ 2,975,444	\$ 5,149,913
GST receivables		17,007	72,602
Deposits and prepayments	3	47,521	68,793
		3,039,972	5,291,308
Non-current Assets			
Reclamation deposit		15,075	15,075
Deposits and prepayments	3	57,182	57,182
Loan receivable	4	325,372	-
Property and equipment	5	701,697	777,564
Mineral property interests	6	23,144,019	22,186,694
TOTAL ASSETS		\$ 27,283,317	\$ 28,327,823
LIABILITIES AND EQUITY			
Current Liabilities			
Trade and other payables		\$ 311,196	\$ 799,724
Accrued liabilities		37,224	86,052
Current portion of lease obligations	7	12,772	26,468
		361,192	912,244
Non-current Liabilities			
Lease obligations	7	-	13,234
Total Liabilities		361,192	925,478
EQUITY			
Share capital	8	21,353,770	20,879,163
Reserves	8	639,068	700,190
Retained earnings		4,929,287	5,822,992
Total Equity		26,922,125	27,402,345
TOTAL LIABILITIES AND EQUITY		\$ 27,283,317	\$ 28,327,823

Approved on behalf of the Board:

(Signed) Gordon Neal

Director

(Signed) Lorne Waldman

Director

See accompanying notes to the unaudited condensed consolidated interim financial statements

Whitehorse Gold Corp.

Unaudited Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

	Notes	Three months ended June 30,		Six months ended June 30,	
		2022	2021	2022	2021
Operating expenses					
Salaries and benefits		\$ 146,403	\$ 272,097	\$ 282,106	\$ 536,604
Project investigation and evaluation	4	3,136	-	86,745	-
Investor relations		26,963	64,215	77,147	132,292
Filing and continuous listing		18,906	25,979	67,770	66,066
Professional fees		75,101	17,374	86,950	48,753
Office and administration		72,670	40,883	134,592	66,690
Depreciation		5,440	7,721	10,879	8,617
Share-based compensation	8	128,675	144,087	128,961	233,623
		477,294	572,356	875,150	1,092,645
Other (income) expenses					
Interest income	4	(3,222)	-	(3,222)	-
Interest expense		1,453	-	3,424	-
Foreign exchange (gain) loss		(10,099)	3,662	(1,248)	5,825
Loss on early termination of leases	5	19,601	-	19,601	-
		7,733	3,662	18,555	5,825
Net loss and comprehensive loss for the period		\$ 485,027	\$ 576,018	\$ 893,705	\$ 1,098,470
Loss per common share attributable to equity holders of the Company					
Basic and diluted loss per share		\$ 0.01	\$ 0.01	\$ 0.02	\$ 0.02
Weighted average number of common shares - basic and diluted		53,225,143	47,878,663	52,972,547	45,327,636

See accompanying notes to the unaudited condensed consolidated interim financial statements

Whitehorse Gold Corp.

Unaudited Condensed Consolidated Interim Statements of Cash Flows

(Expressed in Canadian dollars)

	Notes	Three months ended June 30,		Six months ended June 30,	
		2022	2021	2022	2021
Cash used in					
Operating activities					
Net loss for the period		\$ (485,027)	\$ (576,018)	\$ (893,705)	\$ (1,098,470)
Interest expense	7	1,453	-	3,424	-
Interest income	4	(3,222)	-	(3,222)	-
Depreciation	5	5,440	10,183	10,879	11,079
Share based compensation	8	128,675	144,087	128,961	233,623
Foreign exchange (gain) loss		(10,099)	3,662	(1,248)	5,825
Loss on early termination of leases		19,601	-	19,601	-
Changes in non-cash operating working capital					
GST Receivables		70,752	(45,949)	55,595	(75,822)
Deposits and prepayments		53,068	1,874	21,272	(11,876)
Inventory		-	(64,368)	-	(64,368)
Accounts payable and accrued liabilities		(67,367)	85,885	(59,525)	101,129
Net cash used in operating activities		(286,726)	(440,644)	(717,968)	(898,880)
Investing activities					
Mineral property interests					
Capital expenditures		(591,427)	(646,090)	(1,298,249)	(1,019,330)
Property and equipment					
Additions		-	(124,102)	(120,506)	(124,102)
Disposal cost		(1,738)	-	(1,738)	-
Advancement of loan receivable	4	-	-	(314,700)	-
Net cash used in investing activities		(593,165)	(770,192)	(1,735,193)	(1,143,432)
Financing activities					
Funds raised from private placement, net of share issuance costs					
	8	-	14,564,459	-	14,564,459
Exercise of options		215,775	28,876	305,025	28,876
Lease obligations					
Repayments of principal	7	(5,329)	-	(11,707)	-
Payment of interest	7	(1,453)	-	(3,424)	-
Termination		(5,000)	-	(5,000)	-
Net cash provided by financing activities		203,993	14,593,335	284,894	14,593,335
Effect of exchange rate changes on cash		37	(3,662)	(6,202)	(5,825)
Increase (decrease) in cash		(675,861)	13,378,837	(2,174,469)	12,545,198
Cash, beginning of the period		3,651,305	758,866	5,149,913	1,592,505
Cash, end of the period		\$ 2,975,444	\$ 14,137,703	\$ 2,975,444	\$ 14,137,703

See accompanying notes to the unaudited condensed consolidated interim financial statements

Whitehorse Gold Corp.

Unaudited Condensed Consolidated Interim Statements of Changes in Equity

(Expressed in Canadian dollars, except for share figures)

	Notes	Share capital		Reserves			Total equity
		Number of shares	Amount	Share-based compensation	Warrant	Retained earning	
Balance, January 1, 2021		42,656,597	\$ 6,797,010	\$ 56,988	\$ -	7,997,307	14,851,305
Share-based compensation		-	-	285,384	-	-	285,384
Options exercised		91,667	47,320	(18,444)	-	-	28,876
Share issuance in 2021 Private Placement, net of share issue costs and flow-through share premium liability		9,933,325	14,034,833	-	165,023	-	14,199,856
Net loss and comprehensive loss		-	-	-	-	(1,098,470)	(1,098,470)
Balance, June 30, 2021		52,681,589	\$20,879,163	\$ 323,928	\$ 165,023	6,898,837	28,266,951
Share-based compensation		-	-	211,239	-	-	211,239
Net loss and comprehensive loss		-	-	-	-	(1,075,845)	(1,075,845)
Balance, December 31, 2021		52,681,589	\$20,879,163	\$ 535,167	\$ 165,023	5,822,992	27,402,345
Share-based compensation	8	-	-	108,460	-	-	108,460
Options exercised	8	968,334	474,607	(169,582)	-	-	305,025
Net loss and comprehensive loss		-	-	-	-	(893,705)	(893,705)
Balance, June 30, 2022		53,649,923	\$21,353,770	\$ 474,045	\$ 165,023	4,929,287	26,922,125

See accompanying notes to the unaudited condensed consolidated interim financial statements

Whitehorse Gold Corp.

Notes to Unaudited Condensed Consolidated Interim Financial Statements as at June 30, 2022 and for the three and six months ended June 30, 2022 and 2021

(Expressed in Canadian dollars, except for share figures)

1. CORPORATE INFORMATION

Whitehorse Gold Corp. (the "Company" or "Whitehorse Gold") is a Canadian mining company engaged in exploring and developing mining properties, including its Skukum Gold Project (formerly referred to as Tagish Lake Gold Project) located in the Yukon Territory, Canada (the "Project"). Whitehorse Gold was incorporated under the *Business Corporations Act* (British Columbia) on November 27, 2019, primarily for the purpose of carrying out a spin-out by way of plan of arrangement (the "Arrangement") with New Pacific Metals Corp. ("New Pacific"), which was completed on November 18, 2020.

The head office, registered address and records office of the Company are located at 1066 Hastings Street, Suite 1750, Vancouver, British Columbia, Canada, V6E 3X1. The Company's common shares (each, a "Share" or a "Common Share") commenced trading on the TSX Venture Exchange (the "TSXV") under the symbol "WHG" on November 25, 2020. On March 16, 2022, the Company's Common Shares started trading on the OTCQX Market under the symbol "WHGDF".

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance

These unaudited condensed consolidated interim financial statements have been prepared in accordance with *IAS 34 – Interim Financial Reporting* as issued by the International Accounting Standards Board. These unaudited condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2021. These unaudited condensed consolidated interim financial statements follow the same significant accounting policies set out in Note 2 to the audited consolidated financial statements for the year ended December 31, 2021.

(b) Going Concern Basis

The unaudited condensed consolidated interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its commitments, continue operations and realize its assets and discharge its liabilities in the normal course of operations for the foreseeable future. During the three and six months ended June 30, 2022, the Company incurred a loss of \$485,027 and \$893,705 (three and six months ended June 30, 2021 - \$576,018 and \$1,098,470, respectively), and used cash of \$286,726 and \$717,968, respectively, in operating activities (three and six months ended June 30, 2021 - \$440,644 and \$898,880, respectively). Operating losses in relation to exploration activities are expected to continue for the foreseeable future. The Company's ability to continue operations in the normal course of business is dependent on several factors, including the exploration of its mineral property, as well as the ability to secure additional financing through the issuance of additional equity or debt. However, there is no certainty that the Company will be able to raise sufficient funds to conduct further exploration and development of its mineral property. The above conditions, along with other factors, indicate the existence of material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern.

The unaudited condensed consolidated interim financial statements of the Company were authorized for issue in accordance with a resolution of the Board of Directors (the "Board") dated on August 17, 2022.

Whitehorse Gold Corp.

Notes to Unaudited Condensed Consolidated Interim Financial Statements as at June 30, 2022 and for the three and six months ended June 30, 2022 and 2021

(Expressed in Canadian dollars, except for share figures)

(c) Basis of Consolidation

These unaudited condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiary, Whitehorse Gold (Yukon) Corp (formerly named as Tagish Lake Gold Corp). The Company has a single reportable segment and all of its non-current assets are located in Canada.

Subsidiaries are consolidated from the date on which the Company obtains control up to the date of the disposition of control. Control is achieved when the Company has power over the subsidiary, is exposed or has rights to variable returns from its involvement with the subsidiary; and has the ability to use its power to affect its returns.

Balances, transactions, income and expenses between the Company and its subsidiary are eliminated on consolidation.

3. DEPOSITS AND PREPAYMENTS

	June 30, 2022	December 31, 2021
Deposits and prepayments related to exploration, and property and equipment	\$ 57,182	\$ 57,182
Other deposits and prepaid expenses	47,521	68,793
Total	104,703	125,975
Non-current portion	(57,182)	(57,182)
Current deposits and prepaid expenses	\$ 47,521	\$ 68,793

4. LOAN RECEIVABLE

In March 2022, the company entered into a loan agreement (“Loan Agreement”) with a private Guinean gold mining company which owns certain mining concessions and licenses located in Guinea (the “Properties”), in exchange for a right to negotiate an option acquisition agreement to acquire a 100% interest in the Guinean gold mining company (the “Borrower”).

Pursuant to the Loan Agreement, the Company has advanced a \$314,700 (US\$250,000) loan to the Borrower, mainly for the payment of Government tax on the title of the Properties. As security for the loan, the Borrower has pledged its shares in the wholly-owned subsidiary which holds the title of the Properties. The loan has a term of two years and bears an interest of 5%.

During the three and six months ended June 30, 2022, the Company also incurred a total of \$3,136 and \$86,745, respectively, project investigation and evaluation expenses.

Whitehorse Gold Corp.

Notes to Unaudited Condensed Consolidated Interim Financial Statements as at June 30, 2022 and for the three and six months ended June 30, 2022 and 2021

(Expressed in Canadian dollars, except for share figures)

5. PROPERTY AND EQUIPMENT

Cost	Building	Office equipment	Computer software	Equipment and furniture	Machinery	Motor vehicle	Construction in process	Total
Balance, January 1, 2021	\$ -	\$ 2,408	\$ 13,884	\$ -	\$ -	\$ -	\$ -	\$ 16,292
Additions	439,118	20,666	9,916	62,456	88,436	76,869	119,721	817,182
Disposals	-	(2,408)	-	-	-	-	-	(2,408)
Ending balance as at December 31, 2021	439,118	20,666	23,800	62,456	88,436	76,869	119,721	831,066
Disposals	-	-	-	-	-	(51,777)	-	(51,777)
Reclassification of asset groups	(119,721)	-	-	-	-	-	119,721	-
Ending balance as at June 30, 2022	\$ 319,397	\$ 20,666	\$ 23,800	\$ 62,456	\$ 88,436	\$ 25,092	\$ 239,442	\$ 779,289
Accumulated depreciation and amortization								
Balance, January 1, 2021	-	(40)	(1,430)	-	-	-	-	(1,470)
Depreciation and amortization	(9,009)	(3,113)	(4,635)	(9,368)	(7,152)	(19,162)	-	(52,439)
Disposals	-	407	-	-	-	-	-	407
Ending balance as at December 31, 2021	(9,009)	(2,746)	(6,065)	(9,368)	(7,152)	(19,162)	-	(53,502)
Depreciation and amortization	(10,982)	(2,067)	(2,567)	(6,246)	(8,845)	(17,074)	-	(47,781)
Disposals	-	-	-	-	-	23,691	-	23,691
Ending balance as at June 30, 2022	\$ (19,991)	\$ (4,813)	\$ (8,632)	\$ (15,614)	\$ (15,997)	\$ (12,545)	\$ -	\$ (77,592)
Carrying amounts								
Balance as at December 31, 2021	\$ 430,109	\$ 17,920	\$ 17,735	\$ 53,088	\$ 81,284	\$ 57,707	\$ 119,721	\$ 777,564
Ending balance as at June 30, 2022	\$ 299,406	\$ 15,853	\$ 15,168	\$ 46,842	\$ 72,439	\$ 12,547	\$ 239,442	\$ 701,697

During the three and six months ended June 30, 2022, a total of \$5,440 and \$10,879, respectively, depreciation and amortization (three and six months ended June 30, 2021 - \$7,721 and \$8,617, respectively) was recognized in the unaudited condensed consolidated interim statement of loss and comprehensive loss, and a total of \$17,370 and \$36,902, respectively, depreciation and amortization was capitalized to mineral property and interest (three and six months ended June 30, 2021 - \$2,460 and \$2,460, respectively).

During the three months ended June 30, 2022, the Company terminated some vehicle lease contracts and returned the leased vehicles to the vendor. The loss associated with these lease contracts termination was summarized in the table below.

Right-of-use asset disposed	\$ 28,086
Lease obligation terminated (note 7)	(15,223)
Disposal cost and termination penalty	6,738
Loss on termination of lease contracts	\$ 19,601

Whitehorse Gold Corp.

Notes to Unaudited Condensed Consolidated Interim Financial Statements as at June 30, 2022 and for the three and six months ended June 30, 2022 and 2021

(Expressed in Canadian dollars, except for share figures)

6. MINERAL PROPERTY INTERESTS

The Project, covering an area of 170.3 square kilometers ("km²"), is located approximately 55 km south of Whitehorse, Yukon Territory, Canada, and consists of 1,051 mining claims hosting three identified gold and gold-silver mineral deposits: Skukum Creek, Goddell and Mount Skukum.

For the three and six months ended June 30, 2022, total expenditures of \$220,356 and \$957,325 (three and six months ended June 30, 2021 - \$1,282,550 and \$1,547,692) were capitalized under the Project.

The continuity schedule of mineral property interest is summarized as follows:

Cost		The Project
Balance, January 1, 2021	\$	13,406,867
<u>Capitalized exploration expenditures</u>		
Geology study		1,783,245
Geophysics & surveying		188,071
Drilling & assaying		3,145,606
Camp service		2,020,543
Environmental monitoring		450,821
Project management and support		1,051,410
Permitting & claims		140,131
Balance, December 31, 2021	\$	22,186,694
<u>Capitalized exploration expenditures</u>		
Geology study		36,578
Geophysics & surveying		6,626
Drilling & assaying		323,346
Camp service		263,169
Environmental monitoring		72,291
Project management and support		64,535
Permitting & claims		190,780
Balance, June 30, 2022	\$	23,144,019

Whitehorse Gold Corp.

Notes to Unaudited Condensed Consolidated Interim Financial Statements as at June 30, 2022 and for the three and six months ended June 30, 2022 and 2021

(Expressed in Canadian dollars, except for share figures)

7. LEASE

The following table summarizes changes in the Company's lease obligations related to the Company's vehicle leases.

Balance, January 1, 2021	\$	-
New lease agreements entered		51,473
Interest accrual		4,217
Interest paid		(4,217)
Principal repayment		(11,771)
Balance, December 31, 2021	\$	39,702
Interest accrual		3,424
Interest paid		(3,424)
Principal repayment		(11,707)
Lease termination		(15,223)
Balance, June 30, 2022	\$	12,772
Less: current portion		(12,772)
Non-current portion	\$	-

The following table presents a reconciliation of the Company's undiscounted cash flows to their present value for its lease obligations as at June 30, 2022:

		Lease Obligation
Within 1 year	\$	14,605
Total undiscounted amount		14,605
Less future interest		(1,833)
Total discounted amount	\$	12,772

The lease obligation was discounted using the interest rates implicit in the lease agreements of 6.85%.

8. SHARE CAPITAL

(a) Share Capital - authorized share capital

The Company has authorized share capital of unlimited number of common shares without par value.

(b) Share-based compensation

The Company has a share-based compensation plan (the "Plan") which allows for the maximum number of common shares to be reserved for issuance on stock options to be a rolling 10% of the issued and outstanding common shares from time to time.

Whitehorse Gold Corp.

Notes to Unaudited Condensed Consolidated Interim Financial Statements as at June 30, 2022 and for the three and six months ended June 30, 2022 and 2021

(Expressed in Canadian dollars, except for share figures)

For the three and six months ended June 30, 2022, a total of \$128,675 and \$128,961 (three and six months ended June 30, 2021 - \$144,087 and \$233,623) were recorded as share-based compensation expense, and a total of \$8,968 and negative \$20,500 (three and six months ended June 30, 2021 - \$24,732 and \$51,761) were capitalized under mineral property interests.

The continuity schedule of stock options, as at June 30, 2022, is as follows:

	Number of options	Weighted average
Balance, January 1, 2020	3,450,000	\$ 0.32
Options granted	1,315,000	1.08
Options exercised	(91,667)	0.32
Options cancelled/forfeited	(873,333)	0.77
Balance, December 31, 2021	3,800,000	\$ 0.48
Options granted	3,280,000	0.50
Options exercised	(968,334)	0.32
Options cancelled/forfeited	(2,691,666)	0.49
Balance, June 30, 2022	3,420,000	\$ 0.53

The following table summarizes information about stock options outstanding as at June 30, 2022:

Exercise price	Number of options outstanding at June 30, 2022	Weighted average remaining contractual life (Years)	Weighted average exercise price	Number of options exercisable at June 30, 2022	Weighted average exercise price
\$0.315	905,000	8.39	\$0.315	365,000	\$0.315
\$0.50	1,765,000	4.77	\$0.50	-	\$0.50
\$0.60	500,000	4.41	\$0.60	83,333	\$0.60
\$1.38	250,000	8.85	\$1.38	83,333	\$1.38
\$ 0.315 to \$1.38	3,420,000	5.97	\$0.530	531,666	\$0.527

During the three and six months ended June 30, 2022, the Company granted 1,805,000 and 3,280,000 stock options, respectively, (three and six months ended June 30, 2021 – 815,000 and 815,000) to certain directors, officers and consultants having a weighted average exercise price of \$0.50, a term of five years, and vesting over a three-year period in 1/6 increments, beginning on the six-month anniversary following the date of grant. The fair value of the options granted is \$0.35 per common share and estimated using the Black-Scholes options pricing model with the following assumptions:

	Three and six months ended June 30, 2022
Risk free interest rate	2.03%
Expected life of option in years	2.74 years
Expected volatility	126%
Expected dividend yield	0.00%
Estimated forfeiture rate	10%
Weighted average share price at date of grant	\$0.50

The option pricing model requires the input of subjective assumptions including the expected volatility. Changes in the assumptions can materially affect the fair value estimate and therefore, the existing models do not necessarily provide a reliable estimate of the fair value of the Company's stock options. The Company's expected volatility is based on historical volatility of the Company on the TSXV.

Whitehorse Gold Corp.

Notes to Unaudited Condensed Consolidated Interim Financial Statements as at June 30, 2022 and for the three and six months ended June 30, 2022 and 2021

(Expressed in Canadian dollars, except for share figures)

Subsequent to June 30, 2022, a total of 100,000 stock options with an exercise price of \$0.315 was exercised.

Subsequent to June 30, 2022, a total of 400,000 stock options with weighted average exercise price of \$0.37 was forfeited.

(c) Share purchase warrant

The continuity schedule of share purchase warrants, as at June 30, 2022, is as follows:

	Number of warrants	Exercise Price
Balance, January 1, 2021	-	\$ -
Warrants granted	10,225,574	\$2.00 to \$2.10
Balance, December 31, 2021	10,225,574	\$2.00 to \$2.10
Balance, June 30, 2022	10,225,574	\$2.00 to \$2.10

The following table summarizes information about share purchase warrants outstanding as at June 30, 2022.

	Exercise price	Number of warrants outstanding at June 30, 2022	Expiry date
Warrant	\$2.00	6,287,300	May 14, 2026
Flow-Through Warrant	\$2.10	3,646,025	May 14, 2026
Commission Warrant	\$2.00	292,249	May 14, 2023
		10,225,574	

9. RELATED PARTY TRANSACTIONS

Related party transactions are made on terms agreed upon by the related parties. The balances with related parties are unsecured, non-interest bearing, and due on demand. Related party transactions not disclosed elsewhere in the unaudited condensed consolidated interim financial statements are as follows:

	Note	June 30, 2022	December 31, 2021
Payables due to Silvercorp Metals Inc.	i	\$ 15,598	\$ 24,475

- i) Silvercorp Metals Inc. ("Silvercorp") owns approximately 28.9% interest in the Company, on a non-diluted basis. Silvercorp and the Company share office space and Silvercorp provides various general and administrative services to the Company. Expenses in services rendered and incurred by Silvercorp on behalf of the Company for the three months ended June 30, 2022 was \$46,852 and \$108,245 (three and six months ended June 30, 2021 - \$68,130 and \$124,023).

The remuneration of directors and key management personnel are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Directors' fees	\$ -	\$ 28,000	\$ -	\$ 52,000
Directors' share-based compensation	48,064	37,617	47,911	57,889
Key management's salaries and benefits	70,406	243,018	180,316	482,053
Key management's share-based compensation	56,627	105,738	11,924	177,536
	\$ 175,097	\$ 414,373	\$ 240,151	\$ 769,478

Whitehorse Gold Corp.

Notes to Unaudited Condensed Consolidated Interim Financial Statements as at June 30, 2022 and for the three and six months ended June 30, 2022 and 2021

(Expressed in Canadian dollars, except for share figures)

10. FINANCIAL INSTRUMENTS

The Company manages its exposure to financial risks, including liquidity risk and credit risk in accordance with its risk management framework. The Company's Board has overall responsibility for the establishment and oversight of the Company's risk management framework and reviews the Company's policies on an ongoing basis.

(a) Fair Value

The Company classifies its fair value measurements within a fair value hierarchy, which reflects the significance of inputs used in making the measurements as defined in IFRS 13 – *Fair Value Measurement* ("IFRS 13").

Level 1 – Unadjusted quoted prices at the measurement date for identical assets or liabilities in active markets.

Level 2 – Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Unobservable inputs which are supported by little or no market activity.

The Company does not have any financial instruments that are measured at fair value on a recurring basis as at June 30, 2022 and December 31, 2021. Fair value of financial instruments measured at amortised cost approximate their carrying amount as at June 30, 2022 and December 31, 2021.

(b) Liquidity Risk

The Company has no operating revenues. Liquidity risk is the risk that the Company will not be able to meet its short-term business requirements. As at June 30, 2022, the Company had working capital of \$2,678,780. The Company's ability to continue operations in the normal course of business is dependent on the Company's ability to secure additional financing.

In the normal course of business, the Company enters into contracts that give rise to commitments for future minimum payments. The following summarizes the remaining contractual maturities of the Company's financial liabilities:

	June 30, 2022	
	Due within a year	Total
Trade and other payables	\$ 311,196	\$ 311,196
Accrued liabilities	37,224	37,224
Lease obligations	12,772	12,772
	\$ 361,192	\$ 361,192

Whitehorse Gold Corp.

Notes to Unaudited Condensed Consolidated Interim Financial Statements as at June 30, 2022 and for the three and six months ended June 30, 2022 and 2021

(Expressed in Canadian dollars, except for share figures)

(c) Credit Risk

Credit risk is the risk of financial loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk is primarily associated with cash, receivables, and deposits and prepayments. The carrying amount of financial assets included on the unaudited condensed consolidated interim statement of financial position represents the maximum credit exposure.

The Company has deposits of cash that meet minimum requirements for quality and liquidity as stipulated by the Board. Management believes the risk of loss to be remote, as majority of its cash are held with major financial institutions. As at June 30, 2022, the Company had a loan receivable balance of \$325,372 (December 31, 2021 - \$nil), which was pledged with shares in the Borrower's wholly-owned subsidiary which holds the title of the Properties (Note 4).

11. CAPITAL MANAGEMENT

The Company's objectives of capital management are intended to safeguard the entity's ability to support the Company's normal exploration and operating requirement on an ongoing basis, continue the investment in high quality assets along with safeguarding the value of its development and exploration mineral properties, and support any expansionary plans.

The capital of the Company consists of the items included in equity less cash and cash equivalents. Risk and capital management are primarily the responsibility of the Company's corporate finance function and is monitored by the Board of Directors. The Company manages the capital structure and makes adjustments depending on economic conditions. Significant risks are monitored and actions are taken, when necessary, according to the Company's approved policies.