MAYFAIRGOLD

CONDENSED INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

FOR THE THREE MONTHS ENDED MARCH 31, 2024

(Unaudited)

MANAGEMENT’S RESPONSIBILITY FOR INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed interim financial statements have been prepared by management in accordance with the accounting policies disclosed in the notes to the Company’s audited financial statements as at December 31, 2023. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the financial position date. The interim financial statements have been prepared in accordance with International Accounting Standards 34 – Interim Financial Reporting using accounting policies consistent with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) appropriate in the circumstances.

The Company maintains adequate systems of internal controls. Such systems are designed to provide reasonable assurance that transactions are properly authorized and recorded, the Company’s assets are appropriately accounted for and adequately safeguarded and that the financial information is relevant and reliable.

The Board of Directors of the Company is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements and the accompanying management’s discussion and analysis. The Board of Directors carries out this responsibility principally through its Audit Committee.

The Audit Committee is appointed by the Board of Directors and all of its members are non-management, independent directors. The Audit Committee meets periodically with management and the external auditors to discuss internal controls, auditing matters and financial reporting issues, and to satisfy itself that each party is properly discharging its responsibilities. The Audit Committee also reviews the financial statements, management’s discussion and analysis, the external auditors’ reports, examines the fees and expenses for audit services, and considers the engagement or reappointment of the external auditors. The Audit Committee reports its findings to the Board of Directors for its consideration when approving the financial statements for issuance to the shareholders.

(signed) *“Patrick Evans”*

Patrick Evans
President & Chief Executive Officer
May 13, 2024

(signed) *“Justin Byrd”*

Justin Byrd
Chief Financial Officer
May 13, 2024

MAYFAIR GOLD CORP.
Condensed Interim Statements of Financial Position
Expressed in Canadian Dollars
(Unaudited)

	Notes		**March 31, 2024**		December 31, 2023
ASSETS					
Current assets					
Cash		**$**	**9,972,462**	$	13,504,009
Amounts receivable			**304,322**		284,249
Prepaid expenses	4		**204,427**		249,811
			10,481,211		14,038,069
Non-current assets					
Property, plant and equipment	5, 6		**440,805**		457,618
Mineral properties	7		**13,997,500**		13,997,500
			14,438,305		14,455,118
Total assets		**$**	**24,919,516**	$	28,493,187
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Accounts payable and accrued liabilities		**$**	**1,798,460**	$	1,267,217
Deferred premium on flow-through shares	8		**241,052**		1,279,110
			2,039,512		2,546,327
Total liabilities			**2,039,512**		2,546,327
Shareholders' equity:					
Share capital	9		**66,607,889**		66,493,689
Share-based payments reserve	9		**7,425,763**		7,297,006
Deficit			**(51,153,648)**		(47,843,835)
Shareholders' equity			**22,880,004**		25,946,860
Total liabilities and shareholders' equity		**$**	**24,919,516**	$	28,493,187
Subsequent events	16				

The accompanying notes form an integral part of these financial statements.

Approved on behalf of the Board of Directors:

(Signed) "Chris Reynolds"

Chris Reynolds
Director
May 13, 2024

(Signed) "Harry Pokrandt"

Harry Pokrandt
Director
May 13, 2024

MAYFAIR GOLD CORP.
Condensed Interim Statements of Loss and Comprehensive Loss
Expressed in Canadian Dollars
(Unaudited)

	Notes	Three months ended March 31, 2024	2023
Expenses			
Exploration and evaluation expenses	12	**$ 3,686,385**	$ 3,917,082
General and administrative expenses	13	**601,341**	575,719
Share-based payment expense	9	**177,536**	271,547
Depreciation expense	5	**16,813**	28,451
Foreign exchange loss		**4,322**	1,542
Interest income		**(138,526)**	(57,353)
Other income - flow through premium	8	**(1,038,058)**	(399,850)
Loss and comprehensive loss for the period		**$ 3,309,813**	$ 4,337,138
Basic and diluted loss per common share		**$ 0.03**	$ 0.05
Weighted average number of common shares outstanding - basic and diluted		**100,373,600**	90,617,674

The accompanying notes form an integral part of these financial statements.

MAYFAIR GOLD CORP.
Condensed Interim Statements of Changes in Shareholders' Equity
Expressed in Canadian Dollars
(Unaudited)

	Notes	Number of shares		Share capital		Share-based payments reserve		Deficit		Total
Balance, January 1, 2023		87,951,007	$	46,277,610	$	4,919,581	$	(31,895,815)	**$**	**19,301,376**
Issuance of common shares - private placements	9 (ii)	3,000,000		3,450,000		-		-		**3,450,000**
Share issue costs	9 (ii)	-		(15,294)		-		-		**(15,294)**
Share-based payment expense	9 (ii)	-		-		271,547		-		**271,547**
Loss and comprehensive loss for the period		-		-		-		(4,337,138)		**(4,337,138)**
Balance, March 31, 2023		**90,951,007**		**49,712,316**		**5,191,128**		**(36,232,953)**		**18,670,491**
Balance, January 1, 2024		100,312,107		66,493,689		7,297,006		(47,843,835)		**25,946,860**
Issuance of common shares - exercise of options	9 (iii)	66,400		65,421		-		-		**65,421**
Fair value of share options exercised from share-based payments reserve	9 (iii)	-		48,779		(48,779)		-		**-**
Share-based payment expense	9 (iii)	-		-		177,536		-		**177,536**
Loss and comprehensive loss for the period		-		-		-		(3,309,813)		**(3,309,813)**
Balance, March 31, 2024		**100,378,507**	**$**	**66,607,889**	**$**	**7,425,763**	**$**	**(51,153,648)**	**$**	**22,880,004**

The accompanying notes form an integral part of these financial statements.

MAYFAIR GOLD CORP.
Condensed Interim Statements of Cash Flows
Expressed in Canadian Dollars
(Unaudited)

	Notes	Three months ended March 31, 2024	2023
Operating Activities			
Net loss for the period		**$ (3,309,813)**	$ (4,337,138)
Adjustments:			
Foreign exchange loss		**4,322**	1,542
Depreciation		**16,813**	28,451
Other income - flow-through premium		**(1,038,058)**	(399,850)
Share-based payment expense		**177,536**	271,547
Changes in non-cash operating working capital:			
Amounts receivable		**(20,073)**	123,433
Prepaid expenses		**45,384**	(183,151)
Accounts payable and accrued liabilities		**531,243**	(155,966)
Cash used in operating activities		**(3,592,646)**	(4,651,132)
Financing Activities			
Issuance of shares - private placements proceeds, net of costs	9 (ii)	**-**	3,434,706
Proceeds from option exercises		**65,421**	-
Payment of lease liability	6	**-**	(9,966)
Cash from financing activities		**65,421**	3,424,740
Effect of foreign exchange rate changes on cash		**(4,322)**	(1,542)
Net decrease in cash		**(3,531,547)**	(1,227,934)
Cash, beginning of period		**13,504,009**	6,791,778
Cash, end of period		**$ 9,972,462**	$ 5,563,844

The accompanying notes form an integral part of these financial statements.

Expressed in Canadian Dollars

1. NATURE OF OPERATIONS

Mayfair Gold Corp. ("Mayfair Gold" or the "Company") was incorporated on July 30, 2019, under the British Columbia Business Corporation Act. The address of the Company's registered and records office is Suite 700 – 1199 West Hastings Street, Vancouver, BC, Canada, V6E 3T5. The Company's principal place of business is 489 MacDougall Street, Matheson, ON, Canada, P0K 1N0. The principal business of the Company is to acquire, explore, evaluate and develop mineral properties.

2. BASIS OF PRESENTATION AND MATERIAL ACCOUNTING POLICIES

These unaudited condensed interim financial statements of the Company were prepared in accordance with International Accounting Standards 34 – Interim Financial Reporting ("IAS 34"). The accounting policies used in the preparation of these unaudited condensed interim financial statements are consistent with those used in the annual financial statements for the year ended December 31, 2023 and should be read in conjunction with the Company's annual financial statements as at and for the year ended December 31, 2023. They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS as issued by the IASB, and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements. These interim financial statements were authorized for issue by the Company's Board of Directors on May 13, 2024.

3. MATERIAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities as at the date of the condensed interim financial statements and reported amounts of revenues and expenses during the three months ended March 31, 2024 and 2023. Estimates and assumptions used in preparation of these condensed interim financial statements are consistent with those used by the Company in preparing the annual financial statements as at and for the year ended December 31, 2023. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events which are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

4. PREPAID EXPENSES

The Company's prepaid expenses consist of deposits for drilling related expenses, insurance policy prepayments, software, and other expenses.

	March 31, 2024	December 31, 2023
Prepaid expenses	**$ 180,184**	$ 91,311
Deposits with suppliers	**24,244**	158,500
	$ 204,427	$ 249,811

Expressed in Canadian Dollars

5. PROPERTY, PLANT AND EQUIPMENT

The Company's property, plant and equipment as at March 31, 2024 and December 31, 2023, is as follows:

	Computers	Furniture and Fixtures	Building Exploration Office	Land Exploration Office	Machinery and Equipment	Vehicles	Right-of-Use Lease Assets	Total
Cost								
At January 1, 2023	$ 67,782	$ 13,210	$ 343,630	$ 69,000	$ 45,574	$ 130,050	$ 88,105	**$ 757,351**
Additions	-	-	14,790	-	10,714	-	-	**25,504**
At December 31, 2023	67,782	13,210	358,420	69,000	56,288	130,050	88,105	**782,855**
Additions	-	-	-	-	-	-	-	**-**
At March 31, 2024	**$ 67,782**	**$ 13,210**	**$ 358,420**	**$ 69,000**	**$ 56,288**	**$ 130,050**	**$ 88,105**	**$ 782,855**
Accumulated depreciation								
At January 1, 2023	$ (65,249)	$ (4,602)	$ (22,854)	$ -	$ (14,471)	$ (60,768)	$ (78,315)	**$ (246,259)**
Depreciation	(2,533)	(2,643)	(13,917)	-	(11,080)	(39,015)	(9,790)	**(78,978)**
At December 31, 2023	(67,782)	(7,245)	(36,771)	-	(25,551)	(99,783)	(88,105)	**(325,237)**
Depreciation	-	(661)	(3,584)	-	(2,814)	(9,754)	-	**(16,813)**
At March 31, 2024	**$ (67,782)**	**$ (7,906)**	**$ (40,355)**	**$ -**	**$ (28,365)**	**$ (109,537)**	**$ (88,105)**	**$ (342,050)**
Carrying amounts								
At December 31, 2023	$ -	$ 5,965	$ 321,649	$ 69,000	$ 30,737	$ 30,267	$ -	**$ 457,618**
At March 31, 2024	**$ -**	**$ 5,304**	**$ 318,065**	**$ 69,000**	**$ 27,923**	**$ 20,513**	**$ -**	**$ 440,805**

6. LEASES

The Company was party to contracts that contained a lease for the rental of storage facilities. With the exception of short-term leases, leases with low-value, and leases with variable payments proportional to the rate of use of the underlying asset, which are included in expenses in the statements of loss and comprehensive loss, each lease is reflected on the statement of financial position as a right-of-use asset and a lease liability. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment (see Note 5).

The Company makes certain judgements and estimations in regards to the calculation of an appropriate discount rate for lease accounting. For the rental contracts of storage facilities without implicit discount rates, the Company determined the incremental rate of borrowing to be 2.7% per annum based upon quotes from lenders for loans of similar value and duration.

	March 31, 2024	**December 31, 2023**
Lease liabilities	**$ -**	$ 9,966
Lease payments made	**-**	(10,000)
Interest expense on lease liabilities	**-**	34
Lease liability remaining	**$ -**	$ -

7. MINERAL PROPERTIES

On June 8, 2020, the Company entered into a binding asset purchase agreement (the "Asset Purchase Agreement") with Lake Shore Gold Corp. ("Lake Shore"). Pursuant to the terms of the Asset Purchase Agreement, the Company agreed to acquire 21 fee simple patented properties, 153 patented leasehold mining claims, and 144 unpatented mining claims located in the Guibord, Munro, Michaud and McCool Townships in northeast Ontario, Canada (collectively, the "Fenn-Gib Property"). As consideration for the acquisition of the Fenn-Gib Property (the "Acquisition"), the Company agreed to: (i) pay Lake Shore a cash payment of US$11,000,000; and (ii) grant Lake Shore a 1.0% net smelter returns royalty derived from the future production of minerals from the Fenn-Gib Property.

Expressed in Canadian Dollars

On December 31, 2020, the transaction closed and $13,997,500 (US$11,000,000) was paid and recorded as mineral properties on the financial statements. The continuity of the Mineral Properties is as follows:

		March 31, 2024		December 31, 2023
Balance, beginning of period	**$**	**13,997,500**	$	13,997,500
Acquired mineral rights and claims		**-**		-
Balance, end of period	**$**	**13,997,500**	$	13,997,500

8. DEFERRED PREMIUM ON FLOW-THROUGH SHARES

The premium paid for flow-through shares in excess of the fair value of common shares is initially recognized as a liability. The liability is reduced on a pro-rata basis and recorded in other income based on the corresponding eligible expenditures that have been incurred.

		March 31, 2024		December 31, 2023
Balance, beginning of period	**$**	**1,279,110**	$	542,687
Deferred premium liability recognized on flow-through issuances		**-**		3,428,000
Income recognized based on corresponding eligible expenditures		**(1,038,058)**		(2,691,577)
Balance, end of period	**$**	**241,052**	$	1,279,110

9. SHARE CAPITAL

(i) Authorized share capital

Unlimited common shares, without par value. Each common share entitles the holder to one shareholder vote. There is no other class of shares in the Company.

(ii) Share capital

The number of shares issued and fully paid as at March 31, 2024 is 100,378,507.

For the period ended March 31, 2024

During the three-month period ended March 31, 2024, there were no common shares issued.

For the period ended March 31, 2023

On January 10, 2023, the Company completed a non-flow-through private placement consisting of the issue of 3,000,000 common shares at a price of $1.15 per share for total consideration of $3,450,000. Share issuance costs of $15,294 were incurred in connection with the offering.

(iii) Stock options

The Company, through its Board of Directors and shareholders, adopted a long-term equity incentive plan (the “Plan”) which, among other things, allows for the maximum number of shares that may be reserved for issuance under the Plan to be 10% of the Company’s issued and outstanding shares at the time of the grant. The Board of Directors has the authority and discretion to grant stock options as identified in the Plan, which includes provisions limiting the issuance of options to qualified persons and employees of the Company to maximums identified in the Plan and the vesting terms.

Expressed in Canadian Dollars

The following table summarizes information about the stock options outstanding and exercisable at March 31, 2024 and December 31, 2023:

	March 31, 2024			December 31, 2023		
	Number of options		**Weighted average exercise price**	Number of options		Weighted average exercise price
Balance at beginning of period	**9,748,900**	**$**	**1.11**	8,035,000	$	0.84
Granted during the period	**-**	**$**	**-**	2,005,000	$	2.11
Exercised during the period	**(66,400)**	**$**	**0.99**	(291,100)	$	0.56
Balance at end of the period	**9,682,500**	**$**	**1.11**	9,748,900	$	1.11
Options exercisable at the end of the period	**9,127,500**	**$**	**1.06**	9,193,900	$	1.06

The fair value of the 100,000 stock options with an exercise price of $1.50 granted on February 3, 2023, has been estimated on the date of grant using the Black-Scholes option pricing model, using the assumptions below and totaled $80,750 or $0.81 per option. These options vested immediately.

The fair value of the 1,905,000 stock options with an exercise price of $2.14 granted on November 14, 2023, has been estimated on the date of grant using the Black-Scholes option pricing model, using the assumptions below, and totaled $2,373,821 or $1.25 per option. Of the stock options granted, 1,507,500 vested immediately, 132,500 vest on May 14, 2024, 132,500 vest on November 14, 2024 and 132,500 vest on May 14, 2025.

	December 31, 2023
Exercise price	$1.50 - $2.14
Expected volatility	61% - 66%
Expected option life	5 years
Expected forfeiture	-
Expected dividend yield	0%
Risk-free interest rate	2.93% - 3.88%
Fair value per option	$0.81 - $1.25

The following tables reflect the number of stock options outstanding and the exercise price of stock options outstanding at March 31, 2024:

Expiry Date	Number of Options		Exercise Price
December 31, 2030	3,362,500	$	0.47
May 3, 2031	200,000	$	1.75
January 6, 2032	1,810,000	$	0.90
December 6, 2032	2,330,000	$	1.29
February 3, 2028	100,000	$	1.50
November 14, 2028	1,880,000	$	2.14

Expressed in Canadian Dollars

The weighted average remaining contractual life of the options outstanding at March 31, 2024, is 6.97 years. During the three months ended March 31, 2024, 66,400 stock options were exercised for gross proceeds of $65,421, with $48,779 transferred from share-based payment reserve.

The share-based payments recognized as an expense for the three months ended March 31, 2024 and 2023, are as follows:

	Three months ended March 31,	
	2024	2023
Expense recognized in the period for share-based payments	**$ 177,536**	$ 271,547

10. RELATED PARTIES

The Company's related parties include key management personnel and their close family members, the Company's Board of Directors and their close family members, Heeney Capital Corp, a corporation partially owned by a former director of the Company and HC Alternative Investments I, Ltd, ("HC Alternative") a corporation partially owned by a former director of the Company. Related party transactions are recorded at their exchange amount, being the amount agreed to by the parties. The Company incurred remuneration expense for key management personnel and paid fees to members of the Board of Directors. The renumeration of key management personnel for the three months ended March 31, 2024 and 2023 were as follows:

	Three months ended March 31,	
	2024	2023
Consulting fees and Director's fees	**$ 241,890**	$ 176,392

The Company also recognized revenue in the comparative year related to services it provided to HC Alternative in the nature of strategic planning services, technical advisory, and other consulting services. The transactions for the three months ended March 31, 2024 and 2023 were as follows:

	Three months ended March 31,	
	2024	2023
Consulting fee charged by a company partially owned by a director	**$ -**	$ 45,000
Remuneration paid to key management personnel and Directors' Fees	**$ 241,890**	$ 176,392
Consulting fee charged by other related party	**$ 59,047**	$ 54,945

The amounts receivable from HC Alternative were included in accounts receivable at December 31, 2023 as follows. The amounts payable to key management personnel at March 31, 2024 and December 31, 2023 were included in accounts payable and accrued liabilities as follows:

		March 31, 2024		December 31, 2023
Receivable from HC Alternative for consulting services rendered	**$**	**-**	$	56,000
Payable to Heeney Capital Corp.	**$**	**-**	$	50,000
Payable to other related party	**$**	**46,570**	$	38,976
Payable to key management personnel	**$**	**58,480**	$	338,534
	$	**105,050**	$	427,510

11. FINANCIAL INSTRUMENTS

Fair value measurement

The Company categorizes each of its fair value measurements in accordance with a fair value hierarchy. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability (for example, interest rate and yield curves observable at commonly quoted intervals, forward pricing curves used to value currency and commodity contracts and volatility measurements used to value option contracts), or inputs that are derived principally from or corroborated by observable market data or other means.

Level 3 inputs are unobservable (supported by little or no market activity).

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. The fair values of cash, amounts receivable, accounts payable, and accrued liabilities approximate their carrying values due to the relatively short-term nature of these financial instruments and are measured at amortized cost.

Financial instruments risks

The Company examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include credit risk, liquidity risk and market risk.

Credit risk

The Company is exposed to credit risk by holding cash. This risk is minimized by holding the funds in Canadian Schedule 1 banks. The Company has minimal accounts receivable exposure as its refundable credits are due from the Canadian Government.

Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company manages this risk with careful management of its working capital to ensure its expenditures will not exceed available resources. The Company's ability to fund its operations and capital expenditures and other obligations as they become due is dependent on market conditions.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates will affect the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing returns.

Foreign currency

The Company is exposed to market risk related to foreign exchange rates. The Company operates in Canada and has foreign currency exposure to transactions in U.S. dollars. The majority of the ongoing operational costs are in Canadian dollars and are funded through operating and financing cash flows.

As at March 31, 2024 and December 31, 2023, the Company had cash, accounts payable and accrued liabilities that are in U.S. dollars. The Canadian dollar equivalent is as follows:

		March 31, 2024		December 31, 2023
Cash	**$**	**4,765**	$	5,489
Accounts payable and accrued liabilities		**(5,361)**		(26,011)
Total	**$**	**(596)**	$	(20,522)

A 10% appreciation or depreciation of the Canadian dollar relative to the U.S. dollar at March 31, 2024, would have resulted in an increase or decrease to net loss for the period of approximately $60 (December 31, 2023 – net loss of $2,100).

12. EXPLORATION AND EVALUATION EXPENSES

	Three months ended March 31,			
		2024		2023
Exploration personnel and program support	**$**	**465,785**	$	408,814
Camp maintenance, supplies, mobilization, general costs		**264,765**		446,994
Drilling		**2,110,426**		1,583,490
Exploration contractors		**342,317**		1,044,915
Laboratory analysis		**286,609**		218,379
Other exploration and evaluation		**216,483**		214,490
	$	**3,686,385**	$	3,917,082

13. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended March 31,			
		2024		2023
Management fees	**$**	**245,031**	$	199,753
Professional fees		**107,462**		148,988
Transfer agent and regulatory fees		**33,315**		55,424
Marketing and public relations		**42,207**		3,146
Other general and administrative		**173,326**		168,408
	$	**601,341**	$	575,719

14. CAPITAL MANAGEMENT

The capital of the Company consists of its shareholders' equity. The Company's objectives when managing capital are to safeguard the Company's ability to continue to pursue the exploration and evaluation of its mineral properties and to maintain optimal returns to shareholders and benefits for other stakeholders. The Company manages its capital structure and makes adjustments to it in order to have the funds available to support the acquisition and exploration and evaluation of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

Expressed in Canadian Dollars

		March 31, 2024		December 31, 2023
Share capital	$	66,607,889	$	66,493,689
Share-based payments reserve		7,425,763		7,297,006
Deficit		(51,153,648)		(47,843,835)
	$	22,880,004	$	25,946,860

In order to carry out the planned management of the Company and to pay for administrative costs, the Company will utilize its existing working capital and as required, raise additional funds through equity financings. Management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended March 31, 2024.

15. SEGMENTED REPORTING

The Company has determined that it has only one operating segment, which is defined as an exploration and development unit in Canada.

16. SUBSEQUENT EVENTS

Subsequent to the period ended March 31, 2024, the Company issued 275,000 common shares on the exercise of stock options for total consideration of $145,375.

On April 2, 2024, Muddy Waters Capital LLC ("Muddy Waters") published a letter to Mayfair Gold shareholders in which it claimed to have received support from shareholders who, combined with Muddy Waters shareholding, represent more than 50% of Mayfair Gold's issued and outstanding shares.

On April 17, 2024, Mayfair Gold called an annual general and special meeting (the "Meeting") of its shareholders to be held on June 5, 2024, in response to a shareholder requisition submitted by MWCGOF SPV III LP, an investment fund controlled by Muddy Waters.

On April 18, 2024, Mayfair Gold announced the appointment of Richard Klue to the position of Vice President, Technical Services. On April 17, 2024, the Company granted 100,000 incentive stock options to Mr. Klue at an exercise price of $2.54. The options vest 50% immediately and 50% vest on April 17, 2025 and are exercisable for a five-year term expiring on April 17, 2029.

On April 19, 2024, Mayfair Gold received a letter from Carson Block of Muddy Waters advising the Company that Muddy Waters had acquired voting support agreements from the shareholders listed below:

Name	Shares Held	Percentage of Issued Shares
Henry Heeney	12,654,799	12.60%
1249495 B.C. Ltd.	8,008,619	7.97%
1249487 B.C. Ltd.	4,962,000	4.94%
Kyle McLean	4,400,000	4.38%
William Smith	1,975,500	1.97%
Michael Simpson	1,210,388	1.21%
Mireille Potentier	724,675	0.72%

When combined with shares controlled by Muddy Waters and Messrs. Freddy Brick and Darren McLean, this represented 50.68% of Mayfair Gold's issued and outstanding shares as of the date of the letter. In the letter, Muddy Waters demanded the resignation of the current Board and threatened litigation against the current Board members personally. Muddy Waters also threatened litigation in the event that any management or employees of the Company claimed, or were paid, amounts under the change of control provisions of their employment agreements.

Under employment agreements with all members of senior management and certain other employees of Mayfair Gold, the acquisition by any person or persons acting together of sufficient voting rights to affect the control of the Company constitutes a change of control. Such a change of control occurred on April 19, 2024, when Mayfair Gold received the aforementioned letter from Carson Block of Muddy Waters (“the Change of Control Event”).

On May 1, 2024, as a direct consequence of Muddy Waters’ repeated threats of litigation and demands that the Company not honour its employment contracts with its employees, Patrick Evans (CEO), Justin Byrd (CFO), Howard Bird (VP Exploration) and certain other employees (the “Terminating Employees”) delivered notices (the “Terminating Notices”) to the Board terminating their respective employment agreement as a result of the Change of Control Event. The Board requested that the Terminating Employees continue their employment relationship with the Company until at least the Meeting in order to avoid disruption to the Company’s operations.

On May 6, 2024, the Company, having received independent legal advice, entered into a settlement agreement (the “Settlement Agreement”) with the Terminating Employees, whereby the Terminating Employees agreed to hold in abeyance their Terminating Notices and continue their employment with the Company up to the Meeting to be held on June 5, 2024. In exchange, the Company delivered approximately $4.0 million (the “Change of Control Payment”) into trust. The amount of this Change of Control Payment represents the aggregate termination payments payable in respect of a Change of Control pursuant to the Terminating Employees’ employment agreements. Pursuant to the Settlement Agreement, the Change of Control Payment will be released to the Terminating Employees, in accordance with the requirements of their existing employment contracts with Mayfair Gold, upon a change in the composition of the Board that results in the current directors constituting less than a majority of the members of the Board. If current members of the Board remain in the majority following the Meeting, the Terminating Employees may elect to rescind their Terminating Notices and remain employees of the Company, and their respective Change of Control payments will be returned to the Company.

Despite the Company’s many offers to engage in dialogue, at no point to date during its proxy contest has Muddy Waters engaged in constructive discussions with the Company.