

MAYFAIR GOLD CORP.

Condensed Interim Financial Statements

For the three and six months ended June 30, 2024 and 2023

(Unaudited - Expressed in Canadian dollars)

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

	Note	Three months ended June 30,		Six months ended June 30,	
		2024	2023	2024	2023
		\$	\$	\$	\$
Operating expenses					
Depreciation	7	16,812	17,024	33,625	45,475
Exploration and evaluation	8	2,002,166	3,813,150	5,688,551	7,730,232
General and administrative	11, 12	3,776,436	673,610	4,377,777	1,249,329
Share-based payment	10(c), 12	236,871	154,621	414,407	426,168
		6,032,285	4,658,405	10,514,360	9,451,204
Other income (expense)					
Amortization of flow-through premium liability	9	241,052	714,576	1,279,110	1,114,426
Foreign exchange loss		(357)	(2,068)	(4,679)	(3,610)
Interest income		80,215	61,991	218,741	119,344
Loss and comprehensive loss		(5,711,375)	(3,883,906)	(9,021,188)	(8,221,044)
Loss per share:					
Basic and diluted		(0.06)	(0.04)	(0.09)	(0.09)
Weighted average number of common shares:					
Basic and diluted		102,226,666	92,556,763	101,300,498	91,583,703

The accompanying notes are an integral part of these condensed interim financial statements.

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

	Six months ended	
	2024	June 30, 2023
	\$	\$
Operating activities:		
Loss for the period	(9,021,188)	(8,221,044)
Adjustments for:		
Depreciation	33,625	45,475
Share-based payment	414,407	426,168
Amortization of flow-through premium liability	(1,279,110)	(1,114,426)
Foreign exchange loss	4,679	3,610
Changes in non-cash working capital:		
Other receivables	255,737	(115,167)
Prepaid expenses and deposits	(220,603)	(173,727)
Accounts payable and accrued liabilities	161,317	(710,090)
Cash used in operating activities	(9,651,136)	(9,859,201)
Investing activities:		
Acquisition of property, plant and equipment	-	(10,714)
Cash used in investing activities	-	(10,714)
Financing activities:		
Proceeds from exercise of options	3,325,096	-
Proceeds from issuance of common shares, net of costs	-	11,941,823
Payment of lease liability	-	(9,966)
Cash provided by financing activities	3,325,096	11,931,857
Effect of exchange rate on changes in cash and cash equivalents	(4,679)	(3,610)
Change in cash and cash equivalents	(6,330,719)	2,058,332
Cash and cash equivalents, beginning of period	13,504,009	6,791,778
Cash and cash equivalents, end of period	7,173,290	8,850,110
Cash paid during the period for:		
Interest expense	-	-
Income taxes	-	-
Supplemental cash flow information:		
Proceeds from the exercise of options in other receivables	87,500	-

The accompanying notes are an integral part of these condensed interim financial statements.

MAYFAIR GOLD CORP
Condensed Interim Statements of Changes in Shareholders' Equity
(Unaudited - Expressed in Canadian dollars, except number of shares)

	Common shares	Share capital	Share-based payments reserve	Deficit	Total shareholders' equity
	#	\$	\$	\$	\$
Balance, December 31, 2022	87,951,007	46,277,610	4,919,581	(31,895,815)	19,301,376
Issuance of common shares - private placements	7,149,000	12,477,350	-	-	12,477,350
Share issue costs	-	(535,527)	-	-	(535,527)
Flow-through premium - private placements	-	(1,694,000)	-	-	(1,694,000)
Share-based payment	-	-	426,168	-	426,168
Loss and comprehensive loss for the period	-	-	-	(8,221,044)	(8,221,044)
Balance, June 30, 2023	95,100,007	56,525,433	5,345,749	(40,116,859)	21,754,323
Issuance of common shares - private placements	4,921,000	12,047,700	-	-	12,047,700
Flow-through premium - private placements	-	(1,734,000)	-	-	(1,734,000)
Share issue costs	-	(637,340)	-	-	(637,340)
Issuance of common shares - exercise of options	291,100	163,704	-	-	163,704
Fair value of share options exercised from share-based payments reserve	-	128,192	(128,192)	-	-
Share-based payment	-	-	2,079,449	-	2,079,449
Loss and comprehensive loss	-	-	-	(7,726,976)	(7,726,976)
Balance, December 31, 2023	100,312,107	66,493,689	7,297,006	(47,843,835)	25,946,860
Issuance of common shares - exercise of options	5,018,900	3,412,596	-	-	3,412,596
Fair value of share options exercised from share-based payments reserve	-	2,787,487	(2,787,487)	-	-
Share-based payment	-	-	414,407	-	414,407
Loss and comprehensive loss for the period	-	-	-	(9,021,188)	(9,021,188)
Balance, June 30, 2024	105,331,007	72,693,772	4,923,926	(56,865,023)	20,752,675

The accompanying notes are an integral part of these condensed interim financial statements.

MAYFAIR GOLD CORP.
Notes to the Condensed Interim Financial Statements
For the three and six months ended June 30, 2024 and 2023
(Unaudited - Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Mayfair Gold Corp. (the “Company”) was incorporated pursuant to the Business Corporations Act of British Columbia on July 30, 2019. The Company’s registered office is located at 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 Company is listed for trading on the TSX Venture Exchange under the symbol “MFG.V”. The Company is engaged in the operation, acquisition, exploration and development of mineral properties.

These unaudited condensed interim financial statements for the three and six months ended June 30, 2024 and 2023 (“financial statements”) have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for at least the next twelve months. As at June 30, 2024, the Company has working capital of \$6,331,182 (December 31, 2023 - \$11,491,742) and an accumulated deficit of \$56,865,023 (December 31, 2023 - \$47,843,835). For the three and six months ended June 30, 2024, the Company generated a net loss of \$5,711,375 and \$9,021,188, respectively (2023 - net loss of \$3,883,906 and \$8,221,044, respectively). The Company’s ability to continue as a going concern is dependent upon its ability to raise adequate funding through equity or debt financing to discharge its liabilities as they come due. Although 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 advantageous to the Company. Management has concluded that the working capital position of the Company is sufficient to finance continued operations over at the least a twelve-month period.

Should the Company be unable to continue as a going concern, asset and liability realization values may be substantially different from their carrying values. These financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PREPARATION

a) Statement of compliance

These financial statements were approved by the Board of Directors and authorized for issue on August 19, 2024.

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS Accounting Standards”) as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee applicable to the preparation of interim financial statements including International Accounting Standard 34 *Interim Financial Reporting*. These financial statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company’s audited financial statements for the years ended December 31, 2023 and 2022 (the “Annual Financial Statements”).

b) Basis of presentation

The financial statements have been prepared using the historical cost basis, except for certain financial assets and liabilities which are measured at fair value, as specified by IFRS Accounting Standards, as well as information presented in the condensed interim statements of cash flows. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

c) Functional and presentation currency

The financial statements are presented in Canadian dollars (“CAD”), which is the Company’s functional and presentation currency. References to “US\$” or “USD” are to United States dollars.

3. MATERIAL ACCOUNTING POLICIES

The same accounting policies and methods of computation are followed in these financial statements as compared with the Annual Financial Statements.

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4. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements under IFRS Accounting Standards requires management to make judgements in applying its accounting policies and estimates that affect the reported amounts of assets and liabilities at the period end date and reported amounts of expenses during the reporting period. Such judgements and estimates are, by their nature, uncertain. Actual outcomes could differ from these estimates.

The impact of such judgements and estimates are pervasive throughout these financial statements and may require accounting adjustments based on future occurrences. These judgements and estimates are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and are accounted for prospectively.

In preparing these financial statements, the Company applied the same significant judgements in applying its accounting policies and is exposed to the same sources of estimation uncertainty as disclosed its Annual Financial Statements.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash and short-term investments in guaranteed investment certificates("GICs")

A summary of the Company's cash and cash equivalents is as follows:

	June 30, 2024	December 31, 2023
	\$	\$
Cash	5,015,018	1,289,292
4-10 month cash equivalents	2,158,272	12,214,717
	7,173,290	13,504,009

6. PREPAID EXPENSES

Prepaid expenses consist of deposits for drilling related expenses, insurance policy prepayments, listing fee prepayments and other expenses.

A summary of the Company's prepaid expenses is as follows:

	June 30, 2024	December 31, 2023
	\$	\$
Prepaid expenses	467,447	91,311
Deposits with suppliers	2,967	158,500
	470,414	249,811

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7. PROPERTY, PLANT AND EQUIPMENT

A summary of the Company's property, plant and equipment is as follows:

	Computers	Furniture and fixtures	Building exploration office	Land exploration office	Machinery and Equipment	Vehicles	Right-of-use lease assets	Total
Cost	\$	\$	\$	\$	\$	\$	\$	\$
Balance, December 31, 2022	67,782	13,210	343,630	69,000	45,574	130,050	88,105	757,351
Additions	-	-	14,790	-	10,714	-	-	25,504
Balance, June 30, 2024 and December 31, 2023	67,782	13,210	358,420	69,000	56,288	130,050	88,105	782,855
Accumulated depreciation								
Balance, December 31, 2022	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
Balance, December 31, 2023	67,782	7,245	36,771	-	25,551	99,783	88,105	325,237
Depreciation	-	1,320	7,168	-	5,629	19,508	-	33,625
Balance, June 30, 2024	67,782	8,565	43,939	-	31,180	119,291	88,105	358,862
Carrying amount								
Balance, December 31, 2023	-	5,965	321,649	69,000	30,737	30,267	-	457,618
Balance, June 30, 2024	-	4,645	314,481	69,000	25,108	10,759	-	423,993

During the three and six months ended June 30, 2024, depreciation was \$16,812 and \$33,625, respectively (2023 - \$17,024 and \$45,475, respectively).

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8. 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 Guidbord, Munro, Michaud and McCool Townships in northeast Ontario, Canada (the "Fenn-Gib Property" collectively).

As consideration for the acquisition of the Fenn-Gib Property 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.

On December 31, 2020, the transaction closed and \$13,997,500 (US\$11,000,000) was paid and recorded as mineral properties.

A summary of the Company's mineral property is as follows:

	\$
Balance, December 31, 2022	13,997,500
Balance, June 30, 2024 and December 31, 2023	13,997,500

A summary of the Company's exploration and evaluation expenses at the Fenn-Gib Property is as follows:

	Three months ended		Six months ended	
	2024	June 30, 2023	2024	June 30, 2023
	\$	\$	\$	\$
Drilling	504,722	2,003,091	2,615,148	3,586,581
Exploration personnel and program support	534,570	441,465	1,000,355	850,279
Camp maintenance, supplies, mobilization, general costs	95,255	338,972	360,020	785,966
Laboratory analysis	204,501	306,548	491,110	524,927
Exploration contractors	200,620	407,826	542,937	1,452,741
Other exploration and evaluation expenses	462,498	315,248	678,981	529,738
	2,002,166	3,813,150	5,688,551	7,730,232

9. DEFERRED PREMIUM ON FLOW-THROUGH SHARES

Flow-through units are issued at a premium, calculated as the difference between the price of a flow-through unit and the price of a unit at issuance date, as tax deductions generated by the eligible expenditures are passed through to the shareholders of the flow-through shares once the eligible expenditures are incurred and renounced.

Funds raised through the issuance of flow-through units are required to be expended on qualifying Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent and are held by the Company for such expenditures.

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9. DEFERRED PREMIUM ON FLOW-THROUGH SHARES (continued)

A summary of the Company's flow-through funding, expenditure requirements and corresponding impact on the flow-through premium liability is as follows:

	Flow-through funding and expenditure requirements	Flow-through premium liability
	\$	\$
Balance, December 31, 2022	5,103,907	542,687
Flow through shares funds raised on May 17, 2023	6,001,600	1,694,000
Flow through shares funds raised on November 2, 2023	5,997,600	1,734,000
Flow-through expenditures incurred, renounced, and amortization of flow-through premium liability	(12,678,890)	(2,691,577)
Balance, December 31, 2023	4,424,217	1,279,110
Flow-through expenditures incurred, renounced, and amortization of flow-through premium liability	(4,424,217)	(1,279,110)
Balance, June 30, 2024	-	-

During the three and six months ended June 30, 2023, the Company recognized \$241,052 and \$1,279,110, respectively (2023 - \$714,576 and \$1,114,426, respectively) as amortization of flow-through premium liability under other income in profit or loss.

10. SHARE CAPITAL

a) Authorized share capital

The Company is authorized to issue an unlimited number of common shares without par value.

b) Issued share capital

The number of shares issued and fully paid as at June 30, 2024 is 105,331,007 (Note 15).

During the six months ended June 30, 2024, the Company issued 5,018,900 common shares pursuant to the exercise of share options with a weighted average exercise price of \$0.68 generating gross proceeds of \$3,412,596. In connection with the exercise, the Company transferred \$2,787,487 from share-based payments reserve to share capital.

During the year ended December 31, 2023, the Company had the following share capital transactions:

- The Company issued 291,100 common shares pursuant to the exercise of share options with a weighted average exercise price of \$0.56 generating gross proceeds of \$163,704.
- On November 2, 2023, the Company completed a flow-through private placement consisting of the issue of 2,040,000 common shares at a price of \$2.94 per share for total consideration of \$5,997,600. An amount of \$1,734,000 was recognized as the premium paid for the flow-through shares in excess of the fair value of the common shares and was initially recognized as a liability. Share issuance costs of \$332,192 were incurred in connection with the offering. The Company completed a non-flow-through private placement consisting of the issue 2,881,000 common shares at a price of \$2.10 per share for total consideration of \$6,050,100. Share issuance costs of \$305,148 were incurred in connection with the offering.
- On June 8, 2023, the Company completed a private placement consisting of the issue of 1,729,000 common shares at a price of \$1.75 per share for total consideration of \$3,025,750. Share issuance costs of \$206,221 were incurred in connection with the offering.
- On May 17, 2023, the Company completed a flow-through private placement consisting of the issue of 2,420,000 common shares at a price of \$2.48 per share for total consideration of \$6,001,600. An amount of \$1,694,000 was recognized as the premium paid for the flow-through shares in excess of the fair value of the common shares and was initially recognized as a liability. Share issuance costs of \$314,012 were incurred in connection with the offering.

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Notes to the Condensed Interim Financial Statements
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(Unaudited - Expressed in Canadian dollars)

10. SHARE CAPITAL (continued)

- On January 10, 2023, the Company completed a 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.

c) 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.

During the six months ended June 30, 2024, the Company had the following stock option transaction:

- On April 17, 2024, the Company granted 100,000 stock options to an officer of the Company with an exercise price of \$2.54. Of the stock options granted, 50% vested immediately and 50% will vest on April 17, 2025, and are exercisable for a five-year term expiring on April 17, 2029. The fair value of the options was determined to be \$181,172 using the Black-Scholes option pricing model.

During the year ended December 31, 2023, the Company had the following stock option transactions:

- On November 14, 2023, the Company granted 1,905,000 stock options to officers and employees of the Company with an exercise price of \$2.14 and exercisable for a five-year term expiring on November 14, 2028. The fair value of the options was determined to be \$2,373,821 using the Black-Scholes option pricing model. 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.
- On February 3, 2023, the Company granted 100,000 stock options to a consultant with an exercise price of \$1.50 and exercisable for a five-year term expiring on February 3, 2028. The fair value of the options was determined to be \$80,750 using the Black-Scholes option pricing model. These options vested immediately.

A summary of the Company's stock option activity is as follows:

	Stock options outstanding	Weighted average exercise price
	#	\$
Balance, December 31, 2022	8,035,000	0.84
Granted	2,005,000	2.11
Exercised	(291,100)	0.56
Balance, December 31, 2023	9,748,900	1.11
Granted	100,000	2.54
Exercised	(5,018,900)	0.68
Balance, June 30, 2024	4,830,000	1.58

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Notes to the Condensed Interim Financial Statements
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10. SHARE CAPITAL (continued)

A summary of the Company's outstanding and exercisable stock options as at June 30, 2024 is as follows:

Expiry date	Number of options outstanding	Number of options exercisable	Weighted average exercise price	Weighted average remaining life
	#	#	\$	Years
December 31, 2030	410,000	410,000	0.47	6.51
May 3, 2031	150,000	150,000	1.75	6.84
January 6, 2032	160,000	160,000	0.90	7.52
December 6, 2032	2,030,000	2,030,000	1.29	8.44
February 3, 2028	100,000	100,000	1.50	3.60
November 14, 2028	1,880,000	1,615,000	2.14	4.38
April 17, 2029	100,000	50,000	2.54	4.80
Balance, June 30, 2024	4,830,000	4,515,000	1.58	6.44

A summary of the Company's weighted average inputs used in the Black-Scholes option pricing model to calculate the fair value of the stock options granted is as follows:

	June 30, 2024	December 31, 2023
Share price	2.54	2.14
Exercise price	2.54	2.14
Risk-free interest rate	3.73%	3.81%
Expected life	5.00	5.00
Expected volatility	89.78%	84.51%
Expected annual dividend yield	0.00%	0.00%

During the three and six months ended June 30, 2024, the Company recognized \$236,871 and \$414,407, respectively (2023 - \$154,621 and \$426,168, respectively) in share-based payment expense from the vesting of stock options.

11. GENERAL AND ADMINISTRATIVE

A summary of the Company's general and administrative expenses is as follows:

	Three months ended		Six months ended	
	2024	June 30, 2023	2024	June 30, 2023
	\$	\$	\$	\$
Management fees (Note 12)	1,681,677	191,577	1,926,708	391,330
Professional fees (Note 12)	1,687,074	200,733	1,794,536	349,721
Transfer agent and regulatory fees	61,354	34,263	94,669	89,687
Marketing and public relations	165,279	63,611	207,486	66,757
Other general and administrative (Note 12)	181,052	183,426	354,378	351,834
	3,776,436	673,610	4,377,777	1,249,329

12. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

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12. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION (continued)

The Company's related parties include directors, key management personnel of the Company, including the Chief Executive Officer and Chief Financial Officer and their close family members.

A summary of the Company's transactions with key management personnel is as follows:

	Three months ended		Six months ended	
	2024	June 30, 2023	2024	June 30, 2023
	\$	\$	\$	\$
Consulting fees and director's fees included in general and administrative	1,717,974	188,255	2,022,607	409,647
Share-based payment	108,951	-	108,951	-
	1,826,925	188,255	2,131,558	409,647

As at June 30, 2024, the Company had \$20,066 due to related parties (December 31, 2023 - \$427,510) in accounts payable and accrued liabilities and \$87,500 due from related parties (December 31, 2023 - \$56,000) in other receivables.

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 - Inputs that are not based on observable market data.

The carrying values of cash and cash equivalents, other receivables, accounts payable and accrued liabilities approximate their fair values because of their short-term nature.

The Company is exposed to certain financial risks by its financial instruments. The risk exposures and their impact on the Company's financial statements are summarized below.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to fulfill its contractual obligations. The Company's credit risk relates primarily to cash and cash equivalents and other receivables. The Company minimizes its credit risk related to cash and cash equivalents by placing cash and cash equivalents with major financial institutions. The Company considers the credit risk related to both cash and cash equivalents and other receivables to be minimal.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing returns.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. To mitigate this risk, the Company has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures. The Company endeavors to ensure that sufficient funds are raised from equity offerings to meet its operating requirements, after taking into account existing cash and expected exercise of stock options and share purchase warrants. The Company's cash and cash equivalents is held in business accounts which are available on demand for the Company's programs.

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13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

d) Foreign exchange risk

Foreign exchange risk arises on financial instruments that are denominated in a currency other than the functional currency in which they are measured. The Company is exposed to foreign exchange risk from fluctuations in the US dollar to the Canadian dollar.

A summary of the Company's financial assets and liabilities that are denominated US dollar as at June 30, 2024, is as follows:

	USD
	\$
Financial assets	
Cash and cash equivalents	7,811
Financial liabilities	
Accounts payable and accrued liabilities	1,034
Net financial assets	6,778

A 10% change in the US dollar exchange rate relative to the Canadian dollar would change the Company's profit or loss by approximately \$678.

e) Price risk

Price risk is the risk that the fair value of financial instruments will fluctuate because of changes in commodity prices. Commodity prices are affected by numerous factors that are outside of the Company's control, such as: global or regional consumption patterns; the supply of, and demand for, these metals; speculative activities; the availability and costs of metal substitutes; inflation; and political and economic conditions, including interest rates and currency values.

14. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders.

Historically, the Company has depended on external financing to fund its activities. The capital structure of the Company currently consists of shareholders' equity, which was \$20,752,675 as at June 30, 2024 (December 31, 2023 - \$25,946,860). The Company manages its capital structure and makes adjustments to it for changes in economic conditions and the risk characteristics of the underlying assets, being mineral properties.

In order to maintain or adjust its capital structure, the Company may issue new shares through equity offerings or sell assets to fund operations. Management reviews the Company's capital management approach on a regular basis. The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the six months ended June 30, 2024.

15. SUBSEQUENT EVENTS

During July 2024, the Company issued 95,000 common shares pursuant to the exercise of stock options for total consideration of \$112,800.

In August 2024, the Company returned 50,000 common shares to treasury which were issued pursuant to a stock option exercise by a former director of the Company.