Antler Gold Inc.

Unaudited Condensed Interim Consolidated Financial Statements

March 31, 2023

May 30, 2023

Management's Responsibility for Financial Reporting

The accompanying unaudited condensed interim consolidated financial statements of **Antler Gold Inc.** are the responsibility of management and have been approved by the Board of Directors. The unaudited condensed interim consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS"). The unaudited condensed interim consolidated financial statements include certain amounts and assumptions that are based on management's best estimates and have been derived with careful judgment.

In fulfilling its responsibilities, management has developed and maintains a system of internal accounting controls. These controls are designed to provide reasonable assurance that the financial records are reliable for the preparation of the financial statements. The Audit Committee of the Board of Directors reviewed and approved the Company's unaudited condensed interim consolidated financial statements and recommended their approval by the Board of Directors.

These unaudited condensed interim consolidated financial statements have not been reviewed by the external auditors of the Company.

(signed) *"Christopher Drysdale"*
Chief Executive Officer
Halifax, Nova Scotia

(signed) *"Robert Randall"*
Chief Financial Officer
Halifax, Nova Scotia

Antler Gold Inc.

Unaudited Condensed Interim Consolidated Statements of Financial Position

As at March 31, 2023 and December 31, 2022

(Expressed in Canadian dollars unless otherwise indicated)

	As at March 31, 2023	As at December 31, 2022
	$	$
Assets		
Current assets		
Cash	**395,922**	639,856
Amounts recoverable (note 4)	**54,841**	31,583
Prepaid expenses	**21,002**	16,376
Investments (note 5)	**3,965**	6,030
	475,730	693,845
Property and equipment (note 6)	**17,502**	18,770
Resource properties (note 7)		
Acquisition costs	**317,739**	266,740
Exploration expenditures, net of recoveries	**3,064,251**	3,016,307
	3,381,990	3,283,047
	3,875,222	3,995,662
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**390,642**	319,313
Shareholders' equity (note 8)		
Capital stock	**10,814,032**	10,814,032
Warrants	**617,198**	617,198
Contributed surplus	**1,345,440**	1,307,453
Deficit	**(9,292,090)**	(9,062,334)
	3,484,580	3,676,349
	3,875,222	3,995,662

Going concern (note 1)
Commitments (note 12)
Subsequent events (note 13)

Approved on behalf of the Board of Directors

(signed) "*Carl Hansen*", Director

(signed) "*Daniel Whittaker*", Director

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

Antler Gold Inc.

Unaudited Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
For the three-month periods ended March 31, 2023 and 2022
(Expressed in Canadian dollars unless otherwise indicated)

	Three-months ended March 31, 2023	Three-months ended March 31, 2022
	$	$
Expenses		
Professional fees	**30,869**	32,343
Consulting fees (note 9)	**77,819**	69,864
Regulatory and filing fees	**5,560**	6,238
Share-based compensation	**37,987**	58,450
Travel	**22,386**	503
Office costs (note 9)	**36,322**	10,283
Property investigation costs	**11,050**	19,951
Insurance	**3,575**	4,968
Depreciation (note 6)	**544**	154
Foreign exchange loss (gain)	**1,579**	(2,436)
	(227,691)	(200,318)
Unrealized loss on investments (note 5)	**(2,065)**	(838)
Net loss and comprehensive loss for the period	**(229,756)**	(201,156)
Weighted-average number of shares outstanding during the period	**80,830,935**	66,365,268
Basic and diluted loss per share	**(0.003)**	(0.003)

Antler Gold Inc.

Unaudited Condensed Interim Consolidated Statements of Changes in Equity (note 8)

For the periods ended March 31, 2023 and 2022 and December 31, 2022

(Expressed in Canadian dollars unless otherwise indicated)

	Common Shares #	Share Capital $	Warrants #	Warrants $	Contributed Surplus $	Deficit $	Total Equity $
Balance – January 1, 2022	**66,365,268**	**8,306,148**	**15,558,400**	**1,610,618**	**1,675,673**	**(8,703,598)**	**2,888,841**
Shares issued upon exercise of warrants (note 8)	2,566,667	455,194	(2,566,667)	(70,194)	-	-	385,000
Warrants expired (note 8)	-	116,281	(3,678,333)	(116,281)	-	-	-
Share-based compensation	-	-	-	-	58,450	-	58,450
Loss and comprehensive loss for the period	-	-	-	-	-	(201,156)	(201,156)
Balance – March 31, 2022	**68,931,935**	**8,877,623**	**9,313,400**	**1,424,143**	**1,734,123**	**(8,904,754)**	**3,131,135**
Units issued for cash (note 8)	11,500,000	718,700	11,500,000	431,300	-	-	1,150,000
Shares issued for finders fee (note 8)	399,000	39,900	-	-	-	-	39,900
Financing issue costs (note 8)	-	(60,436)	-	-	-	-	(60,436)
Broker warrants (note 8)	-	(31,128)	399,000	31,128	-	-	-
Warrants expired (note 8)	-	1,269,373	(6,813,400)	(1,269,373)	-	-	-
Value of stock options expired	-	-	-	-	(605,972)	605,972	-
Share-based compensation	-	-	-	-	179,302	-	179,302
Loss and comprehensive loss for the period	-	-	-	-	-	(763,552)	(763,552)
Balance – December 31, 2022	**80,830,935**	**10,814,032**	**14,399,000**	**617,198**	**1,307,453**	**(9,062,334)**	**3,676,349**
Share-based compensation	-	-	-	-	37,987	-	37,987
Loss and comprehensive loss for the period	-	-	-	-	-	(229,756)	(229,756)
Balance – March 31, 2023	**80,830,935**	**10,814,032**	**14,399,000**	**617,198**	**1,345,440**	**(9,292,090)**	**3,484,580**

(Expressed in Canadian dollars unless otherwise indicated)

	Three-months ended March 31, 2023	Three-months ended March 31, 2022
	$	$
Cash provided by (used in)		
Operating activities		
Net loss for the period	**(229,756)**	(201,156)
Non-cash items		
Share-based compensation	**37,987**	58,450
Depreciation	**544**	154
Unrealized loss on investments	**2,065**	838
	(189,160)	(141,714)
Net changes in non-cash working capital balances related to operations:		
Decrease (increase) in amounts recoverable	**(23,258)**	32,039
Decrease (increase) in prepaid expenses	**(4,626)**	2,481
Increase in accounts payable and accrued liabilities	**102,919**	41,544
	(114,125)	(65,650)
Investing activities		
Purchases of property and equipment	**-**	(4,075)
Resource property expenditures	**(129,809)**	(161,663)
	(129,809)	(165,738)
Financing activities		
Proceeds from exercise of warrants (note 8)	**-**	385,000
	-	385,000
Net change in cash during the period	**(243,934)**	153,612
Cash – beginning of period	**639,856**	338,511
Cash – end of period	**395,922**	492,123

1. Nature of Operations and Going Concern

Nature of operations

Antler Gold Inc. ("Antler" or the "Company") was incorporated under the Canada Business Corporations Act on March 23, 2016. The Company is classified as a Tier 2 Company as defined in the TSX Venture Exchange (the "Exchange") Policies. The principal business of the Company is the exploration and development of mineral properties. The Company's corporate and registered office is located at 1969 Upper Water Street, Suite 2001, Halifax, Nova Scotia, B3J 3R7. The Company's technical office is located at 18 Liliencron Street, Windhoek, Namibia.

The Company is in the process of exploring its resource properties and has not yet determined whether these properties contain economically recoverable mineralization. To date, the Company has not earned significant revenues and is considered to be in the exploration stage.

Going concern

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern. The going concern basis of presentation assumes that Antler will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern, as described in the following paragraphs.

The Company incurred a net loss of $229,756 for the three-month period ended March 31, 2023 (net loss of $964,708 for the year ended December 31, 2022) and has no operations at this time which will generate revenue. Management estimates current working capital may not be sufficient to fund all of the Company's planned expenditures. The ability of the Company to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities when due is dependent on the successful issue of equity to investors. There is no certainty that investors will subscribe to future offerings of equity by the Company. These matters indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, that it may not be able to realize its assets and discharge its liabilities in the normal course of business.

The consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these consolidated financial statements, adjustments would be necessary to the carrying values of assets and liabilities, the reported revenues and expenses, and the statement of financial position classifications used.

2. Significant Accounting Policies

Statement of compliance

The Company prepares its unaudited condensed interim consolidated financial statements in accordance with Canadian generally accepted accounting principles as set out in the Handbook of Chartered Professional Accountants of Canada – Part 1 ("CPA Canada Handbook"), which incorporates IFRS as issued by the International Accounting Standards Board ("IASB").

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"), as issued by the IASB. Accordingly, certain information normally included in annual financial statements prepared in accordance with IFRS, as issued by the IASB, have been omitted or condensed. The unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's annual audited financial statements for the year ended December 31, 2022.

The policies applied in these unaudited condensed interim consolidated financial statements are based on the IFRS as of May 30, 2023, the date the Board of Directors approved the financial statements. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ended December 31, 2023 could result in the restatement of these unaudited condensed interim consolidated financial statements.

Basis of presentation

These unaudited condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, 6321593 Canada Inc., Minera Zapoteca, S.A. de C.V., Antler Gold Namibia (Proprietary) Limited ("Antler Pty"), Antler Exploration Zambia Limited ("Antler Zambia"), and 87.5% owned Antler Gold PG Inc. All intercompany transactions and balances have been eliminated on consolidation of the accounts. These unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis except for any financial assets and liabilities classified as available for sale. The Company's functional currency is the Canadian dollar, and these unaudited condensed interim consolidated financial statements are presented in Canadian dollars.

Significant accounting policies

These financial statements have been prepared using the same policies and methods of computation as the annual financial statements of the Company for the year ended December 31, 2022. Refer to note 2, *Significant Accounting Policies*, of the Company's annual financial statements for the year ended December 31, 2022 for information on the accounting policies as well as new accounting standards adopted.

(Expressed in Canadian dollars unless otherwise indicated)

3. Capital management

Antler manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to continue as a going concern. The Company considers capital to be shareholders' equity. 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. There are no external restrictions on the Company's capital. No changes were made in the objectives, policies or processes for managing capital during the three-month period ended March 31, 2023 or the year ended December 31, 2022.

4. Accounts receivable

	March 31, 2023	December 31, 2022
	$	$
Sales taxes recoverable	32,719	22,979
Other accounts receivable	22,122	8,604
	54,841	31,583

5. Investments

Changes in the Company's equity investments during the three-month period ended March 31, 2023 and the year ended December 31, 2022 are as follows:

	$
Balance – January 1, 2022	14,186
Fair value adjustment for the year	(8,156)
Balance – December 31, 2022	6,030
Fair value adjustment for the period	(2,065)
Balance – March 31, 2023	3,965

In accordance with the Company's accounting policy for equity investments, the shares are recorded at fair value at the end of an accounting period, with any change in the fair value of the investments recorded on the statement of loss and comprehensive loss. During the three-month period ended March 31, 2023, the Company recorded an unrealized loss of $2,065 on its investments (March 31, 2022 - unrealized loss of $838).

6. Property and Equipment

Cost	Exploration vehicles	Office equipment	Total
	$	$	$
As at January 1, 2022	43,606	3,332	46,938
Additions	-	7,543	7,543
Disposal	(24,033)	-	(24,033)
As at December 31, 2022 and March 31, 2023	19,573	10,875	30,448

(Expressed in Canadian dollars unless otherwise indicated)

Accumulated depreciation	**Exploration vehicles**	**Office equipment**	**Total**
	$	$	$
As at January 1, 2022	12,392	278	12,670
Disposal	(11,425)	-	(11,425)
Depreciation	8,812	1,621	10,433
As at December 31, 2022	9,779	1,899	11,678
Depreciation	724	544	1,268
As at March 31, 2023	10,503	2,443	12,946

Carrying amount	**Exploration vehicles**	**Office equipment**	**Total**
	$	$	$
As at December 31, 2022	9,794	8,976	18,770
As at March 31, 2023	9,070	8,432	17,502

During the three-month period ended March 31, 2023, depreciation of $724 was capitalized to resource properties (March 31, 2022 - $2,309). During the year ended December 31, 2022, the Company purchased office equipment of $7,543 and sold an exploration vehicle for proceeds of $11,707.

7. Resource Properties

	Namibia	**Zambia**	**Other**	**Total March 31, 2023**	**Total December 31, 2022**
	$	$	$	$	$
Acquisition Costs					
Opening balance	261,740	5,000	-	266,740	146,740
Acquisition costs	12,000	38,999	-	50,999	120,000
Ending balance	273,740	43,999	-	317,739	266,740
Exploration Expenditures					
Opening balance	2,762,346	235,721	18,240	3,016,307	2,500,539
Additions incurred	36,882	9,742	1,320	47,944	515,768
Ending balance	2,799,228	245,463	19,560	3,064,251	3,016,307
Total Resource Properties	3,072,968	289,462	19,560	3,381,990	3,283,047

The Company's interest in resource properties consists of:

Namibia

Erongo Central Project

In 2019, the Company entered a purchase agreement with an arms-length vendor to acquire Exclusive Prospective License ("EPL") 6162, a gold exploration license in Namibia that is located within the Erongo region of central Namibia (the "EPL 6162 Agreement"). Antler has acquired a 100% interest in EPL 6162 by completing all terms of the earn-in, including:

- paying the vendor $12,000;
- issuing to the vendor 47,910 common shares of Antler with a fair value of $7,700; and
- incurring $50,000 of exploration expenditures on EPL 6162 within one year of the renewal date.

Pursuant to the EPL 6162 Agreement, Antler has a right of first refusal to acquire a 100% interest in any gold exploration licenses in Namibia acquired by the vendor within six years from the date of the EPL 6162 Agreement. If Antler decides to acquire a new license from the vendor, the Company must make a cash payment of $7,000, issue common shares of Antler Gold under similar terms as those issued under the EPL 6162 Agreement and incur exploration expenditures of at least $75,000 within one year of the new license acquisition.

In 2020, the Company entered a purchase agreement with an arms-length vendor to acquire a 100% interest in the gold exploration license EPL 7261 (the “EPL 7261 Agreement”), which is located adjacent to EPL 6162. Antler has acquired a 100% interest in EPL 7261 by completing all terms of the earn-in, including:

- paying the vendor $7,000;
- issuing to the vendor 65,652 common shares of Antler with a fair value of $7,222; and
- incurring at least $75,000 of exploration expenditures before the first anniversary of the agreement.

In 2020, the Company entered into a purchase agreement with an arms-length vendor to acquire an 85% interest in a gold exploration license in Namibia known as EPL 6408 (the “EPL 6408 Agreement”). Pursuant to the EPL 6408 Agreement, Antler may acquire an 85% interest in EPL 6408 by completing all terms of the earn-in, including:

- paying the vendor $2,557, which has been paid; and
- paying as a final payment of N$25,000 or the issuance of $1,500 worth of Antler common shares (at the option of Antler) upon the successful transfer of EPL 6408 into Antler Pty.

Upon earning the 85% interest in EPL 6408, Antler and the vendor will enter into a standard participating joint venture agreement, including proportionate cash funding obligations, which shall contain terms providing that if the vendor’s interest is reduced to less than 10%, its interest will automatically be converted into a free carried 5% interest, which can be purchased by Antler at any time for the payment of $25,000 or the issuance of $25,000 of Antler common shares. The decision to pay cash or issue shares will be at Antler’s option.

Erongo Western Project

In 2019, the Company entered into an agreement with an arms-length vendor to acquire a 75% interest in a private company, the sole asset of which is gold exploration license EPL 5455, located west of the town Usakos in the Erongo region of central Namibia. Antler has the right to acquire a 75% interest in the private company by completing all terms of the earn-in, including:

- paying the vendor initial payments totalling $50,000, which have been paid;
- paying the vendor an additional payment of $50,000 on December 16, 2020, which has been paid;
- during the year ended December 31, 2022, the Company renegotiated the final payments with the vendor. Under the new terms, Antler must make a cash payment of $40,000 on or before January 31, 2022 and a second cash payment of $42,000 on or before January 31, 2023 to acquire its 75% interest. The first cash payment of $40,000 and an interim payment of $30,000 were made during the year ended December 31, 2022. The balance of the second cash payment was paid during the three-month period ended March 31, 2023; and

- In addition to the cash and share consideration, Antler must also incur exploration expenses in the aggregate amount of $200,000, which the Company has completed.

Once Antler acquires the 75% interest in the private company, it has the right to purchase the remaining 25% minority interest at the fair market value determined by a professional business valuator selected by Antler. If Antler does not exercise its right to purchase the minority interest, all shareholders will contribute on a pro-rata basis to fund the private company's activities, including exploration expenditures. Should the minority shareholder elect not to fund its portion of exploration expenditures and be diluted below 10%, then their interest will automatically convert to a free carried 5% interest in EPL 5455, which Antler can purchase at a price to be determined by a professional selected by Antler using international best practices for evaluating resource properties.

If within three years from the initial date of the EPL 5455 agreement, any of the vendor shareholders stakes or acquires an interest in any EPL in Namibia, then such additional interest must be offered in writing to Antler for an amount to be mutually agreed upon.

The vendor has performed past work exploring for graphite on a portion of the EPL 5455, and should a transaction be made to sell or joint venture the graphite area, the vendor shareholders will retain 90% of the proceeds and Antler is entitled to 10%.

Zambia

In 2021, the Company entered into a binding letter agreement (the “Zambia Agreement”) with an arm’s length vendor to acquire a greenfield rare earth elements project in Zambia (the “Kesya Project”). The Kesya Project is located within the vendor's currently held mineral license. Under the Zambia Agreement, Antler has the right to create a new license over the Keysa Project and to transfer that license into a newly incorporated entity once certain terms and conditions are met, including:

- paying the vendor an initial $5,000 on signing of the Agreement, which has been paid;
- $25,000 of exploration work in respect of the Project within six (6) months of expiration of the 30-day due diligence period commencing on the date of the Agreement, which has been completed; and
- an additional $10,000 payment to the vendor should Antler decide to proceed to establish an entity with the vendor and the pending transfer of the license to the entity, which has been paid.

Terms of the proposed agreement between Antler and the vendor will include, among other things, an initial 75% interest for Antler and 25% for the vendor in Antler Zambia. Antler will act as the operator of the Kesya Project. During the year ended December 31, 2022, the Zambia Agreement was amended to allow the Company to purchase an additional 20% interest in Newco for $15,000, which has been paid, resulting in the respective interests in Newco of 95% interest for Antler and 5% for the vendor. The resulting 5% interest held by the vendor will be free carried interest.

Subsequent to the period ended March 31, 2023, the Company entered into an option agreement with an arm’s length party, pursuant to which the third party has an option to acquire 51% interest in Antler Zambia, which will hold the Company’s Kesya Project (see subsequent event note 13).

Project Generator Agreement

During the year ended December 31, 2022, the Company entered a Project Generator Agreement (“PG Agreement”) with an arm’s length party, Sherpa Resource Holdings (“Sherpa”), to form a new corporation, the Project Generator (“ Antler PG”), for the purposes of generating exploration opportunities and projects in Africa. Sherpa is a company set up to hold the interests in Antler PG and it is a related party to Remote Exploration Services (Pty) Ltd., a geological services contractor headquartered in South Africa.

Under the terms of the PG Agreement, Antler and Sherpa agreed to jointly target, evaluate and advance new project opportunities in Africa. Antler has established Antler PG, which is owned 87.5% by Antler and 12.5% by Sherpa. Antler will appoint the majority of the Board of Directors of Antler PG and Antler will be appointed to manage and carry out the mineral exploration operations of Antler PG. Antler and Sherpa will enter a shareholders' agreement to govern their respective rights as shareholders of Antler PG.

Antler and Sherpa have the right to purchase each other's interest in Antler PG under specified terms and times. Sherpa may also earn an additional 2.5% interest at the project level if it is involved or technically responsible for making an economically significant discovery on a property to be held by Antler PG. The initial term of the PG Agreement is for three years and can be extended if mutually agreed.

Acquisition of the Onkoshi Gold Project

During the year ended December 31, 2022, Antler Gold Inc. and its subsidiary, Antler Pty, entered a binding agreement (the "Onkoshi Agreement") to acquire 90% of the Onkoshi Gold Project (the "Onkoshi Project") in Namibia from an arm's length vendor. The Onkoshi Project will be held in Antler's 87.5%-owned Antler PG. The terms of the Onkoshi Agreement are for Antler Pty to pay the vendor $30,000 on signing, which has been paid, and to pay an additional $50,000 upon the issuance of an Environmental Clearance Certificate ("ECC") and the successful transfer of the Onkoshi Project EPL to Antler PG. In addition, Antler Pty must pay a further $20,000 on the one-year anniversary of the date of ECC issuance and Antler must issue the vendor or their nominee $100,000 of Antler common shares based on the 10-day Volume Weighted-Average price ("VWAP") immediately prior to issuance. A finder's fee of $20,000 will be paid to an arm's length party who introduced the Onkoshi Project to the Company.

Other – Ontario, Canada

In 2019, Antler acquired a 100% title and interest in and to certain mineral claims comprising the Crescent Lake molybdenum-copper-silver project located in Armstrong, Ontario (the "2019 Agreement").

Subsequent to the period ended March 31, 2023, the Company entered into an agreement to sell its 100% interest in the Crescent Lake Property to an arm's length private company (see subsequent event note 13).

8. Shareholders' Equity

i) Capital Stock

Authorized: Unlimited number of common shares, without nominal or par value

On July 7, 2022, the Company completed a private placement financing from the sale of 11.5 million units of the Company at $0.10 per unit, for gross proceeds of $1,150,000. Each unit consists of one common share and one common share purchase warrant of the Company. Each warrant is exercisable to purchase one common share of the Company at an exercise price of $0.15 per share for a period of 24 months from the closing date of the private placement. Insiders subscribed for a total of 5.8 million units, including 2.9 million units subscribed for by officers and directors.

Numus Capital Corp. acted as an agent for the July 7, 2022 financing (the "Agent"). The Agent is a non-arm's length party, as the Agent is controlled by a former director and a significant shareholder of Antler. As compensation for its services, the Agent received compensation in the form of 399,000 compensation units, being equal to 7.0% of the units sold, other than to insiders and certain other existing shareholders of the Company. Each compensation unit consists of one common share and one common share purchase warrant, with each warrant being exercisable to purchase one common share of the Company at a price of $0.15 per share for a period of 24 months from the closing date of the private placement. All securities issued pursuant to the private placement financing are subject to a four-month hold period which expires on November 8, 2022.

(Expressed in Canadian dollars unless otherwise indicated)

The value allocated to the common shares issued on July 7, 2022 was $718,700, and the value allocated to the common share purchase warrants was $431,300. The value allocated to the common shares issued as compensation was $39,900, and the value allocated to the common share purchase warrants issued as compensation was $31,128. Other costs associated with the private placement, consisting of professional and regulatory fees, were $20,536.

During year ended December 31, 2022, 2,566,667 common shares were issued upon the exercise of 2,566,667 common share purchase warrants at $0.15 per share, for gross proceeds of $385,000. The share price on the date of exercise was $0.145.

ii) Stock Options

The Company has a stock option plan (the "Plan") for directors, officers, employees and consultants. The Board of Directors have the authority to issue up to 10% of the issued and outstanding common shares of the Company. The options can have up to a ten-year life and the vesting period is set by the Board. Options are granted at a price no lower than the market price of the common shares.

There were no options granted during the period ended March 31, 2023. The changes in the Company's stock options during the period ended March 31, 2023 and the year ended December 31, 2022 are as follows:

	Number of options	Weighted-average exercise price
Balance, January 1, 2022	5,045,000	$ 0.42
Granted	1,250,000	0.15
Expired	(1,162,500)	0.53
Balance, December 31, 2022 and March 31, 2023	5,132,500	$ 0.28

During the year ended December 31, 2022, the Company granted 1,250,000 incentive stock options to officers, directors and consultants. Officers and directors received 1,000,000 of the options granted. Each option is exercisable into one common share of the Company at an exercise price of $0.15 per share. 750,000 of the options will vest at the rate of one-third of the total each year for three years, 300,000 options will vest at the rate of one quarter of the total every six months, and the remaining 200,000 options are fully vested. The options expire five years from the date of grant.

During the year ended December 31, 2022, 937,500 stock options with an exercise price of $0.53 and 225,000 stock options with an exercise price of $0.50 expired unexercised.

The estimated fair value of options recognized has been estimated at the grant date using the Black-Scholes option pricing model. Option pricing models require the input of highly 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

(Expressed in Canadian dollars unless otherwise indicated)

Company's stock options. Weighted-average assumptions used in the pricing model for the options issued during the year ended December 31, 2022 were as follows:

Risk-free interest rate	3.09%
Expected volatility	179%
Expected dividend yield	-
Expected life	5 years
Weighted-average fair value per option	$0.134

Based on the Black-Scholes option pricing model and the assumptions outlined above, the estimated fair value of the options granted during the year ended December 31, 2022 is $167,391. The fair value of the options is amortized over the vesting period, and $37,987 has been expensed during the three-month period ended March 31, 2023 (March 31, 2022 - $58,450). As at March 31, 2023, 3,582,500 options have vested.

The options outstanding as at March 31, 2023 are:

Weighted-Average Exercise Price per Share	Number of Options Outstanding	Expiry Date	Weighted-Average Remaining Contractual Life (in years)	Number of Options Vested
$0.150	200,000	February 12, 2024	0.9	200,000
$0.400	2,282,500	August 5, 2025	2.4	2,282,500
$0.200	250,000	November 10, 2025	2.6	250,000
$0.205	1,150,000	November 30, 2026	3.7	575,000
$0.150	1,250,000	July 18, 2027	4.3	275,000
$0.281	5,132,500			3,582,500

iii) Warrants

The changes in the Company's warrants during the period ended March 31, 2023 and the year ended December 31, 2022 are as follows:

	Expiry Date	Weighted-Average Exercise Price $	Number	Value $
Balance – January 1, 2022			15,558,400	1,610,618
Warrants issued	July 7, 2024	0.15	11,500,000	431,300
Broker warrants issued	July 7, 2024	0.15	399,000	31,128
Warrants exercised		0.15	(2,566,667)	(70,194)
Warrants and broker warrants expired		0.37	(10,491,733)	(1,385,654)
Balance – December 31, 2022 and March 31, 2023			14,399,000	617,198

Pursuant to the financing completed by the Company on July 7, 2022, Antler issued 11,500,000 common share purchase warrants and 399,000 broker warrants. The warrants issued on July 7, 2022 have an exercise price of $0.15 and expire on July 7, 2024.

During the year ended December 31, 2022, 2,566,667 common shares were issued upon the exercise of 2,566,667 warrants at an exercise price of $0.15 for gross proceeds of $385,000. The share price on the date of exercise was $0.145. On January 21, 2022, 3,678,333 warrants, including 495,000 broker warrants, with an exercise price of $0.15 expired unexercised. On July 21, 2022, 6,000,000 warrants with an exercise price of $0.40 and 813,400 broker warrants with an exercise price of $0.25 expired unexercised.

(Expressed in Canadian dollars unless otherwise indicated)

The assumptions used in the pricing model and fair value results for the warrants issued during the year ended December 31, 2022 are as follows:

	July 2022 Warrants
Risk-free interest rate	3.2%
Expected volatility	123%
Expected dividend yield	-
Expected life	2 years
Fair value per warrant	$0.078

The warrants outstanding as at March 31, 2023 are:

Number of warrants outstanding	**Exercise price**	**Expiry Date**
2,500,000	$0.15	September 8, 2023
11,500,000	$0.15	July 7, 2024
399,000	$0.15	July 7, 2024
14,399,000		

9. Related Party Transactions

Amounts payable to officers, directors and companies owned thereby were $167,338 at March 31, 2023 (December 31, 2022 - $106,917). In addition, a related party company with common directors and officers owed Antler $18,032 at March 31, 2023 (December 31, 2022 - $3,487). The following related party transactions were in the normal course of operations and were measured at the exchange amounts, which are the amounts agreed to by the related parties.

a) Compensation of key management personnel:

Management and consulting fees in the amount of $90,369 were incurred for the three-month period ended March 31, 2023 (year ended December 31, 2022 – $329,322) for services of the President and CEO, the Executive Chair, a Strategic Advisor, and the CFO of the Company. Including in the consulting fees paid to key management are $14,015 in fees that were capitalized to resource properties for services of the CEO during the period (December 31, 2022 - $92,088 for services of the CEO and former Vice-President of Operations and Corporate Development).

During the year ended December 31, 2022, the Company granted 1,250,000 stock options, of which 1,000,000 were granted to officers and directors of the Company. The options are exercisable at an exercise price of $0.15 and expire on July 18, 2027. There were no options granted during the period ended March 31, 2023.

b) Services agreements:

At March 31, 2023 and December 31, 2022, Antler had a services agreement with Numus Financial Inc. (“Numus”), a related party company owned by a former director and a significant shareholder of Antler for the provision of consulting services, controller services, rent and other office costs, at a total fee of $6,700 per month and continuing until both parties mutually agree to terminate. Service fees are incurred on a cost recovery basis and include general and administration charges such as utilities and accounting services of the Company. During the period ended March 31, 2023, the Company incurred costs for consulting and controller services in the amount of $12,450 (December 31, 2022 - $49,800), and incurred rent, office costs and other cost reimbursements in the amount of $7,650 (December 31, 2022 - $33,054).

As outlined in the services agreement dated September 1, 2018, if the services agreement is cancelled by the Company, a break fee of six (6) months of remuneration, being $40,200, will be payable to Numus, in addition to the service fees applicable for the 90 day notice period.

At March 31, 2023, Antler had a services agreement with Numus for the provision of digital marketing services, at a fee of $6,585 per month until December 31, 2023. During the period ended March 31, 2023, the Company incurred costs for digital marketing services in the amount of $19,755 (December 31, 2022 - $nil).

c) Financing agent:

Numus Capital Corp. acted as the Agent for the Company's July 7, 2022 financing. Numus Capital Corp. is controlled by a former director and a significant shareholder of Antler and is therefore considered related to the Company. As compensation for its services, Numus Capital Corp. received compensation in the form of 399,000 compensation units, being equal to 7.0% of the units sold, other than to insiders and certain other existing shareholders of the Company. Each compensation unit consists of one common share and one common share purchase warrant, with each warrant being exercisable to purchase one common share of the Company at a price of $0.15 per share for a period of 24 months from the closing date of the private placement.

10. Financial Instruments

Credit risk

The Company's maximum exposure to credit risk is represented by the carrying amount of the Company's cash and amounts recoverable. The Company manages credit risk by maintaining its cash with high-credit quality financial institutions or in trust with the Company's lawyer. All of the sales taxes recoverable are with the Government of Canada or Namibia.

Liquidity risk

The Company's approach to managing liquidity risk is to continue to maintain a cash balance to be able to meet the funding of its liabilities when required. As at March 31, 2023, the Company had a cash balance of $395,922 and a working capital balance of $85,088 (December 31, 2022 – cash balance of $639,856 and a working capital balance of $374,532). Working capital is determined by deducting current liabilities of $390,642 (December 31, 2022 - $319,313) from current assets of $475,730 (December 31, 2022 - $693,845). The Company's ability to continue to meet its liabilities, beyond the current cash balance, is dependent on raising funds by means of public or private equity offerings.

Foreign currency rate risk

A portion of the Company's transactions occur in United States, Zambian and Namibian currencies; accordingly, the related financial assets and liabilities are subject to fluctuations in the respective exchange rates. For the period ended March 31, 2023, the sensitivity of the Company's net loss due to changes in the exchange rate between the Canadian dollar and foreign currencies (primarily the Namibian dollar and the Zambian Kwacha) would have impacted net loss by $1,777 for a 5% increase or decrease in the Canadian dollar.

(Expressed in Canadian dollars unless otherwise indicated)

Fair value

During the three-month period ended March 31, 2023, there were no transfers between Level 1, Level 2 and Level 3 classified assets and liabilities. The fair values of the Company's cash, amounts recoverable, and accounts payable and accrued liabilities are considered to approximate the carrying amounts due to their short term to maturity. Investments are recorded at fair value based on prices quoted in an active market for identical instruments held by the Company, which is a Level 1 fair value category.

11. Income Taxes

Deferred income tax recovery differs from the amount that would be computed by applying the federal and provincial statutory income tax rate of 29% to net loss before income taxes. The reasons for the difference are as follows:

	March 31, 2023 $	March 31, 2022 $
Operating loss before income taxes	(229,756)	(201,156)
Income tax recovery based on substantively enacted rates	(66,629)	(58,335)
Expense for losses and deductible temporary differences not recognized in current and prior periods	55,139	42,357
Permanent differences and other	11,490	15,978
Income tax recovery	-	-

The tax effects of temporary differences that give rise to the deferred tax assets and (liabilities) are presented below:

	March 31, 2023 $	December 31, 2022 $
Non-capital loss carryforwards	38,943	15,574
Resource properties	(38,943)	(15,574)
	-	-

The Company has the following temporary differences for which no deferred tax asset or liability is recognized in the statement of financial position:

	March 31, 2023 $	December 31, 2022 $
Resource properties	1,783,228	1,812,600
Eligible capital property and deferred financing	260,489	293,033
Non-capital loss carryforwards	5,771,335	5,621,507
	7,815,052	7,727,140

The Company's non-capital loss carryforwards expire between 2036 and 2043.

12. Commitments

Antler has agreements with certain executives, including the Executive Chair and a Consultant of the Company which provides that, should any change in control event occur, they may individually elect to terminate their employment with the Company, in which event the Company is required to pay a lump sum payment equal to two times the annual compensation. The payment of these change in control settlements would be subject to the Company maintaining an average market capitalization in excess of $10 million, based on any 10-day volume weighted trading price within the three-month period following the effective date of the change in control. These agreements may also be terminated by the Company or the Consultant with three months' notice. If these agreements are terminated by the Company, an amount equal to one year's annual compensation will be payable.

At March 31, 2023 and December 31, 2022, Antler had a management services agreement with a company owned by a former director and a significant shareholder of the Company for the provision of management services, rent and other office costs, at a fee of $6,700 per month and continuing until both parties mutually agree to terminate. At March 31, 2023, Antler had a digital marketing services agreement with a company owned by a former director and a significant shareholder of the Company for the provision of digital marketing services at a fee of $6,585 per month until December 31, 2023.

13. Subsequent events

Crescent Lake Agreement with Midex Resources Ltd.

Subsequent to the period ended March 31, 2023, the Company entered into an asset purchase agreement to sell its 100% interest in the Crescent Lake Property to an arm's length private company, Midex Resources Ltd. ("Midex") (the "Transaction"). Under the Midex Agreement, Antler has agreed to sell the Crescent Lake Property for proceeds of $125,000 in cash (the "Cash Consideration") and the issuance of common shares of Midex equal to 12% of the issued and outstanding capital of Midex, subject to certain adjustments (the "Share Consideration"). Midex will assume the Company's obligations under the net smelter return royalties, which represents a select area of the mineral claims comprising the Crescent Lake Property.

Under a 2019 Agreement, Antler will be required to pay to Sona Nanotech Inc. ("Sona") 50% of the consideration received by Antler for the Crescent Lake Property, net of Antler's aggregate expenses related to the marketing, selling, upkeep and maintenance of the Property ("Antler's Expenses") incurred between the acquisition of the Property by Antler under the 2019 Agreement and the date of the sale of the Property. Accordingly, Antler will pay Sona 50% of the Cash Consideration less Antler's Expenses and Antler has directed Midex to register 50% of the Share Consideration in the name of Sona. The remainder of the Midex shares will be issued in the name of Antler. Each of Antler and Sona entered into an investor rights agreement with Midex in relation to the Midex shares. The Midex shares issuable pursuant to the Transaction will be subject to certain resale restrictions and escrow conditions, as well as a two-year standstill and voting support provisions.

Kesya Agreement with Prospect Resources Limited

Subsequent to the period ended March 31, 2023, the Company entered into an option agreement (the "Option Agreement") with Prospect Resources Limited ("Prospect") pursuant to which Prospect has an option to acquire a 51% interest in Antler Zambia within two years. Subject to the condition precedent that Antler Zambia will hold the Kesya Rare Earth Project located in southern Zambia, consideration and project expenditure payments amount to US$3.05 million under the Option Agreement to earn the 51% interest, including:

- Phase 1: Two cash payments of an aggregate of US$150,000 and US$350,000 in exploration expenditures, as well as the issuance of US$500,000 worth of Prospect common shares within 30 days of the completion of Phase 1;
- Phase 2: A cash payment of US$150,000 and US$750,000 in exploration expenditures as well as an issuance of US$500,000 worth of Prospect common shares within 30 days of electing to proceed to Phase 2; and
- Phase 3: A cash payment of US$150,000 and the issuance of US$500,000 worth of Prospect common shares at the end of the two-year option period.