
Golden Arrow Resources Corporation

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED
MARCH 31, 2022 AND 2021

(Unaudited - Expressed in Canadian Dollars)

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed interim financial statements they must be accompanied by a notice indicating that these condensed interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's external auditors have not performed a review of these condensed interim financial statements.

Golden Arrow Resources Corporation
Consolidated Interim Statements of Financial Position

(Unaudited - Expressed in Canadian Dollars)

	Note	March 31, 2022 \$	December 31, 2021 \$
ASSETS			
Current assets			
Cash and cash equivalents		3,538,920	903,568
Investments	6	8,849,264	15,126,236
Amounts receivable	8	154,914	73,161
Prepaid expenses		78,371	96,158
Total current assets		12,621,469	16,199,123
Non-current assets			
Equipment	3	62,693	66,435
Right-of-use assets	4	306,678	334,157
Mineral property interests	5	4,804,743	637,968
Total non-current assets		5,174,114	1,038,560
Total Assets		17,795,583	17,237,683
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	8	329,734	387,255
Current portion of lease liabilities		91,039	109,870
Total current liabilities		420,773	497,125
Lease liabilities		225,956	237,008
Total liabilities		646,729	734,133
EQUITY			
Share capital	7	38,088,211	38,088,211
Reserves	7	28,761,217	26,722,172
Deficit		(49,700,574)	(48,306,833)
Total equity		17,148,854	16,503,550
Total Equity and Liabilities		17,795,583	17,237,683

SUBSEQUENT EVENTS (Note 13)

These condensed consolidated interim financial statements are authorized for issue by the Board of Directors on May 27, 2022. They are signed on the Company's behalf by:

"Nikolaos Cacos" , Director

"David Terry" , Director

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

Golden Arrow Resources Corporation
Consolidated Interim Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian Dollars)

	Note	Three months ended March 31,	
		2022	2021
		\$	\$
Expenses			
Administration and management services	8	106,300	115,000
Corporate development and investor relations		98,392	140,670
Depreciation		27,479	27,819
Exploration	5	1,163,996	625,936
Office and sundry	8	48,010	66,118
Professional fees		93,472	44,190
Rent, parking and storage		2,025	(2,314)
Salaries and employee benefits	8	206,820	218,878
Share-based compensation		-	349,092
Transfer agent and regulatory fees		6,640	14,013
Loss from operating activities		(1,753,134)	(1,599,402)
Foreign exchange gain		444,512	164,110
Interest expense		(7,659)	(5,470)
Dividend income		-	42,627
Interest income		304	2,696
Impairment of exploration and evaluation assets	5	(77,764)	-
Loss for the period		(1,393,741)	(1,395,439)
Other comprehensive income (loss)			
Items that will not be reclassified to profit or loss			
Change in fair value of marketable securities	6	2,039,044	(5,127,652)
Other comprehensive income (loss) for the period		2,039,044	(5,127,652)
Comprehensive income (loss) for the period		645,303	(6,523,091)
Basic and diluted loss per common share (\$)	9	(0.01)	(0.01)

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

Golden Arrow Resources Corporation
Consolidated Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian Dollars)

	Note	Three months ended March 31,	
		2022	2021
		\$	\$
Cash flows from operating activities			
Loss for the period		(1,393,741)	(1,395,439)
Adjustments for:			
Depreciation		27,479	27,819
Depreciation of property and equipment included in exploration expenses		3,742	3,189
Interest expense		7,658	5,470
Share-based compensation		-	349,092
Impairment of exploration and evaluation assets		77,764	-
		(1,277,098)	(1,009,869)
Change in non-cash working capital items:			
(Increase) decrease in amounts receivable		(81,753)	210,315
Decrease (increase) in prepaid expenses		17,787	(23,710)
Decrease in accounts payable and accrued liabilities		(57,521)	(65,810)
Net cash used in operating activities		(1,398,585)	(889,074)
Cash flows from investing activities			
Expenditures on mineral property interests	5	(4,244,539)	(187,513)
Proceeds of marketable securities, net of transactions costs	6	8,316,016	-
Net cash generated by (used in) investing activities		4,071,477	(187,513)
Cash flows from financing activities			
Lease payments		(37,540)	(31,840)
Net cash used in financing activities		(37,540)	(31,840)
Net increase (decrease) in cash and cash equivalents		2,635,352	(1,108,427)
Cash and cash equivalents at beginning of period		903,568	6,607,721
Cash and cash equivalents at end of period		3,538,920	5,499,294

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

Golden Arrow Resources Corporation
Consolidated Interim Statements of Changes in Equity

(Unaudited - Expressed in Canadian Dollars)

	Share capital		Reserves					Total
	Number of shares	Amount \$	Contributed surplus \$	Equity settled share-based payments \$	Warrants \$	Accumulated other comprehensive income \$	Deficit \$	
Balance at December 31, 2020	116,358,239	38,292,860	16,480,192	2,249,675	1,186,897	8,597,905	(42,255,776)	24,551,753
Share-based compensation	-	-	-	349,092	-	-	-	349,092
Warrants and agents' warrants expired	-	-	15,905	-	(15,905)	-	-	-
Total comprehensive loss for the period	-	-	-	-	-	(5,127,652)	(1,395,439)	(6,523,091)
Balance at March 31, 2021	116,358,239	38,292,860	16,496,097	2,598,767	1,170,992	3,470,253	(43,651,215)	18,377,754
Repurchases of common shares	(1,191,000)	(202,470)	-	-	-	-	-	(202,470)
Share repurchase costs	-	(2,179)	-	-	-	-	-	(2,179)
Stock options expired	-	-	333,602	(333,602)	-	-	-	-
Total comprehensive income (loss) for the period	-	-	-	-	-	2,986,063	(4,655,618)	(1,669,555)
Balance at December 31, 2021	115,167,239	38,088,211	16,829,699	2,265,165	1,170,992	6,456,316	(48,306,833)	16,503,550
Total comprehensive loss for the period	-	-	-	-	-	2,039,045	(1,393,741)	645,304
Balance at March 31, 2022	115,167,239	38,088,211	16,829,699	2,265,165	1,170,992	8,495,361	(49,700,574)	17,148,854

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

Golden Arrow Resources Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

1. NATURE OF OPERATIONS

Golden Arrow Resources Corporation (the “Company” or “We”) was incorporated on September 22, 2015, under the Business Corporations Act in the province of British Columbia. The address of the Company’s registered office is Suite 312 – 837 West Hastings Street, Vancouver, BC, Canada V6C 3N6.

The Company is a natural resource company engaged in the acquisition, exploration and development of resource properties in South America. The Company’s mineral property interests presently have no proven or probable reserves and, on the basis of information to date, it has not yet determined whether these properties contain economically recoverable resources. The recoverability of amounts shown for mineral property interests are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves, and upon future profitable production.

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

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below.

a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting (“IAS 34”). Accordingly, certain information and note disclosure included in the annual consolidated financial statements prepared in accordance with IFRS have been omitted or condensed. These condensed consolidated interim financial statements should be read in conjunction with the Company’s December 31, 2021 audited annual consolidated financial statements.

b) Basis of presentation

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for marketable securities, which are carried at fair value.

c) Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiaries.

	Place of Incorporation	Principal Activity
IMPSA Resources Corporation	BC, Canada	Holding company
New Golden Explorations Inc.	BC, Canada	Holding company
New Golden Explorations Atlantida Ltd.	BC, Canada	Holding company
New Golden Explorations Indiana Ltd.	BC, Canada	Holding company
New Golden Explorations Indiana Chile SpA	Chile	Exploration company
New Golden Explorations Chile SpA	Chile	Exploration company
Lucca S.A.	Paraguay	Exploration company
Desarrollo de Recursos S.A.	Argentina	Exploration company

Golden Arrow Resources Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the financial statements.

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Estimation uncertainty and Accounting policy judgments

The Company's management makes judgments in its process of applying the Company's accounting policies in preparations of these consolidated financial statements. In addition, these consolidated financial statements include estimates which, require management to make estimates of future uncertain events on the carrying amount of the Company's assets and liabilities at the end of the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. There are no material areas of estimation uncertainty as at March 31, 2022.

Accounting policy judgments:

- The net carrying value of each mineral property is reviewed regularly for conditions that suggest impairment. This review requires significant judgment. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future. If impairment is determined to exist, a formal estimate of the recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount.

Golden Arrow Resources Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

3. EQUIPMENT

	Vehicles \$	Other \$	Total \$
Cost			
Balance at December 31, 2020	88,153	151,565	239,718
Additions	-	1,372	1,372
Balance at December 31, 2021 and March 31, 2022	88,153	152,937	241,090
Accumulated Depreciation			
Balance at December 31, 2020	15,386	141,227	156,613
Depreciation	12,012	6,030	18,042
Balance at December 31, 2021	27,398	147,257	174,655
Depreciation	3,164	578	3,742
Balance at March 31, 2022	30,562	147,835	178,397
Carrying Amount			
At December 31, 2021	60,755	5,680	66,435
At March 31, 2022	57,591	5,102	62,693

4. RIGHT-OF-USE ASSETS

The Company capitalized two office lease arrangements in accordance with IFRS 16. The continuity schedule of right-of-use assets for the three months ended March 31, 2022 is as follows:

	Total \$
Cost	
Balance at December 31, 2020	303,597
Additions	274,879
Balance at December 31, 2021 and March 31, 2022	578,476
Accumulated Depreciation	
Balance at December 31, 2020	135,668
Depreciation	108,651
Balance at December 31, 2021	244,319
Depreciation	27,479
Balance at March 31, 2022	271,798
Carrying Amount	
At December 31, 2021	334,157
At March 31, 2022	306,678

Golden Arrow Resources Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

4. RIGHT-OF-USE ASSETS (continued)

The outstanding balances of lease liabilities are calculated using an implied rate of 12% p.a. The following is a schedule of the Company's future minimum lease payments related to the lease obligations:

	Total
	\$
	2022
	2023-2027
Total minimum lease payments	106,217
Less: Imputed interest	305,258
Total present value of minimum lease payments	411,475
Less: Current portion	(94,480)
Non-current portion	316,995
	(91,039)
	225,956

5. MINERAL PROPERTY INTERESTS

The schedules below summarize the carrying costs of acquisition costs and all exploration expenditures incurred to date for each mineral property interest that the Company is continuing to explore as at March 31, 2022:

Acquisition Costs

	Argentina		Chile		Paraguay		Total
	Flecha de Oro	Rosales	San Pietro	Tierra Dorada	Other	\$	
	\$	\$	\$	\$	\$	\$	\$
Balance – December 31, 2020	52,753	74,285	-	248,402	7,240	382,680	
Additions							
Staking costs, land payments and acquisition costs	5,933	-	-	181,580	-	187,513	
Balance – March 31, 2021	58,686	74,285	-	429,982	7,240	570,193	
Additions							
Staking costs, land payments and acquisition costs	54,330	-	-	13,445	-	67,775	
Balance – December 31, 2021	113,016	74,285	-	443,427	7,240	637,968	
Additions							
Staking costs, land payments and acquisition costs	-	-	4,238,085	6,454	-	4,244,539	
Impairment of exploration and evaluation assets	(77,764)	-	-	-	-	(77,764)	
Balance – March 31, 2022	35,252	74,285	4,238,085	449,881	7,240	4,804,743	

Golden Arrow Resources Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

5. MINERAL PROPERTY INTERESTS (continued)

Exploration Expenditures

	Argentina		Chile	Paraguay		Total \$
	Flecha de Oro \$	Libanesa \$	Rosales \$	Tierra Dorada \$	Other \$	
Cumulative exploration expenses December 31, 2021	2,207,214	-	1,064,488	1,282,805	12,208,453	16,762,960
Expenditures during the period						
Assays	267	17,387	-	64,091	2,054	83,799
Drilling	-	-	-	25,547	-	25,547
Environmental	-	-	-	-	1,372	1,372
Office	46,702	3,687	3,119	8,266	-	61,773
Property maintenance payments	1,035	18,765	167,077	-	12,915	199,792
Salaries and contractors	137,671	119,531	8,376	77,309	13,901	356,789
Social and community	9,082	105,622	-	1,355	-	116,059
Supplies and equipment	2,558	35,435	-	7,681	2,796	48,470
Transportation	1,977	-	-	7,970	3,473	13,420
Value added taxes	25,504	38,447	183,625	2,928	6,471	256,975
	224,796	338,874	362,197	195,147	42,982	1,163,996
Cumulative exploration expenses March 31, 2022	2,432,010	338,874	1,426,685	1,477,952	12,251,435	17,926,956

The schedule below summarizes all exploration expenditures incurred to date for each mineral property interest that the Company was continuing to explore as at March 31, 2021:

	Argentina	Chile		Paraguay	Other \$	Total \$
	Flecha de Oro \$	Indiana \$	Rosales \$	Tierra Dorada \$		
Cumulative exploration expenses December 31, 2020	1,151,966	932,437	67,919	326,610	10,649,373	13,128,305
Expenditures during the period						
Assays	16,601	-	-	17,182	952	34,735
Drilling	15,715	-	-	-	-	15,715
Office	48,941	11,046	14,400	16,093	401	90,881
Property maintenance payments	3,318	-	7,028	-	12,464	22,810
Salaries and contractors	110,143	-	33,877	64,959	4,837	213,816
Social and community	6,630	-	-	1,264	-	7,894
Supplies and equipment	103,995	-	-	2,247	695	106,937
Transportation	23,286	-	-	1,081	1,648	26,015
Value added taxes	37,386	978	44,844	21,579	2,346	107,133
	366,015	12,024	100,149	124,405	23,343	625,936
Cumulative exploration expenses March 31, 2021	1,517,981	944,461	168,068	451,015	10,672,716	13,754,241

Golden Arrow Resources Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

5. MINERAL PROPERTY INTERESTS (continued)

(a) San Pietro, Atacama, Chile

On March 17, 2022, the Company purchased a 100% interest in the San Pietro Iron-oxide Copper Gold Project in Chile from Sumitomo Metal Mining Chile Ltda for cash consideration of \$4,238,085 (US\$3,350,000). The San Pietro Project includes 18,448 hectares of exploration and exploitation concessions in the Atacama region of Chile, approximately 100 kilometres north of Copiapo in an active mining district that is home to all the major IOCG deposits in Chile.

(b) Flecha de Oro Project, Rio Negro, Argentina

The Company entered into an option agreement to acquire up to 100% of the Flecha de Oro Gold Project that includes Puzzle and Esperanza exploration properties. The terms of the option agreement include staged payments over seven years totaling US\$2,090,000 for a 100% interest in both properties. The vendor retains 1% royalty, which can be reduced to 0.25% for an additional US\$1,000,000.

Option Payment USD \$	Year
10,000 (paid)	2019
15,000 (paid)	2020
15,000 (paid)	2021
50,000	2022
100,000	2023
200,000	2024
400,000	2025
500,000	2026
800,000	2027
2,090,000	

During the three months ended March 31, 2022, the Company determined that it would not be exploring the properties further based on the exploration work during the period and would discontinue option payments. The Company recorded an impairment of \$77,764 related to previously capitalized acquisition costs.

The terms of the Maquinchao option agreement include staged payments over four years totaling US\$630,000 for a 100% in the property. The vendor retains 1% net smelter royalty.

Option Payment USD \$	Year
5,000 (paid)	2019
5,000 (paid)	2020
20,000 (paid)	2021
50,000	2022
250,000	2023
300,000	2024
630,000	

Golden Arrow Resources Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

5. MINERAL PROPERTY INTERESTS (continued)

(c) Libanesa, Santa Cruz, Argentina

During 2021, the Company entered into a definitive agreement to acquire 75% undivided interest in Libanesa silver-gold project in Santa Cruz province, Argentina from Mirasol Resources Ltd. ("Mirasol"). Terms of the option include cash payments totaling US\$1,000,000, and exploration expenditure commitments of US\$4,000,000 over six years. The initial US\$500,000 in exploration expenditures is a firm commitment, but it may be incurred over 24 months instead of 12 months, if all permits required for exploration are not in place by the end of March 2022. In addition, Golden Arrow is required to complete a minimum of 2,000m of drilling by the end of the second year. Golden Arrow will be the operator during the option Period.

Upon completion of the Option, Mirasol and Golden Arrow will hold 25% and 75%, respectively, in a participating JV company holding Libanesa. If either party's equity interest is diluted below 10%, it will convert to a 2% net smelter return royalty.

Option Payment US\$	Exploration Expenditure Commitments US\$	Year
-	500,000	2022
100,000	500,000	2023
100,000	750,000	2024
100,000	750,000	2025
250,000	750,000	2026
450,000	750,000	2027
1,000,000	4,000,000	

(d) Rosales Copper Project, Chile

The Company owns a 100% interest in the Rosales Copper Project in Region III, Chile.

(e) Tierra Dorada Project, Paraguay

The Company entered into an option agreement to acquire a 100% interest in the Tierra Dorada gold project in Paraguay (the "Property"). The terms of the option agreement include staged payments over six years totaling US\$2,000,000 and an additional payment of US\$2,000,000 thirty (30) working days following the date of commencement of commercial production on the Property, for a 100% interest in the Property.

Option Payment USD \$	Year
36,000 (paid)	2018
75,000 (paid)	2020
100,000 (paid)	2021
500,000	2022
400,000	2023
889,000	2024
2,000,000	Thirty working days following the date of commencement of commercial production
4,000,000	

Golden Arrow Resources Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

6. INVESTMENTS

An analysis of investments including related gains and losses during the period is as follows:

	Three months ended March 31,	
	2022 \$	2021 \$
Investments, beginning of period	15,126,236	17,267,825
Disposition of marketable securities	(8,316,016)	-
Change in fair value of marketable securities	2,039,044	(5,127,652)
Investments, end of period	8,849,264	12,140,173

The Company held 325,580 common shares of SSRM at March 31, 2022 with a value of \$27.18 per share (March 31, 2021 – 675,580 – \$17.97 per share). The Company realized a cumulative gain of \$1,680,287 in other comprehensive income (loss) on disposal of marketable securities for the three months ended March 31, 2022 (March 31, 2021 - \$Nil). During the three months ended March 31, 2022, the Company received \$Nil (2021 - \$42,627) in dividends from its investment in SSRM.

7. CAPITAL AND RESERVES

Authorized Share Capital

At March 31, 2022, the authorized share capital comprised an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

There were no share issuances during the three months ended March 31, 2022 and 2021.

Details of Common Shares Repurchases in 2021

There were no share repurchases during the three months ended March 31, 2022.

Details of Common Shares Repurchases in 2021

On August 27, 2021, the TSX Venture Exchange accepted a notice of intention whereby the Company made a Normal Course Issuer Bid (“NCIB”) to purchase its own common shares for cancellation through the facilities of the Exchange or other recognized marketplaces at the prevailing market price. The Company can repurchase up to 10,132,012 common shares of the 116,358,239 issued and outstanding common shares available at the date the NCIB commenced.

During the year ended December 31, 2021, the Company acquired and cancelled 1,191,000 of its own common shares for an aggregate purchase price of \$202,470 and common share repurchase costs of \$2,179.

Share Purchase Option Compensation Plan

The Company has a share purchase option plan (the “Plan”) approved by the Company’s shareholders that allows it to grant share purchase options, subject to regulatory terms and approval, to its officers, directors, employees and service providers. The Plan is based on a fixed number of eligible shares equaling 20% of the Company’s outstanding common shares calculated at June 25, 2013, totaling a maximum of 8,364,371 share purchase options. On April 22, 2021, the Stock Option Plan was amended allowing for a maximum total share purchase options of 11,500,000.

Golden Arrow Resources Corporation

Notes to the Condensed Consolidated Interim Financial Statements

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(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

7. CAPITAL AND RESERVES (continued)

The exercise price of each share purchase option is set by the Board of Directors at the time of grant but cannot be less than the market price less allowable discounts in accordance with the policies of the TSX Venture Exchange. Share purchase options granted generally vest immediately, are subject to a four-month hold period and are generally exercisable for a period of five years.

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

Expiry date	Exercise Price	December 31, 2020	Granted	Cancelled/ Expired	March 31, 2022	Options exercisable
June 22, 2022	\$0.62	3,250,000	-	-	3,250,000	3,250,000
January 9, 2023	\$0.70	1,900,000	-	-	1,900,000	1,900,000
January 19, 2026	\$0.25	4,655,000	-	-	4,655,000	4,655,000
		9,805,000	-	-	9,805,000	9,805,000
Weighted average exercise price \$		0.46	-	-	0.46	0.46
Weighted average contractual remaining life (years)		2.28	-	-	2.03	2.03

The continuity of share purchase options for the three months ended March 31, 2021 is as follows:

Expiry date	Exercise Price	December 31, 2020	Granted	Cancelled/ Expired	March 31, 2021	Options exercisable
April 19, 2021 ⁽¹⁾	\$0.32	1,005,000	-	-	1,005,000	1,005,000
April 27, 2021 ⁽²⁾	\$0.42	395,000	-	-	395,000	395,000
May 29, 2021	\$0.62	15,000	-	-	15,000	15,000
June 22, 2022	\$0.62	3,250,000	-	-	3,250,000	3,250,000
January 9, 2023	\$0.70	1,900,000	-	-	1,900,000	1,900,000
January 19, 2026	\$0.25	-	4,655,000	-	4,655,000	4,655,000
		6,565,000	4,655,000	-	11,220,000	11,220,000
Weighted average exercise price \$		0.59	0.25	-	0.45	0.45
Weighted average contractual remaining life (years)		1.38	5.00	-	2.66	2.66

The weighted average fair value of share purchase options granted during the three months ended March 31, 2022 is \$Nil (2021 - \$0.08).

Options were priced based on the Black-Scholes option pricing model using the following weighted average assumptions to estimate the fair value of options granted:

	Three months ended March 31,	
	2022	2021
Risk-free interest rate	-	0.33%
Expected option life in years	-	3.52
Expected share price volatility ⁽¹⁾	-	71.33%
Grant date share price	-	\$0.18
Expected forfeiture rate	-	-
Expected dividend yield	Nil	Nil

(1) Expected volatility was estimated based on historical trading price.

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For the three months ended March 31, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

7. CAPITAL AND RESERVES (continued)

Warrants

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

Expiry date	Exercise Price	December 31, 2021	Cancelled/ Expired	March 31, 2022
June 19, 2022	\$0.30	4,213,000	-	4,213,000
June 20, 2022	\$0.30	1,992,000	-	1,992,000
February 25, 2023	\$0.40	11,051,611	-	11,051,611
March 5, 2023	\$0.40	1,290,367	-	1,290,367
March 21, 2023	\$0.40	3,462,034	-	3,462,034
		22,009,012	-	22,009,012
Weighted average exercise price \$		0.37	-	0.37

The continuity of warrants for the three months ended March 31, 2021 is as follows:

Expiry date	Exercise Price	December 31, 2020	Cancelled/ Expired	March 31, 2021
June 19, 2022	\$0.30	4,213,000	-	4,213,000
June 20, 2022	\$0.30	1,992,000	-	1,992,000
February 25, 2023	\$0.40	11,208,242	(156,631)	11,051,611
March 5, 2023	\$0.40	1,307,869	(17,502)	1,290,367
March 21, 2023	\$0.40	3,484,203	(22,169)	3,462,034
		22,205,314	(196,302)	22,009,012
Weighted average exercise price \$		0.37	0.40	0.37

8. RELATED PARTY BALANCES AND TRANSACTIONS

On June 1, 2017, the Company entered into a Management Services Agreement with Grosso Group to provide services and facilities to the Company. Grosso Group is a private company that is owned by an officer and director of the Company and also has another director in common with the Company. Grosso Group provides its member companies with administrative and management services. The member companies pay monthly fees to Grosso Group on a cost recovery basis. The fee is based upon a pro-rating of Grosso Group's costs including its staff and overhead costs among the member companies. The current monthly fee is \$41,000 per month. This fee is reviewed and adjusted quarterly based on the level of services required.

The Management Services Agreement contains termination and early termination fees in the event the services are terminated by the Company. The termination fee includes three months of compensation and any contractual obligations that Grosso Group undertook for the Company, up to a maximum of \$750,000. The early termination fees are the aggregate of the termination fee in addition to the lesser of the monthly fees calculated to the end of the term and the monthly fees calculated for eighteen months, up to a maximum of \$1,000,000. The agreement expires on December 31, 2021 and is automatically renewed for additional terms of two years unless otherwise terminated pursuant to the terms of the agreement. The Company's commitment under this agreement is as follows:

	Year 1	Year 2	Year 3
	\$	\$	\$
Management Services Agreement	279,000	372,000	-

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8. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Transactions	Three months ended March 31,	
	2022	2021
	\$	\$
Services rendered:		
Grosso Group Management Ltd.		
Administration and management services	84,300	93,000
Office & sundry	14,100	30,000
Total for services rendered	98,400	123,000

Key management personnel compensation

Key management personnel of the company are members of the Board of Directors, as well as the Executive Chairman, President and CEO, CFO, Vice President of Corporate Development and Corporate Secretary.

Transactions	Position	Three months ended March 31,	
		2022	2021
		\$	\$
Consulting, salaries, and professional fees:			
Joseph Grosso	Chairman/President/CEO	68,750	68,750
Darren Urquhart	CFO	15,000	15,000
Nikolaos Cacos	Director/VP – Corp. Development	31,170	30,000
Brian McEwen	VP Exploration	47,500	47,500
Connie Norman	Corporate Secretary	18,000	18,000
Louis Salley	Director	3,000	3,000
David Terry	Director	22,000	22,000
John Gammon	Director	4,000	4,000
Alfred Hills	Director	3,000	3,000
Total for services rendered		212,420	211,250

As at March 31, 2022, there was \$128,326 (2021 – \$118,434) of costs owed from related corporations for shared services paid by the Company. At March 31, 2021, there was \$2,521 (2021 - \$39,606) in accounts payable and accrued liabilities that was due to related corporations.

9. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share for the three months ended March 31, 2022 and 2021 was based on the following:

	Three months ended March 31,	
	2022	2021
Loss attributable to common shareholders (\$)	(1,393,741)	(1,395,439)
Weighted average number of common shares outstanding	115,167,239	116,358,239

The Company incurred a loss attributable to common shareholders for the three months ended March 31, 2022 and 2021, therefore the impact of dilutive securities is anti-dilutive.

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10. SEGMENTED INFORMATION

The Company's operations are limited to a single reportable segment, being mineral exploration and development. The Company's total non-current assets are segmented geographically as follows:

March 31, 2022					
	Canada	Argentina	Chile	Paraguay	Total
	\$	\$	\$	\$	\$
Equipment (\$)	-	-	-	62,693	62,693
Right-of-use assets	306,678	-	-	-	306,678
Mineral property interests (\$)	-	42,490	4,312,371	449,882	4,804,743
	306,678	42,490	4,312,371	512,575	5,174,114

December 31, 2021					
	Canada	Argentina	Chile	Paraguay	Total
	\$	\$	\$	\$	\$
Equipment (\$)	-	-	-	66,435	66,435
Right-of-use assets	334,157	-	-	-	334,157
Mineral property interests (\$)	-	120,255	74,286	443,427	637,968
	334,157	120,255	74,286	509,862	1,038,560

11. FINANCIAL INSTRUMENTS

The Company examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include credit risk, liquidity risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

(a) Fair Values

The Company's financial assets and liabilities are measured and recognized according to a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable inputs. The three levels of fair value hierarchy are as follows:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's financial assets consist of cash and cash equivalents, amounts receivable and investments. Investments are carried at fair value and measured using Level 1 inputs. Fair value is determined using closing prices at the balance sheet date with any gains or losses recognized in other comprehensive income. The carrying values of cash and cash equivalents, receivables, and accounts payable and accrued liabilities approximate their fair values due to the short-term maturity of these financial instruments.

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11. FINANCIAL INSTRUMENTS (continued)

(b) Financial Instrument Risk Exposure

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash, and amounts receivable.

Overall the credit risk of the financial assets held by the Company has not changed significantly from the prior period. The Company places its cash and cash equivalents and short-term investments with financial institutions with high credit ratings. Accordingly, the credit risk is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company has historically relied on issuance of shares and warrants to fund exploration programs and may require doing so again in the future.

As of March 31, 2022, the Company had working capital of \$12,200,696 (December 31, 2021 - \$15,701,998). Working capital is defined as current assets less current liabilities and provides a measure of the Company's ability to settle liabilities that are due within one year with assets that are also expected to be converted into cash within one year. The Company believes it has adequate working capital to maintain operations for the next 12 months.

	1 Year \$	2 Years and more \$
Accounts payable and accrued liabilities	329,734	-

Market risk

(i) *Price risk*

Price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in the market prices. Investments in marketable securities measured at fair value are exposed to changes in share prices that would result in gains or losses recognized in the Company's other comprehensive income. A 10% change in prices would change the Company's other comprehensive loss by \$884,926.

(ii) *Currency risk*

Financial instruments that impact the Company's net earnings or other comprehensive income due to currency fluctuations include cash accounts, amounts receivable and accounts payable in: US dollars, Argentine Pesos, Chilean Pesos and Paraguayan Guarani. The sensitivity of the Company's net earnings to changes in the exchange rate between the Canadian dollar and the United States dollar, Argentine Peso, Chilean Peso and Paraguayan Guarani at March 31, 2022 is summarized as follows:

- A 10% change in the US dollar exchange rate relative to the Canadian dollar would change the Company's net loss by \$260,000.

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11. FINANCIAL INSTRUMENTS (continued)

- A 10% change in the Argentinean peso exchange rate relative to the Canadian dollar would change the Company's net loss by \$62,000.
- A 10% change in the Chilean peso exchange rate relative to the Canadian dollar would change the Company's net loss by \$2,000.
- A 10% change in the Paraguayan Guarani exchange rate relative to the Canadian dollar would change the Company's net loss by \$800.

The Company may acquire and transfer marketable securities from time to time, to facilitate intragroup funding transfers between the Canadian parent and its Argentine subsidiaries. The Company does not acquire marketable securities and engage in these transactions for speculative purposes. In this regard, under this strategy, the Company generally uses marketable securities of large and well-established companies with high trading volumes and low volatility. Nonetheless, as the process to acquire, transfer and ultimately sell the marketable securities occurs over several days, some fluctuations are unavoidable. As the marketable securities are acquired with the intention of a near term sale, they are considered financial instruments that are held for trading, all changes in the fair value of the instruments between acquisition and disposition are recognized through profit or loss.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Cash bears no interest and short-term investments are redeemable at any time without penalty, with interest paid from the date of purchase. The fair value of cash and short-term investments approximate their carrying values due to the immediate or short-term maturity of these financial instruments. Effect of the change in interest rate is not material.

12. CAPITAL MANAGEMENT

The Company's objectives when managing capital are:

- To safeguard our ability to continue as a going concern in order to develop and operate our current projects
- Pursue strategic growth initiatives; and
- To maintain a flexible capital structure which lowers the cost of capital.

In assessing our capital structure, we include in our assessment the components of shareholders' equity and loans. In order to facilitate the management of capital requirements, the Company prepares annual expenditure budgets and continuously monitors and reviews actual and forecasted cash flows. The annual and updated budgets are monitored and approved by the Board of Directors. To maintain or adjust the capital structure, the Company may, from time to time, issue new shares, issue new debt, repay debt or dispose of non-core assets. The Company is dependent upon the ability to raise additional funding to meet its obligations and commitments.

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13. SUBSEQUENT EVENTS

Mogote Project Option Agreement

The Company optioned its Mogote Copper-Gold project (the “Project”) in San Juan Province, Argentina to Australian-based Syndicate Minerals Pty (“Syndicate”). The agreement gives Syndicate the option to earn an 85% interest in Mogote. An initial 80% interest can be earned by spending \$5 million on exploration at the Project over five years and making cash payments of \$1.9 million over five years, including a payment on signing of \$150,000. After completion of the option earn-in, Syndicate can complete a feasibility study to earn a further 5% interest. After that, a joint venture company will advance the Project on a pro rata basis, with provisions for dilution.

Tierra Dorada

On May 20, 2022, the Company announced that it had determined to cease further exploration of its Tierra Dorada project and terminate its option agreement.