



Consolidated Interim Financial Statements

As at, and for the three and six months ended August 31, 2022
(Expressed in Canadian Dollars)

Altamira Gold Corp.

NOTICE TO READER

The accompanying condensed interim consolidated financial statements of Altamira Gold Corp., for the three month and six months ended August 31, 2022, have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. These condensed interim consolidated financial statements have not been reviewed by the Company's external auditors.

Altamira Gold Corp.

Condensed Interim Consolidated Statements of Financial Position

As at August 31, 2022 and February 28, 2022

(Expressed in Canadian Dollars)

	August 31, 2022	February 28, 2022
Assets		
Current		
Cash and cash equivalents (note 3)	\$ 3,254,667	\$ 5,499,276
Other receivables	22,076	18,392
Prepaid expenses	46,594	36,089
Total current assets	3,323,337	5,553,757
Non-current assets		
Property and equipment (note 4)	420,779	377,420
Exploration and evaluation assets (note 5)	15,843,482	13,830,460
Long term investment (note 5)	31,466	30,475
Reclamation deposit	15,000	15,000
Total Assets	\$ 19,634,064	\$ 19,807,112
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 272,685	\$ 264,061
Due to related parties (note 8)	225	24,975
Current portion of long term liabilities (note 6)	74,737	76,394
Total current liabilities	347,647	365,430
Long term liabilities (note 6)	62,368	91,950
	410,015	457,380
Equity		
Share capital (note 7)	46,574,719	46,477,288
Share subscriptions received	3,276	3,276
Share-based payments reserve (note 8)	5,636,240	5,012,012
Accumulated other comprehensive loss	(1,373,755)	(1,546,260)
Deficit	(31,616,431)	(30,596,584)
	19,224,049	19,349,732
Total Liabilities and Equity	\$ 19,634,064	\$ 19,807,112

Nature of operations and going concern (note 1), Commitments (note 12), Subsequent events (note 13)

Approval on behalf of the Board of Directors:

“Michael Bennett”

Director

“Christopher Harris”

Director

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

Altamira Gold Corp.

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss

For the three and six months ended August 31, 2022 and 2021

(Expressed in Canadian Dollars)

	Three Months Ended August 31,		Six Months Ended August 31,	
	2022	2021	2022	2021
Operating expenses				
Advertising and promotion	\$ 36,495	28,343	\$ 56,384	66,760
Amortization (note 4)	3,105	2,943	5,105	5,826
Consulting fees and staff costs (note 9)	87,758	141,251	194,540	267,039
Office and general	4,102	27,417	30,744	47,226
Professional fees	40,345	32,869	48,234	40,077
Share-based payments (note 8)	626,546	-	626,546	745,305
Transfer agent and regulatory fees	4,279	4,495	6,794	8,158
Travel	35,152	5,959	50,557	10,444
	(837,782)	(243,277)	(1,018,904)	(1,190,835)
Other income (expense)				
Interest income	15,117	4,087	22,456	8,230
Interest expense	(4,139)	(1,223)	(7,916)	(2,472)
Foreign exchange gain (loss)	(9,290)	(2,082)	(15,483)	(3,438)
Net loss for the period	(836,094)	(242,495)	(1,019,847)	(1,188,515)
Cumulative translation adjustment	(238,086)	261,488	172,505	267,973
Total comprehensive loss for the period	\$ (1,074,180)	18,993	\$ (847,342)	(920,542)
Basic and diluted loss per common share	\$ (0.01)	0.00	\$ (0.01)	0.01
Weighted Average Number of Common Shares Outstanding – Basic and Diluted	163,687,886	145,119,822	163,655,229	139,135,923

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

Altamira Gold Corp.

Condensed Interim Consolidated Statements of Changes in Equity

For the three and six months ended August 31, 2022 and 2021

(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Subscription Receipts	Reserves	Accumulated OCI / (Loss)	Deficit	Total
Balance, February 28, 2021	123,483,978	\$ 41,602,806	\$ 3,276	\$ 4,354,141	\$ (1,936,249)	\$ (29,013,617)	\$ 15,010,357
Shares issued, warrants exercised (note 7 (b))	21,187,733	2,934,744					2,934,744
Shares issued, stock options exercised (note 8)	670,000	200,834		(87,434)			113,400
Share-based payments				745,305			745,305
Cumulative translation adjustment					267,973		267,973
Net loss for the period						(1,188,515)	(1,188,515)
Balance, August 31, 2021	145,341,711	\$ 44,738,384	\$ 3,276	\$ 5,012,012	\$ (1,668,276)	\$ (30,202,132)	\$ 17,883,264
Balance, February 28, 2022	162,730,758	\$ 46,477,288	\$ 3,276	\$ 5,012,012	\$ (1,546,260)	\$ (30,596,584)	\$ 19,349,732
Shares issued, warrants exercised (note 6 (b))	927,128	92,713	-	-	-	-	92,713
Shares issued, stock options exercised (note 7)	30,000	4,718	-	(2,318)	-	-	2,400
Share-based payments	-	-	-	626,546	-	-	626,546
Cumulative translation adjustment	-	-	-	-	172,505	-	172,505
Net loss for the period	-	-	-	-	-	(1,019,847)	(1,019,847)
Balance, August 31, 2022	163,687,886	\$ 46,574,719	\$ 3,276	\$ 5,636,240	\$ (1,373,755)	\$ (31,616,431)	\$ 19,224,049

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

Altamira Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and six months ended August 31, 2022
(Expressed in Canadian Dollars)

Altamira Gold Corp.

Condensed Interim Consolidated Statements of Cash Flows
For the six months periods ended August 31, 2022 and 2021
(Expressed in Canadian Dollars)

	For the six months ended August 31,	
	2022	2021
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES:		
Net loss for the period	\$ (1,019,847)	\$ (1,188,515)
Adjustments for items not affecting cash:		
Share-based payments	626,546	745,305
Amortization	5,105	5,826
Unrealized currency translation adjustment	(24,378)	(46,639)
Changes in non-cash working capital:		
Other receivables	(3,684)	707
Prepaid expenses	(10,505)	(22,885)
Due to related parties	(24,750)	(893)
Accounts payable and accrued liabilities	5,927	42,598
Long term liabilities	(31,239)	(34,468)
	(476,825)	(498,964)
INVESTING ACTIVITIES:		
Exploration and evaluation asset acquisition and expenditures	(1,824,743)	(595,009)
Acquisition of property and equipment	(38,154)	(214,144)
	(1,862,897)	(809,153)
FINANCING ACTIVITIES:		
Shares issued for cash, warrants exercised	92,713	2,934,744
Shares issued for cash, stock option exercised	2,400	113,400
	95,113	3,048,144
INCREASE/(DECREASE) IN CASH	(2,244,609)	1,740,027
Cash, beginning of period	5,499,276	4,033,154
Cash, end of period	\$ 3,254,667	\$ 5,773,181

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

Altamira Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and six months ended August 31, 2022
(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Altamira Gold Corp. (“Altamira” or the “Company”) is a publicly listed company incorporated in British Columbia on September 1, 1994, with limited liability under the legislation of the Province of British Columbia and its shares are listed on the TSX Venture Exchange (“TSX-V”). The Company is principally engaged in the acquisition, exploration, development and mining of mineral properties.

The head office, principal address, and registered and records office of the Company are located at 1500 – 409 Granville Street, Vancouver, BC, Canada, V6C 1T2.

Going concern

These consolidated financial statements were prepared on a going concern basis. As of August 31, 2022, the Company has no source of revenue and has a working capital surplus of \$2,975,690 (February 28, 2022 – surplus of \$5,188,327). The Company’s ability to continue as a going concern is dependent upon the ability of the Company to obtain financing and generate positive cash flows from its operations. Management of the Company believes they are able to raise sufficient funds to cover all of its operating requirements, financial commitments, and business development priorities during the next twelve months. However, the Company expects that it will continue to need to obtain further financing in the form of debt, equity, or a combination thereof in the future. There can be no assurance that additional funding will be available to the Company, or, if available, that this funding will be on acceptable terms. If adequate funds are not available, the Company may be required to delay or reduce the scope of any or all of its development projects.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or ability to raise funds.

Approval of the financial statements

These consolidated financial statements for the six months ended August 31, 2022, were reviewed by the Audit Committee and were approved and authorized for issue by the Board of Directors on October 26, 2021.

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

Statement of compliance

These condensed interim consolidated financial statements of the Company as at and for the six month period ended August 31, 2022, with comparative information as at February 28, 2022 and for the six month period ended August 31, 2021, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) which the Canadian Accounting Standards Board has approved for incorporation into Part 1 of the Handbook of Canadian Institute of Chartered Accountants, as applicable to the preparation of interim financial statements including IAS 34.

These unaudited interim financial statements do not include all of the disclosures required for annual financial statements and hence should be read in conjunction with the Company’s annual consolidated financial statements for the year ended February 28, 2022. These unaudited condensed interim consolidated financial statements follow the same significant accounting policies as those included in Note 3 in the Company’s most recent annual consolidated financial statements.

Altamira Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and six months ended August 31, 2022
(Expressed in Canadian Dollars)

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE - continued

Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments carried at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. Actual results may differ from these estimates. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5 in the Company's most recent annual consolidated financial statements.

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries. A subsidiary is an entity in which the Company has control, directly or indirectly. Control is defined as the investor being exposed, or having rights, to variable returns from its involvement with the investee and having the ability to affect those returns through its power over the investee. All material intercompany transactions and balances have been eliminated on consolidation.

3. PROPERTY AND EQUIPMENT

	Land	Machinery & equipment	Furniture	Vehicles	Computer and Software	Total
<u>Cost</u>						
February 28, 2022	\$ 221,373	\$ 160,860	\$ 9,414	\$ 35,418	\$ 31,733	\$ 458,798
Additions	-	31,307	-	-	6,847	38,154
Foreign currency alignment	6,137	4,315	261	982	694	12,389
August 31, 2022	\$ 227,510	\$ 196,482	\$ 9,675	\$ 36,400	\$ 39,274	\$ 509,341
<u>Accumulated Amortization</u>						
February 28, 2022	\$ -	\$ 22,765	\$ 3,608	\$ 35,112	\$ 19,893	\$ 81,378
Additions	-	955	1,396	317	2,437	5,105
Foreign currency alignment	-	627	94	971	387	2,079
August 31, 2022	\$ -	\$ 24,347	\$ 5,098	\$ 36,400	\$ 22,717	\$ 88,562
<u>Net Book Value</u>						
February 28, 2022	\$ 221,373	\$ 138,095	\$ 5,806	\$ 306	\$ 11,840	\$ 377,420
August 31, 2022	\$ 227,510	\$ 172,135	\$ 4,577	\$ -	\$ 16,557	\$ 420,779

Altamira Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended August 31, 2022

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS

The following schedule shows the Company's total expenditures in Brazil by property for the six month period ended August 31, 2022 and year ended February 28, 2022:

	Cajueiro	Apiacas	Santa Helena	Other	Total
Balance, February 28, 2021	\$ 8,910,597	\$ 1,139,196	\$ 365,782	\$ 873,461	\$ 11,289,036
Additions during the year -					
Acquisition costs					
Claim maintenance	65,978	106,488	2,735	-	175,201
Property exploration costs					
Assays	8,025	104,287	21,884	-	134,196
Camp expenses	50,872	209,449	95,216	140	355,677
Drilling	3,470	318,856	358,021	-	680,347
Geological costs	109,817	352,767	57,350	335	520,269
External studies	-	130,624	21,432	-	152,056
Other	90,276	-	-	-	90,276
Travel and accommodation	3,616	9,033	4,189	-	16,838
Total additions during the year	332,054	1,231,504	560,827	475	2,124,860
Foreign currency alignment	287,027	73,621	28,776	27,140	416,564
Balance, February 28, 2022	\$ 9,529,678	\$ 2,444,321	\$ 955,385	\$ 901,076	\$ 13,830,460
Additions during the period -					
Acquisition costs					
Claim maintenance	23,840	825	598	-	25,263
Property exploration costs					
Assays	17,040	26,461	139,738	-	183,239
Camp expenses	146,710	97,517	142,913	-	387,140
Drilling	321,128	75,242	352,759	-	749,129
Geological costs	121,695	141,108	184,637	-	447,440
Geophysics costs	-	-	1,616	-	1,616
Other	3,765	-	-	-	3,765
Travel and accommodation	7,960	5,889	15,999	-	29,848
Total additions during the period	642,138	347,042	838,260	-	1,827,440
Foreign currency alignment	120,559	33,084	21,259	10,680	185,582
Balance, August 31, 2022	\$ 10,292,375	\$ 2,824,447	\$ 1,814,904	\$ 911,756	\$ 15,843,482

Properties in Brazil:

Alta Floresta Gold Mineração Ltda. ("AFM") and its subsidiary hold a 100% interest in all of its properties.

Altamira Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and six months ended August 31, 2022
(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS - continued

Royalties – Cajueiro Property

For portions of the Cajueiro property, the previous property owners have retained a 1.0% net smelter royalty (“NSR”). In addition, a portion of the Cajueiro property is subject to a 2.5% gross smelter royalty (“GSR”) payable to the landowner.

Royalties – Other Properties

For portions of the Carlinda and Colider properties (included in ‘Other’), the previous property owners have retained a 2.5% NSR which may be reduced to 1.5% at the Company’s option for a payment of US\$4,000,000. In addition, the Company is committed to issue 600,000 common shares of ECI Exploration and Mining Inc. (“ECI”), AFG’s former joint venture partner, to the previous property owners upon releasing a resource (defined in accordance with National Instrument 43-101) on any part of these properties, and a further 600,000 common shares of ECI upon receipt of the first bankable feasibility study on any part of these properties. As at August 31, 2022, the Company owned 600,000 common shares of ECI with a book value of \$31,466 (US\$ 24,000).

For the Vila Rica property (included in ‘Other’), the previous property owners have retained a 1.5% NSR.

In addition, a 4% NSR will be paid to the Company following the commencement of gold production from the mineral rights of the Crepori project sold in 2020.

Royalties – All Properties

In addition to the NSR’s referred to above, the properties held under licences originally acquired from ECI are subject to a 1.75% NSR that is held by ECI. During the year ended February 28, 2021, the Company repurchased the NSR from ECI which covered two claims in the Crepori property (included in ‘Other’) and four claims in the Apiacas property.

6. LONG TERM LIABILITIES

AFM has restructured its liabilities relating to claim maintenance costs for certain of its mineral properties payable to AMN (the Brazilian mining authority). liabilities relating to claim maintenance costs for certain of its mineral properties payable to AMN (the Brazilian mining authority). Pursuant to the terms of restructuring, AFM agreed to repay liabilities relating to claims maintenance costs and penalties over 10 to 60 months. The total outstanding balance as of August 31, 2022 was R\$542,389 including interest. Interest is calculated using the Sistema Especial de Liquidação e Custodia (“SELIC”) rate as published by Brazil’s Central Bank.

	August 31, 2022	February 28, 2022
Long term liabilities	\$ 137,105	\$ 168,344
Less: current portion of long term liabilities	(74,737)	(76,394)
	\$ 62,368	\$ 91,950

The long-term liabilities payable in each of the next five years are as follows:

	BRL	CAD
August 31, 2023	R\$ 295,661	\$ 74,737
August 31, 2024	211,695	53,512
August 31, 2025	35,033	8,856
	R\$ 542,389	\$ 137,105

Altamira Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and six months ended August 31, 2022
(Expressed in Canadian Dollars)

7. SHARE CAPITAL

(a) Authorized and issued:

Unlimited common shares without nominal or par value.

During the period ended August 31, 2022:

- i. During the six month period ended August 31, 2022, the Company issued 927,128 common shares related to share purchase warrants exercised and issued 30,000 common shares related to stock options exercised (see note 7(b) and 8, respectively).

During the year ended February 28, 2022:

- i. The Company issued 38,576,780 common shares related to share purchase warrants exercised (see note 6(b))
- ii. The Company issued 670,000 common shares related to stock options exercised (see note 7).

(b) Warrants:

Warrant transactions and the number of warrants outstanding for the six month period ended August 31, 2022 and year ended February 28, 2022 are summarized as follows:

	August 31, 2022		February 28, 2022	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Balance, beginning of year	30,870,244	\$ 0.28	70,007,357	\$ 0.19
Exercised	(927,128)	0.10	(38,576,780)	0.12
Expired	(3,116)	0.10	(560,333)	0.10
Balance, end of period	29,940,000	\$ 0.28	30,870,244	\$ 0.28

The following warrants were outstanding as at August 31, 2022:

Expiry Date	Exercise Price (\$)	Number of warrants	Remaining Contractual Life (Years)
December 20, 2022	0.33	9,515,000	0.30
February 5, 2023	0.30	10,000,000	0.43
July 27, 2023	0.25	4,000,000	0.90
August 16, 2023	0.20	4,060,000	0.96
August 23, 2023	0.20	2,365,000	0.98
Balance, August 31, 2022	0.28	29,940,000	0.55

The fair value of finders' warrants issued during the year ended February 28, 2022 was estimated based on the Black-Scholes option pricing model using a share price of \$0.05, volatility of 120.88%, risk free interest rate of 0.59% expected life of 2 years, and expected dividend yield of nil. The weighted average fair value of finders' warrants issued in 2022 was \$0.02.

Altamira Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended August 31, 2022

(Expressed in Canadian Dollars)

8. SHARE-BASED PAYMENTS

The Company has a stock option plan in place under which it is authorized to grant options of up to 10% of its outstanding shares to officers, directors, employees and consultants. The exercise price of each option is to be determined by the Board of Directors but shall not be less than the discounted market price as defined by the TSX-V. The expiry date for each option should be for a maximum term of five years.

Options granted to directors, employees and consultants, other than consultants engaged in investors relations activities, will vest fully upon the expiry of the TSX-V hold period of four months from the award date, unless otherwise approved by the relevant regulatory authorities. Options granted to employees in investors relations activities will vest in stages over a minimum period of 12 months with no more than one-quarter of the options vesting in any three month period.

During the quarter ended August 31, 2022, 30,000 stock options were exercised at weighted average price of \$0.08 per common share for total proceeds of \$2,400.

The following is a summary of option transactions under the Company's stock option plan for the six month period ended August 31, 2022 and year ended February 28, 2022:

	August 31, 2022		February 28, 2022	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, beginning of year	11,065,000	\$ 0.18	8,885,000	\$ 0.15
Granted	5,000,000	0.17	3,245,000	0.275
Exercised	(30,000)	0.08	(670,000)	0.17
Expired	(1,990,000)	0.28	(395,000)	0.28
Balance, end of year	14,045,000	0.17	11,065,000	0.18
Exercisable	14,045,000	\$ 0.17	11,065,000	\$ 0.18

Altamira Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and six months ended August 31, 2022
(Expressed in Canadian Dollars)

8. SHARE-BASED PAYMENTS - continued

The following stock options were outstanding as at August 31, 2022:

Expiry Date	Exercise Price (\$)	Number of options	Remaining Contractual Life (Years)
December 22, 2022	0.28	425,000	0.31
May 14, 2023	0.17	780,000	0.70
February 4, 2024	0.10	835,000	1.43
July 22, 2024	0.10	935,000	1.89
May 19, 2025	0.08	3,160,000	2.72
April 12, 2026	0.275	2,910,000	3.62
August 18, 2027	0.17	5,000,000	4.97
Balance, August 31, 2022	0.17	14,045,000	3.39

The Company applies the fair value method in accounting for its stock options using the Black-Scholes pricing model. During the period ended August 31, 2022, the Company recorded \$626,546 (February 28, 2022 - \$745,305) in share-based payments expense using the following assumptions:

	Period Ended August 31, 2022	Year Ended February 28, 2022
Risk free interest rate	3.22%	0.95%
Expected life	5 years	5 years
Expected volatility	123.43%	123.09%
Expected dividend yield	0%	0%
Expected forfeiture	0%	0%
Weighted average share price	\$0.13	\$0.23

9. RELATED PARTY TRANSACTIONS

	Six Month Period ended August 31, 2022		August 31, 2021
Key Management Compensation:			
Consulting fees and salaries	\$	157,500	\$ 145,500
Share-based payments		357,131	384,713
Total	\$	514,631	\$ 530,213
	August 31, 2022		February 28, 2022
Related Party Balances:			
Due to directors and officers of the Company	\$	(7,836)	\$ (22,400)
Due from (to) companies related by common directors		7,611	(2,575)
Total	\$	225	\$ (24,975)

Amounts due to directors and officers of the Company comprise accrued salaries, consulting fees, and expense reimbursement claims. Related party amounts are unsecured, non-interest bearing and due on demand. These transactions are measured by the exchange amount that is the amount agreed upon by the transacting parties and are on terms and conditions similar to non-related entities.

Altamira Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and six months ended August 31, 2022
(Expressed in Canadian Dollars)

10. SEGMENTED DISCLOSURE

The Company has one operating segment, acquisition, exploration and development of mineral properties. The table below shows consolidated data by geographic segment:

	August 31, 2022	February 28, 2022
Non-current assets by geographic segment:		
Canada	\$ 46,466	\$ 45,475
Brazil	16,264,261	14,207,880
	\$ 16,310,727	\$ 14,253,355

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value measurements

	August 31, 2022	February 28, 2022
Financial assets		
<i>FVPL, measured at fair value</i>		
Cash and cash equivalents	\$ 3,254,667	\$ 5,499,276
Reclamation deposit	15,000	15,000
<i>Loans and receivables, measured at amortized cost</i>		
Other receivables (excluding GST)	130	130
<i>Investments, measured at fair value</i>		
Long term investment	31,466	30,475
Financial liabilities		
<i>Other liabilities, measured at amortized cost</i>		
Accounts payable and accrued liabilities	\$ 272,685	\$ 264,061
Due to related parties	225	24,975

Fair value hierarchy

IFRS 13 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at August 31, 2022, the Company's financial instruments are comprised of cash and cash equivalents, other receivables (excluding GST), long term investment, reclamation deposit, accounts payable and accrued liabilities, due to related parties and long term liabilities. The carrying value of cash and cash equivalents, accounts payable and accrued liabilities and due to related parties approximate their fair values due to the relatively short periods to maturity of these financial instruments.

Altamira Gold Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended August 31, 2022

(Expressed in Canadian Dollars)

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT - continued

Financial instruments measured at fair value on the statement of financial position are summarized in levels of fair value hierarchy as follows:

At August 31, 2022

Assets	Level 1	Level 2	Level 3	Total
Cash	\$ 3,254,667	\$ -	\$ -	\$ 3,254,667
Reclamation deposit	15,000	-	-	15,000
Total	\$ 3,269,667	\$ -	\$ -	\$ 3,269,667

At February 28, 2022

Assets	Level 1	Level 2	Level 3	Total
Cash	\$ 5,499,276	\$ -	\$ -	\$ 5,499,276
Reclamation deposit	15,000	-	-	15,000
Total	\$ 5,514,276	\$ -	\$ -	\$ 5,514,276

12. COMMITMENTS

The Company has no commitments other than in respect of long term liabilities as described in note 5.

13. SUBSEQUENT EVENTS

There have been no material events subsequent to the period ended August 31, 2022.