UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For quarterly period ended **March 31, 2021**

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number **000-54653**

AUGUSTA GOLD CORP.

(Exact name of registrant as specified in its charter)

Delaware	**41-2252162**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
Suite 555 - 999 Canada Place Vancouver, BC, Canada	**V6C 3E1**
(Address of principal executive offices)	(Zip Code)

(604) 687-1717

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: None.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in 12b-2 of the Exchange Act.) Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 68,951,435 shares of common stock, par value $0.0001, were outstanding on April 30, 2021.

AUGUSTA GOLD CORP.

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PART I. FINANCIAL INFORMATION

AUGUSTA GOLD CORP.
(Formerly known as Bullfrog Gold Corp.)
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2021 AND DECEMBER 31, 2020
(Expressed in US dollars)

	3/31/21	12/31/20
Assets		
Current assets		
Cash	$26,377,869	$14,341,727
Prepaid	113,973	227,140
Deposits	82,028	331,989
Total current assets	26,573,870	14,900,856
Other assets		
Mineral properties	11,939,556	11,130,976
Equipment	161,326	25,625
Accumulated depreciation	(8,698)	(632)
Total other assets	12,092,184	11,155,969
Total assets	$38,666,054	$26,056,825
Liabilities and Stockholders' Equity (Deficit)		
Current liabilities		
Accounts payable	$1,113,117	$746,808
Total current liabilities	1,113,117	746,808
Long term liabilities		
Asset retirement obligation	1,724,876	1,135,700
Warrant liability	30,696,336	21,517,000
Total long term liabilities	32,421,212	22,652,700
Total liabilities	33,534,329	23,399,508
Stockholders' equity		
Preferred stock, 250,000,000 shares authorized, $0.0001 par value Preferred stock series A, 5,000,000 shares designated and authorized, $.0001 par value; zero issued and outstanding as of 3/31/21 and 12/31/20 Preferred stock series B, 45,000,000 shares designated and authorized, $.0001 par value; 677,084 issued and outstanding as of 3/31/21 and 3,093,750 issued and outstanding as of 12/31/20	67	309
Common stock, 750,000,000 shares authorized, $0.0001 par value; 68,847,268 shares issued and outstanding 3/31/21 and 55,842,715 shares issued and outstanding as of 12/31/20	6,885	5,584
Additional paid in capital	39,498,692	26,276,997
Accumulated deficit	(34,373,919)	(23,625,573)
Total stockholders' equity	5,131,725	2,657,317
Total liabilities and stockholders' equity	$38,666,054	$26,056,825

See accompanying notes to consolidated financial statements

AUGUSTA GOLD CORP.
(Formerly known as Bullfrog Gold Corp.)
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(Expressed in US dollars)

	Three Months Ended	
	3/31/21	**3/31/20**
Operating expenses		
General and administrative	$1,338,457	$183,808
Exploration, evaluation and project expense	2,584,323	43,689
Accretion expense	4,940	-
Depreciation expense	8,066	-
Total operating expenses	3,935,786	227,497
Net operating loss	(3,935,786)	(227,497)
Interest expense	-	(19,064)
Revaluation of warrant liability	(7,007,886)	171,491
Foreign currency translation adjustment	195,326	-
Net loss	$(10,748,346)	$(75,070)
Weighted average common shares outstanding - basic and diluted	62,269,355	25,237,343
Loss per common share - basic and diluted	$(0.17)	$-

See accompanying notes to consolidated financial statements

AUGUSTA GOLD CORP.
(Formerly known as Bullfrog Gold Corp.)
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
FOR THE THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(Expressed in US dollars)

	Preferred Shares Issued	Preferred Stock	Common Shares Issued	Common Stock	Additional Paid In Capital	Deficit Accumulated During the Exploration Stage	Total Stockholders' Equity (Deficit)
December 31, 2019	4,253,472	$425	22,758,993	$2,276	$11,404,350	$(11,666,289)	$(259,238)
Private placement issued	-	-	2,564,103	256	1,419,434	-	1,419,690
Warrant liability	-	-	-	-	(441,010)	-	(441,010)
Conversion of preferred stock	(881,945)	(88)	881,945	88	-	-	-
Stock options issued	-	-	-	-	36,699	-	36,699
Net loss	-	-	-	-	-	(75,070)	(75,070)
March 31, 2020	3,371,527	$337	26,205,041	$2,620	$12,419,473	$(11,741,359)	$681,071
December 31, 2020	3,093,750	$309	55,842,715	$5,584	$26,276,997	$(23,625,573)	$2,657,317
Conversion of warrants	-	-	2,343,995	234	2,912,948	-	2,913,182
Conversion of preferred stock	(2,416,667)	(242)	2,416,667	242	-	-	-
Conversion of options	-	-	688,334	69	325,181	-	325,250
Share based compensation	-	-	-	-	234,277	-	234,277
Placement - March	-	-	7,555,557	756	13,056,047	-	13,056,803
Warrant liability	-	-	-	-	(3,306,758)	-	(3,306,758)
Net loss	-	-	-	-	-	(10,748,346)	(10,748,346)
March 31, 2021	677,083	$67	68,847,268	$6,885	$39,498,692	$(34,373,919)	$5,131,725

See accompanying notes to consolidated financial statements

AUGUSTA GOLD CORP.
(Formerly known as Bullfrog Gold Corp.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(Expressed in US dollars)

	Three Months Ended	
	3/31/21	3/31/20
Cash flows from operating activities		
Net loss	$(10,748,346)	$(75,070)
Adjustments to reconcile net loss to net cash used in operating activities		
Accretion expense	4,940	-
Depreciation expense	8,066	-
Revaluation of warrant liability	7,007,886	(171,491)
Stock options issued for services	234,277	36,699
Change in operating assets and liabilities:		
Prepaid expenses	113,167	-
Deposits	249,961	(2,763)
Accounts payable	366,309	1,953
Related party payable	-	1,517
Other liabilities	(47,466)	-
Net cash used in operating activities	(2,811,206)	(209,155)
Cash flows from investing activity		
Acquisition of mineral properties	(176,878)	-
Acquisition of equipment	(135,701)	-
Net cash used in investing activities	(312,579)	-
Cash flows from financing activities		
Proceeds from private placement of stock	13,056,803	1,419,690
Proceeds from conversion of options	325,250	-
Proceeds from conversion of warrants	1,777,874	-
Net cash provided by financing activities	15,159,927	1,419,690
Net increase (decrease) in cash	12,036,142	1,210,535
Cash, beginning of period	14,341,727	44,595
Cash, end of period	$26,377,869	$1,255,130
Noncash investing and financing activities		
Revaluation of asset retirement obligation	$631,702	$-

See accompanying notes to consolidated financial statements

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

Augusta Gold Corp. (formerly known as Bullfrog Gold Corp., the "Company") is a junior exploration company engaged in the acquisition and exploration of properties that may contain gold, silver, and other metals in the United States. The Company's target properties are those that have been the subject of historical exploration. The Company owns, controls or has acquired mineral rights on Federal patented and unpatented mining claims in the state of Nevada for the purpose of exploration and potential development of gold, silver, and other metals on a total of approximately 7,800 acres. The Company plans to review opportunities and acquire additional mineral properties with current or historic precious and base metal mineralization with meaningful exploration potential.

The Company's properties do not have any reserves. The Company plans to conduct exploration programs on these properties with the objective of ascertaining whether any of its properties contain economic concentrations of precious and base metals that are prospective for mining.

Principles of Consolidation

The consolidated financial statements include the accounts of Augusta Gold Corp. and its wholly owned subsidiaries, Standard Gold Corp. ("Standard Gold"), Bullfrog Mines LLC ("Bullfrog Mines") and Rocky Mountain Minerals Corp. ("Rocky Mountain Minerals" or "RMM"). All significant inter-entity balances and transactions have been eliminated in consolidation.

Cash, Cash Equivalents and Concentration

The Company considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents. The Company places its cash with high credit quality financial institutions in the United States and Canada. On March 31, 2021, the Company's cash balance was $26,377,869. To reduce its risk associated with the failure of such financial institution, the Company will evaluate at least annually the rating of the financial institution in which it holds deposits.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates have been made for share based compensation, asset retirement obligation, warrant liability and whether acquisition of Bullfrog Mines constituted an asset acquisition or business combination.

Foreign Currency Translation

The Company is exposed to currency risk on transactions and balances in currencies other than the functional currency. The Company has not entered any contracts to manage foreign exchange risk.

The functional currency of the Company is the US dollar; therefore, the Company is exposed to currency risk from financial assets and liabilities denominated in Canadian dollars.

Leases

In 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-02, Leases (Topic 842), for reporting leases, which requires an entity that is a lessee to classify leases as either finance or operating and to recognize a lease liability and a right-of-use asset for all leases that have a term of greater than 12 months. Leases of 12 months or less will be accounted for similar to existing guidance for operating leases.

Mineral Property Acquisition and Exploration Costs

Mineral property exploration costs are expensed as incurred until economic reserves are quantified. To date, the Company has not established any proven or probable reserves on its mineral properties. Costs of lease, exploration, carrying and retaining unproven mineral lease properties are expensed as incurred. The Company has chosen to expense all mineral exploration costs as incurred given that it is still in the exploration stage. Once the Company has identified proven and probable reserves in its investigation of its properties and upon development of a plan for operating a mine, it would enter the development stage and capitalize future costs until production is established. When a property reaches the production stage, the related capitalized costs will be amortized over the estimated life of the probable-proven reserves. When the Company has capitalized mineral properties, these properties will be periodically assessed for impairment of value and any diminution in value. To date, the Company has not established the commercial feasibility of any exploration prospects; therefore, all exploration costs are being expensed. Costs of property and equipment acquisitions are being capitalized.

The Company is required to reclaim the property at the Bullfrog Project at the end of its useful life. In accordance with FASB ASC 410-20, Asset Retirement and Environmental Obligations, the Company recognized the fair value of a liability for an ARO in the amount of $1,724,876.

Balance, December 31, 2020	$	1,135,700
Accretion		4,940
Costs applied to ARO balance		(47,466)
Change in estimates		631,702
Balance, March 31, 2021	$	1,724,876

Although the ultimate amounts for future site reclamation and remediation are uncertain, the best estimate of these obligations was based on information available, including current legislation, third-party estimates, and management estimates. The amounts and timing of the mine closure obligations will vary depending on several factors including future operations and the ultimate life of the mine, future economic conditions, and changes in applicable environmental regulations.

At March 31, 2021 the estimated future cash flows have been determined using real cash flows and discounted using a rate of 1.74% and a total undiscounted amount for the estimated future cash flows is $1,797,141.

Fair Value of Financial Instruments

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair value:

Level 1 - Valuation based on quoted market prices in active markets for identical assets and liabilities.

Level 2 - Valuation based on quoted market prices for similar assets and liabilities in active markets.

Level 3 - Valuation based on unobservable inputs that are supported by little or no market activity, therefore requiring management's best estimate of what market participants would use as fair value.

The fair value of cash, receivables and accounts payable approximates their carrying values due to their short term to maturity. The warrant liabilities are measured using level 3 inputs (Note 4).

Income Taxes

Income taxes are accounted for under the asset and liability method in accordance with ASC 740, "Income Taxes". Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial carrying amounts of existing assets and liabilities and their respective tax bases as well as operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the periods in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are reduced by a valuation allowance to the extent that the recoverability of the asset is unlikely to be recognized.

The Company reports a liability, if any, for unrecognized tax benefits resulting from uncertain tax positions taken, or expected to be taken, in an income tax return. The Company has elected to classify interest and penalties related to unrecognized income tax benefits, if and when required, as part of income tax expense in the statement of operations. No liability has been recorded for uncertain income tax positions, or related interest or penalties as of December 31, 2020 and December 31, 2019. The periods ended December 31, 2020, 2019, 2018, 2017 and 2016 are open to examination by taxing authorities.

Long Lived Assets

The Company assesses the impairment of long-lived assets whenever events or changes in circumstances indicate that the carrying value may not be recoverable. When the Company determines that the carrying value of long-lived assets may not be recoverable based upon the existence of one or more indicators of impairment and the carrying value of the asset cannot be recovered from projected undiscounted cash flows, the Company records an impairment charge. The Company measures any impairment based on a projected discounted cash flow method using a discount rate determined by management to be commensurate with the risk inherent in the current business model. Significant management judgment is required in determining whether an indicator of impairment exists and in projecting cash flows.

Preferred Stock

The Company accounts for its preferred stock under the provisions of the ASC on Distinguishing Liabilities from Equity, which sets forth the standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity. This standard requires an issuer to classify a financial instrument that is within the scope of the standard as a liability if such financial instrument embodies an unconditional obligation to redeem the instrument at a specified date and/or upon an event certain to occur. The Company has determined that its preferred stock does not meet the criteria requiring liability classification as its obligation to redeem these instruments is not based on an event certain to occur. Future changes in the certainty of the Company's obligation to redeem these instruments could result in a change in classification.

Stock-Based Compensation

Stock-based compensation is accounted for based on the requirements of the Share-Based Payment Topic of ASC 718 which requires recognition in the consolidated financial statements of the cost of employee and director services received in exchange for an award of equity instruments over the period the employee or director is required to perform the services in exchange for the award (presumptively, the vesting period). This ASC also requires measurement of the cost of employee and director services received in exchange for an award based on the grant-date fair value of the award.

The estimated fair value of each stock option as of the date of grant was calculated using the Black-Scholes pricing model. The Company estimates the volatility of its common stock at the date of grant based on Company stock price history. The Company determines the expected life based on the simplified method given that its own historical share option exercise experience does not provide a reasonable basis for estimating expected term. The Company uses the risk-free interest rate on the implied yield currently available on U.S. Treasury issues with an equivalent remaining term approximately equal to the expected life of the award. The Company has never paid any cash dividends on its common stock and does not anticipate paying any cash dividends in the foreseeable future. The shares of common stock subject to the stock-based compensation plan shall consist of unissued shares, treasury shares or previously issued shares held by any subsidiary of the Company, and such number of shares of common stock are reserved for such purpose.

Derivative Financial Instruments

The Company accounts for derivative instruments in accordance with Financial Accounting Standards Board ("FASB") ASC 815, Derivatives and Hedging ("ASC 815"), which requires additional disclosures about the Company's objectives and strategies for using derivative instruments, how the derivative instruments and related hedged items are accounted for, and how the derivative instruments and related hedging items affect the financial statements. The Company does not use derivative instruments to hedge exposures to cash flow, market, or foreign currency risk. Terms of convertible debt and equity instruments are reviewed to determine whether or not they contain embedded derivative instruments that are required under ASC 815 to be accounted for separately from the host contract and recorded on the balance sheet at fair value. The fair value of derivative liabilities, if any, is required to be revalued at each reporting date, with corresponding changes in fair value recorded in current period operating results. Pursuant to ASC 815, an evaluation of specifically identified conditions is made to determine whether the fair value of warrants issued is required to be classified as equity or as a derivative liability.

Certain warrants are treated as derivative financial liabilities. The estimated fair value, based on the Black-Scholes model, is adjusted on a quarterly basis with gains or losses recognized in the statement of loss and comprehensive loss. The Black-Scholes model is based on significant assumptions such as volatility, dividend yield, expected term and liquidity discounts.

Net Loss per Common Share
The Company incurred net losses during the three months ended March 31, 2021 and 2020. As such, the Company excluded the following from computation as the effect would be anti-dilutive:

	3/31/21	**3/31/20**
Stock options	6,050,000	1,641,667
Warrants	33,099,098	5,013,510
Preferred stock	677,084	3,371,528

Risks and Uncertainties
Since the formation of the Company, it has not generated any revenues. As an early-stage company, the Company is subject to all the risks inherent in the initial organization, financing, expenditures, complications and delays inherent in a new business. Our business is dependent upon the implementation of our business plan. There can be no assurance that our efforts will be successful or that we will ultimately be able to generate revenue or attain profitability.

Natural resource exploration, and exploring for gold, is a business that by its nature is very speculative. There is a strong possibility that we will not discover gold or any other mineralization which can be mined or extracted at a profit. Even if we do discover gold or other deposits, the deposit may not be of the quality or size necessary for us or a potential purchaser of the property to make a profit from mining it. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected geological formations, geological formation pressures, fires, power outages, labor disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labor are just some of the many risks involved in mineral exploration programs and the subsequent development of gold deposits.

The Company business is exploring for gold and other minerals. If the Company discovers commercially exploitable gold or other deposits, revenue from such discoveries will not be generated unless the gold or other minerals are actually mined.

Mining operations in the United States are subject to many different federal, state, and local laws and regulations, including stringent environmental, health and safety laws. In the event operational responsibility is assumed for mining our properties, the Company may be unable to comply with current or future laws and regulations, which can change at any time. Changes to these laws may adversely affect any of the Company potential mining operations. Moreover, compliance with such laws may cause substantial delays and require capital outlays greater than those the Company anticipate, adversely affecting any potential mining operations. Future mining operations, if any, may also be subject to liability for pollution or other environmental damage. The Company may choose to not be insured against this risk because of high insurance costs or other reasons.

Recent Accounting Pronouncements
ASU 2018-13 - Fair Value Measurement (Topic 820-10)

In August 2018, the FASB issued ASU 2018-13, Fair Value Measurement (Topic 820-10): Disclosure Framework Changes to the Disclosure Requirements for Fair Value Measurement ("ASU 2018-13"), which changes the fair value measurement disclosure requirements of ASC Topic 820, Fair Value Measurements and Disclosures. Under this ASU, certain disclosure requirements for fair value measurements are eliminated, amended or added. These changes aim to improve the overall usefulness of disclosures to financial statement users and reduce unnecessary costs to companies when preparing the disclosures. The guidance is effective for the Company beginning on October 1, 2020 and prescribes different transition methods for the various provisions. The Company does not expect the adoption of ASU 2018-13 to have a material impact on its financial statements and disclosures.

ASU 2019-12 - Income Taxes (Topic 740)

In December 2019, the FASB issued ASU 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes ("ASU 2019-12"), which simplifies the accounting for income taxes by removing certain exceptions related to the approach for intraperiod tax allocation, the methodology for calculating income taxes in an interim period and the recognition of deferred tax liabilities for outside basis differences. The new ASU also simplifies aspects of the accounting for franchise taxes and enacted changes in tax laws or rates. These changes aim to improve the overall usefulness of disclosures to financial statement users and reduce unnecessary costs to companies when preparing the disclosures. The guidance is effective for the Company beginning on October 1, 2021 and prescribes different transition methods for the various provisions. The Company does not expect the adoption of ASU 2019-12 to have a material impact on its financial statements and related disclosures.

ASU 2016-13 - Financial Instruments-Credit Losses (Topic 326)

In June 2016, the FASB issued ASU 2016-13, Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which requires the measurement and recognition of expected credit losses for financial assets held at amortized cost, including trade receivables. ASU 2016-13 replaces the existing incurred loss impairment model with an expected loss model that requires the use of forward-looking information to calculate credit loss estimates. This guidance is effective for annual reporting periods beginning after December 15, 2019, with early adoption permitted. Entities will apply the amendments using a modified retrospective approach. The Company does not expect the adoption of ASU 2016-13 to have a material impact on its financial statements and related disclosures.

ASU 2020-06 - Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging- Contracts in Entity's Own Equity (Subtopic 815-40)

In August 2020, the FASB issued ASU No. 2020-06 ("ASU 2020-06") "Debt-Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging-Contracts in Entity's Own Equity (Subtopic 815- 40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity." ASU 2020-06 will simplify the accounting for convertible instruments by reducing the number of accounting models for convertible debt instruments and convertible preferred stock. Limiting the accounting models will result in fewer embedded conversion features being separately recognized from the host contract as compared with current GAAP. Convertible instruments that continue to be subject to separation models are (1) those with embedded conversion features that are not clearly and closely related to the host contract, that meet the definition of a derivative, and that do not qualify for a scope exception from derivative accounting and (2) convertible debt instruments issued with substantial premiums for which the premiums are recorded as paid-in capital. ASU 2020-06 also amends the guidance for the derivatives scope exception for contracts in an entity's own equity to reduce form-over-substance-based accounting conclusions. ASU 2020-06 will be effective January 1, 2024, for the Company. Early adoption is permitted, but no earlier than January 1, 2021, including interim periods within that year. Management is currently evaluating the effect of the adoption of ASU 2020-06 on the consolidated financial statements, but currently does not believe ASU 2020-06 will have a significant impact on the Company's accounting.

NOTE 2 - MINERAL PROPERTIES

	Mineral properties	Plant and equipment	Total
Cost			
As of December 31, 2020	$ 11,130,976	$ 25,625	$ 11,156,601
Change in ARO estimate	631,702	-	631,702
Additions	176,878	135,701	312,579
As of March 31, 2021	$ 11,939,556	$ 161,326	$ 12,100,882
Accumulated depreciation			
As of December 31, 2020	$ -	$ 632	$ 632
Depreciation expense	-	8,066	8,066
As of March 31, 2021	$ -	$ 8,698	$ 8,698
Net book value on March 31, 2021	$ 11,939,556	$ 152,628	$ 12,092,184

On October 26, 2020, the Company completed its acquisition of Bullfrog Mines pursuant to the MIPA with the Barrick Parties.

Pursuant to the MIPA, the Company purchased from the Barrick Parties all of the Equity Interests in Bullfrog Mines for aggregate consideration of (i) 9,100,000 units of the Company, each unit consisting of one share of common stock of the Company and one four-year warrant purchase one share of common stock of the Company at an exercise price of C$1.80 (such number of units and exercise price are set out on a pre-Consolidation basis), (ii) a 2% net smelter returns royalty (the "Barrick Royalty") granted on all minerals produced from all of the patented and unpatented claims (subject to the adjustments set out below), pursuant to a royalty deed, dated October 26, 2020 by and among Bullfrog Mines and the Barrick Parties (the "Royalty Deed"), (iii) the Company granting indemnification to the Barrick Parties pursuant to an indemnity deed, dated October 26, 2020 by and among the Company, the Barrick Parties and Bullfrog Mines, and (iv) certain investor rights, including anti-dilution rights, pursuant to the investor rights agreement dated October 26, 2020, among the Company, Augusta Investments Inc., and Barrick.

Pursuant to the Royalty Deed, the Barrick Royalty is reduced to the extent necessary so that royalties burdening any individual parcel or claim included in the Barrick Properties on October 26, 2020, inclusive of the Barrick Royalty, would not exceed 5.5% in the aggregate, provided that the Barrick Royalty in respect of any parcel or claim would not be less than 0.5%, even if the royalties burdening a parcel or claim included in the Barrick Properties would exceed 5.5%.

The following is the consideration paid in the acquisition, which was allocated entirely to mineral properties:

Consideration:		
Grant date fair value of 9,100,000 units issued	$	8,342,880
Transaction fees		97,571
Asset retirement obligation		1,130,631
Total	$	9,571,082

NOTE 3 - STOCKHOLDER'S EQUITY

On January 11, 2021, the Company filed a Certificate of Amendment to its Certificate of Incorporation to change the name of the Company to "Augusta Gold Corp." and effect a reverse stock split of the Company's shares of common stock on the basis of one (1) post-split share for every six (6) pre-split shares (the "Reverse Stock Split").

On January 26, 2021, the Certificate of Amendment went effective. As a result of the Reverse Stock Split, every six (6) shares of the Company's issued and outstanding common stock, par value $0.0001 was converted into one (1) share of common stock, par value $0.0001. There was no change in the par value of the common stock. The Reverse Stock Split did not change the authorized number of shares of common stock or preferred stock of the Company.

No fractional shares were issued in connection with the Reverse Stock Split. Stockholders who otherwise would be entitled to receive fractional shares because they hold a number of pre-Reverse Stock Split shares of the Company's common stock not evenly divisible by six (6), had the number of post-Reverse Split Shares of the Company's common stock to which they were entitled rounded up to the next whole number of shares of the Company's common stock. No stockholders received cash in lieu of fractional shares.

Pursuant to the terms of the Company's Series B Convertible Preferred Stock (the "Series B Preferred Shares"), the conversion price/terms at which Series B Preferred Shares may be converted into shares of common stock were proportionately adjusted to reflect the Reverse Stock Split by dividing the number of pre-Reverse Stock Split shares acquirable upon conversion of Series B Preferred Shares by six (6). In addition, pursuant to their terms, a proportionate adjustment was made to the per share exercise price, multiplying the price by six (6), and number of shares issuable, dividing the number of shares issuable by six (6), under all of the Company's outstanding stock options and warrants to purchase shares of common stock, and the number of shares reserved for issuance pursuant to the Company's equity compensation plans was reduced proportionately.

Recent Sales of Unregistered Securities

On January 16, 2020, the Company sold an aggregate of 2,564,103 Units for gross proceeds of CAD$2,000,000 to accredited investors pursuant to a subscription agreement. Each Unit was sold for a purchase price of CAD$0.78 per Unit and consisted of: (i) one share of the Company's common stock and (ii) a two-year warrant (the "January 2020 Warrants") to purchase 50% of the number of shares of common stock purchased at an exercise price of CAD$1.20 per share. In addition, the Company paid a total of $118,918 for finder's fees on subscriptions under the Offering and issued to the finder 152,458 share purchase warrants (the "Finder Warrants"). Each Finder Warrant entitles the holder to acquire one share of common stock at an exercise price of CAD$1.20 per share for a period of 24 months from the date of issuance.

The Finder Warrants were evaluated for purposes of classification between liability and equity. The warrants do not contain features that would require a liability classification and are therefore considered equity. The Black Scholes pricing model was calculated in US dollars to estimate the fair value of $44,858 of the warrants with the following inputs:

Warrants	Exercise Price	Term	Volatility	Risk Free Interest Rate	Fair Value
152,458	$1.20	2 years	113.5%	1.6%	$44,858

In August 2020, the Company issued 250,000 shares of common stock for executive and director services valued at $1.08 per share, for an aggregate of $270,000.

In August 2020, the Company issued 83,333 shares of common stock for consulting services performed valued at $1.14 per share and an aggregate of $95,000.

On October 26, 2020, the Company sold an aggregate of 18,333,333 Units for gross proceeds to the Company of CAD$22,000,000 to accredited investors pursuant to a subscription agreement. Each Unit was sold for a purchase price of CAD$1.20 per Unit and consisted of: (i) one share of the Company's common stock and (ii) a four-year warrant (the "October 2020 Warrants") to purchase one share of common stock purchased at an exercise price of CAD$1.80 per share. Also, on the same date, the Company completed a land acquisition transaction for an aggregate consideration of 9,100,000 units of the Company, each unit consisting of one share of common stock and one four-year warrant to purchase one share of common stock at an exercise price of CAD$1.80 per share.

On March 4, 2021, the Company closed a private placement (the "Private Placement") of units of the Company (the "Units") at a price of C$2.25 per Unit ("Offering Price"), each Unit comprised of one share of common stock of the Company (a "Unit Share") and one half of one common stock purchase warrant (each full warrant, a "Warrant"). Each Warrant entitles the holder to acquire one share of common stock (a "Warrant Share") at an exercise price of C$2.80 per Warrant Share for a period of three (3) years from the date of issuance for gross aggregate proceeds of C$17 million. The proceeds from the Private Placement will be used to advance exploration efforts at its highly prospective wholly owned Bullfrog Gold project located in Nevada, USA, and for general and working capital purposes. Finders' fees of C$450,000 were paid in connection with the Private Placement.

Pursuant to the closing of the Offering, the Company issued 7,555,556 Unit Shares and 3,777,784 Warrants to investors upon payment of the Offering Price in cash. The Unit Shares and Warrants were issued to investors inside the United States pursuant to the exemption from the registration requirements of the United States Securities Act of 1933, as amended (the "U.S. Securities Act") under Rule 506(b) of Regulation D under the U.S. Securities Act and outside the United States pursuant to the exclusion from the registration requirements under the U.S. Securities Act under Rule 903 of Regulation S under the U.S. Securities, in each case, in reliance upon the representations and warranties made to the Company by the investors.

In addition to the above, the Company issued the following common shares for the twelve months ending December 31, 2020 and the three months ending March 31, 2021:

Options converted to common shares

Date	Shares		Price
October 2020	41,667	$	0.150
December 2020	353,333	$	0.150
December 2020	416,667	$	0.816
January 2021	295,833	$	0.150
January 2021	333,334	$	0.816
February 2021	59,167	$	0.150

Warrants converted to common shares

Date	Shares		Price
July 2020	25,000	$	0.60
July 2020	16,667	C$	1.20
September 2020	75,000	$	0.90
September 2020	50,000	C$	1.20
October 2020	83,333	$	0.60
December 2020	19,231	C$	1.20
January 2021	387,467	C$	1.20
January 2021	266,685	$	0.60
January 2021	83,333	$	0.90
February 2021	573,174	C$	1.20
February 2021	941,669	$	0.60
March 2021	41,667	C$	1.20
March 2021	50,000	$	0.60

Preferred shares converted to common shares

Date	Shares
January 2020	166,667
February 2020	715,278
July 2020	166,667
December 2020	111,111
January 2021	2,416,667

Convertible Preferred Stock

In August 2011, the Board of Directors designated 833,333 shares of Preferred Stock as Series A Preferred Stock. Each share of Series A Preferred Stock is convertible into one share of common stock at the option of the preferred holder. The Series A Preferred Stock is not entitled to receive dividends and does not possess redemption rights. The Company is prohibited from effecting the conversion of the Series A Preferred Stock to the extent that, as a result of the conversion, the holder of such shares would beneficially own more than 4.99% (or, if this limitation is waived by the holder upon no less than 61 days prior notice to us, 9.99%) in the aggregate of the issued and outstanding shares of our common stock. The holders of the Company's Series A Preferred Stock are also entitled to certain liquidation preferences upon the liquidation, dissolution or winding up of the business of the Company.

In October 2012, the Board of Directors designated 833,333 shares of Preferred Stock as Series B Preferred Stock. In July 2016, the Board of Directors increased the total Series B Preferred Stock designated to 7,500,000. Each share of Series B Preferred Stock is convertible into one share of common stock at the option of the preferred holder. The Series B Preferred Stock is not entitled to receive dividends and does not possess redemption rights. The Company is prohibited from effecting the conversion of the Series B Preferred Stock to the extent that, as a result of the conversion, the holder of such shares would beneficially own more than 4.99% (which may be increased or waived upon no less than 61 days prior notice) in the aggregate of the issued and outstanding shares of our common stock. For a period of 24 months from the issue date, the holder of Series B Preferred Stock were entitled to price protection as determined in the subscription agreement. The Company has evaluated this embedded lower price issuance feature in accordance with ASC 815 and determined that it is clearly and closely related to the host contract and is therefore accounted for as an equity instrument.

As of March 31, 2021, the Company had outstanding 677,084 shares of Series B Preferred Stock.

Common Stock Options

The Company granted 58,333 and 83,333 options to purchase common stock in January and August 2020, respectively, to the former CFO. These options are nonqualified stock options and were 100% vested on grant date. All expense related to these stock options has been recognized in 2020.

The Black Scholes option pricing model was used to estimate the aggregate fair value of the January 2020 options of $36,699 with the following inputs:

Options	Exercise Price	Term	Volatility	Risk Free Interest Rate	Fair Value
58,334	$0.66	6 years	160.4%	1.83%	$36,699

The Black Scholes option pricing model was used to estimate the aggregate fair value of the August 2020 options of $85,197 with the following inputs:

Options	Exercise Price	Term	Volatility	Risk Free Interest Rate	Fair Value
83,334	$1.08	6 years	158.8%	(1.02)%	$85,197

The Company granted 5,825,000 options to officers, directors and employees of the Company, pursuant to the terms of the Company's Stock Option Plan for the three months ended March 31, 2021. The Black Scholes option pricing model was used to estimate the aggregate fair value of the March 2021 options of $85,197 with the following inputs:

Options	Exercise Price	Term	Volatility	Risk Free Interest Rate	Fair Value
5,825,000	C$3.00	3 years	72.7%	0.22%	$6,110,018

For the three months ended March 31, 2021, the Company recognized share-based compensation expense related to the stock options of $234,277.

A summary of the stock options as of March 31, 2021 and changes during the periods are presented below:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Balance at December 31, 2018	1,583,333	$0.50	7.70	-
Balance at December 31, 2019	1,583,333	$0.50	6.70	$382,500
Exercised	811,667	0.49	-	-
Issued	141,667	0.91	-	-
Balance at December 31, 2020	913,333	$0.57	6.26	$1,286,650
Exercised	688,333	0.47	-	-
Issued	5,825,000	C$3.00	-	-
Balance at March 31, 2021	6,050,000	2.32	5.02	303,900
Options exercisable at March 31, 2021	225,000	$0.86	8.21	$303,900

Total outstanding warrants of 33,099,115 as of March 31, 2021 were as follows:

Warrants Issued	Exercise Price	Expiration Date
1,541,668	$0.90	May 2021
346,328	C$1.20	January 2022
27,433,335	C$1.80	October 2024
3,777,784	C$2.80	March 2024

NOTE 4 - DERIVATIVE FINANCIAL INSTRUMENTS

The January 2020 Warrants, October 2020 Warrants and March 2021 Warrants have an exercise price in Canadian dollars while the Company's functional currency is US dollars. Therefore, in accordance with ASU 815 - Derivatives and Hedging, the January 2020 Warrants, October 2020 Warrants and March 2021 Warrants have a derivative liability value.

The value of the January 2020 Warrants of $441,010 has been calculated on the date of issuance of January 16, 2020 using Black-Scholes valuation technique. For the three months ending March 31, 2021 the warrant liability was valued at $437,897 with the following assumptions:

	1/16/20	12/31/20	3/31/21
Fair market value of common stock	$0.66	$1.92	$2.21
Exercise price	$0.90	$0.90	$0.96
Term	2 years	1.04 years	0.79 years
Volatility range	113.5%	90.8%	84.2%
Risk-free rate	1.58%	0.13%	0.06%

The value of the October 2020 Warrants of $11,439,156 has been calculated on the date of issuance of October 26, 2020 using Black-Scholes valuation technique. For the three months ending March 31, 2021 the warrant liability was valued at $25,774,649 with the following assumptions:

	10/26/20	12/31/20	3/31/21
Fair market value of common stock	$1.26	$1.92	$2.21
Exercise price	$1.38	$1.41	$1.43
Term	4 years	3.8 years	3.6 years
Volatility range	68.4%	69.3%	77.3%
Risk-free rate	0.18%	0.13%	0.35%

The value of the March 2021 Warrants of $3,306,758 has been calculated on the date of issuance of March 4, 2021 using Black-Scholes valuation technique. For the three months ending March 31, 2021 the warrant liability was valued at $4,483,790 with the following assumptions:

	3/4/21	3/31/21
Fair market value of common stock	$1.97	$2.21
Exercise price	$2.21	$2.23
Term	3 years	2.9 years
Volatility range	72.7%	85.5%
Risk-free rate	0.32%	0.35%

NOTE 5 - RELATED PARTY

On January 7, 2020, the Board of Directors approved issuance of 58,333 stock options to the former CFO, with an exercise price of $0.66 per share determined by the closing price of the Company's common stock as of January 7, 2020. The options are 100% percent vested as of the grant date.

On August 4, 2020, the Board of Directors approved issuance of 83,333 stock options to the former CFO with an exercise price of $1.08 per share determined by the closing price of the Company's common stock as of August 4, 2020. The options are 100% percent vested as of the grant date.

In August 2020, the Company issued 500,000 shares each of common stock to the former CEO and President and two directors for services valued at $0.18 per share, for an aggregate of $270,000.

The following payments were made to the former CEO and President during 2020:

		2020
Salaries	$	273,655
Severance		200,000
Share based compensation		90,000
Interest		293,139
Total	$	856,794

On October 26, 2020, the Company entered an arrangement to share office space, equipment, personnel, consultants and various administrative services with other companies related by virtue of certain directors and management in common. These services have been provided through a management company equally owned by each company party to the arrangement. Costs incurred by the management company are allocated and funded by the shareholders of the management company based on time incurred and use of services. If the Company's participation in the arrangement is terminated, the Company will be obligated to pay its share of the rent payments for the remaining term of the office space rental agreement.

The Company was charged for the following with respect to this arrangement from inception, October 26, 2020 through December 31, 2020 and for the three months ended March 31, 2021:

		Three Months Ended March 31, 2021		Oct. 26, 2020 to Dec. 31, 2020
Salaries and benefits	$	376,324	$	122,031
Office		76,379		12,948
Operating expenses		66,227		17,875
Total	$	518,930	$	152,855

The Company is committed to payments for office leases premises through 2022 in the total amount of approximately $151,000 based on the Company's current share of rent paid. The Company is jointly liable for rent payments and uses the assets jointly. Payments by fiscal year are:

2021	$	132,077
2022		18,678
Total	$	150,755

The Company granted 5.8 million stock options to officers, directors and employees of the Company, pursuant to the terms of the Company's Stock Option Plan. The Options have an exercise price of C$3.00 per share and expire five years from the date of grant.

NOTE 6 - COMMITMENTS

On July 1, 2017, RMM entered a 30-year Mineral Lease (the "Lunar Lease") with Lunar Landing, LLC ("Lunar") involving 24 patented mining claims situated in the Bullfrog Mining District, Nye County, Nevada. Lunar owns a 100% undivided interest in the mining claims.

Under the Lunar Lease, RMM shall expend as minimum work commitments of $50,000 per year starting in 2017 until a cumulative of $500,000 of expense has been incurred. If RMM fails to perform its obligations under the Lunar Lease, and in particular fails to make any payment due to Lunar thereunder, Lunar may declare RMM in default by giving RMM written notice of default which specifies the obligation(s) which RMM has failed to perform. If RMM fails to remedy a default in payment within fifteen (15) days of receiving the notice of default or fails to remedy or commence to remedy any other default within thirty (30) days of receiving notice, Lunar may terminate the Lunar Lease and RMM shall peaceably surrender possession of the properties to Lunar. Notice of default or of termination shall be in writing and served in accordance with the Lunar Lease. RMM has made all required payments and has paid Lunar $74,000 as of March 31, 2021 and makes lease payments on the following schedule:

Years Ending December 31	Annual Lease Payment ($)
2019-2022	16,000
2023-2027	21,000
2028-2032	25,000
2033-2037	30,000
2038-2042	40,000
2043-2047	45,000

On October 29, 2014, RMM entered into an Option Agreement (the "Mojave Option") with Mojave Gold Mining Corporation ("Mojave"). Mojave holds the purchase rights to 100% of 12 patented mining claims located in Nye County, Nevada. This property is contiguous to the Company's Bullfrog Project and covers approximately 156 acres, including the northeast half of the M-S pit mined by Barrick Gold in the 1990s.

Mojave granted to RMM the sole and immediate working right and option with respect to the property until the 10th anniversary of the closing date, to earn a 100% interest in and to the property free and clear of all charges encumbrances and claims, except a sliding scale Net smelter return (or NSR) royalty.

In order to maintain in force, the working right and option granted to RMM, and to exercise the Mojave Option, the Company issued Mojave 750,000 shares of Company common stock and paid $16,000 in October 2014, and RMM must pay to Mojave a total of $190,000 over the next 10 years of which the Company has made all required payments and paid $105,000 as of March 31, 2021. Future payments will be due as follows:

Due Date	Amount
October 2021	$25,000
October 2022	$30,000
October 2023	$30,000

On March 23, 2015, Rocky Mountain Minerals Corp. a wholly owned subsidiary of the Company, entered into a Mineral Lease and Option to Purchase Agreement with Barrick Bullfrog Inc. involving patented mining claims, unpatented mining claims, and mill site claims located approximately four miles west of Beatty, Nevada. As discussed in note 2, this agreement was terminated and replaced with the aforementioned MIPA.

On December 9, 2020, Bullfrog Mines entered into an option agreement with Abitibi Royalties (USA) Inc. ("Abitibi") granting Bullfrog Mines the option (the Abitibi Option) to acquire forty-three unpatented lode mining claims to the south of the Bullfrog deposit. Bullfrog Mines made an initial payment to Abitibi of C$25,000 and can exercise the Abitibi Option by:

- Paying to Abitibi C$50,000 in cash or shares of Company common stock by December 9, 2021;
- Paying to Abitibi C$75,000 in cash or shares of Company common stock by December 9, 2022; and
- Granting to Abitibi a 2% net smelter royalty on the claims subject to the Abitibi Option by December 9, 2022, of which Bullfrog Mines would have the option to purchase 0.5% for C$500,000 on or before December 9, 2030.

In order to exercise the Abitibi Option, Bullfrog Mines is also required to keep the underlying claims in good standing.

NOTE 7 - SUBSEQUENT EVENTS

On April 13, 2021 Mr. Donald Taylor, was appointed President and Chief Executive Officer, effective immediately. Ms. Maryse Belanger resigned as Chief Executive Officer, President and a Director of Augusta Gold.

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Certain statements in this Management's Discussion and Analysis ("MD&A"), other than purely historical information, including estimates, projections, statements relating to our business plans, objectives and expected operating results, and the assumptions upon which those statements are based, are "forward-looking statements". Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "would," "expect," "intend," "could," "estimate," "should," "anticipate," or "believe," and similar expressions. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events, or otherwise, except as may be required under applicable law. Readers should carefully review the risk factors and related notes included under Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2020 filed with the Securities and Exchange Commission on March 16, 2021.

The following MD&A is intended to help readers understand the results of our operation and financial condition, and is provided as a supplement to, and should be read in conjunction with, our Interim Unaudited Financial Statements and the accompanying Notes to Interim Unaudited Financial Statements under Part 1, Item 1 of this Quarterly Report on Form 10-Q.

Unless otherwise indicated or unless the context otherwise requires, all references in this document to "we," "us," "our," the "Company," and similar expressions refer to Augusta Gold Corp., and depending on the context, its subsidiaries.

Company History and Recent Events

General Corporate Overview

Augusta Gold is an exploration stage gold company focused on building a long-term business that delivers stakeholder value through developing the Company's Bullfrog Gold Project and pursing accretive merger and acquisition opportunities. We are focused on exploration and advancement of gold exploration and potential development projects, which may lead to gold production or strategic transactions such as joint venture arrangements with other mining companies or sales of assets for cash and/or other consideration. At present we are in the exploration stage and do not mine, produce or sell any mineral products and we do not currently generate cash flows from mining operations.

The Bullfrog Gold Project is located approximately 120 miles north-west of Las Vegas, Nevada and 4 miles west of Beatty, Nevada. The Company controls approximately 7,800 acres of mineral rights including the Bullfrog and Montgomery-Shoshone deposits and has further identified significant additional mineralization around the existing pits and defined several exploration targets that could further enhance the Bullfrog Gold Project.

The Company is led by a management team and board of directors with a proven track record of success in financing and developing mining assets and delivering shareholder value.

Recent Development of the Business

On October 9, 2020, the Company entered into a membership interest purchase agreement (the "MIPA") among the Company, Homestake Mining Company of California ("Homestake"), and Lac Minerals (USA) LLC ("Lac Minerals" and together with Homestake, the "Barrick Parties").

Pursuant to the MIPA, the Company agreed to purchase from the Barrick Parties, and the Barrick Parties agreed to sell to the Company, all of the equity interests (the "Equity Interests") in Bullfrog Mines LLC ("Bullfrog Mines"), the successor by conversion of Barrick Bullfrog Inc. (the "Acquisition Transaction").

The Acquisition Transaction closed on October 26, 2020. Through the Company's acquisition of the Equity Interests, the Company acquired rights to 1,500 acres of land adjoining the Company's Bullfrog Gold deposit.. As at the date of this Report, the Company's total land position at the Bullfrog Gold Project totals approximately 7,800 acres.

Following closing of the Acquisition Transaction, the Company's board and management was reconstituted to include Maryse Bélanger as President, CEO and director, and Messrs. Donald Taylor and Daniel Earle as directors of the Company joining Mr. David Beling as the sole pre-existing Company director.

On January 7, 2021, the Company announced the appointment of Mr. Richard Warke, Ms. Poonam Puri and Mr. John Boehner as directors of the Company, the resignation of Mr. David Beling as a director of the Company, and the appointments of new members of management. On January 20, 2021, the Company announced the appointment of Mr. Len Boggio as a director of the Company.

On April 13, 2021, the Company announced the appointment of Mr. Donald Taylor as President and Chief Executive Officer of the Company and the resignation of Maryse Belanger as President, Chief Executive Officer and a director.

Results of Operations

Three Months Ended March 31, 2021 Compared to March 31, 2020

	Three Months Ended	
	3/31/21	**3/31/20**
Operating expenses		
General and administrative	$1,338,457	$183,808
Exploration, evaluation and project expense	2,584,323	43,689
Accretion expense	4,940	-
Depreciation expense	8,066	-
Total operating expenses	3,935,786	227,497
Net operating loss	(3,935,786)	(227,497)
Interest expense	-	(19,064)
Revaluation of warrant liability	(7,007,886)	171,491
Foreign currency translation adjustment	195,326	-
Net loss	$(10,748,346)	$(75,070)

For the three months ending March 31, 2021 the Company increased general and administrative expenses by approximately $1,155,000. The increase was due to the following year over year variances:

	3/31/21	**3/31/20**	**Variance**
Accounting fees	$95,000	$33,000	$62,000
Legal fees	181,000	3,000	178,000
Marketing expense	64,000	13,000	51,000
Payroll	479,000	27,000	452,000
Corporate expenses & rent	172,000	0	172,000
Share based compensation	234,000	37,000	197,000
Insurance	26,000	0	26,000
Other professional fees	61,000	53,000	8,000
Other general expenses	26,000	18,000	8,000

- Accounting fees increase resulted from higher costs for year end audit procedures along with additional consulting fees needed for required regulatory filings. Management believes these increased costs will continue in future fiscal periods.
- Legal fees were needed for additional stock exchange listing compliance requirements. While these fees represent a onetime cost, management does believe that legal costs will be higher than prior periods moving forward due to the Company's increased compliance costs and the implementation of regulatory changes in relation to property disclosure requirements in our filings with the SEC.
- Marketing expense was higher as additional amounts were used for increase shareholder awareness.

- The increase in payroll and corporate expenses was from the Company entering into an agreement to share office space, equipment, personnel, consultants and various administrative services for the Company's new head office located in Vancouver, BC Canada. Management expects payroll costs to continue to be higher than prior periods due to increased personnel and consultants added in the quarter that will continue to be retained moving forward.
- The Company granted 5,825,000 options to officers, directors and employees of the Company, pursuant to the terms of the Company's Stock Option Plan for the three months ended March 31, 2021. The Company recognized share-based compensation expense related to the stock options of $234,000.

For the three-month period ending March 31, 2021 there was $2,584,000 versus $44,000 for the same period in 2020 in exploration and evaluation expenses. The following are the significant expenses incurred in 2021:

Drilling	$1,436,000
Consultants/Contractors	555,000
Supplies	124,000
Assay	134,000
Water haulage	136,000
Overhead	110,000
Other	89,000

The exploration costs are expected to be higher in the future periods, consistent with the three-month period ending March 31, 2021. In the first quarter of 2021, exploration drilling was centered on Montgomery-Shoshone, one of five key explorations targets on the property. A total of 13 holes totaling 5,453 meters were drilled targeting two principal structures, the Polaris Vein and the Montgomery-Shoshone Vein Zone. Drilling in the first quarter was focused on expanding the currently outlined resource, capturing geotechnical data and collecting samples for metallurgical test work.

In addition to exploration drilling in the first quarter, the Company continued to advance the development of the project by conducting comprehensive geologic mapping and geochemical sampling at the Gap Target and completing archaeological and biological studies in key areas to advance exploration drill permits on federal lands. In the second quarter, the Company will be conducting a geophysical survey at the Gap Target to identify structural zones conducive to hosting hydrothermal mineralization followed by exploration drilling. Drilling at the Bullfrog target is also anticipated to start to further define mineralization north of the existing historic pit and collect required geotechnical and metallurgical samples to advance the project.

The revaluation of the warrant liability is based on the following warrants issued:

Issue Date	**Expiration Date**	**Warrants Issued**	**Exercise Price**
January 2020	January 2022	329,965	C$1.20
October 2020	October 2024	18,333,333	C$1.80
March 2021	March 2024	3,777,784	C$2.80

Liquidity and Capital Resources

The Company has no revenue generating operations from which it can internally generate funds. To date, the Company's ongoing operations have been financed by the sale of its equity securities by way of public offerings, private placements and the exercise of incentive stock options and share purchase warrants. The Company believes that it will be able to secure additional private placements and public financings in the future, although it cannot predict the size or pricing of any such financings. This situation is unlikely to change until such time as the Company can develop a bankable feasibility study on one of its projects.

On January 16, 2020, the Company sold an aggregate of 2,564,103 Units for gross proceeds to the Company of CAD$2,000,000 to accredited investors pursuant to a subscription agreement. Each Unit was sold for a purchase price of C$0.78 per Unit and consisted of: (i) one share of the Company's common stock and (ii) a two-year warrant to purchase 50% of the number of shares of common stock purchased at an exercise price of C$0.20 per share. In addition, the Company paid a total of C$118,918 for finder's fees on subscriptions under the Offering and issued to the finder 152,458 share purchase warrants. Each Finder Warrant entitles the holder to acquire one share of common stock at an exercise price of C$1.20 per share for a period of 24 months from the date of issuance.

On October 26, 2020, the Company sold an aggregate of 18,333,333 Units for gross proceeds to the Company of CAD$22,000,000 to accredited investors pursuant to a subscription agreement. Each Unit was sold for a purchase price of CAD$1.20 per Unit and consisted of: (i) one share of the Company's common stock and (ii) a four-year warrant to purchase one share of common stock purchased at an exercise price of CAD$1.80 per share. Also, on the same date, the Company completed a land acquisition transaction for an aggregate consideration of 9,100,000 units of the Company, each unit consisting of one share of common stock and one four-year warrant to purchase one share of common stock at an exercise price of CAD$1.80 per share.

On March 4, 2021, the Company closed a private placement (the "Private Placement") of units of the Company (the "Units") at a price of C$2.25 per Unit ("Offering Price"), each Unit comprised of one share of common stock of the Company (a "Unit Share") and one half of one common stock purchase warrant (each full warrant, a "Warrant"). Each Warrant entitles the holder to acquire one share of common stock (a "Warrant Share") at an exercise price of C$2.80 per Warrant Share for a period of three (3) years from the date of issuance for gross aggregate proceeds of C$17 million. The proceeds from the Private Placement will be used to advance exploration efforts at its highly prospective wholly owned Bullfrog Gold project located in Nevada, USA, and for general and working capital purposes. Finders' fees of C$450,000 were paid in connection with the Private Placement.

Pursuant to the closing of the Offering, the Company issued 7,555,556 Unit Shares and 3,777,784 Warrants to investors upon payment of the Offering Price in cash. The Unit Shares and Warrants were issued to investors inside the United States pursuant to the exemption from the registration requirements of the United States Securities Act of 1933, as amended (the "U.S. Securities Act") under Rule 506(b) of Regulation D under the U.S. Securities Act and outside the United States pursuant to the exclusion from the registration requirements under the U.S. Securities Act under Rule 903 of Regulation S under the U.S. Securities, in each case, in reliance upon the representations and warranties made to the Company by the investors.

Liquidity

As of March 31, 2021, the Company had total liquidity of $26,378,000 in cash and cash equivalents. The Company had working capital of $25,461,000 and an accumulated deficit of $34,374,000. For the three months ended March 31, 2021, the Company had negative operating cash flows before changes in working capital of $3,493,000 and a net loss of $10,748,000.

As of March 31, 2020, the Company had total liquidity of $1,255,000 in cash and cash equivalents. The Company had working capital of $740,000 and an accumulated deficit of $11,741,000. For the three months ended March 31, 2020, the Company had negative operating cash flows before changes in working capital of $210,000 and a net loss of $75,000.

The Company expects that it will operate at a loss for the foreseeable future and believes the current cash and cash equivalents and working capital will be sufficient for it to maintain its currently held properties, fund its planned exploration, and fund its currently anticipated general and administrative costs for at least the next 12 months from the date of this report. However, the Company does expect that it will be required to raise additional funds, again through public or private equity financings in the future in order to continue in business in the future past the immediate 12 month period. Should such financing not be available in that time-frame, the Company will be required to reduce its activities and will not be able to carry out all of its presently planned exploration and, if warranted, development activities on its currently anticipated scheduling.

Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development and exploration of its mineral properties and to maintain a flexible capital structure, which optimizes the costs of capital to an acceptable risk.

As of March 31, 2021, the capital structure of the Company consists of 68,847,268 shares of common stock, par value $0.0001. The Company manages the capital structure and adjusts it in response to changes in economic conditions, its expected funding requirements, and risk characteristics of the underlying assets. The Company's funding requirements are based on cash forecasts. In order to maintain or adjust the capital structure, the Company may issue new debt, new shares and/or consider strategic alliances. Management reviews its capital management approach on a regular basis. The Company is not subject to any externally imposed capital requirements.

Contractual obligations and commitments

The Company's contractual obligations and commitments as of March 31, 2021 and their approximate timing of payment are as follows:

	<1 year	1 - 3 years	4 - 5 years	>5 years	Total
Leases	$198,077	$151,678	$42,000	$721,000	$1,112,755
Capital Expenditure	25,000	60,000	-	-	85,000
	$223,077	$211,678	$42,000	$721,000	$1,197,755

Off Balance Sheet Arrangements

We do not engage in any activities involving variable interest entities or off-balance sheet arrangements.

Critical Accounting Policies and Use of Estimates

Stock based compensation is measured at grant date, based on the fair value of the award, and is recognized as an expense over the employee's requisite service period. We estimate the fair value of each stock option as of the date of grant using the Black-Scholes pricing model. The Company determines the expected life based on historical experience with similar awards, giving consideration to the contractual terms, vesting schedules and post-vesting forfeitures. The Company uses the risk-free interest rate on the implied yield currently available on U.S. Treasury issues with an equivalent remaining term approximately equal to the expected life of the award. The Company has never paid any cash dividends on its common stock and does not anticipate paying any cash dividends in the foreseeable future.

Mineral property exploration costs are expensed as incurred until such time as economic reserves are quantified. To date, the Company has not established any proven or probable reserves on its mineral properties. Costs of lease, exploration, carrying and retaining unproven mineral lease properties are expensed as incurred. The Company has chosen to expense all mineral exploration costs as incurred given that it is still in the exploration stage. Once the Company has identified proven and probable reserves in its investigation of its properties and upon development of a plan for operating a mine, it would enter the development stage and capitalize future costs until production is established. When a property reaches the production stage, the related capitalized costs will be amortized over the estimated life of the probable-proven reserves. When the Company has capitalized mineral properties, these properties will be periodically assessed for impairment of value and any diminution in value. To date, the Company has not established the commercial feasibility of any exploration prospects; therefore, all exploration costs are being expensed. Costs of property acquisitions are being capitalized, and a required payment of $20,000 was made in 2018 to Mojave Gold Mining Corporation ("Mojave") as part of the Option to Purchase Agreement ("Option").

ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURES AND MARKET RISK

Not Applicable.

ITEM 4 - CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

As required by Rule 13a-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") our management conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of March 31, 2021.

Disclosure controls and procedures refer to controls and other procedures designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating and implementing possible controls and procedures.

Our management does not expect that our disclosure controls and procedures will prevent all error and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. The design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

With respect to the quarterly period ending March 31, 2021, under the supervision and with the participation of our management, we conducted an evaluation of the effectiveness of the design and operations of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) promulgated under the Exchange Act. Based upon our evaluation regarding the quarterly period ending March 31, 2021, our management, including our chief executive officer and chief financial officer, has concluded that its disclosure controls and procedures were effective.

Changes in Internal Controls

There have been no changes in the Company's internal control over financial reporting during the three months ended March 31, 2021 that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

PART II. OTHER INFORMATION

ITEM 1 - LEGAL PROCEEDINGS

We know of no material, active or pending legal proceedings against the Company, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which any of our directors, officers or affiliates, or any registered or beneficial shareholder, is an adverse party or has a material interest adverse to our interest.

ITEM 1A - RISK FACTORS

There have been no material changes to the risk factors set forth in our Annual Report on Form 10-K for the fiscal year ended December 31, 2020.

ITEM 2 - UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

All unregistered sales of equity securities during the period covered by this report were previously disclosed on Form 8-K.

ITEM 3 - DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4 - MINE SAFETY DISCLOSURES

None

ITEM 5 - OTHER INFORMATION

None

ITEM 6 - EXHIBITS

Exhibit Number	Description
3.1	Amended and Restated Certificate of Incorporation
3.2	Amended and Restated Bylaws (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K, filed with the SEC on July 22, 2011)
4.1	Form of Warrant from March 2021 Private Placement (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed with the SEC on March 5, 2021)
10.1	Stock Option Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the SEC on February 26, 2021)
31.1	Certification of Chief Executive Officer filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*
31.2	Certification of Chief Financial Officer filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*
32.1	Certification of Chief Executive Officer filed pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002*
32.2	Certification of Chief Financial Officer filed pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002*
101.ins	XBRL Instance Document *
101.sch	XBRL Taxonomy Schema Document *
101.cal	XBRL Taxonomy Calculation Document *
101.def	XBRL Taxonomy Linkbase Document *
101.lab	XBRL Taxonomy Label Linkbase Document *
101.pre	XBRL Taxonomy Presentation Linkbase Document *

*Filed herein

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: May 10, 2021	**AUGUSTA GOLD CORP.**
	By: *<u>/S/ Donald R. Taylor</u>* Name: Donald R. Taylor Title: President and Chief Executive Officer (Principal Executive Officer)
Date: May 10, 2021	**AUGUSTA GOLD CORP.**
	By: *<u>/S/ Michael McClelland</u>* Name: Michael McClelland Title: Chief Financial Officer (Principal Financial and Accounting Officer)