



UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2018

Management's Comments on Unaudited Condensed Interim Consolidated Financial Statements

The accompanying unaudited condensed interim consolidated financial statements of Harte Gold Corp. (the "Company" or "Harte") for the three months ended March 31, 2018 have been prepared by management, reviewed by the Audit Committee and approved by the Board of Directors of the Company.

In accordance with National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators, the Company herewith discloses that the accompanying unaudited interim consolidated financial statements have not been reviewed by an auditor.

May 15, 2018

"Stephen G. Roman"

Stephen G. Roman
Chairman, President and CEO

"Rein A. Lehari"

Rein A. Lehari
Chief Financial Officer

Harte Gold Corp.
 (An Exploration Stage Company)
Consolidated Statement of Financial Position as at
(Unaudited)

Canadian dollars	March 31, 2018	December 31, 2017
Assets		
Current Assets		
Cash and cash equivalents	\$ 5,470,198	\$ 24,789,164
Receivables (note 5)	2,461,393	1,500,286
Prepays	441,842	291,880
	8,373,433	26,581,330
Long Term Assets		
Restricted Cash (note 4)	1,721,281	1,721,281
Property and Equipment (note 6)	1,911,815	2,057,321
Exploration and Evaluation Expenditures (note 7)	127,870,506	103,558,424
	\$ 139,877,035	\$ 133,918,356
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities (note 8)	\$ 17,091,802	\$ 19,303,392
Current portion of long-term debt (note 10)	198,333	198,333
Flow-through share premium (note 11)	-	1,173,838
	17,290,135	20,675,563
Long Term Liabilities		
Long-term debt (note 10)	556,667	616,667
Environmental Rehabilitation Provision (note 9)	1,718,836	1,718,836
Deferred Tax Liability	3,891,851	3,891,851
	23,457,489	26,902,917
Shareholders' Equity		
Capital stock and warrants (notes 12 & 14)	128,664,826	120,006,504
Other reserves	12,386,588	8,083,435
Deficit	(24,631,868)	(21,074,500)
	116,419,546	107,015,439
	\$ 139,877,035	\$ 133,918,356

The accompanying notes are an integral part of these financial statements

Harte Gold Corp.
 (An Exploration Stage Company)
Condensed Statements of Operations and Comprehensive Loss and Deficit
For the Three Months Ended
(unaudited)

Canadian dollars	March 31, 2018	March 31, 2017
Revenue		
Interest and other income	\$ 12,557	\$ 62,513
Expenses		
Management and consulting fees (note 17)	235,161	240,500
Promotion and travel	37,706	78,983
Office and general	257,765	79,446
Interest and accretion expense (note 10)	16,200	149,933
Professional fees	13,937	18,423
Shareholders' information	135,199	97,947
Stock-based compensation (notes 13 & 17)	4,273,106	149,445
Amortization	1,511	132
Foreign exchange (gain)/loss	(226,822)	-
Flow-through share premium (note 11)	(1,173,838)	(4,680,385)
	3,569,925	(3,865,576)
Net Income (Loss) and Comprehensive Income		
(Loss) before income taxes	(3,557,368)	3,928,089
Net Income (Loss) per share - basic and fully diluted (note 16)	\$ (0.006)	\$ 0.009
Weighted average number of shares outstanding		
- Basic and diluted	566,473,085	436,676,524

The accompanying notes are an integral part of these financial statements

Harte Gold Corp.
(An Exploration Stage Company)
Condensed Statements of Cash Flow for the Three Months Ended
(unaudited)

Canadian dollars	March 31, 2018	March 31, 2017
Cash provided by (used in):		
Operations		
Net Income (Loss)	\$ (3,557,368)	\$ 3,928,089
Adjustments to reconcile net loss to cash flow from operating activities:		
Amortization	1,511	132
Stock-based compensation	4,273,106	149,445
Flow-through share premium	(1,173,838)	(4,680,385)
Accretion on Secured Note (note 10)	-	56,183
	(456,589)	(546,536)
Net changes in non-cash working capital items:		
Prepays	(149,962)	(1,950)
Receivables	(961,107)	(526,323)
Accounts payable and accrued liabilities	(1,238,339)	13,708
	(2,805,997)	(1,061,101)
Financing		
Long-term debt (note 10)	(60,000)	190,000
Issuance of units	7,653,547	-
Options exercised	-	25,000
Warrants exercise	1,004,775	2,169,199
	8,598,322	2,384,199
Investing		
Additions to property and equipment (note 6)	-	(467,617)
Additions to exploration and evaluation expenditures	(25,111,291)	(11,351,820)
Bulk Sample cash receipts ¹	-	8,116,438
	(25,111,291)	(3,702,999)
Net increase (decrease) in cash and cash equivalents	(19,318,966)	(2,379,901)
Cash and cash equivalents, beginning of period	24,789,164	27,232,409
Cash and cash equivalents, end of period	\$ 5,470,198	\$ 24,852,508
Cash and cash equivalents includes the following:		
Cash	\$ 5,465,153	\$ 14,819,303
Guaranteed investment certificates	5,045	10,033,205
	\$ 5,470,198	\$ 24,852,508
Supplemental cash flow information:		
Interest paid on Secured Note	\$ -	\$ 93,750

¹ The Company presents bulk sample revenues in investing activities.

The accompanying notes are an integral part of these financial statements

Harte Gold Corp.
 (An Exploration Stage Company)
Condensed Statement of Changes in Shareholders' Equity
 (unaudited)

Canadian dollars	Common Shares (Note 12)		Warrants (Note 14)		Subtotal \$	Other Reserves \$	Deficit \$	Total Shareholders' Equity \$
	#	\$	#	\$				
December 31, 2016	430,763,904	65,126,537	46,256,584	2,670,930	67,797,467	7,810,536	(19,026,272)	56,581,731
Issued as a result of:								
Stock options exercised	250,000	25,000			25,000			25,000
Warrants exercised (note 14)	13,085,215	2,616,789	(13,085,215)	(447,590)	2,169,199			2,169,199
Warrants expired (note 14)			(50,001)	(1,210)	(1,210)	1,210		-
Stock options granted (note 13)						377,974		377,974
Net loss for the period							3,928,089	3,928,089
March 31, 2017	444,099,119	67,768,326	33,121,368	2,222,130	69,990,456	8,189,720	(15,098,183)	63,081,993
Issued as a result of:								
Private placements (notes 12 and 14)	90,944,180	49,790,168			49,790,168			49,790,168
Flow-through premium (note 11)		(1,173,838)			(1,173,838)			(1,173,838)
Property acquisitions (note 21)	100,000	61,000			61,000			61,000
Share issuance costs		(2,149,228)			(2,149,228)			(2,149,228)
Stock options exercised	3,730,000	1,548,790			1,548,790	(622,290)		926,500
Warrants exercised (note 14)	10,934,355	2,260,198	(10,934,355)	(317,734)	1,942,464	3,308		1,942,464
Warrants expired (note 14)			(122,160)	(3,308)	(3,308)			-
Stock options granted (note 13)						512,697		512,697
Net loss for the year							(5,976,317)	(5,976,317)
December 31, 2017	549,807,654	118,105,416	22,064,853	1,901,088	120,006,504	8,083,435	(21,074,500)	107,015,439
Issued as a result of:								
Private placements (notes 12 and 14)	16,284,143	7,653,547			7,653,547			7,653,547
Warrants exercised (note 14)	6,203,500	1,261,836	(6,203,500)	(257,061)	1,004,775			1,004,775
Stock options granted (note 13)						4,303,153		4,303,153
Net loss for the year							(3,557,368)	(3,557,368)
March 31, 2018	572,295,297	127,020,799	15,861,353	1,644,027	128,664,826	12,386,588	(24,631,868)	116,419,546

The accompanying notes are an integral part of these financial statements

Harte Gold Corp.
(An Exploration Stage Company)
Notes to the Condensed Financial Statements
For the Three Months Ended March 31, 2018
(unaudited)

1. NATURE OF OPERATIONS

Harte Gold Corp. (The “Company” or “Harte Gold”) was incorporated in Ontario on January 22, 1982 and is a reporting issuer in the Provinces of Ontario, Alberta and British Columbia. The common shares of the Company trade on the Toronto Stock Exchange under the symbol “HRT” and on the Frankfurt Stock Exchange under the symbol “H4O”. The head office and principal address of the Company is 8 King Street East, Suite 1700, Toronto, Ontario, M5C 1B5.

The Company is engaged in the acquisition and exploration of mineral resource properties with a focus on gold properties located in the Province of Ontario, Canada, and currently owns interests in two exploration projects: (i) the Sugar Zone Property, 60 km east of the Hemlo area gold mines, located on the north shore of Lake Superior and (ii) the Stoughton-Abitibi Property (formerly Stoughton-Porcupine), 110 km east of Timmins and 50 km north east of Kirkland Lake. Harte Gold completed an Advanced Exploration and Bulk Sample program on its Sugar Zone Property to determine the recoverability and economics of its resource. The Company has begun economic studies on the resource and is pursuing permits to enable commercial production.

On the basis of information to date, the Company has not yet identified a mineral resource on its Stoughton-Abitibi Property.

2. BASIS OF PREPARATION

a) *Statement of Compliance*

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and IFRS Interpretations Committee (“IFRIC”) interpretations applicable to companies reporting under IFRS, including IAS 34, Interim Financial Reporting. Accordingly, certain information and disclosure normally included in annual financial statements prepared in accordance with IFRS have been omitted or condensed. These condensed interim financial statements should be read in conjunction with the Company’s annual financial statements for the year ended December 31, 2017, which were prepared in accordance with IFRS.

The management of Harte prepared these unaudited condensed interim financial statements, which were then reviewed by the Audit Committee and the Board of Directors. The unaudited condensed interim financial statements were authorized for issue by the Board of Directors on May 15, 2018.

b) *Continuance of Operations*

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of interests in mineral properties and the Company’s continued existence is dependent upon the preservation of its interests in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company’s ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company’s title. Property title may be subject to unregistered prior agreements, unregistered claims, aboriginal claims and noncompliance with regulatory and environmental requirements.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the Company’s financial statements for the year ended December 31, 2017.

Harte Gold Corp.
(An Exploration Stage Company)
Notes to the Condensed Financial Statements
For the Three Months Ended March 31, 2018
(unaudited)

4. CASH, CASH EQUIVALENTS AND RESTRICTED CASH

Restricted cash of \$1,721,281 at March 31, 2018 (December 31, 2017 - \$1,721,281) is cash held by the Ontario Ministry of Northern Development and Mines ("MNDM") as assurance that the Company will complete its remediation obligations for all permitted work on the Sugar Zone Property.

5. RECEIVABLES

	March 31, 2018	December 31, 2017
GST/HST receivable	\$ 2,339,800	\$ 1,308,005
Subscription receivable		15,120
Other	121,593	177,161
	\$ 2,461,393	\$ 1,500,286

6. PROPERTY AND EQUIPMENT

	Equipment and Furniture ⁽¹⁾			Site Vehicles ⁽¹⁾			TOTAL NBV
	Cost	Amortization	NBV	Cost	Amortization	NBV	
December 31, 2016	20,389	10,781	9,608	180,823	87,491	93,332	102,940
Additions	141,418	22,620	118,798	143,370	33,005	110,365	229,163
December 31, 2017	\$ 161,807	\$ 33,401	\$ 128,406	\$ 324,193	\$ 120,496	\$ 203,697	\$ 332,103
Additions	-	105,282	(105,282)	-	18,053	(18,053)	(123,335)
March 31, 2018	\$ 161,807	\$ 138,683	\$ 23,124	\$ 324,193	\$ 138,549	\$ 185,644	\$ 208,768

	Land			Buildings ⁽¹⁾			TOTAL NBV
	Cost	Amortization	NBV	Cost	Amortization	NBV	
December 31, 2016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additions	902,968	-	902,968	865,526	43,276	822,250	1,725,218
December 31, 2017	\$ 902,968	\$ -	\$ 902,968	\$ 865,526	\$ 43,276	\$ 822,250	\$ 1,725,218
Additions	-	-	-	-	22,171	(22,171)	(22,171)
March 31, 2018	\$ 902,968	\$ -	\$ 902,968	\$ 865,526	\$ 65,447	\$ 800,079	\$ 1,703,047

Grand Total	Cost	Amortization	NBV
December 31, 2017	\$ 2,254,494	\$ 197,173	\$ 2,057,321
March 31, 2018	\$ 2,254,494	\$ 342,679	\$ 1,911,815

- 1) Amortization on property and equipment located at the exploration site is capitalized to exploration and evaluation expenditures. Amortization on head office property and equipment is expensed.

7. EXPLORATION AND EVALUATION EXPENDITURES

Sugar Zone Property

At March 31, 2018, the Sugar Zone Property comprised approximately 81,287 hectares within the Sault Ste. Marie Mining Division located in Ontario, including 4 mining leases (1,467 hectares). The Company holds a 100% interest in all of these.

Harte Gold Corp.
 (An Exploration Stage Company)
Notes to the Condensed Financial Statements
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7. EXPLORATION AND EVALUATION EXPENDITURES cont'd

Certain of these claims and leases are subject to net smelter royalties ("NSR") of 3.5% in favour of the original vendors of the properties which can be reduced by 1.5% upon payments of \$1.5 million. Additionally, the Company entered into agreements for certain other claims in 2010 and 2017 on which royalties are payable, as described in note 17.

The Company's accounting policy is to capitalize exploration and evaluation expenditures on its balance sheet. The Sugar Zone Deposit was the principle exploration and evaluation asset of the Company at March 31, 2018. In view of the contiguous nature of the Middle Zone and the likely development of the Middle Zone in conjunction with the Sugar Zone, the Company now considers both the Sugar and Middle Zones to be part of the Sugar Zone Deposit. Feasibility studies and permitting were in progress during Q1 2018 and once completed, expected to be Q2 2018, the Sugar Zone Deposit will be reclassified from *Exploration and Evaluation Expenditures* to *Mine Property and Development Projects*.

The following costs have been capitalized to exploration and evaluation expenditures in respect of the Sugar Zone Property.

	March 31, 2018	December 31, 2017
Opening Balance	\$ 103,558,424	\$ 44,170,665
Expenditures incurred during the year		
Land costs	-	326,405
Environmental Rehabilitation Provision (note 9)	-	348,029
Bulk Sample revenues	-	(10,004,718)
Bulk Sample costs	-	3,676,501
Phase 1 excavation costs	-	17,091,160
Exploration	3,436,231	18,790,583
Site costs	3,520,723	7,821,278
Processing plant construction	17,181,086	20,834,796
Stock-based compensation (note 13)	30,047	407,249
Amortization of site assets (note 6)	143,995	96,476
Total for this year	24,312,082	59,387,759
Closing Balance end of period	\$ 127,870,506	\$ 103,558,424

Stoughton-Abitibi Property

The Stoughton-Abitibi Property (formerly known as Stoughton-Porcupine property), is located along the Destor-Porcupine Fault, 110 km east of Timmins, 50 km north-east of Kirkland Lake, Ontario and 10 km due east of the Holloway-Holt gold mine and mill and consists of a 90% interest in 9 claims and a 100% interest in 25 claims in the Larder Lake Mining Division of Ontario.

In 2009, the Company concluded that it should prioritize the Sugar Zone Property and recorded an impairment provision against the Stoughton-Abitibi Property. Minimal exploration activity has taken place since then, and any costs incurred have similarly been provided for as an additional impairment provision. In view of the current poor investment climate for mining exploration properties on which no indications of resources exist, management have concluded that it would be too speculative to estimate a recoverable amount for the Stoughton-Abitibi Property in excess of \$nil at March 31, 2018.

Harte Gold Corp.
 (An Exploration Stage Company)
Notes to the Condensed Financial Statements
For the Three Months Ended March 31, 2018
 (unaudited)

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2018	December 31, 2017
Accounts Payable	\$ 10,921,509	\$ 13,186,752
Accrued Liabilities	6,170,293	6,116,640
Total accounts payable and accrued liabilities	\$ 17,091,802	\$ 19,303,392

9. ENVIRONMENTAL REHABILITATION PROVISION

Pursuant to the Sugar Zone Mine Closure Plan, the Company is obligated to rehabilitate the Sugar Zone site. The cost of such rehabilitation work was estimated at an amount of \$1,370,807 in late 2016 and increased by \$348,029 in May 2017.

	March 31, 2018	December 31, 2017
Balance beginning of period	\$ 1,718,836	\$ 1,370,807
Rehabilitation liability arising during the year	-	348,029
Balance end of period	\$ 1,718,836	\$ 1,718,836

10. LONG-TERM DEBT

a) Secured Notes

In March 2016, the Company completed a non-brokered private placement of \$2,500,000 Secured Notes (the "Notes"). The Notes bore interest at a rate of 15% per annum, payable quarterly in arrears. Principal was repayable on the second anniversary (March 31, 2018), and could be prepaid after April 1, 2017 with payment of interest in full for the particular quarter. The Notes were secured by a charge on the mining leases and unpatented mining claims of the Sugar Zone Property. In connection with the Notes, the Company issued 4 warrants per \$1.00 principal amount of the Notes (10,000,000 warrants in total). Each warrant is exercisable into one common share of the Company on payment of \$0.15 on or before the date that is twenty-four (24) months from Closing. In connection with the placement of the Notes, the Company paid finders fees of \$72,750 cash and 291,000 warrants. Each finders warrant is exercisable on or before March 22, 2018 at a price of \$0.15 per common share. As of March 31, 2018, all warrants had been exercised.

The Notes were accounted for as a compound financial instrument. The amount allocated to the liability component (\$2,042,949) was determined by estimating the fair value of the debt assuming no equity component, and the balance was allocated to the warrants (\$384,301). Subsequently, the liability amount was accreted with an effective interest rate of 27% so that the balance outstanding would be \$2,500,000 on maturity, March 31, 2018. Accretion results in additional non-cash interest expense recorded for the duration of the Notes. Total interest and accretion expense for the year was \$671,746 (2016 - \$450,802). The Company elected to repay the Notes in full as of December 31, 2017.

	December 31, 2017
Balance beginning of period	\$ 2,203,254
Secured notes	
Loan accretion	296,746
Loan repayment	(2,500,000)
Balance end of period	\$ -

Harte Gold Corp.
 (An Exploration Stage Company)
Notes to the Condensed Financial Statements
For the Three Months Ended March 31, 2018
 (unaudited)

10. LONG-TERM DEBT cont'd

b) Mortgage Payable

On January 31, 2017, Harte Gold acquired land and buildings in White River at a cost of \$340,000 to be used as accommodation for its employees. The vendors took back a mortgage of \$190,000, repayable annually over 3 years and secured by the property. Principal and interest payments on each of February 1, 2018 through 2020. Interest accrues at a rate of 3.0% per annum. Remaining principal payments as of March 31, 2018 are as follows:

February 1, 2019	\$60,000
February 1, 2020	\$70,000

c) Mortgage Payable

On July 19, 2017, Harte Gold acquired a trailer park property in White River at a cost of \$775,000 to be used as a camp facility for employees and contractors. The vendors took back a mortgage of \$525,000, repayable annually over 5 years and secured by the property. Interest is payable semi-annually at a rate of 4.0% per annum and principal payments are due on each of July 20, 2018 through 2022. Remaining principal payments as of March 31, 2018 are as follows:

July 20, 2018	\$105,000
July 20, 2019	\$105,000
July 20, 2020	\$105,000
July 20, 2021	\$105,000
July 20, 2022	\$105,000

d) Mortgage Payable

On August 9, 2017, Harte Gold acquired land and buildings in White River that were previously leased as its core shack at a cost of \$145,000. The vendors took back a mortgage of \$100,000, repayable annually over 3 years and secured by the property. Principal and interest payments on each of August 10, 2018 through 2020. Interest accrues at a rate of 3.0% per annum. Remaining principal payments as of March 31, 2018 are as follows:

August 10, 2018	\$33,333
August 10, 2019	\$33,333
August 10, 2020	\$33,334

Long-term Debt	March 31, 2018
Mortgages payable	\$ 755,000
Less: Current portion of long-term debt	198,333
Long-term portion of debt	\$ 556,667

Harte Gold Corp.
 (An Exploration Stage Company)
Notes to the Condensed Financial Statements
For the Three Months Ended March 31, 2018
 (unaudited)

11. FLOW-THROUGH SHARE PREMIUM

Flow-through liabilities include the deferred premium portion of the flow-through shares issued. The following is a continuity schedule of the liability portion of the flow-through issues.

Balance on December 31, 2016	\$ 4,680,385
Settlement of liability through renouncement in Q1 2017	(4,680,385)
Liability incurred on flow-through shares issued December 31, 2017	1,173,838
Balance on December 31, 2017	\$ 1,173,838
Settlement of liability through renouncement in Q1 2018	(1,173,838)
Balance on March 31, 2018	\$ -

On December 22, 2017, Harte Gold completed a bought deal offering of 9,781,982 flow-through common shares at a price of \$0.56 per share, for gross proceeds of \$5,477,910. A flow-through share premium of \$1,173,838 was recorded on this financing. As of March 31, 2018, \$3,436,231 of these funds had been spent.

12. CAPITAL STOCK

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

Number of shares issued and outstanding.

The issued and outstanding common shares are as follows:

	March 31, 2018	December 31, 2017
Balance beginning of period	549,807,654	426,514,304
Private placement of units and shares	16,284,143	81,412,198
Private placement of flow-through units (note 11)		9,781,982
Shares for property acquisition (note 21)		100,000
Options exercised (note 13)		3,730,000
Warrants exercised (note 14)	6,203,500	24,019,570
Balance end of period	572,295,297	545,558,054

On July 5, 2017, Harte Gold completed a brokered private placement financing of 40,323,500 common shares at a price of \$0.62 per share for gross proceeds of \$25,000,570 and costs of \$1,003,376 for net proceeds of \$23,997,154.

On December 29, 2017, Harte Gold completed the first closing of the common share tranche of its bought deal private placement, comprising 41,088,698 common shares at a price of \$0.47 per share for gross proceeds of \$19,311,688 and costs of \$1,144,052 for net proceeds of \$18,167,636.

On January 9, 2018, Harte Gold completed the final closing of its bought deal private placement, comprising 16,284,143 common shares at a price of \$0.47 per share for gross proceeds of \$7,653,547.

Harte Gold Corp.
 (An Exploration Stage Company)
Notes to the Condensed Financial Statements
For the Three Months Ended March 31, 2018
 (unaudited)

13. STOCK OPTION PLAN

The Company has established a stock option plan to provide additional incentives to officers, directors, employees and consultants in their efforts on behalf of the Company in the conduct of its affairs. The terms of the stock option plan provide that the directors have the right to grant options to acquire common shares of the Company at not less than the closing market price of the shares on the day preceding the grant. The number of shares reserved for issuance is not to exceed 10% of the issued and outstanding common shares from time-to-time. At March 31, 2018, the Company had 8,239,530 (December 31, 2017 – 22,130,765) common shares available for granting of future options.

Under the terms of the plan, options vest immediately unless otherwise determined by the Board, and expire on the fifth anniversary from the date of issue unless otherwise specified. As at March 31, 2018, a total of 48,990,000 (December 31, 2017, 32,850,000) options were outstanding under the stock option plan.

	31-Mar-18		December 31, 2017	
	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price	Number of Options
Outstanding beginning of period	\$ 0.21	32,850,000	\$ 0.20	34,620,000
Transactions during the period:				
Granted	\$ 0.45	16,140,000	\$ 0.42	1,600,000
Granted			\$ 0.70	900,000
Granted			\$ 0.71	150,000
Exercised			\$ 0.10	(750,000)
Exercised			\$ 0.30	(2,630,000)
Exercised			\$ 0.35	(150,000)
Exercised			\$ 0.175	(200,000)
Cancelled			\$ 0.10	(35,000)
Cancelled			\$ 0.30	(55,000)
Cancelled			\$ 0.35	(150,000)
Cancelled			\$ 0.42	(250,000)
Expired			\$ 0.30	(50,000)
Expired			\$ 0.35	(150,000)
Outstanding at end of period	\$ 0.30	48,990,000	\$ 0.22	32,850,000
Exercisable at end of period	\$ 0.28	44,725,000	\$ 0.21	31,225,000

The weighted average share price on the date of exercise is not applicable.

Harte Gold Corp.
(An Exploration Stage Company)
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For the Three Months Ended March 31, 2018
(unaudited)

13. STOCK OPTION PLAN cont'd

The following table provides additional information regarding stock options outstanding at March 31, 2018.

Expiry Date	Exercise price	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)
April 25, 2019	\$0.10	1.07	6,040,000	6,040,000
May 9, 2019	\$0.15	1.11	50,000	50,000
July 31, 2019	\$0.30	1.33	5,000	5,000
October 14, 2020	\$0.10	2.54	11,355,000	11,355,000
November 9, 2020	\$0.10	2.61	600,000	600,000
March 22, 2021	\$0.175	2.98	1,000,000	750,000 ⁽³⁾
December 14, 2021	\$0.35	3.71	11,400,000	10,975,000 ⁽⁴⁾
February 26, 2022	\$0.42	3.91	1,350,000	975,000 ⁽⁵⁾
May 1, 2022	\$0.70	4.09	900,000	325,000 ⁽⁶⁾
May 29, 2022	\$0.71	4.16	150,000	150,000
March 29, 2023	\$0.45	5.00	16,140,000	13,500,000 ⁽⁷⁾
	\$0.30	3.52	48,990,000	44,725,000

Stock-based Compensation

The following table summarizes assumptions used with the Black-Scholes valuation model for the determination of stock-based compensation costs for stock options issued during the year ended December 31, 2017 and the three months ended March 31, 2018:

Grant date	26-Feb-17	1-May-17	29-May-17	29-Mar-18
Number of options	1,600,000 ⁽⁵⁾	900,000 ⁽⁶⁾	150,000	16,140,000 ⁽⁷⁾
Share price	\$ 0.420	\$ 0.690	\$ 0.710	\$ 0.430
Exercise price	\$ 0.420	\$ 0.700	\$ 0.710	\$ 0.450
Expected life in years	5	5	5	5
Volatility ⁽¹⁾	93.05%	93.83%	93.83%	92.11%
Risk-free interest rate	1.33%	0.92%	0.86%	1.94%
Dividend yield	0.00%	0.00%	0.00%	0.00%
Fair value per option ⁽²⁾	\$ 0.2989	\$ 0.4902	\$ 0.5056	\$ 0.303
Fair value assigned to options	\$ 478,223	\$ 441,214	\$ 75,845	\$ 4,890,371

¹ 250,000 options of these options vest over time based on the occurrence of certain future events. 500,000 of these options were issued as a result of an extension of options previously expired.

² 150,000 of these options vest based on the occurrence of certain future events. If these options are not exercised by May 28, 2017, they will be extended for a further 5 year term.

³ Volatility is determined based on historical share prices

⁴ Where options have been granted in which vesting is conditional upon future events, the fair value has been estimated taking into account the probability and timing of meeting those future events, and the fair value is recognized based on these probabilities.

⁵ 525,000 of these options vest over time based on the occurrence of certain future events.

⁶ 500,000 of these options vest over time based on the occurrence of certain future events.

⁷ 1,320,000 of these options vest on the first anniversary and 1,320,000 vest on the second anniversary.

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14. WARRANTS

As at March 31, 2018, there were 15,861,353 (December 31, 2017 – 22,064,853) warrants to purchase common shares outstanding. Warrants expire as follows:

	Warrants
Balance at December 31, 2016	46,256,584
Expired	(172,161)
Exercised	(24,019,570)
Balance at December 31, 2017	22,064,853
Exercised	(6,203,500)
Balance at March 31, 2018	15,861,353

The weighted average share price on the date of exercise during the first quarter 2018 was \$0.43 (year ended December 31, 2016 - \$0.55).

The expiry dates of warrants outstanding as of March 31, 2018 are as follows:

Expiry date	Number of warrants outstanding	Exercise price	Weighted average remaining contractual life (years)
April 20, 2018	2,045,062	\$ 0.25	0.05
April 20, 2018	134,445	\$ 0.22	0.05
April 29, 2018	25,000	\$ 0.25	0.08
April 29, 2018	3,000	\$ 0.22	0.08
July 20, 2018	11,500,000	\$ 0.35	0.30
December 14, 2018	1,000,000	\$ 0.38	0.71
December 14, 2018	1,153,846	\$ 0.49	0.71
	15,861,353	\$ 0.35	0.32

15. INCOME (LOSS) PER SHARE

The calculation of the basic earnings per share for the three months ended March 31, 2018 was based on the income (loss) attributable to common shareholders of \$(3,557,368) (income for the three months ended March 31, 2017 - \$3,928,089) and a weighted average number of common shares outstanding of 566,473,085 (March 31, 2017 – 436,676,524).

There have been no significant capital transactions from the reporting date to the date of this filing which have had a material impact on earnings per share.

Income (Loss) for the three months ended March 31, 2018 divided by weighted average number of common shares outstanding is equal to \$(0.006) per share.

Numerator	\$3,557,368
Denominator	566,473,085
Loss per share	\$0.006

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16. RELATED PARTY TRANSACTIONS

Corporations related to Harte Gold during 2017 and 2018 were Silvermet Inc. and Global Atomic Fuels Corporation. These companies are related parties since one or more directors, officers and consultant are associated with these companies in the same capacity. On December 22, 2017, Silvermet Inc. and Global Atomic Fuels Corporation were combined and the combined company's name was changed from Silvermet Inc. to Global Atomic Corporation. Because of this event, it is appropriate to consider the activity and outstanding balances for 2017 on a combined basis, as if the combination had occurred at the beginning of the year.

For period ended March 31, 2018	Amount charged	Due (to) from
Global Atomic Corporation	\$ 30,000	\$ 111,605

For period ended December 31, 2017

Global Atomic Corporation	266,769	\$ 111,054
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Amounts due to or from related parties are unsecured, non-interest bearing and due on demand. These are settled on a regular basis. Transactions with related parties were in the normal course of operations and were measured at the same value as if the transactions had occurred with non-related parties. The transactions relate to certain head office costs, such as supplies and rent that are incurred by one entity on behalf of the other.

An officer of the Company invested \$250,000 in the Secured Notes that were issued during 2016 (Note 10) and was paid an amount of \$37,500 interest during 2017. These Secured Notes were repaid prior to December 31, 2017.

For the period ended March 31, 2018, the Company paid key management personnel, including officers, directors or their related entities for consulting services and/or management services, as follows:

	March 31, 2018	December 31, 2017
Management and consulting fees	\$ 174,000	\$ 971,000
Consulting fees included in exploration and evaluation expenditures	77,850	475,700
Stock based compensation		
- expensed to the Statement of Operations and Comprehensive Loss	4,090,459	149,445
- capitalized to exploration and evaluation expenditures	-	30,312
	\$ 4,342,309	\$ 1,626,457

17. COMMITMENTS

In accordance with a 2010 agreement, the Company has acquired a 100% interest in 3 claims known as the Halverson claims, which are subject to a 3.0% net smelter royalty. The Company must make 5 annual royalty prepayments of \$20,000 for the 5 years ended June 28, 2019 (\$60,000 paid to date). If an economically viable deposit is found within that period, these payments (\$100,000 cumulatively) are deemed to be a prepayment of royalties. Otherwise, the royalty obligation is cancelled on completion of the 5 payments. The royalty can be reduced to 1.5% by payment of \$1,500,000.

On August 14, 2017, the Company entered into an option agreement to acquire a 100% interest in an additional Halverson claim. An initial payment of \$12,000 plus 100,000 common shares was made, the shares were valued at \$61,000. On the first anniversary, a further payment of \$20,000 and 100,000 common shares is required. A final payment of 100,000 common shares is required on the second anniversary. Upon making all such payments, the Company will acquire a 100% interest in the claim, subject to a 3.0% net smelter royalty, which can be reduced to 1.5% by payment of \$1,500,000.

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17. COMMITMENTS cont'd

The Company also has a commitment under a site access agreement to pay \$20,000 per annum during exploration. Upon the start of commercial production, the annual payments increase to \$70,000 per annum, subject to a cumulative maximum of \$500,000.

In connection with the issuance of flow-through shares and related renouncement of exploration expenditures, the Company commits to spend such funds on eligible exploration expenditures (see note 11).

18. SUBSEQUENT EVENTS

Subsequent to March 31, 2018, a total of 2,203,863 warrants have been exercised for proceeds to Harte Gold of \$546,952.

Effective April 28, 2018, the Company entered into an Impact Benefits Agreement (“IBA”) with Pic Mobert First Nation (“PMFN”) the proximal First Nation, in connection with the Company’s Sugar Zone property located outside White River, Ontario. The Sugar Zone property is located within the exclusive traditional territory of Pic Mobert First Nation. The IBA applies to all mines that may be developed on the Sugar Zone property and provides a framework within which Harte Gold and PMFN will continue to work together during the production phase of the Sugar Zone mine. Key IBA terms include a 4% net profits interest, based on the World Gold Council definition of “all in sustaining cost”, and stock options to purchase 500,000 common shares of the Company at a price of \$0.40 for a period of five years.

On May 3, 2018, the Company announced that it had entered into a subordinated loan agreement with Appian Natural Resources Fund (“Appian”) for US \$20 million to be drawn beginning on May 11, 2018. The term of the loan is 6 months, with an option to extend facility to January 25, 2019. The interest rate is 9.5%, increasing to 11.5% if the term is extended, with 100% of interest being capitalized and paid together with principal on maturity. The Appian loan is subordinated to the Sprott loan. Additionally, Appian received 4 million common share purchase warrants with a term of five years at a 20% premium to market, subject to regulatory approvals. Warrants are only exercisable if Appian’s share position remains less than 20%.

On May 3, 2018, the Company announced that it had entered into a committed loan agreement with Sprott Private Resource Lending (Collector), L.P. (“Sprott”) for US \$50 million to close on May 31, 2018. Initial drawdown under the loan is US \$20 million plus US \$10 million per month available thereafter as needed until March 31, 2019. Interest is payable monthly, with principal repayments deferred until January 2020. 50% of the interest will be capitalized and deferred, up to June 30, 2019 and thereafter, interest is fully paid in cash. Repayment of principal is in 42 equal monthly payments beginning January 31, 2020. In addition, Sprott is granted 10 million common share purchase warrants with a term of five years at a 20% premium to market, subject to regulatory approvals. Sprott is also paid a fixed production-linked payment of \$14 per ounce of gold on the first 300,000 ounces produced, (no payment made on ounces produced thereafter), reducing to \$11 per ounce if the loan remains below \$35 million. Payments are to be financially settled on a monthly basis and can be terminated at any time by payment of an early termination fee.