TILL CAPITAL CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended December 31, 2022 and 2021

Independent auditor's report

To the Shareholders of Till Capital Corporation

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Till Capital Corporation and its subsidiaries (together, the Company) as at December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

What we have audited
The Company's consolidated financial statements comprise:

- the consolidated statements of income (loss) for the years ended December 31, 2022 and 2021;
- the consolidated statements of comprehensive income (loss) for the years ended December 31, 2022 and 2021;
- the consolidated statements of financial position as at December 31, 2022 and 2021;
- the consolidated statements of shareholders' equity for the years ended December 31, 2022 and 2021;
- the consolidated statements of cash flows for the years ended December 31, 2022 and 2021; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of objective evidence of impairment on the investment in IG Far East LLC (IGFE) *Refer to note 3 – Summary of significant accounting policies and note 6 – Investments to the consolidated financial statements.* The carrying value of the Company's investment in IGFE, which is accounted for under the equity method, amounted to $2.4 million as at December 31, 2022. At the end of each reporting period, the Company's investment in IGFE is assessed by management to determine whether there is objective evidence that the Company's investment in IGFE is impaired. If objective evidence of an impairment is identified, an impairment test would be performed to determine whether any impairment loss needs to be recorded. Management applies judgment when assessing whether there is any objective evidence of impairment, including: observable data that comes to the attention of management about the following loss events: (i) significant financial difficulty of the associate; (ii) a breach of contract, such as a default or delinquency in payments by the associate; (iii) the entity, for economic or legal reasons relating to its associate's financial difficulty, granting to the associate a concession that the entity would not otherwise consider; (iv) it becoming probable that the associate will enter bankruptcy or other financial reorganization; or (v) the disappearance of an active market for the net investment because of financial difficulties of the associate or	Our approach to addressing the matter included the following procedures, among other: • Evaluated the reasonableness of the judgments made by management in determining whether there was objective evidence of impairment on the investment in IGFE, which included the following: – observable data about one or more of the following events: (i) significant financial difficulty; (ii) a breach of contract, such as a default or delinquency in payments; (iii) the Company granting to IGFE a concession that the Company would not otherwise consider; (iv) it becoming probable that IGFE will enter bankruptcy or other financial reorganization; or (v) the disappearance of an active market for the investment because of financial difficulties of IGFE; or (vi) information about changes with an adverse effect that has taken place in the technological, market, economic or legal environment and whether there has been a significant or prolonged decline in the fair value of an investment below cost by considering procedures performed to assess (i) whether there was any indication of impairment in the underlying project in IGFE, (ii) the current financial position of IGFE; (iii) third-party investment in IGFE during the year and (iv) evidence obtained in other areas of the audit.

Key audit matter	How our audit addressed the key audit matter
(vi) information about significant changes with an adverse effect that has taken place in the technological, market, economic or legal environment and whether there has been a significant or prolonged decline in the fair value of an investment below cost. No impairment indicators were identified by management as at December 31, 2022. We considered this a key audit matter due to the significant judgment made by management in its assessment of indicators of impairment related to the investment in associate, which resulted in a high degree of subjectivity in performing procedures.	

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor’s report is Eric Talbot.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
May 1, 2023

TILL CAPITAL CORPORATION
Consolidated Statements of Income (Loss)
(Stated in US dollars)

	Notes		Years Ended December 31 2022		2021
Revenue					
Investment income (loss), net	6(d)	$	(1,718,943)	$	6,730,631
Other revenue			—		30,000
			(1,718,943)		6,760,631
Expenses					
General and administrative expenses			760,332		883,459
Salaries and benefits			604,205		740,743
Reversal of mineral property impairment	10		(1,522,022)		—
Asset held for sale impairment	4		1,860,567		—
Exploration expense recovery	10		(1,731,801)		(1,382,582)
Stock-based compensation	15(b)		94,076		384,430
(Gain) loss on sale of property, plant, and equipment and mineral property			2,555		(141,798)
Foreign exchange loss			12,767		788
Other expenses			97,383		27,860
			178,062		512,900
Income (loss) before income taxes and loss on equity method investments from continuing operations			**(1,897,005)**		**6,247,731**
Current income tax expense	14		(1,683,556)		(3,343)
Deferred income tax recovery (expense)	14		630,265		(1,202,587)
Loss on equity method investments	6(b)		(104,376)		(263,119)
Income (loss) from continuing operations			**(3,054,672)**		**4,778,682**
Income (loss) from discontinued operations	17				
Income (loss) from discontinued operations			(659,344)		18,710
Current income tax recovery	14		—		2,546
Deferred income tax recovery (expense)	14		125,668		(23,930)
Income (loss) from discontinued operations			(533,676)		(2,674)
Net income (loss)		**$**	**(3,588,348)**	**$**	**4,776,008**
Income (loss) attributable to:					
Shareholders of Till Capital Corporation		$	(4,205,100)	$	4,805,232
Non-controlling interests			616,752		(29,224)
Net income (loss)		**$**	**(3,588,348)**	**$**	**4,776,008**
Basic and diluted income (loss) per restricted voting share from continuing operations attributable to the shareholders of Till Capital Corporation			**$(1.15)**		**$1.51**
Basic and diluted income (loss) per restricted voting share from discontinued operations attributable to the shareholders of Till Capital Corporation			**$(0.17)**		**$0.00**
Basic and diluted income (loss) per restricted voting share attributable to the shareholders of Till Capital Corporation			**$(1.32)**		**$1.51**
Weighted average number of restricted voting shares outstanding			**3,191,462**		**3,191,462**

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

TILL CAPITAL CORPORATION
Consolidated Statements of Comprehensive Income (Loss)
(Stated in US dollars)

	Notes	Years Ended December 31 2022		2021
Net income (loss)		**$**	**(3,588,348)**	**$ 4,776,008**
Other comprehensive income from continuing operations				
Reclassification of realized gain (loss) from available for sale investments	6(e)		(997,348)	43,230
Change in net unrealized gain (loss) on available for sale investments, net of tax	6(e)		(1,954,699)	807,918
Item that may be reclassified subsequently to net income (loss):				
Change in cumulative foreign exchange translation adjustment			503,151	60,067
Other comprehensive income (loss) from continuing operations			**(2,448,896)**	**911,215**
Other comprehensive income (loss) from discontinued operations				
Change in net unrealized loss on available for sale investments	6(e)		(265,533)	(304,632)
Item that may be reclassified subsequently to net income:				
Change in cumulative foreign exchange translation adjustment			(542,360)	56,624
Other comprehensive loss from discontinued operations			**(807,893)**	**(248,008)**
Total comprehensive income (loss)		**$**	**(6,845,137)**	**$ 5,439,215**
Total comprehensive income (loss) attributable to:				
Shareholders of Till Capital Corporation		$	(7,619,744)	$ 5,453,335
Non-controlling interests			774,607	(14,120)
Total comprehensive income (loss)		**$**	**(6,845,137)**	**$ 5,439,215**

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

TILL CAPITAL CORPORATION
Consolidated Statements of Financial Position
(Stated in US dollars)

	Notes	December 31, 2022	December 31, 2021
Current assets			
Cash and cash equivalents		$ 667,868	$ 611,407
Investments	6(a)	3,500,962	10,913,996
Investment, equity method	6(b)	2,414,129	2,075,640
Assets held for sale	4	57,020,758	56,655,293
Other current assets	11	101,498	196,205
Total current assets		**63,705,215**	**70,452,541**
Non-current assets			
Royalty and mineral interests	10	1,022,717	298,767
Other non-current assets		129,202	143,147
Total non-current assets		**1,151,919**	**441,914**
Total assets		**$ 64,857,134**	**$ 70,894,455**
Current liabilities			
Note payable	12	$ 505,000	$ 1,212,000
Liabilities held for sale	4	44,584,546	42,698,420
Accounts payable and other liabilities	13	1,196,943	68,368
Total current liabilities		**46,286,489**	**43,978,788**
Non-current liabilities			
Deferred income tax liability	14	—	1,593,961
Total non-current liabilities		**—**	**1,593,961**
Total liabilities		**$ 46,286,489**	**$ 45,572,749**
Shareholders' equity			
Share capital		$ 3,191	$ 3,191
Contributed surplus		41,041,462	40,956,938
Accumulated other comprehensive loss		(3,595,886)	(181,242)
Deficit		(19,818,294)	(15,613,194)
Equity attributable to shareholders of Till Capital Corporation		17,630,473	25,165,693
Non-controlling interests		940,172	156,013
Total shareholders' equity		**$ 18,570,645**	**$ 25,321,706**
Total liabilities and shareholders' equity		**$ 64,857,134**	**$ 70,894,455**

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

The consolidated financial statements were approved by the Board of Directors on May 1, 2023 and signed on their behalf by:

/s/ Scott McLeod

Scott McLeod, Director

TILL CAPITAL CORPORATION

Consolidated Statements of Shareholders' Equity

(Stated in US dollars)

	Capital Stock			Accumulated other comprehensive income (loss)							
	Shares	Amount	Contributed surplus	Continuing operations available for sale investments	Continuing operations currency translation adjustment	Discontinued operations available for sale investments	Discontinued operations currency translation adjustment	Deficit	Equity attributable to shareholders of Till Capital Corporation	Non-controlling interests	Total
Balance, December 31, 2020	**3,191,462**	**$ 3,191**	**$ 40,649,665**	**$ (446,534)**	**$ 352,726**	**$ (243,122)**	**$ (492,415)**	**$ (20,418,426)**	**$ 19,405,085**	**$ 92,976**	**$ 19,498,061**
Year Ended December 31, 2021:											
Net income	—	—	—	—	—	—	—	4,805,232	4,805,232	(29,224)	4,776,008
Other comprehensive income (loss)	—	—	—	834,980	61,131	(304,632)	56,624	—	648,103	15,104	663,207
Total comprehensive income (loss)	—	—	—	834,980	61,131	(304,632)	56,624	4,805,232	5,453,335	(14,120)	5,439,215
Stock-based compensation	—	—	374,887	—	—	—	—	—	374,887	9,543	384,430
Change in controlling interest in subsidiary	—	—	(67,614)	—	—	—	—	—	(67,614)	67,614	—
Balance, December 31, 2021	**3,191,462**	**$ 3,191**	**$ 40,956,938**	**$ 388,446**	**$ 413,857**	**$ (547,754)**	**$ (435,791)**	**$ (15,613,194)**	**$ 25,165,693**	**$ 156,013**	**$ 25,321,706**
Year Ended December 31, 2022:											
Net income (loss)	—	—	—	—	—	—	—	(4,205,100)	(4,205,100)	616,752	(3,588,348)
Other comprehensive income (loss)	—	—	—	(2,961,303)	354,552	(265,533)	(542,360)	—	(3,414,644)	157,855	(3,256,789)
Total comprehensive income (loss)	—	—	—	(2,961,303)	354,552	(265,533)	(542,360)	(4,205,100)	(7,619,744)	774,607	(6,845,137)
Stock-based compensation	—	—	84,216	—	—	—	—	—	84,216	9,860	94,076
Change in controlling interest in subsidiary	—	—	308	—	—	—	—	—	308	(308)	—
Balance, December 31, 2022	**3,191,462**	**$ 3,191**	**$ 41,041,462**	**$ (2,572,857)**	**$ 768,409**	**$ (813,287)**	**$ (978,151)**	**$ (19,818,294)**	**$ 17,630,473**	**$ 940,172**	**$ 18,570,645**

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

TILL CAPITAL CORPORATION
Consolidated Statements of Cash Flows
(Stated in US dollars)

	Notes	Years Ended December 31 2022	2021
Cash flows from operating activities			
Net income (loss) from continuing operations		$ (3,054,672)	$ 4,778,682
Adjustments to reconcile net income (loss) to net cash used in operating activities:			
Depreciation and amortization expense		4,916	3,394
Stock-based compensation	15(b)	94,076	384,430
Exploration expense recovery	10	(1,731,801)	(1,382,582)
Investment (income) loss	6(d)	1,718,943	(6,730,631)
Loss on equity investments	6(b)	104,376	263,119
Income tax expense	14	1,053,291	1,205,930
Asset held for sale impairment	4	1,860,567	—
Reversal of mineral property impairment	4	(1,522,022)	—
(Gain) loss on sale of property, plant, and equipment and mineral property		2,555	(171,798)
Interest expense	12	95,180	12,000
Changes in operating assets and liabilities:			
Decrease in accounts payable and other liabilities		(262,965)	(114,043)
Decrease in accounts receivable		1,528	4,387
Other working capital changes		115,787	47,250
Net cash used in continuing operating activities		(1,520,241)	(1,699,862)
Net cash provided by discontinued operating activities	17	1,947,491	584,317
Net cash provided by (used in) operating activities		427,250	(1,115,545)
Cash flows from investing activities			
Sales of investments		—	5,560,626
Purchases of investments		—	(5,467,515)
Sales of equity index futures, net	6(d)	—	21,188
Proceeds from investment distribution		1,485,478	—
Purchases of equity method investments	6(b)	(442,865)	(1,836,177)
Proceeds from release of reclamation bond		4,244	—
Proceeds from property option payments	10	955,000	955,000
Exploration and evaluation costs capitalized		(154,214)	(147,327)
Sales of mineral property		25,000	175,000
Sales of property, plant, and equipment, net of purchases		2,230	25,887
Net cash provided by (used in) continuing investing activities		1,874,873	(713,318)
Net cash used in discontinued investing activities	17	(2,344,846)	(678,386)
Net cash used in investing activities		(469,973)	(1,391,704)
Cash flows from financing activities			
Proceeds from notes payable	12	700,000	1,200,000
Payment of note payable		(1,502,180)	—
Equity issuance cost (Silver Predator Corp.)		—	(27,040)
Net cash provided by (used in) continuing financing activities		(802,180)	1,172,960
Net cash used in discontinued financing activities	17	(56,807)	(75,265)
Net cash provided by (used in) financing activities		(858,987)	1,097,695
Decrease in cash and cash equivalents		**(901,710)**	**(1,409,554)**
Effect of foreign exchange rate		**445,065**	**64,465**
Change in cash of discontinued operations in assets held for sale		**513,106**	**162,809**
Cash and cash equivalents, beginning of year		**611,407**	**1,793,687**
Cash and cash equivalents, end of year		**$ 667,868**	**$ 611,407**

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

1. NATURE OF OPERATIONS

Till was incorporated under the laws of Bermuda on August 20, 2012 under the name Resource Holdings Ltd. On March 19, 2014, Resource Holdings Ltd. changed its name to Till Capital Ltd. On November 22, 2019, Till Capital Ltd. redomiciled to British Columbia, Canada under the Business Corporations Act and was renamed Till Capital Corporation ("Till"). Till's registered office is located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, British Columbia, Canada.

Till, through its wholly-owned subsidiary Till Management Company (“TMC”), owns 755,193 common shares of Osisko Development Corp. (TSXV:ODV) ("ODV") representing approximately 1% of the issued and outstanding common shares of ODV at December 31, 2022. Those shares were acquired as part of a distribution by IG Tintic LLC (“IGT”) when it sold to ODV its majority ownership of Tintic Consolidated Metals LLC ("TCM"), which holds a substantial consolidated land package of over 14,000 acres of mineral rights, including 7,000 acres of surface rights, in the East Tintic Mining District near Provo, Utah. TMC retains its 7.5% ownership interest in IGT which received a 1% Net Smelter Return ("NSR") royalty on the TCM property as part of the sale of TCM to ODV. TMC also owns 33.3% of IG Far East (“IGFE”), a private company with a majority interest in the Durmin gold project in the Russian Far East.

Till, through its wholly-owned subsidiary Golden Predator US Holding Corp. (“GPUS”), owns Springer Mining Company ("SMC") which owns the Springer underground mine and mill complex, various water rights, a current tungsten mineral resource, approximately 3,700 acres of private land, unpatented claims, and substantially all permits required for mining operations. That property is located southwest of Winnemucca, Nevada. Till is committed to selling SMC, see Note 2(b).

Till owns 51.82% of the outstanding shares of Silver Predator Corp. (“SPD”), a Canadian-based public junior mineral exploration company that has historically been engaged in exploring for and developing economically viable silver and gold deposits in the United States, with a focus on Nevada and Idaho. SPD is not currently engaged in any mining or exploration activities; however, a drilling program for its Copper King property is being planned and implemented for the summer of 2023.

Till was formed to respond to the market need for more capacity for certain types of insurance and reinsurance. Resource Re Ltd. (“RRL”) was incorporated in Bermuda as a wholly-owned subsidiary of Till in August 2012 and licensed as a Class 3A insurance company in Bermuda by the Bermuda Monetary Authority (“BMA”) in August 2013. In July 2019, RRL submitted an application to the BMA to deregister as a Class 3A Insurer. That deregistration became effective August 9, 2019. On October 9, 2019, Till was issued a Certificate of Merger in accordance with the provisions of Section 108 of the Bermuda Companies Act 1981, as amended, thereby merging RRL into Till effective as of September 17, 2019.

On May 15, 2015, Till acquired all of the issued and outstanding shares of Omega Insurance Holdings, Inc. (“Holdings”), a privately-held Toronto, Canada based holding company, including its subsidiaries, Omega General Insurance Company (“Omega”), a fully licensed insurance company, and Focus Group Inc. (“Focus”), an insurance consulting and services company. The business strategy for Holdings is to produce underwriting profits and investment-related returns by investing reinsurance premiums and corporate capital. During 2019, Till initiated a plan to sell Holdings, see Note 2(b).

These consolidated financial statements for the years ended December 31, 2022 and 2021 were approved and authorized for issuance by Till's Board of Directors on May 1, 2023.

2. BASIS OF PRESENTATION

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board ("IFRS").

(a) Statement of compliance

In the opinion of management, the accompanying consolidated financial statements contain all normal and recurring adjustments necessary to fairly present the consolidated financial position of Till and its subsidiaries at December 31, 2022 and 2021 and the results of operations and cash flows for the years then ended.

These consolidated financial statements have been prepared on an historical cost basis except for certain financial instruments, stock-based awards, and assets held for sale that have been measured at fair value.

(b) Held for sale and discontinued operations

Starting in 2019, Till followed a plan to sell Holdings and its subsidiaries, Omega and Focus, all of which operate, and are based, in Canada. As a result of that decision, pursuant to IFRS that are the basis for Till's financial reporting practices, Holdings is required to be classified as held for sale and be considered a discontinued operation. During the sale process, Holdings continues to operate as normal operations of Till. In June 2021, Till announced the execution of a share purchase agreement for the sale of Holdings and its subsidiaries, see Note 4.

Till has also followed a plan to sell SMC, a wholly-owned subsidiary of Till. Till's Board of Directors and management are committed to selling SMC and continue negotiations with a potential buyer. As a result, pursuant to IFRS, the assets and liabilities of SMC are classified as held for sale. On April 24, 2023, Till signed an Asset Purchase and Sale Agreement with a private company for the sale of Springer's assets, see Note 22.

There can be no assurance that the sale processes of Holdings and SMC will result in any transaction.

In November 2022, SPD's wholly-owned subsidiary Silver Predator US Holding Corp. ("SPUS") and White Pine Precious Metals Inc. (“WPPM”), a privately held Ontario-based company, signed a purchase agreement for WPPM to acquire SPUS's Taylor property. Pursuant to IFRS, SPD's Taylor property was classified as held for sale. See Note 4.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Use of estimates and areas of judgement

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts and other disclosures in these consolidated financial statements. Amounts in the consolidated financial statements represent Till’s best estimates and assumptions; however, the actual amounts could differ materially from those estimates. Till’s principal use of estimates and assumptions include the valuation of private company membership interests, royalty and mineral interests, projection of unpaid loss and loss expense adjustment reserves, assessment of reinsurance recoverables, including any provision for uncollectible reinsurance, and composition of deferred income tax assets and liabilities. In addition, the preparation of financial statements requires management to make judgments in applying accounting policies. The judgment that has the most significant effect on the amounts recognized in the financial statements is the judgment in determining whether Till has significant influence over its investment IGFE, impairment indicator assessment of mineral properties and Till's investment in IGFE, valuation of Till's investment in IGT, and reversal of SPD's mineral property impairment.

Insurance claim reserves:

Estimates are made for both the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred but not yet reported at the reporting date (“IBNR”). A significant amount of time may pass before the ultimate claim costs can be established with certainty, and, for some types of insurance policies, IBNR claim reserves constitute the majority of the liability in the accompanying consolidated statements of financial position.

The ultimate cost of outstanding claims is estimated by using a range of actuarial claim projection techniques. The principal assumption underlying those techniques is that a company’s past claims development experience can be used to project future claims development and the estimated ultimate claim costs. Those techniques extrapolate the development of paid and incurred losses based on the observed development of earlier years and expected loss ratios. Large claims are usually separately addressed either by being reserved at the value based on loss adjuster estimates or are separately projected to estimate their future development. Additional qualitative judgment is used to assess the extent to which past trends may not apply in the future when estimating the ultimate cost of claims.

Estimates are also made for the portion of the ultimate cost of outstanding claims that will be recoverable from reinsurers.

During 2021, Till's discontinued operation Omega was notified of a significant loss related to a single policy originally issued by an insurance company (the predecessor insurance company) in 1966. As the result of an assumption reinsurance transaction in 2010, Omega may have assumed responsibility for this insurance policy from the predecessor insurance company. The insurance policy limit is $17,720,024, and the predecessor's share of that policy was 44%. The policyholder has started an action to establish that coverage exists under the policy. Omega has enuring reinsurance coverage for the total loss however the collectability of reinsurance remains uncertain as the reinsurance policy also dates back to 1966, and reinsurance coverage relating to the 2010 assumption reinsurance agreement has not been confirmed.

There is a lack of information available related to the total incurred loss as well as the collectability of reinsurance. However, management's best estimate of the loss including provisions for adverse deviation, legal and administration expenses factoring in the latest available information is approximately $3,119,000. Management has assumed 40% of the reinsurance coverage as collectable which results in a net incurred liability to Omega of approximately $1,851,000. This estimate is largely based on Omega's interpretation of possible exposure and other considerations.

This estimate of loss may change materially as new information emerges related to the loss, collectability of reinsurance and other factors which may take years to determine. The current estimate of loss may or may not be indicative of the settlement with the insured and the difference may be material.

Omega believes that its overall practices of establishing the provision for unpaid claims and adjustment expenses have been consistently applied over many years, and that its provisions have resulted in reasonable approximations of the ultimate cost of claims incurred.

Classification and valuation of assets held for sale:

Till follows the guidance of IFRS 5, *Non-current Assets Held for Sale and Discontinued Operations,* ("IFRS 5") for the classification of assets held for sale. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to dispose ("FVLCD"). Estimates are made in the measurement of FVLCD. In assessing classification, Till considers all currently available information, including results of ongoing sales processes. See Note 4 for impairment on SMC and a reversal of previous impairment on the Taylor property.

b. *Basis of consolidation*

The accompanying consolidated financial statements include the accounts of Till, its wholly-owned subsidiaries, and its majority interest in SPD, a publicly-held company that is deemed to be a controlled subsidiary of Till.

All intercompany transactions and balances between Till and its subsidiaries have been eliminated in consolidation. Where necessary, adjustments are made to the results of the subsidiaries to bring their accounting policies in sync with those used by Till.

(Stated in US dollars)

(i) Subsidiaries

Subsidiaries are entities that Till owns, either directly or indirectly. Till's wholly-owned subsidiaries and any entity in which Till has a majority investment interest at December 31, 2022 are as follows:

Name of wholly-owned subsidiary or majority investment interest	Country of Incorporation	Functional Currency	Proportion of Ownership Interest	Principal Activity
Omega Insurance Holdings, Inc.	Canada	Canadian	100%	Holding company
Omega General Insurance Company	Canada	Canadian	100%	Insurance
Focus Group Inc.	Canada	Canadian	100%	Insurance consulting
Till Capital US Holding Corp.	USA	US	100%	Holding company
Till Management Company	USA	US	100%	Investment management
Golden Predator US Holding Corp.	USA	US	100%	Management services
Springer Mining Company	USA	US	100%	Mineral exploration
Silver Predator Corp.	Canada	Canadian	51.82%	Mineral exploration

c. *Equity method investments*

IGFE is an entity that is neither controlled nor jointly controlled by Till, and over which, pursuant to the following criteria in accordance with *International Accounting Standards ("IAS") 28, Investments in Associates and Joint Ventures* ("IAS 28"), Till is deemed to have significant influence (see also Note 6(b) and Note 19(c)). Significant influence is presumed to exist where there is neither control nor joint control and Till has over 20% of the voting rights. Significant influence can also arise where Till holds less than 20% of the voting rights if it has the opportunity to participate in the financial and operating policy decisions affecting the entity.

Under the equity method of accounting, the investment is recorded initially at cost to Till. In subsequent periods, the carrying amount of each investment is adjusted for Till's share of each investment's retained post-acquisition profit or loss and other comprehensive income (loss). Adjustments are made to profit and loss to bring the investment's accounting policies in line with those of Till. If Till's share of losses in the investment equals or exceeds its interest in that investment, including any unsecured receivables, Till would not recognize any further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the investment.

At the end of each reporting period management is required to perform an impairment test on its equity accounted investment in IGFE if there is objective evidence that indicates that the investment may be impaired. Management applies judgment when assessing whether there is any objective evidence of impairment. Objective evidence that the investment is impaired includes observable data that comes to the attention of management about the following loss events: (i) significant financial difficulty of the associate; (ii) a breach of contract, such as a default or delinquency in payments by the associate; (iii) the entity, for economic or legal reasons relating to its associate's financial difficulty, granting to the associate a concession that the entity would not otherwise consider; (iv) it becoming probable that the associate will enter bankruptcy or other financial reorganization; or (v) the disappearance of an active market for the net investment because of financial difficulties of the associate or (vi) information about significant changes with an adverse effect that has taken place in the technological, market, economic or legal environment and whether there has been a significant or prolonged decline in the fair value of an investment below cost. No impairment indicators were identified by management as at December 31, 2022.

d. *Currency translation and foreign exchange*

Till has determined the US dollar to be its functional currency. Transactions denominated in currencies other than the functional currency are reported using the exchange rates prevailing on the dates of the transactions. At each financial statement date, monetary items denominated in foreign currencies are translated at the rates prevailing on the financial statement date. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognized in the period in which they occur.

(Stated in US dollars)

For the purpose of presenting these consolidated financial statements, the assets and liabilities of Till's foreign operations, being those entities that have a functional currency different from that of Till, are translated into US dollars at the rate of exchange prevailing at the end of the reporting period. Opening balances in shareholders' equity are translated at their historic rates. Transactions in shareholders' equity and income and expenses are translated at the average exchange rates for the period where those rates approximate the rates on the dates of transactions, and, where exchange differences occur, they are recognized as a component of equity.

The exchange rates used in converting Canadian dollars to US dollars were as follows:

	Years Ended December 31	
	2022	2021
Exchange rate at year end	US$1 = Cdn$1.3544	US$1 = Cdn$1.2678
Average exchange rate for the year	US$1 = Cdn$1.3013	US$1 = Cdn$1.2537

e. Cash and cash equivalents

For the purposes of the consolidated statements of financial position, cash and cash equivalents comprise cash on hand, demand deposits, and short-term highly-liquid investments with an initial maturity of three months or less that are readily convertible into cash and that are subject to an insignificant risk of change in value.

f. Financial instrument contracts

Till classifies or designates all of its financial assets as either available for sale ("AFS"), held for trading ("HFT"), loans, or receivables. Till classifies or designates all of its financial liabilities as either fair value through profit and loss ("FVPL") or other financial liabilities.

AFS financial assets include private company equity investments, government debt securities, and corporate bond exchange traded funds, all of which are intended to be held for an indefinite period of time, and which may be sold in response to needs for liquidity or in response to changes in market conditions. AFS financial assets are reported at fair value on the consolidated statements of financial position from the trade date (i.e., the date that Till commits to purchase or sell the financial asset). Any subsequent changes in fair values are reported, net of income taxes, in Other Comprehensive Income ("OCI") until the financial asset is disposed of or has become impaired. When an AFS financial asset is disposed of, or has become impaired, the accumulated fair value adjustments recognized in Accumulated Other Comprehensive Income ("AOCI") are transferred to net investment income and a corresponding adjustment (net of income taxes) is made to OCI.

A provision for impairment for AFS financial assets is established when there is objective evidence that the investment is impaired. Objective evidence of impairment for debt securities would include one or more loss events that occurred after initial recognition and that has an impact on the estimated future cash flows of the debt security. Objective evidence of impairment for corporate bond exchange traded funds includes a significant, a prolonged, or a significant and prolonged decline in the fair value of an investment below cost. Objective evidence of impairment for private company equity securities would include significant transactions for the equity of the private company at prices less than the estimated market value. Till considers an unrealized loss of 5.0% or more to be significant, an unrealized loss of 18 consecutive months to be prolonged, and an unrealized loss of 2.5% or more for 12 consecutive months to be significant and prolonged.

HFT financial assets include equity securities and warrants, all of which are held by Till for trading, and principal at risk notes held by Omega. HFT financial assets are reported at fair value on the consolidated statements of financial position from the trade date (i.e., the date that Till commits to purchase or sell the financial asset). Any subsequent changes in fair values are reported in the consolidated statements of income (loss).

Financial assets classified or designated as loans or receivables are reported at fair value on the consolidated statements of financial position from the issuance date and are subsequently reported at amortized cost using the effective interest rate method. A provision for impairment for loans or receivables is established when there is objective evidence that a loan or receivable is impaired.

Financial liabilities carried at FVPL are recorded at fair value and transaction costs are expensed in the statement of loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial liabilities held at FVTPL are included in the consolidated statement of income (loss) in the period in which they arise.

Financial liabilities classified or designated as other financial liabilities are reported at fair value on the consolidated statements of financial position from the issuance date and are subsequently reported at amortized cost using the effective interest rate method.

g. *Insurance contracts*

(i) *Product classification*

An insurance policy is a contract where an insurance company (the insurer) has accepted insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. As a general guideline, the insurance company determines whether it has insurance risk by comparing expected benefits payable if the insured event occurs with expected benefits payable if the insured event does not occur. An insurance contract generally transfers financial risk.

Once a policy has been classified as an insurance contract, it remains classified as an insurance contract for the remainder of its lifetime, even if the insurance risk reduces during that period.

(ii) *Premium revenue and unearned premiums*

Insurance premiums written are recognized on the date that coverage begins. For the types of short-term insurance policy written by Till's insurance subsidiary, Omega, with fixed expiry dates, those written premiums are deferred as unearned premiums and recognized in earned premiums on a pro rata basis over the term of the contracts.

Insurance premiums written and insurance premiums earned also include any adjustments arising in the accounting period for premiums receivable with respect to business written in prior accounting periods.

Insurance premiums ceded to reinsurers are recorded, deferred as reinsurance assets, and recognized in earned premiums on the same basis as the underlying insurance policy being reinsured.

Reinsurance premiums are included in income calculated on a pro rata basis over the term of the underlying insurance policies. The reinsurers’ share of unearned premiums are recognized as assets using principles consistent with the method for establishing the related unearned premium liability.

(iii) *Unpaid claims and adjustment expenses*

The provision for unpaid claims includes loss adjustment expenses and represents the estimated amount required to settle all reported claims incurred. Provision is also made for claims incurred but not reported based on the type of business written. Those amounts are discounted to recognize the time value of money, and are also reviewed and updated periodically, with resulting adjustments, if any, included in the current results of operations.

The computation of unpaid claims takes into account the time value of money using market discount rates based on the underlying investment portfolio.

The process of determining the provision for unpaid claims necessarily involves risks that the actual results may deviate from the reported best estimates. Those risks vary in proportion to the length of the estimation period and the volatility of each component comprising the liabilities. To recognize the uncertainty in establishing those best estimates and to allow for possible deterioration in experience, actuaries are required to use explicit margins for adverse deviation in assumptions for asset defaults, reinvestment risk, adverse claim development, and recoverability of reinsurance balances.

The reinsurers' shares of unpaid claims, net of any required provisions for doubtful amounts, are recognized as assets using principles consistent with the method for establishing the related unpaid claim liability.

(iv) Acquisition expenses

Commissions, premium taxes, and other expenses relating directly to the acquisition of premiums are deferred and amortized over the terms of the related policies to the extent they are considered recoverable from unearned premiums.

At the end of each reporting period, a liability adequacy test is performed to determine whether unearned premiums, net of deferred policy acquisition costs, are sufficient to cover the estimated future costs associated with the unexpired period of the insurance policies. Any deficiencies are recognized immediately as a reduction in deferred acquisition expenses. Any portion of the estimated future costs in excess of the deferred policy acquisition costs would be accrued as a liability.

(v) Reinsurance

Reinsurance balances are reported on the consolidated statements of financial position and in the consolidated statements of loss on a gross basis to recognize the credit risk related to reinsurance and related obligations to policyholders.

(vi) Assumption reinsurance transactions

A premium is charged to other insurance companies for assuming the liabilities on an accepted portfolio of insurance policies, or a portion thereof.

When the underlying insurance policies are fully expired, the premiums are recognized as income on the date when it is determined that the risks and rewards relating to the portfolio liabilities have transferred to Till. At the same time, Till records the actuarially determined estimate of unpaid claims, including loss adjustment expenses, the impact of any existing reinsurance on the portfolio transferred, and other costs of the transaction.

During the period when the underlying insurance policies are not fully expired, the premiums are recognized as income on a pro rata basis over the term of the remaining underlying insurance policies. The impact of any reinsurance ceded on the portfolio is recognized as an expense at the time the reinsurance contract is entered into.

h. Mineral interests

Costs directly related to the exploration and evaluation of mineral properties are capitalized once the legal rights to explore the mineral properties are acquired or obtained. When the technical feasibility and commercial viability of a mineral resource have been demonstrated, the capitalized costs of the related property are transferred to mining assets.

If it is determined that capitalized acquisition, exploration, and evaluation costs are not recoverable, or the property is abandoned, or management has determined there is an impairment in value, the property is written down to its recoverable amount. Mineral properties are reviewed for impairment when facts and circumstances suggest that the carrying amounts may exceed their recoverable amounts.

From time to time, Till acquires or disposes of properties pursuant to the terms of option agreements. Options are exercisable entirely at the discretion of the optionee and, accordingly, are recorded as mineral property costs or recoveries when the payments are made or received. After all costs relating to a property have been recovered, further payments received are reported as an exploration expense recovery in the current results of operations.

i. *Property, plant, and equipment*

Property, plant, and equipment are carried at cost less accumulated depreciation and any impairment charges. Depreciation is recorded on a straight-line basis over the estimated useful life of the asset. Residual values and useful lives are reviewed annually. Impairment losses and gains and losses on disposals of property, plant, and equipment are reported in the current results of operations.

j. *Impairment of assets*

Assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

Impairment is assessed at the level of cash-generating units ("CGU") that are identified as the smallest identifiable group of assets that generates cash inflows and that are largely independent of the cash inflows from other assets. When an impairment review is undertaken, the recoverable amount is assessed by reference to the higher of value in use and FVLCD.

The value in use is the net present value of expected future cash flows of the relevant CGU in its current condition, both from continuing use and ultimate disposal. For value in use, recent cost levels are considered, together with expected changes in costs that are compatible with the current condition of the business and that meet the requirements of IFRS.

The best evidence of FVLCD is the value obtained from an active market or binding sale agreement. Where neither exists, FVLCD is based on the best information available to correlate with the amount a market participant would pay for the CGU in an arm's length transaction. That amount is often estimated using discounted cash flow techniques.

k. *Revenue from contracts with customers*

Revenue from contracts with customers is based on the principle that revenue is recognized when control of goods or services are transferred to a customer. For consulting and management services revenue, Till recognizes revenue over the term of the relevant agreements as customers simultaneously receive and utilize the benefits provided by Till's services and performance.

l. *Taxation*

Income tax expense comprises current and deferred income tax. Current income tax and deferred income tax are recognized in income or loss except to the extent that they relate to items recognized directly in equity or in OCI.

Current income tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted as of the reporting date.

Deferred income tax is recognized in respect of unused tax losses and credits, as well as temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on enacted or substantively enacted laws as of the reporting date. The carrying amounts of deferred income tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be realized.

A deferred income tax asset is recognized for unused tax losses, tax credits, and deductible temporary differences, only to the extent that it is probable that future taxable income will be available against which they can be utilized.

Deferred income tax is not recognized for the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income or loss, and differences relating to investments in subsidiaries, associates, and joint arrangements to the extent it is probable those differences will not reverse in the foreseeable future.

m. *Income (loss) per share*

Basic and diluted income (loss) per restricted voting share are calculated on Till's income or loss attributed to Till's shareholders divided by the weighted average number of Till restricted voting shares outstanding during the period.

n. *Employee benefits*

Wages, salaries, and related benefits are accrued in the period in which the employees provide the associated services.

o. *Segment reporting*

Till operates in a single segment, that being investments.

p. *New standard adopted and standards and interpretations not yet adopted*

(i) IFRS 9, *Financial Instruments* (“IFRS 9”)

IFRS 9 is a three-part standard that replaces IAS 39, *Financial Instruments: Recognition and Measurement*. IFRS 9 became effective for fiscal years beginning on or after January 1, 2018. However, Till meets the eligibility criteria of the temporary exemption from IFRS 9 as provided by IFRS 4, *Insurance Contracts,* and has elected to defer the application of IFRS 9 until the effective date of the new insurance contracts standard, IFRS 17, *Insurance Contracts,* ("IFRS 17"). Till is currently evaluating the impact that IFRS 9, in conjunction with IFRS 17, will have on its consolidated financial statements.

In accordance with the requirements of the temporary deferral, Till is required to present additional disclosure related to the classification and fair value of financial assets, as well as their credit rating.

Following the adoption of IFRS 9, the measurement of the group of assets with contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding will be determined based on either Till’s business model objectives, or whether Till has elected to apply the fair value option to eliminate an accounting mismatch. That determination will be made at a later date. The assets in the other than SPPI group will be required to be measured at fair value through income or loss.

(ii) IFRS 17, *Insurance Contracts*

In May 2017, the IASB issued IFRS 17, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation, and disclosure that replaces IFRS 4 and introduces consistent accounting for all insurance contracts.

Till will apply IFRS 17 effective January 1, 2023 with a transition date of January 1, 2022. IFRS 17 will be applied retrospectively to each group of insurance contracts as if IFRS 17 had always applied. As a result, comparative information will be restated. The adoption of IFRS 17 will affect the timing of earnings recognition for Omega’s insurance contracts and the carrying amount of insurance contract assets and liabilities, as well as require changes in presentation and disclosure.

To manage the transition to IFRS 17, Omega established a program to review the impacts of the standard and implementation of policies, systems, processes and controls required for the adoption. Progress has been made under this program in preparing for the implementation of IFRS 17, however the transition has not been finalized and the financial impact of these changes are still being evaluated and therefore not reasonably estimable at this time.

The following summarizes Omega's significant accounting policies under IFRS 17:

Level of Aggregation:
IFRS 17 requires insurance contracts to be aggregated and measured together based on those contracts that are managed together and share similar risks. Contracts are then further disaggregated based on profitability, and each group must not include contracts issued more than one year apart.

Measurement:
IFRS 17 introduces a new concept of general measurement model ("GMM") for the recognition and measurement of insurance contracts. Entities also have the option to use a simplified measurement model, Premium Allocation Approach ("PAA"), for contracts that have a coverage period of one year or less, or if the resulting Asset or Liability for remaining coverage ("ARC/LRC") is not expected to materially differ from the ARC/LRC measured using the GMM.

Omega expects to use the PAA for contracts with coverage periods that are one year or less. For contracts that have coverage periods that exceed one year, Omega expects to use the GMM.

The insurance contract liability comprises a liability for remaining coverage ("LRC") relating to future service, and a liability for incurred claims ("LIC") relating to past service. When measuring the LIC, IFRS 17 also requires that estimates of future cash flows are discounted to reflect the time value of money and financial risk related to those cash flows. The methodology for determining discount rates is not prescribed and requires judgement to determine. Under IFRS 4, Omega's discount rate was closely tied to the assets supporting insurance liabilities. Under IFRS 17, the key change is that the discount rate is now explicitly required to consider the timing and liquidity characteristics of the cash flows in insurance contracts, which may be difference from the assets supporting those liabilities. Omega expects to apply an approach based on the risk-free rate plus a liquidity premium for both issued insurance contracts and reinsurance contracts held.

Under both the PAA and the GMM, an adjustment for an explicit risk adjustment for non-financial risk replaces the margins for adverse deviation under IFRS 4.

Under the GMM, the LRC also includes an adjustment for contractual service margin ("CSM"), representing the unearned profit Omega will recognize as it provides service under the GMM insurance contracts.

Presentation and disclosures:
IFRS 17 introduces significant changes to the disclosure and presentation of insurance items in the financial statements including:

- Changes in the Balance Sheet where premiums receivable, deferred acquisition costs, claims liabilities, unearned premiums and other related assets and liabilities will be presented together by portfolio on a single line called Insurance contract liabilities or assets. Reinsurance assets, reinsurance receivable, ceded commission and other related assets and liabilities will be presented together by portfolio on a single line called reinsurance contract assets or liabilities.

- Change in Statement of Income where direct results will be presented separately from reinsurance results.

- Underwriting performance will be presented in the statement of income under insurance service result which will be composed of:

    - Insurance revenue which includes revenues related to direct business allocated based on the passage of time of insurance contracts, similar to IFRS 4.

    - Insurance service expenses which includes expenses related to direct business incurred claims, amortization of insurance acquisition cash flows, and losses and reversal of losses on onerous contracts.

    - Net income (expenses) from reinsurance contracts held which includes revenues and expenses related to ceded business.

    - Insurance service results will be presented without the impact of discount unwinding and change in discount rate which will be shown separately under insurance finance income and expenses, outside of underwriting performance.

    - Extensive disclosures are required on the recognized amounts from insurance contracts and the nature and extent of risks arising from those contracts.

4. ASSETS AND LIABILITIES HELD FOR SALE

Omega Insurance Holdings, Inc.

During the year ended December 31, 2019, Till initiated a plan to sell Holdings, including its subsidiaries, Omega and Focus, all of which operate and are based in Canada. Pursuant to IFRS 5, Holdings was classified as a discontinued operation and Holding's assets and liabilities were classified as held for sale.

(Stated in US dollars)

The assets and liabilities held for sale of Holdings are as follows:

	December 31, 2022	December 31, 2021
Holdings assets held for sale:		
Cash and cash equivalents	$ 533,788	$ 1,046,894
Investments	18,053,264	17,220,792
Unpaid losses and loss adjustment expenses ceded	9,925,288	7,865,551
Unearned premiums ceded	10,321,087	10,308,111
Premiums receivable and reinsurance recoverables	11,576,412	13,555,036
Deferred policy acquisition costs	1,461,849	1,340,323
Right of use asset	—	51,824
Deferred income tax asset	289,427	181,417
Other assets	45,335	54,521
Total Holdings assets held for sale	$ 52,206,450	$ 51,624,469
Holdings liabilities held for sale:		
Reserve for unpaid losses and loss adjustment expenses	$ 15,671,607	$ 13,054,526
Unearned premiums	11,531,536	11,944,954
Reinsurance payables	11,449,997	12,131,804
Payables and accruals	3,260,891	2,925,960
Unearned commissions	2,535,239	2,312,624
Lease liability	—	56,427
Other liabilities	126,345	225,766
Total Holdings liabilities held for sale	$ 44,575,615	$ 42,652,061

On June 21, 2021, Till and Accelerant Holdings ("Accelerant") announced that they executed a share purchase agreement for Accelerant to acquire from Till, Holdings and its two wholly-owned subsidiaries Omega and Focus ("Omega Companies"). Accelerant will pay Till an aggregate purchase price of 1.15 times the aggregate book value of the Omega Companies, or approximately $8,775,000 as of December 31, 2022, in exchange for all of the issued and outstanding shares of Holdings. Completion of the transaction is subject to approval of Canada's Office of the Superintendent of Financial Institutions, the TSX Venture Exchange, and certain other customary consents and provincial insurance regulatory filings.

Springer Mining Company

SMC, a wholly-owned subsidiary of Till, owns the Springer underground mine and mill complex, various water rights, a current tungsten mineral resource, approximately 3,700 acres of private land, unpatented claims, and substantially all permits required for mining operations. That property is located southwest of Winnemucca, Nevada. In January 2017, SPD, in exchange for the full release of a related party debt owed to a subsidiary of Till, gave 100% of its full ownership of SMC to that subsidiary. Full ownership of SMC was, in turn, transferred by that subsidiary to GPUS, another wholly-owned subsidiary of Till. Till is committed to selling SMC. Pursuant to IFRS 5, SMC's assets and liabilities are classified as held for sale. On April 24, 2023, Till signed an Asset Purchase and Sale Agreement with a private company for the sale of Springer's assets (See Note 22).

(Stated in US dollars)

The assets and liabilities held for sale of SMC are as follows:

	December 31, 2022	December 31, 2021
SMC assets held for sale:		
Cash	$ 10,684	$ 34,427
Reclamation bonds	32,401	32,401
Prepaid expenses	9,717	46,010
Mineral properties	1,463,577	1,361,004
Property, plant, and equipment	1,696,415	3,556,982
Total SMC assets held for sale	**$ 3,212,794**	**$ 5,030,824**
Total SMC liabilities held for sale	**$ 8,930**	**$ 46,359**

At December 31, 2022 and 2021, Till performed impairment assessments of the SMC assets held for sale, and as a result, an impairment loss of $1,860,567 was recorded at December 31, 2022 (December 31, 2021 - $nil) based on the FVLCD of the SMC assets evidenced by the SMC Asset Purchase and Sale Agreement signed in April 2023 (see Note 22) for $2,000,000 cash and a production royalty. The fair value of the royalty was determined using a present value calculation of estimated royalty payments over three years at a discount rate of 21%.

Taylor property

The Taylor property is owned by SPUS, which is 100% owned by Till's 51.82% owned subsidiary SPD and located in White Pine County, Nevada, U.S. That property hosts a silver mineral resource reported in accordance with Canadian National Instrument 43-101.

In November 2022, SPUS and WPPM signed a purchase agreement for WPPM to acquire the Taylor property. The terms of the purchase agreement included an immediate payment of $25,000 followed by a payment of $850,000 by the closing date, with an additional $875,000 payment 18 months following the closing date. Also at the closing date, SPUS will receive 5% of the issued and outstanding common shares of WPPM on a basic, non-diluted basis. SPUS received the $25,000 on November 22, 2022. The closing occurred on January 27, 2023 (See Note 22). Pursuant to IFRS 5, Taylor's assets were reclassified to held for sale.

As a result of the purchase agreement, a reversal of previous impairment in the amount of $1,522,022 was recorded at December 31, 2022 based on the value of the cash received, the cash to be received discounted to present value using a discount rate of 18%, and shares of WPPM to be received.

(Stated in US dollars)

Total assets and liabilities held for sale

	December 31, 2022	December 31, 2021
Assets held for sale:		
Holdings	$ 52,206,450	$ 51,624,469
SMC	3,212,794	5,030,824
Taylor	1,601,514	—
Total assets held for sale	$ 57,020,758	$ 56,655,293
Liabilities held for sale:		
Holdings	$ 44,575,615	$ 42,652,061
SMC	8,930	46,359
Total liabilities held for sale	$ 44,584,545	$ 42,698,420

5. LEASES

Till leased its office in Hayden, ID U.S. on a month-to-month basis. Till elected not to apply IFRS 16, *Leases*, ("IFRS 16") for that short-term lease which ended in August 2021.

In the third quarter of 2019, Focus, a subsidiary of Till's wholly-owned held for sale subsidiary Holdings, entered into an agreement to lease its office for three years, effective October 1, 2019, with a monthly lease payment of $5,518 (Cdn$7,474) for the first year, $5,748 (Cdn$7,785) for the second year, and $5,978 (Cdn$8,097) for the third year. The three-year lease was accounted for in accordance with IFRS 16. At December 31, 2022, Holdings was classified as discontinued operations (see Note 17) and its assets and liabilities were classified as held for sale (see Note 4).

Lease liabilities maturity schedule

2019	$ 14,523
2020	59,784
2021	65,235
2022	52,191
	$ 191,733

(Stated in US dollars)

The right-of-use asset, lease liabilities, and related expenses are summarized as follows:

	December 31, 2022	December 31, 2021
Right-of-use asset		
Beginning balance	$ 51,824	$ 120,409
Depreciation	(51,218)	(69,876)
Adjustment due to currency conversion	(606)	1,291
Ending balance	$ —	$ 51,824
Lease liabilities		
Beginning balance	$ 56,427	$ 126,419
Interest on lease liabilities	1,039	3,941
Lease payments	(56,807)	(75,265)
Adjustment due to currency conversion	(659)	1,332
Ending balance	$ —	$ 56,427

	Years Ended December 31 2022	2021
Depreciation expense for right-of-use asset	$ 51,218	$ 69,876
Interest expense on lease liabilities	$ 1,039	$ 3,941
Total cash outflow for leases	$ 56,807	$ 75,265

6. INVESTMENTS

(a) Investments

	December 31, 2022			December 31, 2021		
	Cost Basis	Unrealized Income (Loss)	Fair Value	Cost Basis	Unrealized Loss	Fair Value
Held for trading	$ 205,853	$ (72,656)	$ 133,197	$ 713,462	$ (507,609)	$ 205,853
Available for sale	7,283,509	(3,915,744)	3,367,765	9,509,000	1,199,143	10,708,143
Total	**$ 7,489,362**	**$ (3,988,400)**	**$ 3,500,962**	**$ 10,222,462**	**$ 691,534**	**$ 10,913,996**

Investments included in assets held for sale:

	December 31, 2022			December 31, 2021		
	Cost Basis	Unrealized Income (Loss)	Fair Value	Cost Basis	Unrealized Income (Loss)	Fair Value
Held for trading	$ 353,629	$ (25,262)	$ 328,367	$ 396,691	$ (18,907)	$ 377,784
Available for sale	17,920,387	(195,490)	17,724,897	16,769,134	73,874	16,843,008
Total	**$ 18,274,016**	**$ (220,752)**	**$ 18,053,264**	**$ 17,165,825**	**$ 54,967**	**$ 17,220,792**

(Stated in US dollars)

(b) Equity method investments

IG Far East LLC

During the year ended December 31, 2022, Till and its wholly-owned subsidiary TMC invested $442,865 in IGFE (year ended December 31, 2021 - $1,836,177) to maintain its 33.3% interest. That investment is accounted for under the equity method of accounting. IGFE has a 60% interest in the Durmin gold project in the Russian Far East.

	December 31, 2022	December 31, 2021
Balance, beginning of year	**$ 2,075,640**	**$ 386,423**
Acquisitions	442,865	1,836,177
Equity loss	(104,376)	(146,960)
Balance, end of year	**$ 2,414,129**	**$ 2,075,640**

In accordance with IAS 28, Till performed an impairment analysis of its investment in IGFE. That analysis included reviewing IGFE for i) significant financial difficulty, ii) breach of contract, such as a default or delinquency in payments, iii) Till granting a concession to IGFE that Till would not otherwise consider, iv) the probability that IGFE will enter bankruptcy or other financial reorganization, and v) the disappearance of an active market for the net investment because of financial difficulties of IGFE. The review of those potential loss events resulted in no objective evidence that Till's investment in IGFE is impaired.

IG Tintic LLC

Till, through TMC, invested $2,000,000 on January 13, 2020 for 880,900 units representing a 10.0% ownership in IGT. Of that amount, $1,153,562 was allocated to net assets and $846,438 was allocated to additional mineral property value. On December 17, 2020, TMC invested $700,000 for 70,000 additional units. Of that amount, $78,232 was allocated to net assets and $621,768 was allocated to additional mineral property value. At December 31, 2022, Till owns 950,900 units of IGT, which, in 2021, completed private financings at $10 per unit and issued units to employees, diluting Till's ownership to 7.7%. The investment was accounted for under the equity method of accounting until June 30, 2021.

Balance, December 31, 2020	**$ 2,357,740**
Equity loss	(116,159)
Transfer to AFS investments	(2,241,581)
Balance, December 31, 2021	**$ —**

On July 1, 2021, Till, due to no longer having significant influence over IGT, reclassified IGT from equity method investment to available for sale investment reported at fair value. That reclassification resulted in a gain of $7,267,420.

In January 2022, IGT entered into a definitive agreement with ODV to sell its 75% participation in TCM (the “Transaction”) in exchange for aggregate consideration of approximately $130 million comprised of cash and ODV shares as well as a 1% NSR royalty on the entire property owned by TCM. The Transaction was closed in the second quarter of 2022.

Following the completion of the Transaction between IGT and ODV, IGT made a distribution to its members in ODV shares and cash. On May 27, 2022, TMC received 755,193 shares of ODV which were classified as an AFS investment and valued at $5,399,630 using ODV’s share price of Cdn$9.10 on that day. TMC also received $1,777,494 in cash of which $292,016 was withheld for Utah state taxes. The distribution was treated as a return of capital.

During the second quarter of 2022 after IGT closed the Transaction with ODV, Till performed an impairment analysis on its IGT investment. As a result, an impairment net of previous fair value adjustments of $2,877,163 was recorded.

At December 31, 2022, TMC owned 7.5% of the outstanding units of IGT valued at $137,618 and classified as AFS investment.

(c) *Fair value measurement*

The fair value of securities in Till's investment portfolio is estimated using the following techniques:

<u>Level 1</u> - Assets or liabilities with quoted prices in active markets. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry company, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

<u>Level 2</u> - Assets or liabilities that are measured using observable market data and are not allocable to Level 1. Measurements are based, in particular, on prices for comparable assets and liabilities that are traded on active markets, prices on markets that are not considered active, as well as inputs derived from such prices or market data.

<u>Level 3</u> - Assets or liabilities that cannot be measured or can only be partially measured using observable market inputs. The measurement of such instruments draws principally on valuation models and methods.

Till determines the estimated fair value of each individual security utilizing the highest level inputs available.

Till's investments in exchange traded funds, guaranteed investment certificates, and public companies are classified as Level 1 investments because the fair values are based on quoted prices in active markets for identical assets that are reported at fair value. Till's investments in public company warrants and Omega's investments in government bonds and principle at risk notes are classified as Level 2 investments because the fair value is measured using observable market data but identical assets are not quoted in active markets. Till's investment in IGT is classified as Level 3 because the value of that investment cannot be measured using observable market inputs. The fair value of Till's investment in IGT as of December 31, 2022 was calculated based on the value of the 1% NSR royalty on the Tintic Property, the only remaining asset IGT owns after the Transaction.

(Stated in US dollars)

The fair value hierarchy of Till's investment holdings is as follows:

	Fair Value at December 31, 2022			
	Total	Level 1	Level 2	Level 3
Continuing Operations:				
Held for trading	133,197	$ 5,539	$ 127,658	$ —
Available for sale	3,367,765	3,230,147	—	137,618
	3,500,962	3,235,686	127,658	137,618
Held for sale:				
Held for trading	328,367	—	328,367	—
Available for sale:				—
Government debt securities	14,380,778	—	14,380,778	—
Corporate bond exchange traded funds	3,272,235	3,272,235	—	—
Guaranteed investment certificate	55,375	55,375	—	—
Accrued investment income	16,509	8,591	7,918	—
Total available for sale	17,724,897	3,336,201	14,388,696	—
	18,053,264	3,336,201	14,717,063	—
Total investments	**$ 21,554,226**	**$ 6,571,887**	**$ 14,844,721**	**$ 137,618**

In May 2022, TMC received a distribution from IGT of 755,193 shares of ODV. The value of those shares were classified as Level 1. The fair value of Till's remaining investment in IGT as of December 31, 2022 was determined based information from IGT. The change in Level 3 investments in 2022 is as follows:

Level 3 Investment value, December 31, 2021	**$ 10,708,143**
Distribution of cash (including estimated tax withheld)	(1,777,494)
Distribution of 755,193 shares of ODV	(5,399,630)
Change in value of Level 3 Investment	(3,393,401)
Level 3 Investment value, December 31, 2022	**$ 137,618**

	Fair Value at December 31, 2021			
	Total	Level 1	Level 2	Level 3
Continuing Operations:				
Held for trading	$ 205,853	$ 17,336	$ 188,517	$ —
Available for sale	10,708,143	—	—	10,708,143
	10,913,996	17,336	188,517	10,708,143
Held for sale:				
Held for trading	377,784	—	377,784	—
Available for sale:				—
Government debt securities	12,032,432	—	12,032,432	—
Corporate bond exchange traded funds	4,782,225	4,782,225	—	—
Accrued investment income	28,351	16,468	11,883	—
Total available for sale	16,843,008	4,798,693	12,044,315	—
	17,220,792	4,798,693	12,422,099	—
Total investments	**$ 28,134,788**	**$ 4,816,029**	**$ 12,610,616**	**$ 10,708,143**

(Stated in US dollars)

(d) Investment income (loss), net

Till calculates the income or loss realized on the sale of investments by comparing the sales price (fair value) to the cost or amortized cost of the security sold. Till determines the cost or amortized cost of the bonds sold using the specific-identification method and all other securities sold using the average cost method.

	Years Ended December 31 2022	2021
Net income (loss) from held for trading investments:		
Equity index futures	$ —	$ 21,188
All other securities	(72,542)	6,758,388
Net realized loss from available for sale investments	(1,716,526)	(42,317)
Net interest and dividends	70,140	5
Investment related expenses	(15)	(6,633)
Investment income (loss), net	**$ (1,718,943)**	**$ 6,730,631**

(e) Net change in unrealized income (loss) on available for sale investments:

	Years Ended December 31 2022	2021
Equity securities	$ (2,952,047)	$ 851,148
Discontinued operations:		
Canadian government bonds and provincial bonds	(249,912)	(117,407)
Equity securities - bond funds	(15,621)	(187,225)
Total included in other comprehensive income (loss)	**$ (3,217,580)**	**$ 546,516**

7. UNPAID LOSSES, LOSS ADJUSTMENT EXPENSES, AND REINSURANCE AMOUNTS CEDED

The December 31, 2022 and December 31, 2021 unpaid losses, loss adjustment expenses, and reinsurance amounts ceded were classified as held for sale. (See Note 4 and 17 for more details.)

(a) Reserve for unpaid losses and loss adjustment expenses (“LAE”)

	December 31, 2022		
	Unpaid Losses and LAE	Reinsurance Amounts Ceded	Net
Undiscounted amounts	$ 15,431,648	$ 9,751,779	$ 5,679,869
Adjustment for discount rate	(974,601)	(447,430)	(527,171)
Adjustment for provision for adverse developments	1,214,560	620,939	593,621
Reserve for unpaid losses and LAE	**$ 15,671,607**	**$ 9,925,288**	**$ 5,746,319**

(Stated in US dollars)

	December 31, 2021		
	Unpaid Losses and LAE	Reinsurance Amounts Ceded	Net
Undiscounted amounts	$ 12,264,969	$ 7,479,055	$ 4,785,914
Adjustment for discount rate	(389,651)	(137,246)	(252,405)
Adjustment for provision for adverse developments	1,179,208	523,742	655,466
Reserve for unpaid losses and LAE	**$ 13,054,526**	**$ 7,865,551**	**$ 5,188,975**

(b) *Summary of changes in outstanding losses and LAE and amounts ceded*

	Years Ended December 31					
	2022			2021		
	Unpaid Losses and LAE	Reinsurance Amounts Ceded	Net	Unpaid Losses and LAE	Reinsurance Amounts Ceded	Net
Balance, beginning of year	**$ 13,054,526**	**$ 7,865,551**	**$ 5,188,975**	**$ 11,454,610**	**$ 7,599,554**	**$ 3,855,056**
Losses and LAE incurred for insured events related to:						
Current year	84,857,057	84,484,960	372,097	68,655,471	68,300,713	354,758
Prior year	3,595,671	2,535,443	1,060,228	1,514,203	(71,685)	1,585,888
Total incurred	88,452,728	87,020,403	1,432,325	70,169,674	68,229,028	1,940,646
Losses and LAE paid:						
Current year	(80,490,661)	(80,479,005)	(11,656)	(64,528,160)	(64,525,854)	(2,306)
Prior year	(4,369,430)	(3,874,170)	(495,260)	(4,072,943)	(3,466,917)	(606,026)
Total paid	(84,860,091)	(84,353,175)	(506,916)	(68,601,103)	(67,992,771)	(608,332)
Adjustment due to currency conversion	(975,556)	(607,491)	(368,065)	31,345	29,740	1,605
Balance, end of year	**$ 15,671,607**	**$ 9,925,288**	**$ 5,746,319**	**$ 13,054,526**	**$ 7,865,551**	**$ 5,188,975**

(c) *Effects of discounting*

For the year ended December 31, 2022, Till has discounted its best estimate of claims provisions at a rate of 3.97% (year ended December 31, 2021 - 1.42%) based on the yield on its insurance-related investments.

To recognize the uncertainty in establishing those best estimates, to allow for possible deterioration in experience, and to provide greater comfort that the actuarial liabilities are adequate to pay future costs, Till includes Provisions for Adverse Deviations ("PFADs") in some assumptions relating to claim development, reinsurance recoveries, and future investment income. The PFADs selected are in the mid-range of those recommended by the Canadian Institute of Actuaries for claim development and future investment income and are in the low range of those recommended by the Canadian Institute of Actuaries for reinsurance recoveries.

The effects of discounting and PFADs on unpaid claims and adjustment expenses are as follows:

	December 31, 2022			
	Undiscounted	Effect of discounting	Effect of PFADs	Discounted
Insurance contract liabilities	$ 15,431,648	$ (974,601)	$ 1,214,560	$ 15,671,607
Reinsurance asset	9,751,779	(447,430)	620,939	9,925,288
Provision for outstanding claims	**$ 5,679,869**	**$ (527,171)**	**$ 593,621**	**$ 5,746,319**

	December 31, 2021			
	Undiscounted	Effect of discounting	Effect of PFADs	Discounted
Insurance contract liabilities	$ 12,264,969	$ (389,651)	$ 1,179,208	$ 13,054,526
Reinsurance asset	7,479,055	(137,246)	523,742	7,865,551
Provision for outstanding claims	**$ 4,785,914**	**$ (252,405)**	**$ 655,466**	**$ 5,188,975**

(d) Cumulative incurred claims, including existing claims, reported claims, and IBNR for each successive underwriting year at each reporting date, together with cumulative payments to date for the year ended December 31, 2021

The following tables are presented on an underwriting year basis as opposed to an accident year basis. As a result, the reserves at the "one year later" point can normally be expected to increase. Assuming the reserves develop as expected, there will be premium earned in the subsequent year to offset the incurred claims.

Gross ($000's omitted)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total
End of year	$ 13,407	$ 16,364	$ 16,902	$ 24,321	$ 32,049	$ 34,970	$ 42,208	$ 49,620	$ 63,272	$ 81,322	$ 81,322
One year later	13,487	16,994	17,326	24,355	32,622	35,068	42,125	48,900	63,298	—	63,298
Two years later	13,469	16,819	16,993	24,298	32,803	34,947	41,906	49,172	—	—	49,172
Three years later	13,310	16,778	17,287	24,288	33,085	35,103	42,445	—	—	—	42,445
Four years later	13,272	16,783	15,430	24,162	33,222	35,954	—	—	—	—	35,954
Five years later	13,235	16,710	14,905	24,243	33,235	—	—	—	—	—	33,235
Six years later	13,157	16,627	15,380	24,164	—	—	—	—	—	—	24,164
Seven years later	13,295	16,627	16,051	—	—	—	—	—	—	—	16,051
Eight years later	13,310	16,627	—	—	—	—	—	—	—	—	16,627
Nine years later	13,272	—	—	—	—	—	—	—	—	—	13,272
Cumulative payments to date	(13,258)	(16,627)	(14,104)	(23,870)	(32,803)	(34,653)	(42,089)	(48,518)	(61,960)	(77,335)	(365,217)
Current reserve	14	—	1,947	294	432	1,301	356	654	1,338	3,987	10,323

Current reserve for underwriting years prior to 2013	4,825
Unallocated adjustment expense reserve	284
Adjustment for discount rate	(975)
Adjustment for provision for adverse developments	1,215
Total gross outstanding claim liabilities at December 31, 2022	**$ 15,672**

Net of reinsurance ($000's omitted)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total
End of year	$ 7,650	$ 10,004	$ (498)	$ 224	$ 294	$ 199	$ 147	$ 258	$ 182	$ 219	$ 219
One year later	8,181	10,687	(701)	440	618	409	289	403	376	—	376
Two years later	8,187	10,687	(732)	423	772	417	284	396	—	—	396
Three years later	8,186	10,688	(710)	422	852	443	182	—	—	—	182
Four years later	8,186	10,688	(973)	422	910	320	—	—	—	—	320
Five years later	8,184	10,690	(1,073)	422	925	—	—	—	—	—	925
Six years later	8,184	10,690	(800)	422	—	—	—	—	—	—	422
Seven years later	8,184	10,690	(521)	—	—	—	—	—	—	—	(521)
Eight years later	8,184	10,690	—	—	—	—	—	—	—	—	10,690
Nine years later	8,184	—	—	—	—	—	—	—	—	—	8,184
Cumulative payments to date	(8,184)	(10,690)	1,195	(365)	(871)	(157)	(16)	(70)	(22)	(11)	(19,191)
Current reserve	—	—	674	57	54	163	166	326	354	208	2,002

Current reserve for underwriting years prior to 2013	3,395
Unallocated adjustment expense reserve	282
Adjustment for discount rate	(527)
Adjustment for provision for adverse developments	594
Total net outstanding claim liabilities at December 31, 2022	**$ 5,746**

(e) Reconciliation of net to gross reserve for unpaid loss and loss adjustment expenses

	December 31 2022	December 31 2021
Unpaid Loss and Loss Adjustment Expense, net of ceded amounts	$ 5,746,319	$ 5,188,975
Ceded Unpaid Loss and Loss Adjustment Expense	9,925,288	7,865,551
Unpaid Loss and Loss Adjustment Expense	**$ 15,671,607**	**$ 13,054,526**

8. UNEARNED PREMIUMS AND UNEARNED PREMIUMS CEDED

The following table is a summary of changes in unearned premiums and unearned premiums ceded. (The December 31, 2022 and December 31, 2021 unearned premiums and unearned premiums ceded were classified as held for sale. See Note 4 for details.)

	Year Ended December 31, 2022			Year Ended December 31, 2021		
	Unearned Premiums	Unearned Premiums Ceded	Net	Unearned Premiums	Unearned Premiums Ceded	Net
Balance, beginning of year	**$ 11,944,954**	**$ 10,308,111**	**$ 1,636,843**	**$ 12,876,197**	**$ 10,802,846**	**$ 2,073,351**
Premiums written	141,341,196	140,443,629	897,567	115,794,903	114,794,350	1,000,553
Premiums earned	(140,976,561)	(139,744,130)	(1,232,431)	(116,792,080)	(115,341,181)	(1,450,899)
Adjustment due to currency conversion	(778,053)	(686,523)	(91,530)	65,934	52,096	13,838
Balance, end of year	**$ 11,531,536**	**$ 10,321,087**	**$ 1,210,449**	**$ 11,944,954**	**$ 10,308,111**	**$ 1,636,843**

(Stated in US dollars)

9. DEFERRED POLICY ACQUISITION COSTS

The following table is a summary of changes in deferred policy acquisition costs. (The December 31, 2022 and December 31, 2021 deferred policy acquisition costs were classified as held for sale. See Note 4 for details.)

	Year Ended December 31, 2022	Year Ended December 31, 2021
Balance, beginning of year	**$ 1,340,323**	**$ 1,850,201**
Acquisition costs deferred	40,657,108	32,678,473
Amortization of deferred policy acquisition costs	(40,535,582)	(33,188,351)
Balance, end of year	**$ 1,461,849**	**$ 1,340,323**

10. ROYALTY AND MINERAL INTERESTS

Royalty and mineral interests are summarized as follows:

	Balance Dec. 31, 2021	Acquisition	Capitalized exploration costs	Mineral property impairment reversal	Sale / Reclass to held for sale	Balance Dec. 31, 2022
Taylor (owned by SPD)	$ 75,807	$ —	$ 28,685	$ 1,522,022	$ (1,626,514)	$ —
Other SPD properties	178,802	—	22,956	—	—	201,758
Royalty interests	44,158	776,801	—	—	—	820,959
Total	**$ 298,767**	**$ 776,801**	**$ 51,641**	**$ 1,522,022**	**$ (1,626,514)**	**$1,022,717**

	Balance December 31, 2020	Capitalized exploration costs	Sale of mineral property	Balance December 31, 2021
Carlin Vanadium Property	$ 126,315	$ —	$ (126,315)	$ —
SPD properties	212,313	46,923	(4,627)	254,609
Royalty interests	44,158	—	—	44,158
Total	**$ 382,786**	**$ 46,923**	**$ (130,942)**	**$ 298,767**

Carlin Vanadium

In June 2017, GPUS, Till's wholly-owned subsidiary, entered into an option agreement (the "Carlin Vanadium Agreement") with a privately-held unrelated company ("Initial Optionee") pursuant to which Initial Optionee has the right to acquire from GPUS certain mining claims located in Nevada, US, commonly referred to as the Carlin Vanadium/ Black Kettle Property (the "Carlin Vanadium Property"). In September 2017, Initial Optionee assigned its rights, interest, obligations, and benefits to and in the Carlin Vanadium Agreement to First Vanadium Corp.

On July 6, 2021, Till announced that it had negotiated an amendment to the Carlin Vanadium Agreement which previously allowed the optionee Phenom Resources Corp. (TSXV: PHNM) (formerly First Vanadium Corp., "Phenom") to buy-out the 2% NSR royalty granted to GPUS for $4,000,000 at the same time that Phenom exercises the purchase option and acquires 100% in the property. To exercise the option, Phenom was required to pay GPUS $1,900,000 by June 30, 2022.

Under the terms of the amended agreement, Phenom agreed to pay half the final cash payment for the option exercise ($955,000) to GPUS by July 30, 2021, with the balance ($955,000) being due by June 30, 2022.

Phenom also agreed to issue 1,000,000 common share purchase warrants to GPUS within 3 business days of receipt of TSX Venture Exchange approval to the amended agreement, with each warrant being exercisable for one common share at a price of Cdn$0.75 per share for a period of five years from the date of issue of the warrants. The parties further agreed that if Phenom wishes to purchase the NSR royalty, it must do so by paying GPUS $4,000,000 by June 30, 2023. Phenom, in its sole discretion, may extend that deadline on an annual basis for up to 4 additional years, by paying GPUS an additional $250,000 per year on or before June 30 of each year, commencing June 30, 2023, resulting in the latest possible payment deadline being June 30, 2027. The amended agreement was accepted by the TSX Venture Exchange on July 12, 2021.

On July 15, 2021, GPUS received $955,000 and 1,000,000 warrants of Phenom initially valued at $553,897. Option payments are recorded against the carrying value of the Carlin Vanadium Property. Option payments received in 2021 in excess of the carrying value of the Carlin Vanadium Property totaled $1,382,582 and are recorded as exploration expense recovery.

In June 2022, GPUS received $955,000 and the royalty deed initially valued at $776,801 and transferred 100% ownership in the Carlin Vanadium Property to Phenom. The option payment and royalty of $1,731,801 received in 2022 was recorded as exploration expense recovery. The valuation of the Carlin NSR royalty is based on the purchase price of $4,000,000 in the Carlin Vanadium Agreement and the estimated likelihood and timing of the four extension payments and purchase based on the drill results and business plans of Phenom, discounted to present value using a discount rate of 19%.

Taylor
The Taylor property is owned by SPD and is located in White Pine County, Nevada, U.S. That property hosts a silver mineral resource reported in accordance with Canadian National Instrument 43-101.

In November 2022, SPD's wholly-owned subsidiary SPUS and WPPM, a privately held Ontario-based company, signed a purchase agreement for WPPM to acquire the Taylor property. The terms of the purchase agreement included an immediate payment of $25,000 followed by a payment of $850,000 by the closing date, with an additional $875,000 payment 18 months following the closing date. Also at the closing date, SPUS will receive 5% of the issued and outstanding common shares of WPPM on a basic, non-diluted basis. SPUS received the $25,000 on November 22, 2022. The closing occurred on January 27, 2023 (See Note 22). Pursuant to IFRS 5, Taylor's assets were reclassified to held for sale.

As a result of the purchase agreement, a reversal of previous impairment in the amount of $1,522,022 was recorded at December 31, 2022 based on the value of the cash received, the cash to be received discounted to present value using a discount rate of 18%, and shares of WPPM to be received.

Treasure Hill
In December 2021, SPD sold its Treasure Hill property in White Pine County, NV to Treasure Hill Resources LLC for cash consideration of $145,000. Till recorded a gain on disposal of $140,373.

(Stated in US dollars)

11. OTHER CURRENT ASSETS

Other assets are summarized as follows:

	December 31, 2022	December 31, 2021
Accounts receivable	$ 1,648	$ 3,176
Prepaid expenses and deposits	99,850	193,029
Total other assets	**$ 101,498**	**$ 196,205**

12. NOTES PAYABLE

In December 2022, Till raised $500,000 from the issuance of a convertible note to an arm's length purchaser. The note matures on December 6, 2023 and bears interest of i) 1.25% per month up to and including March 6, 2023, compounded monthly ii) 1.75% per month from March 7, 2023 to June 6, 2023, compounded monthly and iii) 2% per month from June 7, 2023 to maturity, compounded monthly. The note is convertible into common shares of Till on maturity at the holder's option at the greater of i) the 30-day VWAP prior to maturity and ii) Cdn$5.47. Interest accrued on the note may be paid in shares at the election of the holder, but will be subject to TSXV approval at the time of such election, including approval of conversion pricing.

In March 2022, Till raised $200,000 from the issuance of a convertible note to an arm's length purchaser. The note bore interest of i) 1% per month up to and including July 15, 2022, compounded ii) 1.25% per month from July 16, 2022 to October 31,2022, compounded, and iii) 2% per month from November 1, 2022 to maturity, compounded. The note was convertible into common shares of Till on maturity at the holder's option at the greater of i) the 30-day VWAP prior to maturity and ii) Cdn$6.37. Interest accrued on the note may be paid in shares at the election of the holder but will be subject to TSXV approval at the time of such election, including approval of conversion pricing. Closing of the issuance of the note took place on June 10, 2022. On July 8, 2022, Till repaid the $200,000 convertible note with interest totaling $201,975.

In December 2021, Till raised $1,200,000 from the issuance of a convertible note to an arm's length purchaser. The note matured on December 30, 2022 and bored interest of i) 1% per month up to and including March 31, 2022, compounded ii) 1.25% per month from April 1, 2022 to June 30, 2022, compounded and iii) 2% per month from July 1, 2022 to maturity, compounded. The note was convertible into common shares of Till on maturity at the holder's option at the greater of i) the 30-day VWAP prior to maturity and ii) Cdn$6.05. Interest accrued on the note may be paid in shares at the election of the holder, but will be subject to TSXV approval at the time of such election, including approval of conversion pricing. On June 27, 2022, Till repaid the $1,200,000 convertible note with interest totaling $1,294,540.

The notes payable are classified as Level 3 financial instrument because the value of the note payable cannot be measured using observable market inputs. The fair value of the note payable approximates the cash received plus accrued interest given its proximity to year end. Total interest expense on the notes for the year ended December 31, 2022 was $95,180 (year ended December 31, 2021 - $12,000) There was no change in the fair value of the notes payable at December 31, 2022 since inception.

	Fair Value at December 31, 2022			
	Total	Level 1	Level 2	Level 3
Note Payable	**$ 505,000**	**$ —**	**$ —**	**$ 505,000**

	Fair Value at December 31, 2021			
	Total	Level 1	Level 2	Level 3
Note Payable	**$ 1,212,000**	**$ —**	**$ —**	**$ 1,212,000**

(Stated in US dollars)

13. ACCOUNTS PAYABLE AND OTHER LIABILITIES

Accounts payable and other liabilities are summarized as follows:

	December 31, 2022	December 31, 2021
Accounts payable	$ 44,398	$ 43,164
Accrued taxes payable	1,126,214	—
Other accrued liabilities	26,331	25,204
Total accounts payable and other liabilities	**$ 1,196,943**	**$ 68,368**

14. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	Year Ended December 31 2022	Year Ended December 31 2021
Income (loss) from continuing operations for the year before income tax	$ (2,001,381)	$ 5,984,612
Income (loss) from discontinued operations for the year before income tax	(659,344)	18,710
Income (loss) for the year before income tax	(2,660,725)	6,003,322
Expected income tax expense (recovery)	(718,395)	1,620,805
Impact of different foreign statutory tax rates on earnings of subsidiaries	(26,786)	(186,529)
Permanent difference	70,114	118,332
Impact of future tax rate changes	2,917	(1,111)
True-up of prior-year provision to statutory tax returns	(489,213)	106,013
Impact of dissolution	—	5,115,538
Change in unrecognized deductible temporary differences and other	2,088,986	(5,545,734)
Total income tax expense	**$ 927,623**	**$ 1,227,314**
Consisting of:		
Current income tax expense	$ 1,683,556	$ 797
Deferred income tax expense (recovery)	(755,933)	1,226,517
Total income tax expense	**$ 927,623**	**$ 1,227,314**
Income tax expense from continuing operations	$ 1,053,291	$ 1,205,930
Income tax expense (recovery) from discontinued operations	(125,668)	21,384
Total income tax expense	**$ 927,623**	**$ 1,227,314**

(Stated in US dollars)

The significant components of Till's deferred income tax assets (liabilities) recognized are as follows:

	December 31 2022		December 31 2021	
Deferred income tax assets:				
Losses available for future periods	$	154,626	$	402,380
Reserves and other		291,615		178,590
Exploration and evaluation assets		—		84,983
Property and equipment		—		4,115
Deferred income tax assets		446,241		670,068
Deferred income tax liabilities:				
Exploration and evaluation assets		(153,579)		—
Property and equipment		(3,235)		
Investments		—		(2,082,612)
Deferred income tax liabilities		(156,814)		(2,082,612)
Net deferred income tax assets (liabilities) before fair value measurement		289,427		(1,412,544)
Reclassification to AHFS		(289,427)		(181,417)
Net deferred income tax liabilities	**$**	**—**	**$**	**(1,593,961)**

The significant components of Till's unrecognized temporary differences and tax losses are as follows:

		December 31, 2022	Expiry Date Range		December 31, 2021	Expiry Date Range
Temporary differences:						
Non-capital losses available for future period	$	44,470,494	2028 to indefinitely	$	42,097,877	2024 to indefinitely
Exploration and evaluation assets	$	9,784,737	No expiry date	$	11,608,146	No expiry date
Property and equipment	$	7,524,944	No expiry date	$	5,679,964	No expiry date
Investment	$	2,065,910	No expiry date	$	—	
Allowable capital loss	$	1,038,384	No expiry date	$	—	
Marketable securities	$	576,026	No expiry date	$	149,787	No expiry date
Investment tax credits	$	29,431	2030	$	31,443	2030
Reserves and other	$	720,992	No expiry date	$	808,933	No expiry date

Tax attributes are subject to review, and potential adjustment, by tax authorities.

15. SHARE CAPITAL AND RESERVES

(a) Authorized share capital

Till is authorized to issue 12,000,000 shares of restricted voting stock at a par value of $0.001. Shares of Till have restricted voting rights, whereby no single shareholder of Till is able to exercise voting rights for more than 9.9% of the voting rights of the total issued and outstanding Till shares. However, if any one shareholder of Till beneficially owns, or exercises control or direction over, more than 50% of the issued and outstanding Till shares, the 9.9% restriction will no longer apply to the Till shares. At December 31, 2022 and 2021, there were 3,191,462 of issued and outstanding Till restricted voting shares.

(Stated in US dollars)

(b) Stock options and warrants

Till's Board of Directors may, from time to time and in its sole discretion, award options to acquire shares of the restricted voting stock of Till to directors, employees, and consultants. There were no options issued, exercised, forfeited, or cancelled during the year ended December 31, 2022.

On January 28, 2021, Till granted an aggregate of 300,000 incentive stock options to directors, officers, and consultants of Till in accordance with Till's existing stock option plan to purchase up to 300,000 common shares of Till. Those incentive stock options vest over two years and may be exercised at a price of Cdn$12.00 per option for a period of four years from the date of grant.

On December 29, 2021, Till granted an aggregate of 11,000 incentive stock options to directors and officers of Till in accordance with Till's existing stock option plan to purchase up to 11,000 common shares of Till. Those incentive stock options vest over a two year period and may be exercised at a price of Cdn$7.00 per option for a period of three years from the date of grant.

During the year ended December 31, 2022, Till recognized stock-based compensation of $94,076 (year ended December 31, 2021 - $384,430).

At December 31, 2022, Till has 226,000 stock options outstanding with a weighted exercise price of Cdn$11.76 ($8.68) as follows:

Number	Issue date	Exercise price (Canadian $)	Expiry date	Fair value per option
11,000	December 29, 2021	$7.00	December 28, 2024	$0.65
215,000	January 28, 2021	$12.00	January 27, 2025	$1.65

The fair value of all compensatory options granted is estimated on grant date using the Black-Scholes-Merton option pricing model. The assumptions used in calculating the fair values are as follows:

	December 2021	January 2021
Stock Price (Canadian $)	$4.56	$6.73
Risk-free interest rate	1.26%	0.52%
Expected life	3 years	4 years
Volatility	45.57%	61.41%
Dividend rate	n/a	n/a

Till's Board of Directors may, from time to time and in its sole discretion, issue warrants to acquire shares of the restricted voting stock of Till. At December 31, 2022, Till has no warrants outstanding.

(c) Normal course issuer bid

On September 17, 2021, Till announced that the TSXV approved Till's notice of intention to make a NCIB. Pursuant to the NCIB, Till may purchase up to 253,600 common shares, representing 10% of the 2,536,988 shares forming Till's public float. Purchases are to be made through the facilities of TSX Venture Exchange or other recognized marketplaces during the period September 24, 2021 to September 23, 2022. Till made no purchase of its restricted voting shares under that renewed NCIB in 2021.

On September 14, 2022, Till announced that the TSXV approved Till's notice of intention to make a NCIB. Pursuant to the NCIB, Till may purchase up to 253,600 common shares, representing 10% of the 2,536,988 shares forming Till's public float. Purchases are to be made through the facilities of TSX Venture Exchange or other recognized marketplaces during the period September 26, 2022 to September 27, 2023. Till made no purchase of its restricted voting shares under that renewed NCIB in 2022.

(d) *Treasury shares*

Pursuant to an NCIB program approved by Till's directors, treasury shares are canceled at cost through retained earnings (deficit).

16. INCOME (LOSS) PER SHARE

Till uses the treasury stock method to calculate diluted income (loss) per share. Following the treasury stock method, the numerator for Till's diluted income (loss) per share calculation remains unchanged from the basic income (loss) per share calculation, as the assumed exercise of Till's stock options and warrants does not result in an adjustment to income or loss.

Stock options to purchase 226,000 restricted voting shares were outstanding at December 31, 2022 and 2021. Those stock options were excluded in the calculation of diluted earnings per share because the exercise price of the options was greater than the weighted average market value of the restricted voting shares in the years ended December 31, 2022 and 2021.

17. DISCONTINUED OPERATIONS

During the year ended December 31, 2019, Till initiated a plan to sell Holdings and its wholly-owned subsidiaries, Omega and Focus, all of which operate, and are based, in Canada. As a result of that decision, pursuant to IFRS, Holdings is considered to be a discontinued operation and is reported as discontinued operations on Till's Consolidated Statements of Income (Loss), Consolidated Statements of Comprehensive Income (Loss), and Consolidated Statements of Cash Flows.

On June 21, 2021, Till and Accelerant Holdings ("Accelerant") announced that they executed a share purchase agreement for Accelerant to acquire from Till, Holdings and its two wholly-owned subsidiaries Omega and Focus ("Omega Companies"). Accelerant will pay Till an aggregate purchase price of 1.15 times the aggregate book value of the Omega Companies, or approximately $8,775,000 as of December 31, 2022, in exchange for all of the issued and outstanding shares of Holdings. Completion of the transaction is subject to approval of Canada's Office of the Superintendent of Financial Institutions, the TSX Venture Exchange, and certain other customary consents and provincial insurance regulatory filings.

(Stated in US dollars)

The summary of the income (loss) presented on the basis of discontinued operations is summarized as follows:

	Years Ended December 31 2022	2021
Revenue from discontinued operations:		
Insurance premiums written	$ 141,341,196	$ 115,794,903
Insurance premiums ceded to reinsurers	(140,443,629)	(114,794,350)
Change in unearned premiums	334,865	450,346
Net insurance premiums earned	1,232,432	1,450,899
Fees - Chief agency	196,726	296,722
Investment income (loss)	(65,211)	791,591
Total revenue	1,363,947	2,539,212
Expenses from discontinued operations:		
Losses and loss adjustment expenses, net	1,432,324	1,940,646
General and administrative (income) expenses	(230,135)	(260,781)
Salaries and benefits	821,101	840,637
Total expenses	2,023,290	2,520,502
Income (loss) from discontinued operations before income taxes	(659,343)	18,710
Current income tax recovery	—	2,546
Deferred income tax expense	125,668	(23,930)
Income (loss) from discontinued operations	$ (533,675)	$ (2,674)

(Stated in US dollars)

The summary of cash flows presented on the basis of discontinued operations is summarized as follows:

	Years Ended December 31 2022	2021
Cash flows from discontinued operating activities		
Net loss from discontinued operations	$ (533,676)	$ (2,674)
Non-cash items:		
Amortization of capital assets	56,424	78,211
Gain on investments	65,211	(791,591)
Income tax expense	(125,668)	21,384
Net loss adjusted for non-cash items	(537,709)	(694,670)
Decrease in premiums receivable and reinsurance recoverables	1,157,291	332,994
Increase in unpaid losses, LAE, and amounts ceded	925,409	1,332,314
Increase (decrease) in reinsurance payables	(383,379)	(1,158,149)
Decrease in deferred policy acquisition costs	(215,682)	523,582
(Increase) decrease in deferred income tax asset	1,151	(4,769)
Decrease in unearned premiums	(334,864)	(450,346)
Increase in accounts payable and other liabilities	1,335,274	702,706
Other working capital changes	—	655
Total working capital changes	2,485,200	1,278,987
Total operating cash flows provided by discontinued operations	1,947,491	584,317
Investing cash flows from discontinued operations		
Sales of investments	46,007,590	10,797,263
Purchases of investments	(48,352,436)	(12,041,081)
Sale of real estate asset	—	571,308
Purchases of property, plant, and equipment	—	(5,876)
Total investing cash flows used in discontinued operations	(2,344,846)	(678,386)
Financing cash flows from discontinued operations		
Lease payments	(56,807)	(75,265)
Total financing cash flows used in discontinued operations	$ (56,807)	$ (75,265)

18. SEGMENT INFORMATION

Till operates in a single segment, that being investments.

Till's revenue (loss) from continuing operations is attributable to the following geographical areas:

	Years Ended December 31 2022	2021
Canada	$ (2,382)	$ (145,765)
United States	(1,716,561)	6,906,396
Total	**$ (1,718,943)**	**$ 6,760,631**

(Stated in US dollars)

The non-current assets (other than financial instruments and deferred income tax assets) are accounted for in the following geographical areas:

	December 31, 2022	December 31, 2021
Canada	$ 24,158	$ 24,158
United States	1,017,891	307,886
Total	**$ 1,042,049**	**$ 332,044**

19. RELATED PARTY DISCLOSURES

(a) Compensation of key management personnel

Key management personnel and directors comprise all members of Till's Board of Directors and executive officers. The compensation of key management personnel includes fees, salaries, share-based awards, and other employee benefits. During the year ended December 31, 2022, total compensation amounted to $0.50 million (year ended December 31, 2021 - $0.77 million) including $0.06 million stock-based compensation during the year ended December 31, 2022 (year ended December 31, 2021 - $0.28). One of Till's non-independent directors also serves as the CEO of SPD and receives $12,000 a year from SPD for his services.

(b) Service agreements

Till is party to service agreements with SPD whereby Till provides administration, accounting, and corporate communications services on a cost-plus recovery basis. Till charged SPD $60,000 for the years ended December 31, 2022 and 2021 for those services.

(c) Common management

Dr. John (“Terry”) Rickard, a Till director, is a board member of IG Far East, a company over which Till is deemed to have significant influence. Dr. Rickard received no compensation during the years ended December 31, 2022 and 2021 from IG Far East.

As of December 31, 2022, one of Till’s directors is SPD’s CEO and director, and another three of Till's directors are SPD directors.

20. CAPITAL MANAGEMENT

(a) Regulatory capital

Till manages capital on an aggregate basis, as well as separately for each regulated entity. Till's insurance subsidiary Omega is subject to the regulatory capital requirements defined by the Office of Superintendent of Financial Institutions (Canada) (“OSFI”) and is subject to minimum capital requirements, which amounts are not available to satisfy liabilities of Till or other subsidiaries.

Till’s objectives when managing capital consist of:

- Ensuring that policyholders in the insurance subsidiary are protected while complying with regulatory capital requirements.
- Complying with regulatory capital requirements.
- Maintaining a strong liquidity position that provides a reasonable return on invested assets.
- Maximizing shareholder value by optimizing capital generated and used by Till.

Till views capital as a scarce and strategic resource. That resource protects the financial well-being of the organization, and is critical in enabling Till to pursue strategic business opportunities. Adequate capital also acts as a safeguard against possible unexpected losses, and as a basis for confidence in Till by shareholders, policyholders, creditors, and others. For the purpose of capital management, Till has defined capital as shareholders' equity, excluding AOCI. Capital is monitored by Till's Board of Directors.

(b) Omega

OSFI has set out expectations of a 100% Minimum Capital Test ("MCT") as the minimum and 150% MCT as the supervisory target for Canadian property and casualty insurance companies. As of December 31, 2022, Omega had total capital available of Cdn$10.15 ($7.49) million (December 31, 2021 - Cdn$9.70 ($7.65) million) and a total capital required of Cdn$2.51 ($1.85) million (December 31, 2021 - Cdn$2.70 ($2.13) million) resulting in a MCT of 404% (December 31, 2021 of 352%). As of December 31, 2022 and December 31, 2021, Omega is in compliance with OSFI's MCT requirements. In April 2023, Omega updated its estimate of the loss related to a single policy originally issued by an insurance company (the predecessor insurance company) in 1966. Till recorded the increased loss estimate in its financial statements for the year ended December 31, 2022.

21. FINANCIAL RISK MANAGEMENT

(a) Insurance risk

Till's discontinued operation Omega principally underwrites insurance lines of business that include personal property, commercial property, and liability lines of business. The various coverages underwritten have specific insurance contracts that set forth the specific insurance risk exposures, including the duration of the coverage. Omega is exposed to risks defined in the insurance contracts.

In addition to underwriting general insurance policies, Omega has also assumed portfolios of existing business that are in run-off from other insurers through reinsurance assumption transactions. Those portfolios could be from any line of business that the transferring insurer underwrote up through the assumption. Under those reinsurance assumption transactions, Omega is exposed to certain risks defined in the underlying insurance contracts that were originally written by the transferring insurer.

The principal risk that Omega faces under both general insurance policies and reinsurance assumption transactions is that the actual claims and benefit payments, or the timing thereof, differs from the assumptions and/or expectations used to price the general insurance policies or reinsurance assumption transactions. That insurance risk is influenced by the frequency of claims, severity of claims, emergence of unknown claims, actual benefits paid, and subsequent development of claims, in particular long-tail claims. For long-tail claims that take years to settle, Omega is also exposed to inflation risk. Omega's objective is to ascertain, based on the business insured and other factors, that sufficient reserves are available to cover known and unknown liabilities related to the business written and assumed.

Risk exposure is mitigated by diversification across a portfolio of insurance policies and geographical areas and by the use of various underwriting and claim review strategies. Inflation risk is mitigated by taking expected inflation into account when estimating insurance contract liabilities. Omega also purchases reinsurance as part of its risk mitigation strategies. Reinsurance is placed on both a proportional and non-proportional basis. The use of proportional and non-proportional reinsurance varies by line of business.

Amounts recoverable from reinsurers are estimated in a manner consistent with the underlying claim liabilities and in accordance with the reinsurance contracts. Although Omega has reinsurance arrangements in effect, Omega is not relieved of its obligations to its policyholders and, thus, a credit risk exposure exists with respect to such reinsurance arrangements.

The key assumption underlying the valuation of the reserve for unpaid losses and LAE is that the future loss development will follow a similar pattern to past loss development experience, including average claim costs, claim handling costs, and other claim factors for each loss year. Additional qualitative judgments are used to assess the extent to which past trends may not apply in the future. Consideration is also given to available industry data/ information. Judgment is further used to assess the extent to which external factors, such as inflation, court decisions, and government legislation, may affect the estimates. Other factors that may affect the reliability of loss and LAE assumptions include any variation in interest rates, claim settlement delays, and changes in foreign exchange rates.

(Stated in US dollars)

(b) Liquidity risk

Liquidity risk is the risk that Till is unable to meet its financial obligations as they come due. Till manages that risk by continuous monitoring of its working capital to determine that its cash, cash equivalents, and investments exceed its estimated obligations.

The following tables summarize the maturity profile of Till's financial assets and financial liabilities. For insurance contract liabilities and reinsurance assets, maturity profiles are based on the estimated timing of cash outflows.

December 31, 2022	Up to 1 year	1 - 5 years	5 - 10 years	10+ years	No specific maturity	Total
Financial assets:						
Cash and cash equivalents	$ 667,868	$ —	$ —	$ —	$ —	$ 667,868
Held for trading securities	—	—	—	—	133,197	133,197
Available for sale	—	—	—	—	3,367,765	3,367,765
Total financial assets	**$ 667,868**	**$ —**	**$ —**	**$ —**	**$ 3,500,962**	**$ 4,168,830**
Financial liabilities:						
Payables and accruals	$ 1,196,943	$ —	$ —	$ —	$ —	$ 1,196,943
Note payable	505,000	—	—	—	—	505,000
Total financial liabilities	**$ 1,701,943**	**$ —**	**$ —**	**$ —**	**$ —**	**$ 1,701,943**

December 31, 2021	Up to 1 year	1 - 5 years	5 - 10 years	10+ years	No specific maturity	Total
Financial assets:						
Cash and cash equivalents	$ 611,407	$ —	$ —	$ —	$ —	$ 611,407
Held for trading securities	—	—	—	—	205,853	205,853
Available for sale	—	—	—	—	10,708,143	$10,708,143
Total financial assets	**$ 611,407**	**$ —**	**$ —**	**$ —**	**$10,913,996**	**$11,525,403**
Financial liabilities:						
Payables and accruals	$ 68,518	$ —	$ —	$ —	$ —	$ 68,518
Note payable	1,212,000	—	—	—	—	$ 1,212,000
Total financial liabilities	**$ 1,280,518**	**$ —**	**$ —**	**$ —**	**$ —**	**$ 1,280,518**

(Stated in US dollars)

December 31, 2022	Up to 1 year	1 - 5 years	5 - 10 years	10+ years	No specific maturity	Total
Held for sale						
Financial assets:						
Cash and cash equivalents	$ 544,471	$ —	$ —	$ —	$ —	$ 544,471
Held for trading securities	—	328,367	—	—	—	328,367
Available for sale:						
Government debt securities	11,163,111	3,217,667	—	—	—	14,380,778
Corporate bond exchange traded funds	110,074	2,910,611	225,544	26,006	—	3,272,235
Guaranteed investment certificate	55,375	—	—	—	—	55,375
Loans and receivables:						
Premium and reinsurance receivables	7,367,873	—	—	—	4,208,539	11,576,412
Reinsurance assets	6,438,126	3,044,162	406,822	36,178	—	9,925,288
Other assets	16,509	—	—	—	—	16,509
Total financial assets held for sale	**$25,695,539**	**$ 9,500,807**	**$ 632,366**	**$ 62,184**	**$ 4,208,539**	**$40,099,435**
Held for sale						
Financial liabilities:						
Payables and accruals	$11,414,225	$ —	$ —	$ —	$ 3,296,663	$14,710,888
Insurance contract liabilities	7,861,406	6,397,767	1,269,935	142,499	—	15,671,607
Other liabilities	126,345	—	—	—	—	126,345
Total financial liabilities held for sale	**$19,401,976**	**$ 6,397,767**	**$ 1,269,935**	**$ 142,499**	**$ 3,296,663**	**$30,508,840**

(Stated in US dollars)

December 31, 2021	Up to 1 year	1 - 5 years	5 - 10 years	10+ years	No specific maturity	Total
Held for sale						
Financial assets:						
Cash and cash equivalents	$ 1,081,321	$ —	$ —	$ —	$ —	$ 1,081,321
Held for trading securities	—	377,784	—	—	—	377,784
Available for sale:						
Government debt securities	7,127,307	4,905,125	—	—	—	12,032,432
Corporate bond exchange traded funds	160,909	3,806,594	486,670	328,052	—	4,782,225
Loans and receivables:						
Premium and reinsurance receivables	7,242,526	—	—	—	6,312,510	13,555,036
Reinsurance assets	5,178,262	1,993,217	626,282	67,790	—	7,865,551
Other assets	28,351	—	—	—	—	28,351
Total financial assets held for sale	**$20,818,676**	**$11,082,720**	**$ 1,112,952**	**$ 395,842**	**$ 6,312,510**	**$39,722,700**
Held for sale						
Financial liabilities:						
Payables and accruals	$ 9,944,971	$ —	$ —	$ —	$ 5,112,794	$15,057,765
Insurance contract liabilities	6,574,381	4,253,037	1,929,326	297,782	—	13,054,526
Other liabilities	282,193	—	—	—	—	282,193
Total financial liabilities held for sale	**$16,801,545**	**$ 4,253,037**	**$ 1,929,326**	**$ 297,782**	**$ 5,112,794**	**$28,394,484**

(c) Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its obligations. Till's credit risk is primarily attributable to cash and cash equivalents, investments, premiums receivable, and reinsurance recoverables. Till has policies in place to limit and monitor its exposure to individual issuers and classes of issuers of investments. Till's insurance and reinsurance policies are distributed by brokers and agents who manage cash collection on its behalf and Till monitors its exposure with regard to the activities of those brokers and agents. Till has policies in place that limit its exposure to individual reinsurers, and Till conducts regular review processes to assess the creditworthiness of reinsurers with whom it transacts business. Till also holds collateral for certain of its reinsurance arrangements.

December 31, 2022 Dominion Bond Rating Service: A.M. Best Company:	AAA A++	AA A+	A A, A-	BBB B++	Less than BBB B++	Not rated	Total
Cash and cash equivalents	$ —	$ —	$ —	$ —	$ —	$ 667,868	$ 667,868
Held for trading securities	—	—	—	—	—	133,197	133,197
Available for sale	—	—	—	—	—	3,367,765	3,367,765
Total	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ 4,168,830**	**$ 4,168,830**

(Stated in US dollars)

December 31, 2021 Dominion Bond Rating Service: A.M. Best Company:	AAA A++	AA A+	A A, A-	BBB B++	Less than BBB B++	Not rated	Total
Cash and cash equivalents	$ —	$ —	$ —	$ —	$ —	$ 611,407	$ 611,407
Held for trading securities	—	—	—	—	—	205,853	205,853
Available for sale	—	—	—	—	—	10,708,143	10,708,143
Total	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$11,525,403**	**$11,525,403**

December 31, 2022 Dominion Bond Rating Service: A.M. Best Company:	AAA A++	AA A+	A A, A-	BBB B++	Less than BBB B++	Not rated	Total
Held for sale							
Cash and cash equivalents	$ —	$ —	$ —	$ —	$ —	$ 544,471	$ 544,471
Held for trading securities	—	—	—	—	—	328,367	328,367
Available for sale:							
Government debt securities	10,065,023	3,217,667	1,098,088	—	—	—	14,380,778
Corporate bond exchange traded funds	46,971	433,998	1,947,724	843,542	—	—	3,272,235
Guaranteed investment certificate	—	—	—	—	—	55,375	55,375
Loans and receivables:							
Premium and reinsurance receivables	—	—	—	—	—	11,576,412	11,576,412
Reinsurance assets	778,055	19,935	47,253	—	—	9,080,045	9,925,288
Other assets	—	—	—	—	—	16,509	16,509
Total held for sale	**$10,890,049**	**$3,671,600**	**$3,093,065**	**$ 843,542**	**$ —**	**$21,601,179**	**$40,099,435**

December 31, 2021 Dominion Bond Rating Service: A.M. Best Company:	AAA A++	AA A+	A A, A-	BBB B++	Less than BBB B++	Not rated	Total
Held for sale							
Cash and cash equivalents	$ —	$ —	$ —	$ —	$ —	$1,081,321	$1,081,321
Held for trading securities	—	—	—	—	—	377,784	377,784
Available for sale:							
Government debt securities	5,914,340	3,697,622	2,420,470	—	—	—	12,032,432
Corporate bond exchange traded funds	63,101	761,950	2,539,044	1,418,130	—	—	4,782,225
Loans and receivables:							
Premium and reinsurance receivables	—	—	—	—	—	13,555,036	13,555,036
Reinsurance assets	1,478,782	1,478,782	1,478,738	—	—	3,429,249	7,865,551
Other assets	—	—	—	—	—	28,351	28,351
Total held for sale	**$7,456,223**	**$5,938,354**	**$6,438,252**	**$1,418,130**	**$ —**	**$18,471,741**	**$39,722,700**

(d) Investment risk

Till is exposed to investment risk to the extent that changes in market conditions impact the value of its investments. To mitigate that risk, Till actively monitors and manages its investments to limit losses.

(e) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market factors, including currency risk, interest rate risk, and equity risk.

(i) Currency risk

Till's discontinued operation Omega is exposed to currency risk to the extent that non-Canadian dollar denominated amounts are paid or received when adverse changes to foreign exchange rates occur. To mitigate that risk, Omega has policies to limit its exposure to US dollar currency risk; for all other currencies, Omega has policies such that all applicable assets and liabilities are broadly matched in terms of their currency.

An increase of 10% in the exchange rate for US dollars on December 31, 2022 would have resulted in an increase in the carrying value of Omega's cash and investments of $10,337 (2021 - $13,409), and an increase to the unpaid claim and adjustment expense liability of $8,122 (2021 - $9,465).

A decrease of 10% in the exchange rate for US dollars on December 31, 2022 would have resulted in a decrease in the carrying value of Omega's cash and investments of $10,337 (2021 - $13,409), and a decrease to the unpaid claim and adjustment expense liability of $8,122 (2021 - $9,465).

(ii) Interest rate risk

Till's discontinued operation Omega is exposed to interest rate risk to the extent that cash flows from assets and liabilities are not closely matched. To mitigate this risk, Omega has policies to limit its overall exposure to interest rate risk.

An increase of 50 basis points in interest yields on December 31, 2022 would have resulted in a decrease in the carrying value of Omega's investments of $101,152 (2021 - $161,697), and a decrease to the net unpaid claim and adjustment expense liability of $67,188 (2021 - $93,863).

A decrease of 50 basis points in interest yields on December 31, 2022 would have resulted in an increase in the carrying value of Omega's investments of $99,675 (2021 - $163,275), and an increase to the net unpaid claim and adjustment expense liability of $69,403 (2021 – $97,018).

22. SUBSEQUENT EVENTS

(a) Taylor Property

In January 2023, SPD announced the closing of the sale of the Taylor property to WPPM. On January 27, 2023, SPD's wholly-owned subsidiary SPUS received $850,000, 631,034 common shares representing 5% of the issued and outstanding shares of WPPM, and a promissory note for $875,000 due July 27, 2024 with 2.88% interest per annum compounding quarterly.

(b) Note Payable

In April 2023, Till raised Cdn$200,000 from the issuance of a convertible note to an arm's length purchaser. The note bears interest of i) 1.25% per month for the first 3 months, compounded monthly ii) 1.75% per month for the next three months, compounded monthly, and iii) 2% per month for the final six months to maturity, compounded monthly. The note is convertible into common shares of Till on maturity at the holder's option at Cdn$5.48. Interest accrued on the note may be paid in shares at the election of the holder but will be subject to TSXV approval at the time of such election, including approval of conversion pricing.

(c) Sales of shares in ODV

In 2023, Till has sold 221,227 shares of ODV at an average price of Cdn$6.58. As of May 1, 2023, Till owns 533,966 shares of ODV.

(d) Springer Mining Company

On April 24, 2023, Till signed an Asset Purchase and Sale Agreement with a private company for the sale of Springer's assets. Till will receive $2,000,000 in cash (less $25,000 on deposit) for the deed and ownership of Springer. Till will also be entitled to receive production royalty payments of up to $2,500,000 in respect of future production from the mill at Springer. Closing will occur following a 60 day due diligence period and the receipt of required regulatory and stock exchange approvals.