GOLD BASIN RESOURCES CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(Expressed in Canadian Dollars)

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INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of Gold Basin Resources Corporation.

Opinion

We have audited the consolidated financial statements of Gold Basin Resources Corporation and its subsidiaries (together, "the Company") which comprise:

- the consolidated statements of financial position as at December 31, 2023 and 2022;
- the consolidated statements of loss and comprehensive loss for the years then ended;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' 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 audits of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the accompanying consolidated financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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, 2023. 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.

Except for the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no other key audit matters to communicate in our report.

Other Information

Management is responsible for the other information. The other information comprises the Company's Management Discussion and Analysis to be filed with the relevant Canadian securities commissions.

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 on this other information, 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 Accounting Standards as issued by the International Accounting Standards Board, 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.

Auditors' 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 auditors' 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 auditors' 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 auditors' 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 auditors' 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 auditors' report is Artem Valeev.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
April 30, 2024

GOLD BASIN RESOURCES CORPORATION
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	Note		December 31, 2023		December 31, 2022
ASSETS					
CURRENT					
Cash		**$**	**62,440**	$	1,916,060
GST receivable			**103,628**		51,286
Prepaid expenses			**-**		44,844
			166,068		2,012,190
EXPLORATION AND EVALUATION ASSETS	5		**19,485,492**		17,476,327
TOTAL ASSETS		**$**	**19,651,560**	$	19,488,517
LIABILITIES					
CURRENT					
Accounts payable and accrued liabilities	8	**$**	**466,523**	$	425,383
			466,523		425,383
TOTAL LIABILITIES			**466,523**		425,383
EQUITY					
Share Capital	6		**25,192,662**		21,832,114
Contributed Surplus	6		**2,980,433**		2,764,616
Share subscription advanced			**-**		1,336,500
Accumulated other comprehensive loss			**(8,457)**		(61,240)
Deficit			**(8,979,602)**		(6,808,856)
TOTAL EQUITY			**19,185,037**		19,063,134
TOTAL LIABILITIES AND EQUITY		**$**	**19,651,560**	$	19,488,517

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)
SUBSEQUENT EVENTS (Note 11)

Approved and authorized for issue on behalf of the Board on April 30, 2024

"Anthony Balic" Director *"Charles Straw"* Director

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

GOLD BASIN RESOURCES CORPORATION
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	Note	Year ended December 31, 2023	Year ended December 31, 2022
EXPENSES			
Advertising and promotion		**$ 358,303**	$ 349,218
Amortization; right-of-use asset		**-**	13,060
Consulting		**150,548**	-
Depreciation		**-**	1,407
Filing fees		**48,630**	20,024
Foreign exchange		**(28,052)**	(56,544)
Insurance		**44,110**	7,458
Interest and accretion		**-**	768
Listing fees		**20,447**	24,146
Management fees	8	**712,578**	780,997
Office and administrative		**87,126**	46,346
Professional fees	8	**378,985**	238,750
Profit / Loss on disposal of asset		**-**	4,510
Rent	8	**18,912**	-
Share-based payments	6,8	**215,817**	-
Travel		**163,343**	46,712
Total expenses		**2,170,746**	1,476,852
NET LOSS		**2,170,746**	1,476,852
OTHER ITEM			
Foreign currency translation		**(52,783)**	10,213
TOTAL COMPREHENSIVE LOSS		**2,117,963**	1,487,065
LOSS PER SHARE – Basic and diluted		**(0.02)**	(0.02)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDI		**107,997,363**	91,452,984

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

GOLD BASIN RESOURCES CORPORATION
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian dollars)

	Common Shares						
	Number of Shares	**Amount**	**Share Subscriptions Advanced**	**Contributed Surplus**	**Accumulated Other Comprehensive Loss**	**Deficit**	**Total**
		$	$	$	$	$	$
Balance, December 31, 2021	**91,271,111**	**21,812,114**	**-**	**2,764,616**	**(51,027)**	**(5,332,004)**	**19,193,699**
Options exercised	200,000	20,000	-	-	-	-	20,000
Share Subscriptions advanced	-	-	1,336,500	-	-	-	1,336,500
Net loss and comprehensive loss	-	-	-	-	(10,213)	(1,476,852)	(1,487,065)
Balance, December 31, 2022	**91,471,111**	**21,832,114**	**1,336,500**	**2,764,616**	**(61,240)**	**(6,808,856)**	**19,063,134**
Shares issued for cash	23,439,072	3,515,861	(1,336,500)	-	-	-	2,179,361
Share issuance costs	-	(155,312)	-	-	-	-	(155,312)
Stock based compensation	-	-	-	215,817	-	-	215,817
Foreign currency translation	-	-	-	-	52,783	-	52,783
Net loss and comprehensive loss	-	-	-	-	-	(2,170,746)	(2,170,476)
Balance, December 31, 2023	**114,910,183**	**25,192,662**	**-**	**2,980,433**	**(8,457)**	**(8,979,602)**	**19,185,037**

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

GOLD BASIN RESOURCES CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	Year ended December 31, 2023	Year ended December 31, 2022
	$	$
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net loss for the year	**(2,179,140)**	(1,476,852)
Item not involving cash:		
Share-based payments	**215,817**	-
Right-of-use amortization	**-**	13,060
Equipment depreciation	**-**	1,407
Interest and accretion expense	**-**	768
Loss on disposal of asset	**-**	4,510
Changes in non-cash working capital balances:		
GST receivable	**(52,342)**	31,617
Prepaid expenses	**44,844**	(4,584)
Accounts payable and accrued liabilities	**49,535**	264,500
Cash used in operating activities	**(1,921,286)**	(1,165,574)
INVESTING ACTIVITIES		
Exploration and evaluation assets	**(2,009,165)**	(2,292,841)
Cash used in investing activities	**(2,009,165)**	(2,292,841)
FINANCING ACTIVITIES		
Issuance of common shares, net of issuance costs	**2,024,047**	-
Lease payments	**-**	(12,915)
Share subscriptions advanced	**-**	1,336,500
Options exercised	**-**	20,000
Cash provided by financing activities	**2,024,047**	1,343,585
CHANGE IN CASH	**(1,906,404)**	(2,114,830)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH	**52,784**	(10,842)
CASH, BEGINNING OF YEAR	**1,916,060**	4,041,732
CASH, END OF YEAR	**62,440**	1,916,060

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

(Expressed in Canadian dollars)

1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

Gold Basin Resources Corporation ("the Company") was incorporated on November 24, 2017 under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is Suite 880 – 320 GranvilleStreet, Vancouver, British Columbia, Canada. The Company's common shares trade on the TSXV under the symbol "GXX" and are listed on the OTCQB Venture Market under the symbol "GXX".

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at December 31, 2023, the Company had not yet determined whether the Company's mineral property assets contain ore reserves that are economically recoverable. The recoverability of amount shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company had a working capital deficiency of $300,455, and deficit of $8,979,602 as at December 31, 2023, which has been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. These conditions indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern.

These consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these consolidated financial statements.

2. BASIS OF CONSOLIDATION

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany balances, transactions and any unrealized gains and losses arising from intercompany transactions, have been eliminated. The Company's subsidiaries are presented in the table below.

Entity	Country of Incorporation	Effective Economic Interest
Gold Basin Resources (Arizona), Inc. ("Gold Basin Arizona")	USA	100%
Gold Basin Resources (Australia) Pty Ltd ("Gold Basin Australia")	Australia	100%

3. MATERIAL ACCOUNTING POLICY INFORMATION

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") issued by the IASB.

These consolidated financial statements were authorized for issue in accordance with a resolution from the Board of Directors on April 30, 2024.

a) Basis of presentation

The consolidated financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency. The functional currency of Gold Basin Arizona is the U.S. dollar and the functional currency of Gold Basin Australia is the Australian dollar. The assets and liabilities of Gold Basin Arizona and Gold Basin Australia are translated into Canadian dollars at the rate of exchange prevailing at the reporting date and their income and expense items are translated at the spot exchange rate for the period. Exchange differences arising on the translation are recognized in other comprehensive income.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

b) Cash and cash equivalents

Cash in the consolidated statements of financial position is comprised of cash in banks and on hand, and short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

c) Exploration and evaluation assets

All costs related to the acquisition, exploration and development of mineral properties are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units-of-production method over estimated recoverable reserves.

Management annually assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if the property has been abandoned, there are unfavourable changes in the property economics, there are restrictions on development, or when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written-down to the estimated recoverable amount.

The recoverability of mineral properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

When options are granted on mineral properties or properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

d) Share-based payments

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payments reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payments reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve.

Share-based compensation expense relating to deferred share units is accrued over the vesting period of the units based on the quoted market price. As these awards can be settled in cash, the expense and liability are adjusted each reporting period for changes in the underlying share price.

e) Foreign currency

Transactions and balances in currencies other than the Canadian dollar, the currency of the primary economic environment in which the Company operates (the “functional currency”), are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at exchange prevailing on the statement of financial position date are recognized in the statement of comprehensive loss.

f) Decommissioning, restoration and similar liabilities

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the units-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

f) Decommissioning, restoration and similar liabilities (continued)

The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

g) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

h) Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purpose.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

i) Financial instruments

On initial recognition financial assets are classified as measured at:

i. Amortized cost;

ii. Fair value through other comprehensive income (“FVOCI”); and

iii. Fair value through profit and loss (“FVTPL”).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

i) Financial instruments (continued)

Subsequent measurement of financial assets depends on their classification:

i. Amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.

The Company classifies its amounts receivable at amortized cost.

ii. FVOCI

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

The Company does not have any assets classified at FVOCI.

iii. FVTPL

Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the Statement of Loss and Comprehensive Loss in the period in which it arises.

The Company's cash is classified at FVTPL.

Financial Liabilities and Equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group entities are recorded at the proceeds received, net of direct issue costs.

Financial liabilities are classified as measured at (i) FVTPL; or (ii) amortized cost.

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI and the remaining amount of the change in the fair value is presented in profit or loss.

The Company does not classify any financial liabilities at FVTPL.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

i) Financial instruments (continued)

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

The Company classifies its accounts payable and lease liability at amortized cost.

A financial liability is derecognized when the contractual obligation under the liability is discharged, cancelled or expires or its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

j) Share issuance costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are expensed.

k) Accounting standards amendments issued and adoption of new accounting standards

The Company has adopted new standards and amendments for the first time, which became effective for annual periods starting on or after January 1, 2023.

Amendment to IAS 1 – Disclosure of Accounting Policies.

Issued by the IASB in February 2021, these amendments provide clarity on implementing the materiality concept in disclosing accounting policies. The key changes introduced are:

- The requirement for entities to disclose their material accounting policies, shifting the focus from significant accounting policies.
- A clarification that accounting policies concerning transactions, events, or conditions that are immaterial do not require disclosure.
- An explanation that not every accounting policy related to material transactions, events, or conditions is necessarily material itself.

The Company has reviewed its previously reported significant accounting policies and now regards them as material accounting policies. Additionally, certain accounting policies previously reported and now deemed immaterial by the Company have been omitted from the financial statements.

Amendment to IAS 8 – Defining Accounting Estimates

In February 2021, the IASB updated IAS 8 to include a specific definition of ‘accounting estimates’. The amendment elucidates the differences between adjustments in accounting estimates and alterations in accounting policies, as well as error rectifications. They further detail the methods and inputs entities should employ to formulate accounting estimates. The Company has not had any changes in accounting policies or changes in accounting estimates during the year ended December 31, 2023.

Apart from these, the Company has not implemented any other standards, interpretations, or amendments that have been published but are not yet in effect.

(Expressed in Canadian dollars)

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting estimates

i. the measurement of deferred income tax assets and liabilities; and

ii. the inputs used in accounting for share-based payments.

Significant accounting judgments

i. the determination of categories of financial assets and financial liabilities;

ii. the evaluation of the Company's ability to continue as a going concern; and

iii. the assessment of indications of impairment of the mineral property and related determination of the net realizable value and write-down of the mineral property where applicable.

5. EXPLORATION AND EVALUATION ASSETS

	Acquisition Costs	Exploration Costs	Total
	$	$	$
Balance, December 31, 2021	12,889,029	2,294,457	15,183,486
Additions	6,320	2,286,521	2,292,841
Balance, December 31, 2022	12,895,349	4,580,978	17,476,327
Additions	110,068	1,899,097	2,009,165
Balance, December 31, 2023	**13,005,417**	**6,480,075**	19,485,492

5. EXPLORATION AND EVALUATION ASSETS (continued)

Gold Basin Property

The Company entered into two assignment and assumption agreements dated June 16, 2020 with Centric Minerals Corporation ("Centric"), an arm's length private British Columbia corporation, whereby Centric assigned to the Company all of its rights under two letter agreements with third party vendors that were at arm's length to the Company. The Company was assigned the right to acquire an approximate aggregate 75% interest in and to the Gold Basin Project (the "Assignment"), located approximately 70 miles southeast of Las Vegas, Nevada, and 50 miles northwest of Kingman, Arizona, in the Gold Basin mining district of Mohave County, Arizona, U.S.A in consideration for 8,000,000 common shares in its capital, and subsequently the Company negotiated the acquisition of a 100% interest in the Project.

Following the Assignment, the Company entered into a relinquishment of rights and release deed, and a relinquishment of rights agreement and termination, whereby certain third parties with existing rights to the Project (the "Vendors") agreed to relinquish all of their right, title and interest in the Project (the "Relinquishment") in favour of the underlying owner of the Project, Aurum Exploration Inc. ("Aurum"), effective September 3, 2020. As consideration for the Relinquishment, the Company made a cash payment of AU$1,000,000 and issued an aggregate of 10,000,001 common shares in its capital, valued at $2,000,000, to the Vendors.

The Company acquired its 100% interest in the Project through its wholly-owned subsidiary Gold Basin Arizona pursuant to a purchase and sale agreement made as of September 3, 2020 (the "Purchase Agreement") among the Company, Gold Basin Arizona, and Aurum (the "Property Acquisition"). All of Aurum's right, title and interest in the 290 unpatented federal mining claims which comprise the bulk of the Project area was transferred to Gold Basin Arizona by Quitclaim Deed on September 14, 2020. Pursuant to the Purchase Agreement, the Company issued an aggregate of 15,000,000 common shares in its capital to Aurum's nominees with the value of $3,000,000. The closing of the Property Acquisition took place on September 18, 2020.

The 290 unpatented federal mining claims are also subject to a 1% Gross Returns Royalty (the "Centric Royalty") held by Centric Minerals Management Pty Ltd ("Centric (AUS)") pursuant to a gross returns royalty agreement dated as of January 1, 2020 between Aurum and Centric (AUS) (the "Centric Royalty Agreement"). The Centric Royalty Agreement was assigned to Gold Basin Arizona by Aurum pursuant to an assignment and assumption agreement made effective as of September 14, 2020 among Aurum, Gold Basin Arizona and Centric (AUS), whereby Aurum assigned all of its right, title, benefit and interest in the Centric Royalty Agreement to Gold Basin Arizona and Gold Basin Arizona assumed all of Aurum's obligations thereunder, including the payment of the Centric Royalty thereunder.

The split estate mineral rights are subject to a perpetual production royalty held by Newmont Corporation of 3.5% gross returns from the sale or other disposition of all metals and minerals produced from those portions of the Project area previously owned by Sante Fe Pacific Railroad Company pursuant to the terms of an option agreement entered into by Sante Fe Pacific Railroad Company and Aurumbank Incorporated as of February 9, 2004.

As at December 31, 2022, the Company has earned a 100% right and title in the Project through its wholly-owned subsidiary Gold Basin Arizona, subject to the abovementioned royalties.

On May 10, 2022 the Company executed an Option Agreement to acquire 100% interest in forty (40) unpatented mining claims located between the Cyclopic and Stealth deposits, consolidating the entire Gold Basin project area.

5. EXPLORATION AND EVALUATION ASSETS (continued)

Under the Option Agreement the Company shall:

(a) pay the Optionor an additional $745,000 as follows:

(i) $20,000 on or before the first anniversary of the Effective Date (paid);
(ii) an additional $30,000 on or before the second anniversary of the Effective Date (unpaid);
(iii) an additional $35,000 on or before the third anniversary of the Effective Date (unpaid);
(iv) an additional $40,000 on or before the fourth anniversary of the Effective Date (unpaid);
(v) an additional $60,000 on or before the fifth anniversary of the Effective Date (unpaid);
(vi) an additional $80,000 on or before the sixth anniversary of the Effective Date (unpaid);
(vii) an additional $80,000 on or before the seventh anniversary of the Effective Date (unpaid); and
(viii) an additional $400,000 on or before the ninth anniversary of the Effective Date (unpaid).

(b) On completion of Option Payments, the Company will grant the a Royalty in the Property equal to three and a half (3.5%) percent of Net Profit Interest received from production on the Property.

6. SHARE CAPITAL

a) Authorized:

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

b) Escrow Shares:

The Company entered into an escrow agreement, whereby 1,772,089 common shares will be held in escrow and are scheduled for release at 10% on the listing date and 15% after every six months from date of listing. At December 31, 2023, there were $Nil (2022 – $531,629) common shares held in escrow.

c) Issued and Outstanding as at December 31, 2023: 114,910,183 (2022 – 91,471,111) common shares.

During the year ended December 31, 2023, the Company had the following share capital transactions:

(i) On February 17, 2023, the Company closed a non-brokered private placement of 17,016,737 shares in the capital of the Company at a price of $0.15 per share for aggregate gross proceeds of $2,552,511. Share issuance costs of $135,282 were recorded as part of this issuance.
(ii) On September 7, 2023 the Company closed a non-brokered private placement of 6,422,335 shares in the capital of the Company at a price of $0.15 per share for aggregate gross proceeds of $963,350. Share issuance costs of $20,031 were recorded as part of this issuance.

During the year ended December 31, 2022, the Company had the following share capital transactions:

(i) On February 17, 2022, the Company issued 200,000 common shares pursuant to the exercise of stock options at an exercise price of $0.10 per share for gross proceeds of $20,000.

(Expressed in Canadian dollars)

6. SHARE CAPITAL (continued)

d) Warrants

A continuity of the warrants outstanding as at December 31, 2023 and 2022 is as follows:

	Number of warrants	**Weighted average exercise price**
Balance, December 31, 2021	7,711,342	$0.45
Expired	(7,711,342)	$0.45
Balance, December 31, 2022 and 2023	**-**	**-**

As at December 31, 2023 the Company had no outstanding warrants.

e) Stock options

The Company has a Stock Option Plan ('Plan') for directors, officers, employees and consultants of the Company. The Company may grant options to individuals, options are exercisable over periods of up to ten years, as determined by the Board of Directors of the Company, to buy shares of the Company at the fair market value on the date the option is granted. The maximum number of shares which may be issuable under the Plan cannot exceed 10% of the total number of issued and outstanding shares on a non-diluted basis.

A continuity of the stock options outstanding as at December 31, 2023 is as follows:

	Number of Stock options	Weighted average exercise
Balance, December 31, 2021 and 2022	8,000,000	$ 0.35
Granted	2,700,000	$0.20
Expired	(7,000,000)	$0.37
Balance, December 31, 2023	**3,700,000**	**$ 0.30**

On July 10, 2023, there were 1,300,000 stock options with an exercise price of $0.22 that expired.

On September 10, 2023, there were 1,400,000 stock options with an exercise price of $0.40 that expired.

On November 6, 2023, there were 4,300,000 stock options with an exercise price of $0.40 that expired.

On March 15, 2023, 2,150,000 stock options with an exercise price of $0.20 were granted to various officers, directors and consultants of the Company, which vested immediately and expire on March 15, 2026.

(Expressed in Canadian dollars)

6. SHARE CAPITAL (continued)

On March 15, 2023, 550,000 stock options with an exercise price of $0.20 were granted to various officers and consultants of the Company, which vest over quarterly over 12 months and expire on March 15, 2026.

The fair value of the stock options granted in the year ended December 31, 2023 $215,817, (2022 - $Nil) which was calculated using the Black-Scholes pricing model. The weighted average inputs used in the Black-Scholes calculation for the options are as follows:

	2023	2022
Share price	$0.17	$0.36
Risk-free dividend rate	3.31%	0.30%
Expected life	3 years	3 years
Dividend rate	-%	-%
Annualized volatility	110%	156%

As at December 31, 2023 the Company had the following outstanding stock options:

Number of options	Exercise price	Weighted average years outstanding	Expiry date
400,000	$ 0.10	0.06	January 22, 2024
600,000	$ 0.35	0.19	March 9, 2024
2,700,000	$0.20	2.21	March 15, 2026
3,700,000		**0.82**	

7. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

(Expressed in Canadian dollars)

8. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities and include officers and directors. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The Company had incurred the following key management personnel cost from related parties:

	Year ended December 31, 2023	Year ended December 31, 2022
	$	$
Chief Executive Officer fees	200,000	-
Chief Financial Officer fees	193,772	108,372
Management fees	536,323	464,117
Share-based payments	215,817	-

During the year ended December 31, 2023, the Company paid the Chief Executive Officer total fees of $200,000 (2022 - $nil).

During the year ended December 31, 2023, the Company paid the Chief Financial Officer ("CFO") and former CFO total fees of $193,772 (2022 - $108,372).

During the year ended December 31, 2023, the Company paid the directors of the Company total fees of $348,181 (2022 - $780,997) for management services. At December 31, 2023, there was $172,656 (2022 - $12,750) in accounts payable owing to certain directors of the Company.

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During the year ended December 31, 2023, the Company incurred $98,580 in legal fees to Lotz & Company, a firm controlled by a former director of the Company, Mr. Jonathan Lotz.

During the year ended December 31, 2023, the Company incurred $316,507 in severance costs paid to former directors of the Company.

FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

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

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

Fair Value of Financial Instruments

The Company's financial assets include cash and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

(Expressed in Canadian dollars)

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Fair Value of Financial Instruments (continued)

Assets measured at fair value on a recurring basis were presented on the Company's consolidated statements of financial position are as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	$	$	$	$
December 31, 2023				
Cash	62,440	-	-	62,440
December 31, 2022				
Cash	1,916,060	-	-	1,916,060

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at December 31, 2023 because of the demand nature or short - term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company is exposed to foreign currency risk on fluctuations related to cash, amounts receivable, leases, and accounts payable that are denominated in AU and USD dollars. A 10% fluctuation in the AU dollar against the Canadian dollar would impact the Company's earnings by approximately $57,000 (2022 – $57,000). A 10% fluctuation in the USD dollar against the Canadian dollar would impact the Company's earnings by approximately $302 (2022 – $302). The Company has not entered into any foreign currency contracts to mitigate this risk.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short - term. The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk, the Company places these instruments with a high quality financial institution.

(Expressed in Canadian dollars)

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Fair Value of Financial Instruments (continued)

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

10. INCOME TAXES

The Company has losses carried forward approximately $8,521,000 available to reduce income taxes in future years which begin to expire in 2038.

The Company has not recognized any deferred income tax assets. The Company recognizes deferred income tax assets based on the extent to which it is probable that sufficient taxable income will be realized during the carry forward periods to utilize all deferred tax assets.

The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial income tax rates:

	2023	2022
Effective tax rate	27%	27%
	$	$
Income tax recovery at statutory rate	(588,370)	(517,540)
Effect of income taxes of:		
Permanent differences and other	(420,604)	23,548
Change in deferred tax assets not recognized	1,008,974	493,992
Deferred income tax recovery	-	-

The temporary differences that give rise to significant portions of the deferred tax assets not recognized are presented below:

	2023	2022
	$	$
Non-capital loss carry forwards	2,300,871	1,274,645
Equipment	-	-
Share issuance costs	93,300	110,540
Exploration and evaluation assets	47,100	47,112
Deferred tax assets not recognized	(2,441,271)	(1,432,297)
	-	-

11. SUBSEQUENT EVENTS

On March 1, 2024, the Company announced that it has closed the first tranche of its previously announced non-brokered private placement (the "Financing") for aggregate gross proceeds of $972,030 through the issuance of 9,720,303 units (each, a "Unit") at a subscription price of $0.10 per Unit. Each Unit consisted of one common share in the capital of the Company (each, a "Share") and one-half of one transferable common share purchase warrant (each whole warrant, a "Warrant"), with each Warrant entitling the holder thereof to purchase one Share at an exercise price of $0.15 per Share for a period of one year from the closing of the Financing. In connection with the closing of the first tranche of the Financing, the Company paid cash finder's fees and issued non-transferable finder's warrants to Canaccord Genuity Corp. (as to $1,500 cash and 10,000 finder's warrants) and Brava Capital Pty Ltd. (as to AUD $60,000 and 400,000 finder's warrants) in connection with the introduction by the finders to the Company of eligible investors in the Financing. The finder's warrants entitle the holder thereof to purchase one Share at an exercise price of $0.15 per Share for a period of one year from the closing of the Financing.

On March 5, 2024, the Company announced that it has closed the second and final tranche of the Financing through the issuance of 5,500,000 Units for gross proceeds of approximately $550,000. The Financing was oversubscribed, and the Company issued an aggregate of 15,220,303 Units for aggregate gross proceeds of $1,522,030 In connection with the closing of the second tranche of the Financing, the Company paid cash finder's fees and issued non-transferable finder's warrants to Leede Jones Gable Inc. (as to $3,000 cash and 30,000 finder's warrants).