STRIKEPOINT GOLD
TSX.V: SKP | OTC: STKXF

Consolidated Financial Statements

Years Ended December 31, 2023 and 2022

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
StrikePoint Gold Inc.

Opinion

We have audited the accompanying consolidated financial statements of StrikePoint Gold Inc. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2023 and 2022, and the consolidated statements of loss and comprehensive loss, cash flows, and changes in shareholders' equity for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, these consolidated financial statements present fairly, in all material respects, the 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 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 are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company had an accumulated deficit of $58,393,790 and working capital of $1,685,421, however additional financing will be required to carry out additional exploration and development of its properties. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on 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 of the current year. 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 auditor's report.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes 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 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.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. 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 Accounting Standards, 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 year ended 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 Zachary Faure.

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

April 18, 2024

STRIKEPOINT GOLD INC.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023 AND 2022
(Expressed in Canadian Dollars)

	Notes		2023		2022
ASSETS					
Current					
Cash and cash equivalents		**$**	**1,400,473**	$	2,701,220
Marketable securities	4		**-**		1,475,000
Receivables			**431,727**		581,087
Prepaid expenses and deposits			**125,805**		30,235
Total current assets			**1,958,005**		4,787,542
Reclamation bond	5		**70,000**		70,000
Total assets		**$**	**2,028,005**	$	4,857,542
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Accounts payable and accrued liabilities	6	**$**	**272,584**	$	299,345
Total liabilities			**272,584**		299,345
Shareholders' Equity					
Share capital	7		**49,495,539**		49,174,110
Reserves	7		**10,630,001**		10,290,884
Accumulated other comprehensive income			**23,671**		-
Accumulated deficit			**(58,393,790)**		(54,906,797)
Total shareholders' equity			**1,755,421**		4,558,197
Total liabilities and shareholders' equity		**$**	**2,028,005**	$	4,857,542

Nature of Operations and Going Concern (Note 1)
Subsequent Event (Note 14)

On behalf of the Board:

"Adrian Fleming" Director — Adrian Fleming

"Michael G. Allen" Director — Michael G. Allen

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

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
YEAR ENDED DECEMBER 31
(Expressed in Canadian Dollars)

	Notes		2023		2022
Expenses					
Exploration and evaluation	9	$	**1,614,354**	$	2,688,108
Management fees, salaries and wages			**603,708**		246,666
Office			**100,338**		84,957
Professional fees			**351,600**		169,138
Property investigation			**149,285**		37,061
Rent			**95,458**		43,349
Share-based compensation	7		**339,117**		70,210
Shareholder communication			**148,242**		262,840
Transfer agent and regulatory			**12,771**		54,349
Travel and related			**42,918**		4,988
			(3,457,791)		(3,661,666)
Other items					
Flow-through share premium reversal			**-**		504,224
Gain on sale of exploration properties	5		**-**		1,927,626
Foreign exchange loss			**(25,832)**		-
Interest income			**76,353**		705
Other expense	5		**(145,217)**		-
Realized and unrealized gain on marketable securities	4		**65,494**		100,000
			(29,202)		2,532,555
Loss for the year			**(3,486,993)**		(1,129,111)
Other comprehensive loss					
Foreign currency translation differences			**23,671**		-
Comprehensive loss for the year		$	**(3,463,322)**	$	(1,129,111)
Loss per common share - basic and diluted		$	**(0.02)**	$	(0.01)
Weighted average number of shares outstanding - basic and diluted			**212,771,543**		207,346,886

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

STRIKEPOINT GOLD INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEAR ENDED DECEMBER 31
(Expressed in Canadian Dollars)

		2023		2022
Cash flows from operating activities				
Loss for the year	**$**	**(3,486,993)**	$	(1,129,111)
Items not affecting cash				
Flow through share premium reversal		**-**		(504,224)
Gain on sale of exploration properties		**-**		(1,927,626)
Value of shares issued for property acquisition		**321,429**		-
Unrealized foreign exchange loss		**23,671**		-
Share-based compensation		**339,117**		70,210
Gain on marketable securities		**(65,494)**		(100,000)
Change in non-cash working capital items				
Change in receivables		**149,360**		(346,755)
Change in prepaid expenses and deposits		**(95,570)**		39,392
Change in accounts payable and accrued liabilities		**(26,761)**		154,725
Net cash used in operating activities		**(2,841,241)**		(3,743,389)
Cash flows from investing activities				
Proceeds from sale of exploration assets		**-**		552,626
Changes to reclamation bond		**-**		(21,000)
Proceeds from sale of marketable securities		**1,540,494**		-
Net cash from investing activities		**1,540,494**		531,626
Change in cash and cash equivalents		**(1,300,747)**		(3,211,763)
Cash and cash equivalents, beginning of year		**2,701,220**		5,912,983
Cash and cash equivalents, end of year	**$**	**1,400,473**	$	2,701,220
Other information:				
Interest paid - cash	**$**	**-**	$	-
Taxes paid - cash	**$**	**-**	$	-
Cash and cash equivalents is comprised of:				
Cash	**$**	**1,400,473**	$	2,600,712
Guaranteed Investment Certificates (less than 90 days)		**-**		100,508
	$	**1,400,473**	$	2,701,220
Non-cash transaction:				
Value of marketable securities received on sale of exploration projects	**$**	**-**	$	1,375,000

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

(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Reserves	Accumulated Other Comprehensive Income	Accumulated Deficit	Total
Balance at December 31, 2021	207,346,886	$ 49,174,110	$ 10,220,674	$ -	$ (53,777,686)	$ 5,617,098
Share-based compensation	-	-	70,210	-	-	70,210
Loss for the year	-	-	-	-	(1,129,111)	(1,129,111)
Balance at December 31, 2022	**207,346,886**	**$ 49,174,110**	**$ 10,290,884**	**$ -**	**$ (54,906,797)**	**$ 4,558,197**
Shares issued on property acquisition	6,428,571	321,429	-	-	-	321,429
Share-based compensation	-	-	339,117	-	-	339,117
Foreign currency translation adjustment	-	-	-	23,671	-	23,671
Loss for the year	-	-	-	-	(3,486,993)	(3,486,993)
Balance at December 31, 2023	**213,775,457**	**$ 49,495,539**	**$ 10,630,001**	**$ 23,671**	**$ (58,393,790)**	**$ 1,755,421**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

StrikePoint Gold Inc. (the "Company" or "StrikePoint") is incorporated under the laws of the Province of British Columbia and listed on the TSX Venture Exchange under the ticker symbol "SKP" and on the OTCQB in the United States under the ticker symbol "STKXF". The Company is in the exploration stage with respect to its mineral properties and based on the information available to date, the Company has not yet determined whether its mineral properties contain ore reserves. The Company's corporate head office is located at Suite 3123 – 595 Burrard Street, PO Box 49139, Vancouver, BC, V7X 1J1. The registered address and records office of the Company is located at 1111 West Hastings, 15th Floor, Vancouver, BC, V6E 2J3.

These consolidated financial statements have been prepared by management on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company's ability to continue as a going concern is dependent upon its ability to obtain the financing necessary to complete its exploration projects by issuance of share capital (Note 14), through joint ventures, realizing future profitable production, and/or proceeds from the disposition of a property (Note 5). As of December 31, 2023, the Company had an accumulated deficit of $58,393,790 and working capital of $1,685,421, however additional financing will be required to carry out additional exploration and development of its properties (Note 14). These factors indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

These consolidated financial statements were authorized for issue on April 18, 2024 by the directors of the Company.

Basis of Consolidation

These consolidated financial statements include the accounts of its wholly owned subsidiaries, including Mount Rainey Silver Inc. During the year ended December 31, 2022, the Company incorporated 1391512 BC Ltd. and 1391515 BC Ltd. (both are inactive holding companies that were incorporated under the BC Business Corporations Act). The Company also incorporated its wholly owned subsidiary Stimitant LLC ("Stimitant"), in Nevada, U.S.A. during the year ended December 31, 2023. Stimitant owns the Cuprite Gold Project ("Cuprite") acquired in early 2023 (Note 5).

All intercompany accounts and transactions have been eliminated on consolidation.

Basis of Preparation

These consolidated financial statements, including comparatives, have been prepared using accounting policies consistent with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"). They have been prepared on a historical cost basis, except for financial instruments classified at fair value through profit and loss, which are stated at their fair value. 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 unless otherwise noted.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION - *continued*

Functional and Presentation Currency

These consolidated financial statements are presented in Canadian dollars, which is the functional currency of Company and all its subsidiaries, with the exception of its newly incorporated wholly owned US subsidiary, Stimitant, whose functional currency is the U.S. dollar. Foreign currency transactions are initially recorded in the functional currency at the transaction date exchange rate. On the closing date, monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at the closing date exchange rate, and non-monetary assets and liabilities, at historical rates. Exchange differences arising on the settlement of monetary items or on translating monetary items at different rates from those at which they are translated on initial recognition during the period or in previous consolidated financial statements are recognized in profit or loss.

For the purpose of presenting consolidated financial statements, the assets and liabilities of Stimitant are expressed in Canadian dollars using the exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during the period, in which case exchange rates at the dates of the transactions are used. Exchange differences are recognized in other comprehensive income (loss) and reported as a currency translation adjustment in equity.

Exploration and Evaluation Expenditures

Exploration and evaluation expenditures include the costs of acquiring licenses, payments made and/or received under option and joint venture agreements and costs associated with exploration and evaluation activity. Costs incurred before the Company has obtained the legal rights to explore an area are expensed in the consolidated statements of loss and comprehensive loss. Exploration and evaluation expenditures related to the determination of a property or project's feasibility and exploration expenditures and payments pursuant to option and joint venture agreements made and/or received prior to the determination of the technical feasibility and commercial feasibility of a mineral property are expensed in profit or loss as incurred. Proceeds from the sale of mineral licenses and related net smelter returns prior to the determination of the feasibility of the mineral property are recognized in profit or loss when sold. Exploration and evaluation expenditures including payments pursuant to option and joint venture agreements made after a mineral property has been deemed commercially feasible are capitalized as development assets.

To date the Company's mineral properties have not advanced past the exploration stage and, accordingly, no amounts have been capitalized in respect of exploration and evaluation expenditures.

Share-Based Payments

The Company operates an employee stock option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of 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 corresponding amount is recorded to reserves. The fair value of options is determined using a Black–Scholes pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest. When the options are exercised, the applicable amounts of reserves are transferred to share capital.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION - *continued*

Loss Per Share

Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding in the year. For all years presented, the loss attributable to common shareholders equals the reported loss attributable to owners of the Company. In calculating the diluted loss per share, the weighted average number of common shares outstanding assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. For the years presented, this calculation proved to be anti-dilutive.

Flow-Through Shares

The Company will, from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of flow-through share agreements, these shares transfer the tax deductibility of qualifying resources expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon qualifying expenses being incurred, the Company derecognizes the liability and the premium is recognized as flow-through share premium reversal in profit or loss.

Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, the Company considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents to the extent the funds are not being held for investment purposes. As of December 31, 2023, the Company had $Nil (2022 - $100,508) in cash equivalents.

Share Capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects. Common shares issued for consideration other than cash, are valued based on their market value at the date the shares are issued.

When share capital recognized as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognized as a deduction from equity. Share capital is reduced by the average per-common-share carrying amount, with the difference between this amount and the consideration paid, added to or deducted from reserves.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in a unit private placement to be the more easily measurable component. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

Share Issue Costs

Costs directly identifiable with the raising of share capital financing are charged against share capital. Share issue costs incurred in advance of share subscriptions are recorded as non-current deferred assets. Share issue costs related to uncompleted share subscriptions are charged to operations.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION - *continued*

Financial Instruments

Financial assets and liabilities are initially recognized at fair value on the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Subsequently, financial assets and liabilities are recognized based on the classification of these financial assets. The Company has classified financial assets into one of the following categories: (i) financial assets at fair value through profit or loss ("FVTPL"), (ii) financial assets at fair value through other comprehensive income ("FVTOCI"), (iii) financial assets at amortized cost. Financial liabilities are classified as either (i) financial liabilities at FVTPL or (ii) financial liabilities at amortized cost. The Company maintained its accounting policy for investments as FVTPL.

Cash and cash equivalents, receivables (unrelated to sales tax receivables), reclamation bonds, and accounts payable and accrued liabilities are classified at amortized cost. Accounts receivable, where applicable, is net of a provision for expected credit losses. The Company's marketable securities are classified as FVTPL

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the loss allowance is measured for the financial asset at an amount equal to twelve month expected credit losses. For receivables, the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized. Due to the nature of its receivables and that expected credit loss is nominal, no provision for credit loss was recognized by the Company.

Impairment of Non-Current Assets

The carrying amount of the Company's non-current assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statements of loss and comprehensive loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years. A reversal of an impairment loss is recognized immediately in the statements of loss and comprehensive loss.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION - *continued*

Income Taxes

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income. Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided using the statement of financial position liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities, the income taxes relate to the same taxable entity and the same taxation authority, and the Company intends to settle its current tax assets and liabilities on a net basis.

Restoration and Environmental Obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets, when those obligations result from the acquisition, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is expensed to profit or loss if related to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other mining assets.

The Company's estimates of restoration costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the year. The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred. The costs of restoration projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation assets.

The Company's restoration or environmental obligations as at December 31, 2023 and 2022 are discussed in Note 5.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION - *continued*

New and Future Accounting Standards

a) International Accounting Standard ("IAS") 1 and IFRS Practice Statement ("PS") 2: In February 2021, the International Accounting Standards Board ("IASB") issued amendments to IAS 1 and the IFRS PS 2, *Making Materiality Judgements*, to provide guidance on the application of materiality judgments to accounting policy disclosures. The amendments to IAS 1 replace the requirement to disclose "significant" accounting policies with a requirement to disclose "material" accounting policies. Guidance and illustrative examples are added in the PS to assist in the application of materiality concept when making judgments about accounting policy disclosures. The standard was adopted by the Company on January 1, 2023.

b) In October 2022, the IASB issued *Non-Current Liabilities with Covenants*, which amended IAS 1 to clarify that if the Company's right to defer settlement of a liability for at least 12 months is subject to the Company complying with covenants after the reporting period, those covenants would not affect whether the Company's right to defer settlement exists at the end of the reporting period for the purposes of classifying a liability as current or non-current. The amendments also increased the disclosure requirement relating to such covenants to include: (i) the nature of the covenants and the date by which the Company must comply with the covenants; (ii) whether the Company would comply with the covenants based on its circumstances at the reporting date; and (iii) whether and how the Company expects to comply with the covenants by the date on which they are contractually required to be tested. The above amendments are effective for the Company's annual reporting periods beginning on or after January 1, 2024. The Company does not currently expect the adoption of this standard to have a material impact on the Company's reporting.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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 financial statements and the reported expenses during the year. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, 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:

i) The inputs used in calculating the fair value for share-based payments expense included in profit or loss and stock-based share issuance costs included in equity. The share-based payments expense and stock-based share issuance costs are estimated using the Black-Scholes options-pricing model as measured on the grant date to estimate the fair value of stock options. This model involves the input of highly subjective assumptions, including the expected price volatility of the Company's common shares, the expected life of the options, and the estimated forfeiture rate.

ii) The recognition of deferred tax assets. The Company considers whether the realization of deferred tax assets is probable in determining whether or not to recognize these deferred tax assets.

iii) The preparation of these consolidated financial statements requires management to make judgments regarding its ability to continue as a going concern as discussed in Note 1.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS - *continued*

iv) The Company uses estimates and assumptions in determining the provisions for asset retirement and site closure obligations. The estimates and assumptions include determining the amount and timing of future cash flows, while considering relevant inflation rates and discount rates. The ultimate rehabilitation costs are uncertain, and cost estimates can vary in response to many factors, including judgements of the extent of rehabilitation activities, technological changes, and regulatory changes. Consequently, there could be significant adjustments to the provisions established, which would affect the future financial position, results of operations, and changes in financial position. The provision is management's best estimate of the present value of the future asset retirement and site closure obligation. Actual future expenditures may differ from the amounts currently provided. See Note 6 for disclosure of accrued asset retirement obligation costs as at December 31, 2023 and 2022.

4. MARKETABLE SECURITIES

During the year ended December 31, 2022, the Company received 500,000 common shares of Snowline Gold Corp. ("Snowline") with a fair value of $1,375,000, in conjunction with the sale of the majority of its Yukon properties (Note 5). As at December 31, 2022, the fair value of the Snowline common shares increased to $1,475,000, resulting in the Company recording an unrealized gain on the marketable securities of $100,000.

During the year ended December 31, 2023, the Company sold its entire position of Snowline for net proceeds of $1,540,494. As a result, the Company recorded a change in fair value of $65,494 to the statement of loss and comprehensive loss for the year ended December 31, 2023.

5. EXPLORATION AND EVALUATION PROPERTIES

The following disclosure provides a summary of the Company's projects, see Note 9 for a table which provides a breakdown of the Company's exploration and evaluation costs for the years ending December 31, 2023 and 2022.

Cuprite Gold Project

During the year ended December 31, 2023, the Company completed the acquisition of a 100% interest in Cuprite, located in Nevada from Orogen Royalties Inc. ("Orogen"). Pursuant to the agreement, the Company issued a total of 6,428,571 common shares (with a fair value at the time of issuance of $321,429) and paid $47,598 (US $35,208) in cash, which was charged to the statement loss and comprehensive loss as exploration and evaluation costs during 2023.

Orogen was granted a 3% NSR, 0.5% of the NSR can be purchased by the Company for US $2.5 million. Orogen will also retain a 1.5% NSR on any after-acquired internal claims held by third parties. Orogen will hold a one-kilometer area of interest around Cuprite and additional claims staked within the area of interest will be subject to the 3% NSR (which is also subject to the 0.5% buy-back provision noted above).

During the year ended December 31, 2023, the Company also paid $56,577 to acquire additional claims included in the Cuprite Gold Project via staking and paid other acquisition related costs of $22,296.

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION PROPERTIES - *continued*

Projects in British Columbia, Canada – Porter and Willoughby

The Company holds a 100% interest in the Willoughby property, located in north-western British Columbia. In March 2019, the Company posted a reclamation bond payment in the amount of $39,000. During the year ended December 31, 2022, the Company sold a small track of land located near Willoughby for net cash proceeds of $52,626. The project is subject to a 1.5% net smelter return ("NSR") royalty, of which 0.5% can be purchased for a cash payment of $1,000,000.

The Company holds a 100% interest in the Porter Idaho Property, located near Stewart, British Columbia. The property is subject to a 1% NSR, of which the Company has the option to purchase 0.5% for $750,000. As of December 31, 2023, the Company posted a reclamation bond payment in the amount of $31,000 (December 31, 2022 - $31,000) on the Porter Idaho Property. The Company also holds a 100% interest in the Handsome Jack property, adjacent to the Porter Idaho property (subject to a 1% NSR, of which the Company can buy back 0.5% for $500,000). The Company also staked, the Big, Bada and Boom properties, contiguous to its Porter Idaho and Handsome Jack properties near Stewart, BC.

As of December 31, 2023 and 2022, accounts payable and accrued liabilities included costs associated with reclamation at the Willoughby and Porter Projects totalling $175,000 and $30,000 respectively. During the year ended December 31, 2023, the Company recorded additional reclamation costs of $145,000 related to decommissioning of certain pads and structures at both Willoughby and Porter (Note 6) due to revised cost estimates.

Yukon Properties

Since 2017, the Company has held certain interests in a portfolio of claims and properties located in the Yukon, Canada. During the year ended December 31, 2022, the Company sold a significant portion of the Yukon properties to Snowline, a Canadian public company, for cash proceeds of $500,000 and the issuance of 500,000 Snowline common shares valued at $1,375,000 (Note 4). As of December 31, 2023, the Company continues to own a 100% interest in a small number of claims in the district of Dawson, Yukon, which expire at various times between 2024 and 2029.

During the year ended December 31, 2023, the Company recorded $145,217 in other expenses related to certain camp closure costs on claims sold to Snowline.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

As at:		**December 31, 2023**		December 31, 2022
Accounts payable	**$**	**56,334**	$	244,345
Accrued liabilities		**216,250**		55,000
Total	**$**	**272,584**	$	299,345

Included in accrued liabilities is $175,000 in estimated costs associated with removal of pads and structures at Porter and Willoughby (Note 5) (December 31, 2022 - $30,000).

(Expressed in Canadian Dollars)

7. SHARE CAPITAL

Authorized Share Capital

As of December 31, 2023, the authorized share capital of the Company is an unlimited number of common shares without par value. All issued shares, consisting only of common shares, are fully paid.

Share Capital Issuances

For the year ended December 31, 2023, the Company issued a total of 6,428,571 common shares with a fair value at the time of issuance of $321,429 to Orogen for the purchase of Cuprite (Note 5).

There were no shares issued during the year ended December 31, 2022.

Stock Options

At the Company's Annual General and Special Meeting held on October 18, 2023, the shareholders of the Company approved the adoption of a new 10% rolling Stock Option Plan (the "Plan"). The Plan is administered by the Company's Board of Directors and subject to the applicable laws and regulatory requirements. The maximum numbers of shares that may be reserved for issuance under the Plan is 10% of the issued common shares of the Company at any time and can be granted with a term not exceeding ten (10) years from the date of grant. The vesting period for all options is at the discretion of the directors and the exercise price will, in no event, be less than market price for the common shares (as defined by the policies of the TSX Venture Exchange) at the date of grant.

A summary of the Company's stock option activities for the years ended December 31, 2023 and 2022 is presented below.

	Year Ended December 31, 2023			Year Ended December 31, 2022		
	Shares issuable on exerccise of options		**Weighted average exercise price**	Shares issuable on exerccise of options		Weighted average exercise price
Opening balance	**16,900,000**	**$**	**0.21**	17,950,000	$	0.22
Granted	**9,300,000**		**0.06**	1,000,000		0.20
Expired	**(8,350,000)**		**0.21**	(2,050,000)		0.43
Ending balance	**17,850,000**	**$**	**0.14**	16,900,000	$	0.21

As of December 31, 2023, the following stock options were outstanding and exercisable:

Options Outstanding				**Options Exercisable**
Number of Options		Exercise Price	Weighted average remaining contractual life in years	Number of Options
5,150,000	$	0.20	1.17	5,150,000
3,400,000	$	0.25	2.43	3,400,000
3,000,000	$	0.08	4.02	3,000,000
2,000,000	$	0.06	4.17	2,000,000
250,000	$	0.07	4.28	125,000
4,050,000	$	0.05	4.74	3,825,000
17,850,000	**$**	**0.14**	**3.08**	**17,500,000**

(Expressed in Canadian Dollars)

7. SHARE CAPITAL - *continued*

Share-Based Compensation

During the year ended December 31, 2023, the Company granted a total of 9,300,000 stock options with a weighted average exercise price of $0.06 per share and an expiry date of five years. The weighted average fair value of the stock options on the grant date was $0.04 per share, resulting in stock-based compensation expense of $339,117 for the year ended December 31, 2023. During the year ended December 31, 2023, 8,350,000 options with an average exercise price of $0.21 expired unexercised.

In January 2022, the Company granted 1,000,000 stock options with an exercise price of $0.20 per share and an expiry date of five years. The fair value of the stock options on the grant date was $0.07 per share, resulting in stock-based compensation expense of $70,210 for the year ended December 31, 2022. During the year ended December 31, 2022, 2,050,000 options with an average exercise price of $0.43 expired unexercised.

The Company applies the fair value method using the Black-Scholes option pricing model to account for stock options granted. The following weighted average assumptions were used to calculate the fair value of the stock options granted during the year:

	Year Ended December 31,	
	2023	2022
Weighted average risk-free interest rate	**3.59%**	1.65%
Weighted average expected option life	**5 years**	5 years
Weighted average expected stock volatility	**75%**	95.8%
Weighted average expected dividend yield	**Nil**	Nil

Warrants

There were no share purchase warrants issued or outstanding as at December 31, 2023 and December 31, 2022. During the year ended December 31, 2022, a total of 81,284,415 share purchase warrants with a weighted average exercise price of $0.23 expired unexercised.

8. RELATED PARTY TRANSACTIONS

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Company has identified its members of the Board, its Chief Executive Officer ("CEO"), its Chief Financial Officer ("CFO"), and its former VP Exploration as its key management personnel.

The various fees and compensation paid to directors and key management personnel for each of the years ended December 31, 2023 and 2022 are identified in the table below.

		2023		2022
Salaries and wages paid to current CEO	**$**	**250,000**	$	66,666
Salaries and wages paid to current CFO		**107,292**		-
Fees paid or accrued Chairman (former CEO)[1]		**180,000**		180,000
Fees paid or accrued to a member of the Board		**36,000**		36,000
Fees paid or accrued to former VP Exploration[1]		**60,000**		550,663
Fees paid or accrued to former CFO[1]	**$**	**40,000**	$	120,000

1) Fees paid or accrued were paid to companies controlled by individual in their respective position of management or director.

(Expressed in Canadian Dollars)

8. RELATED PARTY TRANSACTIONS - *continued*

During the year ended December 31, 2023, the Company recorded share-based compensation expense totalling $279,410 (2022 - $70,210) to directors, officers, and key management of the Company.

As at December 31, 2023, accounts payable and accrued liabilities included $9,000 (December 31, 2022 - $76,221) due to related parties for outstanding fees, compensation, and expense reimbursement charges.

9. EXPLORATION AND EVALUATION COSTS

The following table provides a breakdown of the Company's exploration and evaluation costs for the years ending December 31, 2023 and 2022:

	Cuprite	Willoughby	Porter	Total
Acquisition of project	$ 447,900	$ -	$ -	$ 447,900
Administration and storage	1,802	42,118	-	43,920
Assay costs	128,650	-	-	128,650
Claim and Maintenance fees	253,488	7,948	-	261,436
Field, camp, and travel	-	5,698	-	5,698
Geological consulting and fees	248,639	60,000	-	308,639
Permitting	160,998	-	-	160,998
Reclamation	-	113,100	31,900	145,000
Studies and surveys	112,113	-	-	112,113
	$ 1,353,590	$ 228,864	$ 31,900	$ 1,614,354

	Cuprite	Willoughby	Porter	Total
Drilling and assay	$ -	$ 592,926	$ 347,645	$ 940,571
Field and camp	-	108,502	69,020	177,522
Geological consulting and fees	-	525,084	383,012	908,096
Helicopter and fuel	-	332,713	350,206	682,919
Cost recovery	-	-	(21,000)	(21,000)
	$ -	$ 1,559,225	$ 1,128,883	$ 2,688,108

10. SEGMENTED INFORMATION

The Company currently operates in one reportable operating segment, being the acquisition, exploration, and development of natural resource properties, which is conducted principally in Canada and the United States of America. The Company is in the exploration stage and accordingly, has no reportable segment revenues for any of the periods presented in these financial statements. All the Company's non-current assets were held in Canada.

11. FINANCIAL INSTRUMENTS AND RISK FACTORS

Fair Value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments include cash and cash equivalents, receivables (excluding value-added tax receivable), reclamation bond and accounts payable and accrued liabilities. The carrying value of these financial instruments approximates their fair value.

Risk Factors

The Company is exposed to a variety of financial instrument-related risks, including those discussed below.

a) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's cash and cash equivalents are held by one bank, resulting in a concentration of credit risk with the bank. To mitigate this risk, the Company holds its cash and cash equivalents at a large chartered Canadian bank with a high level of credit quality, as determined by third party rating agencies. The Company's receivables are predominately related to receivables from goods and services input tax credits (collectible from the Government of Canada), with the remaining trade receivable balance being nominal and considered to be collectible by the Company.

b) Liquidity Risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash balances. The Company's ability to advance various projects is dependent upon its ability to raise additional funds through access to equity markets. If necessary, the Company may seek financing for capital projects or working capital needs. Such financing, if required, will depend on several unpredictable factors, which are often beyond the control of the Company. These would include the expected expenditures for exploration and acquisition of new assets, which could be curtailed should funding not be available.

11. FINANCIAL INSTRUMENTS AND RISK FACTORS - *continued*

Risk Factors - *continued*

c) Market Risk

Market risk consists of foreign currency exchange risk, commodity price risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable limits while maximizing returns.

i) Foreign Currency Exchange Risk

Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate from changes in foreign exchange rates. Although the Company is in the exploration stage and has not yet developed commercial mineral interests, the underlying market prices in Canada for minerals are impacted by changes in the exchange rate between the Canadian and the United States Dollar. The Company's exploration and evaluation costs, as well as other general and administrative costs are denominated in both Canadian and United States Dollars. The Company has not agreed to any arrangements to hedge its currency risk. As at December 31, 2023, one U.S. Dollar closed at CAD $1.3230 and the average for the year ended December 31, 2023 was CAD $1.3494. Based on the net exposures as of December 31, 2023 and for the year then ended and assuming that all other variables remain constant, a 10% change in the U.S. dollar exchange rate, would not materially affect the statement of loss and comprehensive loss.

ii) Commodity Price Risk

Commodity price risk is the risk that the fair value of financial assets and financial liabilities or expected future cash flows will fluctuate because of changes in commodity prices. Commodity prices for minerals are impacted by world economic events that dictate the levels of supply and demand as well as the relationship between the Canadian and United States Dollars, as outlined above. As the Company has not yet developed commercial mineral interests, it is not exposed to commodity price risk currently. However, the Company is indirectly exposed to commodity price risk as it impacts the Company's access to capital and funding and potentially its ability to finance its activities.

iii) Interest Rate Risk

Interest rate risk is the risk due to variability of interest rates. The Company is exposed to interest rate risk on its interest earning bank account. The income earned from its bank account balance is subject to the movements in interest rates. The Company has cash balances and maintains no-interest bearing debt, therefore, interest rate risk is minimized.

(Expressed in Canadian Dollars)

12. CAPITAL MANAGEMENT

The Company considers its capital structure to include working capital and shareholders' equity. The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and risk characteristics of the underlying assets and capital markets. In order to facilitate the management of capital and the development of its mineral properties, the Company prepares annual expenditure budgets which are regularly monitored and updated as necessary.

To maintain or adjust the capital structure, the Company may issue new equity or debt financing, if available, on favorable terms, option its mineral properties for cash and/or expenditure commitments from optionees, enter joint venture arrangements, or dispose of mineral properties.

The Company's investment policy is to hold cash and term deposits in interest-bearing bank accounts and highly liquid short-term, interest-bearing investments with maturities of one year or less which can be liquidated at any time without penalties. The Company is not subject to externally imposed capital requirements. There have been no significant changes in the Company's approach to capital management during the year ended December 31, 2023.

13. INCOME TAX

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

		2023		2022
Loss for the year	**$**	**(3,486,993)**	$	(1,129,111)
Combined statutory tax rate		**27%**		27%
Expected income tax rexovery at statutory rates		**(941,000)**		(305,000)
Permanent difference		**91,000**		(131,000)
Impact of flow through shares		**-**		681,000
Share issue costs		**-**		(9,000)
Adjustment to prior years provision versus statutory tax returns and expiry of non-capital losses		**896,000**		(1,416,000)
Other		**(6,000)**		7,000
Change in unrecognized deductible temporary differences		**(40,000)**		1,173,000
Total income tax expense	**$**	**-**	$	-

(Expressed in Canadian Dollars)

13. INCOME TAX - *continued*

The significant components of the Company's deferred tax assets that have not been included in the consolidated statement of financial position are as follows:

		2023		2022
Deferred tax assets (liabilities)				
Exploration and evaluation assets	**$**	**2,441,000**	$	3,240,000
Property and equipment		**39,000**		19,000
Share issue costs		**46,000**		78,000
Start-up costs		**4,000**		-
Allowable capital losses		**170,000**		214,000
Non-capital losses available for future periods		**3,672,000**		2,861,000
		6,372,000		6,412,000
Unrecognized deferred tax assets		**(6,372,000)**		(6,412,000)
Net deferred tax assets	**$**	**-**	$	-

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	2023		Expiry Date Range		2022	Expiry Date Range
Non-capital losses carried forward	**2026 to 2043**	**$**	**13,599,000**	$	10,548,000	2026 to 2042
Exploration and evaluation assets	**No expiry date**	**$**	**9,435,000**	$	11,999,000	No expiry date
Property and equipment	**No expiry date**	**$**	**135,000**	$	62,000	No expiry date
Share issue costs	**2044 to 2046**	**$**	**172,000**	$	289,000	2043 to 2046
Canadian eligible capital	**No expiry date**	**$**	**8,000**	$	8,000	No expiry date
Start-up costs	**No expiry date**	**$**	**21,000**	$	-	No expiry date
Allowable capital losses	**No expiry date**	**$**	**629,000**	$	794,000	No expiry date

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

14. SUBSEQUENT EVENTS

a) Subsequent to December 31, 2023, the Company completed a non-brokered private placement of 50,118,750 units at a price of $0.04 per unit for gross proceeds of $2,004,750. Each unit was comprised of one common share and one half of one common share purchase warrant, with each whole warrant exercisable into one common share of the Company at an exercise price of $0.07 per common share for a period of 24 months from closing. In connection with this private placement, the Company paid finders fees, regulatory and administrative costs of $107,645 and issued a total of 1,813,875 broker warrants. The broker warrants entitle the holder to purchase one common share of the Company at a price of $0.07 per broker warrant for a period of 24 months from the date of issuance.

b) Subsequent to December 31, 2023, the Company granted a total of 8,444,500 stock options, exercisable at $0.075 per share for five years.