



INTERNATIONAL ICONIC GOLD EXPLORATION CORP.

**CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED
DECEMBER 31, 2023 AND 2022**

Expressed in Canadian dollars

INDEPENDENT AUDITORS' REPORT

To the Shareholders of International Iconic Gold Exploration Corp.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of International Iconic Gold Exploration Corp. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2023 and the consolidated statements of comprehensive income (loss), consolidated statements of changes in shareholders' equity (deficiency) and consolidated statements of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy 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 its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

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 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 is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

Without qualifying our opinion, we draw attention to Note 2 to the consolidated financial statements which indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

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 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.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Assessment of Impairment Indicators of Exploration and Evaluation Assets ("E&E Assets")

We draw attention to Note 3 and Note 7 of the consolidated financial statements related to E&E Assets.

We identified the assessment of impairment indicators of E&E Assets as a key audit matter since this matter represented an area of higher assessed risk of material misstatement given the judgement required in management's assessment relating to the assets' carrying amount which is impacted by the Company's intent and ability to continue to explore and evaluate these assets. This in turn led to a high degree of auditor judgement, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgements made by management in their assessment of indicators of impairment that could give rise to the requirement to prepare an estimate of the recoverable amount of the E&E Assets.

The primary procedures we performed to address this key audit matter included the following:

- Obtained an understanding of the key controls associated with evaluating the E&E Assets for indicators of impairment. Evaluated management's assessment of indicators of impairment.
- Evaluated the intent for the E&E Assets through discussion and communication with management.

- Reviewed the Company's recent expenditure activity and expenditure budgets for future periods.
- Performed procedures over title to ensure mineral rights underlying the E&E Assets are in good standing.

Other Matter

The consolidated financial statements of the Company for the year ended December 31, 2022 were audited by another auditor who expressed an unmodified opinion on those financial statements on May 1, 2023.

Information other than the Consolidated Financial Statements and the Auditor's Report thereon

Management is responsible for the other information. The other information comprises the information, other than the consolidated financial statements and our auditor's report thereon, included in Management's Discussion and Analysis report.

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.

We obtained Management's Discussion and Analysis report prior to the date of this auditor's report. 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 in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements.

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.

The engagement partner on the audit resulting in this independent auditor's report is Junaid Hassam.



Vancouver, British Columbia
April 26, 2024

Buckley Dodds CPA
Chartered Professional Accountants

INTERNATIONAL ICONIC GOLD EXPLORATION CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023 AND 2021
Expressed in Canadian dollars

	Note	December 31, 2023	December 31, 2022
ASSETS			
Current assets			
Cash		\$ 19,144	\$ 57,450
Other receivables	5	66,152	104,467
Loan receivable	10	1,000,000	-
Prepaid expenses		64,033	55,349
Investments	6	303	91,947
Total current assets		1,149,632	309,213
Exploration and evaluation assets	7	4,176,761	4,124,865
Long-term investments	6	5,100,000	-
Long-term promissory note receivable	11	3,022,258	-
Total assets		\$ 13,448,651	\$ 4,434,078
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)			
Current liabilities			
Trade payables and other liabilities	9	\$ 3,510,575	\$ 2,921,662
Loans payable to related parties	9	19,051	17,334
Loans payable	10	1,008,287	72,786
Promissory note	11	1,000,000	890,266
CEBA loan payable	8	40,000	-
Total current liabilities		5,577,913	3,902,048
CEBA loan payable	8	-	53,572
Long-term loans payable	10	1,000,000	825,000
Total liabilities		6,577,913	4,780,620
Shareholders' equity (deficiency)			
Share capital	12	21,302,538	21,302,538
Shares to be issued	9	90,000	90,000
Contributed surplus	12	1,100,837	1,080,170
Deficit		(15,622,637)	(22,819,250)
Total shareholders' equity (deficiency)		6,870,738	(346,542)
Total liabilities and equity		\$ 13,448,651	\$ 4,434,078

Going concern (Note 2)
Subsequent events (Note 18)

Approved and authorized by the Board on April 26, 2024.

"Robert Abenante"

Robert Abenante

"Rodrigo Peralta"

Rodrigo Peralta

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

INTERNATIONAL ICONIC GOLD EXPLORATION CORP.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
Expressed in Canadian dollars

	Note	2023	2022
Operating expenses			
General and administration	13	\$ 571,859	970,406
General exploration		-	221
Share-based compensation	9, 12	20,667	166,095
		(592,526)	(1,136,722)
Other income			
Accretion expense	8, 11	(116,162)	(203,651)
Finance costs	9	(289,715)	(147,128)
Foreign exchange (gain) loss		30,860	(24,225)
Impairment of Exploration and Evaluation assets	7	(25,465)	(36,200)
Income from government loan forgiveness	8	20,000	5,740
Interest Income	11	22,517	-
Gain on sale of securities	6	53,680	37,465
Gain on sale of mineral property	6,7	8,093,424	-
Unrealized gain on investments	6	-	41,508
Net income (loss) and comprehensive income (loss)		\$ 7,196,613	(1,463,213)
Weighted average number of common shares outstanding	12	101,325,432	101,325,432
Basic and Diluted income (loss) per common share	12	\$ 0.07	(0.01)

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

INTERNATIONAL ICONIC GOLD EXPLORATION CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
Expressed in Canadian dollars

	Number of common shares	Common shares amount	Contributed surplus	Shares to be issued	Deficit	Total Shareholders' (deficiency) equity
Balance as at December 31, 2021	101,325,432	\$ 21,302,538	\$ 914,075	\$ 90,000	\$ (21,236,037)	\$ 950,576
Share-based compensation	-	-	166,095	-	-	166,095
Net loss for the year	-	-	-	-	(1,463,213)	(1,463,213)
Balance as at December 31, 2022	101,325,432	\$ 21,302,538	\$1,087,170	\$ 90,000	\$ (22,819,250)	\$ (346,542)
Share-based compensation	-	-	20,667	-	-	20,667
Net income for the year	-	-	-	-	7,196,613	7,196,613
Balance as at December 31, 2023	101,325,432	\$ 21,302,538	1,100,837	\$ 90,000	\$ (15,622,637)	\$ 6,870,738

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

INTERNATIONAL ICONIC GOLD EXPLORATION CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
Expressed in Canadian dollars

	2023	2022
OPERATING ACTIVITIES		
Net income (loss)	\$ 7,196,613	\$ (1,463,213)
Items not affecting cash		
Accretion expense	116,162	203,651
Interest on loan payable	110,047	9,353
Gain on sale of securities	(53,680)	-
Gain on sale of mineral property	(8,093,424)	-
Interest on related party loans	1,717	1,498
Interest income	(22,258)	-
Income from government assistance	(20,000)	(5,740)
Impairment of exploration and evaluation assets	25,465	36,200
Share-based compensation	20,667	166,095
Unrealized foreign exchange loss	6,763	5,640
Unrealized gain on investment	-	(41,508)
	(711,928)	(1,088,024)
Changes in non-cash working capital items:		
Other receivables	38,315	(5,711)
Prepaid expenses	(8,684)	(40,612)
Trade payables and other liabilities	588,913	793,544
Cash used in operating activities	(93,384)	(340,803)
INVESTING ACTIVITIES		
Cash expenditures on exploration and evaluation assets	(83,937)	(107,625)
Cost of sales of mineral properties	-	-
Purchase of investment	(78,428)	(27,174)
Sale on investment	217,443	-
Cash provided by (used in) investing activities	55,078	(134,799)
FINANCING ACTIVITIES		
Proceeds from loans	-	825,000
Repayments of promissory note	-	(750,000)
Cash provided by financing activities	-	75,000
CHANGE IN CASH	(38,306)	(400,602)
CASH, BEGINNING OF THE YEAR	57,450	458,052
CASH, END OF THE YEAR	\$ 19,144	\$ 57,450
Non-cash investing and financing transactions:		
Sale of investment for loan receivable (Note 6)	\$ 3,000,000	\$ -

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

INTERNATIONAL ICONIC GOLD EXPLORATION CORP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023, AND 2022

Expressed in Canadian dollars

1. NATURE OF OPERATIONS

International Iconic Gold Exploration Corp. (the “Company” or “Iconic”) was incorporated on December 2, 2003 under the Yukon Business Corporation Act. On January 17, 2014, the Company changed its reporting jurisdiction from Yukon to British Columbia. On September 29, 2021, the Company changed its name to International Iconic Gold Exploration Corp. The Company is listed on the TSX Venture Exchange (“TSXV”) under the symbol ICON.V. The address of the Company’s corporate office and principal place of business is 9TH Floor – 1021 West Hastings Street , Vancouver, British Columbia, Canada.

The Company is in the business of acquiring, exploring, and evaluating mineral resource properties.

2. BASIS OF PREPARATION

2.1 Going Concern of Operations

The Company has not generated revenue from operations. The Company had net income of \$7,196,613 for the year ended December 31, 2023 (December 31, 2022: loss of \$1,463,213). As at December 31, 2023 the Company’s accumulated deficit was \$15,622,637 (December 31, 2022: \$22,819,250) and working capital deficit was \$4,428,281 (December 31, 2022: \$3,592,835). The Company’s continuation as a going concern is contingent on the completion of financings to adequately cover the Company’s working capital deficit and planned exploration activities. As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financial resources to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. The Company will periodically have to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future. These factors comprise a material uncertainty which cast significant doubt about the Company’s ability to continue as a going concern. Should the Company be unable to continue as a going concern, asset realization values may be substantially different from their carrying values. These consolidated financial statements do not give effect to adjustments that would be necessary to carrying values and the classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

2.2 Statement of Compliance

These consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the international Accounting Standards Board (“IASB”).

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments 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. The consolidated financial statements are presented in Canadian dollars which is the functional currency of the Company.

The consolidated financial statements were authorized for issue by the Board of Directors on April 26, 2024.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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2. BASIS OF PREPARATION (continued)

2.3 Basis of Measurement

The consolidated financial statements are presented in Canadian dollars, unless otherwise stated.

The preparation of the consolidated financial statements in compliance with IFRS requires management to make certain accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are discussed in Note 4.

2.4 Basis of Consolidation

These consolidated financial statements include the financial statements of the Company and entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the Company's subsidiaries are included in the consolidated financial statements. All intercompany balances and transactions, income and expenses have been eliminated upon consolidation. The Company's Argentina subsidiaries are Marifil S.A. ("Marifil") and Minas San Roque S.A. ("MSR"), which are both wholly owned.

Non-controlling interests are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of the acquisition. Changes in the Company's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

3. MATERIAL ACCOUNTING POLICIES

3.1 Foreign currency transactions

Foreign currency accounts are translated into Canadian dollars as follows:

At the transaction date, each asset, liability, revenue, and expense denominated in a foreign currency is translated into Canadian dollars using the exchange rate in effect at that date. At the period end date, unsettled monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at the period end date and the related translation differences are recognized in net income. Non-monetary assets and liabilities that are measured at historical cost are translated into Canadian dollars by using the exchange rate in effect at the date of the initial transaction and are not subsequently restated.

3.2 Financial Instruments

Recognition, classification and measurement

Financial assets are classified and measured based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. IFRS 9 contains three primary measurement categories for financial assets and liabilities: amortized cost, fair value through other comprehensive income and fair value through profit or loss. Financial assets are recognized in the statements of financial position if the Company has a contractual right to receive cash or other financial assets from another entity. Financial assets are derecognized when the rights to receive cash flows from the asset have expired or were transferred and the Company has transferred substantially all

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3. MATERIAL ACCOUNTING POLICIES (continued)

risks and rewards of ownership. Financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instruments. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial instruments 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.

The Company has classified its investments at fair value through profit or loss. Changes in the fair value of the investments will be reported in the consolidated statement of income (loss) and comprehensive income (loss). The Company has classified its other receivables, trade payables and other liabilities, loans payable to related parties, loan payable, and promissory note as financial assets and financial liabilities measured at amortized cost. Such assets and liabilities are recognized initially at fair value inclusive of any directly attributable transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment losses. The Company has classified its cash as a financial asset measured at fair value through profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Company's derivatives, if any, are carried at fair value and are reported as assets when they have a positive fair value and as liabilities when they have a negative fair value. Changes in the fair values of derivative financial instruments are reported in the consolidated statements of income (loss) and comprehensive income (loss).

Impairment of financial assets

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost. Loss allowances for accounts receivables are always measured at an amount equal to lifetime expected credit losses if the amount is not considered fully recoverable. A financial asset carried at amortized cost is considered credit-impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Individually significant financial assets are tested for credit-impairment on an individual basis. The remaining financial assets are assessed collectively. An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

In assessing collective impairment, the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

Losses are recognized in the statements of comprehensive income (loss) and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the statements of comprehensive gain.

Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of common shares are recognized as a deduction from shareholders' equity, net of tax.

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3. MATERIAL ACCOUNTING POLICIES (continued)

Government grant

Loans received from government grants are recognized initially at fair value, with the difference between the fair value of the loan based on prevailing market interest rates and the amount received recorded as income from government assistance in the consolidated statements of income (loss) and comprehensive income (loss).

3.3 Exploration and evaluation assets

Pre-exploration costs

Costs incurred prior to acquiring the right to explore an area of interest are expensed as incurred.

Exploration and evaluation expenditures

Once the legal right to explore a property has been acquired, all costs related to the acquisition, exploration and evaluation of resource properties are capitalized and classified as intangible assets. These expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur.

The Company has classified exploration and evaluation assets as intangible assets as opposed to property plant and equipment since the assets are identifiable i.e. distinguishable from goodwill and arise from contractual rights via licensing through local governments or agreements, the Company retains control over the asset as a result of past events, and there is potential for future economic benefits.

The Company enters into joint venture agreements (“JV”), whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the JV partner to meet certain exploration and evaluation expenditures which would have otherwise been undertaken by the Company. The Company does not record any expenditures made by the JV partner on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted for in income as a gain on disposal.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to the statement of comprehensive income (loss).

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, property is considered to be a mine under development and is classified as “mines under construction.” Exploration and evaluation assets are also tested for impairment before the assets are transferred to development properties.

3.4 Impairment of tangible and intangible assets

At the end of each reporting period, the Company’s assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs 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

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3. MATERIAL ACCOUNTING POLICIES (continued)

discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately on the statement of comprehensive income (loss).

3.5 Share-based payments

The Company grants stock options to purchase common shares of the Company to directors, officers, employees, and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee. The fair value of stock options is measured on the grant date using the Black-Scholes option pricing model and is recognized over the vesting period. Share-based payments are initially recorded to contributed surplus. Subsequently, consideration paid for the shares on the exercise of share-based payments are credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

The Company grants performance shares with vesting conditions not related to the market price of the equity instruments of the Company and, as a result, they are non-market performance conditions. Upon grant or issuance into escrow, the fair value of performance shares are recorded to contributed surplus based on management's assessment of whether the vesting conditions will be met. The evaluation of whether vesting conditions will be met is reassessed every reporting period and changes, if any, are reflected in future periods. Upon vesting, the fair value of performance shares is transferred to share capital.

3.6 Warrants issued in equity financing transactions

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate resource properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants ("Warrants"). Depending on the terms and conditions of each financing agreement ("Agreement"), the Warrants are exercisable into additional common shares prior to expiry at a price stipulated by the Agreement. Warrants that are part of units are assigned a residual value if the unit is issued at a price exceeding the market price of underlying share at the time of issuance otherwise the warrants are assigned no value and included in share capital with the common shares that are concurrently issued. Warrants that are issued as payment for an agency fee or other transactions costs are accounted for as share-based payment transaction costs.

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Expressed in Canadian dollars

3. MATERIAL ACCOUNTING POLICIES (continued)

3.7 Income taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, current income taxes are recognized for the estimated income taxes payable for the current period. Deferred income tax assets, including the benefit of losses available to be carried forward to future years, and liabilities are recognized for temporary differences between the tax and accounting basis of assets and liabilities. Deferred tax assets are recognized only if it is probable that they can be realized.

3.8 Provisions

Provisions are recorded when a present legal or constructive obligation exists because of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. At each financial position reporting date presented the Company has not incurred any decommissioning costs related to the exploration and evaluation of its mineral properties and accordingly no provision has been recorded for such site reclamation or abandonment.

3.9 Loss per share

Basic loss per share is computed by dividing net earnings or loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings or loss per share is computed similar to basic earnings or loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of 'in the money' stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that proceeds from such exercises were used to acquire common stock at the average market price during the reporting period. Escrowed shares will be excluded from basic earnings per share.

3.10 Debt Modifications

A substantial debt modification or a debt exchange with substantially different terms is accounted for as an extinguishment of the original liability.

The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability.

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognized as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortized over the remaining term of the modified liability.

3.11 Accounting standards issued but not yet effective

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any new standards and determined that there are no standards that are relevant to the Company.

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

a) Resource properties exploration and evaluation expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after the expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the year the new information becomes available.

b) Title to exploration and evaluation assets

Although the Company has taken steps to verify title to resource properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects. Title to resource properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristic of many resource properties. The Company has investigated title to all its resource properties and, to the best of its knowledge; title to all properties is in good standing. The properties in which the Company has committed to earn an interest are in Argentina.

c) Income taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law in the relevant jurisdiction. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision.

Management believes they have adequately provided for the probable outcome of these matters; however, the outcome may result in a materially different outcome than the amount included in the tax liabilities. In addition, the Company recognizes deferred tax assets relating to tax losses carried forward only to the extent that it is probable that taxable profit will be available against which a deductible temporary difference can be utilized. This is deemed to be the case when there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity which are expected to reverse in the same year as the expected reversal of the deductible temporary difference, or in years into which a tax loss arising from the deferred tax asset can be carried back or forward. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

d) Going concern

The Company's ability to execute its strategy by funding future working capital requirements requires judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, such as expectations of future events that are believed to be reasonable under the circumstances

e) Functional currency

The Company operates in multiple jurisdictions and transacts in multiple currencies. Being an exploration stage company, the Company has no revenues from operations to date and therefore has based the determination of functional currency on expenditures, financial commitments and historical financings, the areas in which the majority of the Company's transactions occur.

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

Transactions related to all three of these criteria occur in more than one currency, however the CDN\$ is the dominant currency for each of these criteria and therefore the currency of the primary economic environment to which the Company is the most significantly exposed.

f) Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the stock option, volatility and dividend yield and making assumptions about them. The Company records share-based payments in conjunction with the expected issuance of performance shares. Specifically, the Company enters into contracts with executives that allow for the issuance of shares into escrow and subsequent release upon successful achievement of certain performance-based milestones. Significant judgement and estimates were made in assessing whether those conditions would be met.

g) Site closure and reclamation provisions

The Company assesses its mineral properties' rehabilitation provision at each reporting date or when new material information becomes available. Exploration, development, and mining activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing, and the Company has made, and intends to make in the future, expenditures to comply with such laws and regulations. Accounting for reclamation obligations requires management to make estimates of the future costs that the Company will incur to complete the reclamation work required to comply with existing laws and regulations at each location. Actual costs incurred may differ from those amounts estimated. Also, future changes to environmental laws and regulations could increase the extent of reclamation and remediation work required to be performed by the Company. Increases in future costs could materially impact the amounts charged to operations for reclamation and remediation. The provision represents management's best estimate of the present value of the future reclamation and remediation obligation. The actual future expenditures may differ from the nil amounts currently provided due to minimal site disturbance.

h) Impairment

The Company assess each asset every reporting period to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. These assessments require the use of estimates and assumptions such as long-term commodity prices, regulatory and political environment, discount rates, operating costs, future capital requirements, closure and reclamation costs, exploration potential. These estimates and assumptions are subject to risk and uncertainty. Therefore, there is a possibility that changes in circumstances will impact these projections, which may impact the recoverable amount of assets.

h) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the comparison method. The inputs to this are taken from observable events, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

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5. OTHER RECEIVABLES

As at December 31, 2023, amounts in other receivables are related to \$33,459 (December 31, 2022: \$99,150) in government sales tax receivables and \$32,693 (December 31, 2022: \$5,317) in expense advances made to a few vendors.

6. INVESTMENTS

Investments are comprised of shares of publicly traded and private companies. The Company classifies its investments at fair value through profit or loss. Realized gains and losses on disposal of investments and unrealized gains and losses in the fair value of the investments are reflected in profit or loss for the period in which they occur. The movements in investments are summarized as follows:

Balance, December 31, 2021	\$	-
Acquisitions		94,343
Proceeds on sale		(67,169)
Unrealized gain recorded in net loss		41,508
Foreign exchange loss		(1,564)
Balance, December 31, 2022	\$	91,947
Acquisitions		78,428
Acquisition - BGX – Black Gold Exploration Corp.		2,100,000
Acquisition - Baterial Metals Corp.		6,000,000
Promissory note receivable for sale – Baterial Metals Corp.		(3,000,000)
Proceeds on sale of securities		(217,443)
Gain on sale of securities		53,680
Foreign exchange loss		(6,309)
Balance, December 31, 2023	\$	5,100,303
Non Current Balance, December 31, 2023		5,100,000
Current Balance, December 31, 2023		303

During the year ended December 31, 2023, the Company recognized a gain on sale of securities of \$53,680 (2022: \$37,465).

On July 7, 2023, the Company completed the sale of its oil and gas asset El Carmen (the “Property”) owned through the subsidiary Spinell S.A., to a private corporation BGX – Black Gold Exploration Corp. (“BGX”) in exchange for securities of BGX (the “Transaction”). The Company received 100,000 common shares at a deemed price of \$1.00 per share and an additional 2,000,000 common shares at a deemed price of \$1.00 per share that are held in escrow until certain milestones are met in connection with the Property. The milestones are as follows: (i) 1,000,000 common shares will be released from escrow upon the Property entering production of natural gas; and (ii) 1,000,000 common shares will be released from escrow upon the Property entering production of oil.

On July 17, 2023, the Company completed the sale of multiple non-core assets being Las Aguilas I, Las Aguilas II, Marco Antonio, Virorco, and Carachi Pampa IV to Bateria Metals Corp. (“Bateria”) through the sale of its subsidiary, Autumn Resources S.A.. The Company received 2,000,000 common shares of Bateria at a deemed price of \$3.00 per share for a deemed transaction value of \$6,000,000. On December 8, 2023, the Company entered into a share purchase agreement with Pabs Consulting Inc. (“Pabs”), whereby Pabs purchased 1,000,000 common shares of Bateria Metals Corp. As consideration for the common shares in Bateria, Pabs issued the Company a \$3,000,000 promissory note (Note 11).

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7. EXPLORATION AND EVALUATION ASSETS

	San Roque, Rio Negro Province	Other Properties	Total
Balance, December 31, 2021	\$ 4,041,923	\$ 11,517	\$ 4,053,440
Property payments	6,485	29,085	35,570
Exploration costs	48,206	20,768	68,974
Impairment of exploration and evaluation assets		(36,199)	(36,199)
Change in IVA	3,080	-	3,080
Balance, December 31, 2022	\$ 4,099,694	\$ 25,171	\$ 4,124,865
Property payments	13,137	29,294	42,431
Exploration costs	37,490	-	37,490
Impairment of exploration and evaluation assets	-	(25,465)	(25,465)
Change in IVA	4,016	-	4,016
Disposition - El Carmen		(4,191)	(4,191)
Disposition - Las Aguilas		(2,385)	(2,385)
Balance, December 31, 2023	\$ 4,154,337	\$ 22,424	\$ 4,176,761

Title to resource properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristics of many resource properties. The Company has investigated title to all its resource properties and, to the best of its knowledge; title to all properties are in good standing unless specifically noted otherwise. All the resource properties are in Argentina.

Impuesto al Valor Agregado (“IVA”) represents value added sales taxes paid to the government of Argentina which is recorded when paid. When there is reasonable assurance that the Company will be able to obtain a refund of IVA taxes, the amounts received by the Company will be credited to the cost of the properties.

During the year ended December 31, 2023, the Company completed the sale its oil and gas asset El Carmen in exchange for common shares in BGX (see Note 6) resulting in a gain on sale of mineral property of \$5,997,615. The Company also completed the sale of multiple non-core assets being Las Aguilas I, Las Aguilas II, Marco Antonio, Virorco, and Carachi Pampa IV in exchange for common shares in Bateria (see Note 6) resulting in a gain on sale of mineral property of \$2,095,809.

San Roque Gold Property, Rio Negro Province

San Roque is an advanced stage exploration project located in southern Argentina in the Province of Rio Negro near the Atlantic coast with metal deposits comprising of gold, silver, lead, zinc, and indium, gold being the Company’s primary focus. The Company has the exclusive right to carry out exploration work on the 88,057.62 hectare property; mining rights for the property are held by Minas San Roque S.A..

Other Properties

Other Argentina properties include the Lago Fontana mine rights in Chubut Province and exploration rights in Castaño district in San Juan Province.

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8. CEBA LOAN PAYABLE

During the year ended December 31, 2020, the Company entered into a Canada Emergency Business Account “CEBA” loan with the Government of Canada. The loan is an interest free loan of \$40,000 from the Government of Canada. If the Government of Canada is repaid by December 31, 2022, 25% being \$10,000 will be forgiven. If the Company is not able to repay, the loan will convert into a regular loan with a three-year term at 5% per annum. The loan was recorded at a fair value of \$30,607 using an effective rate of 12%, considering the grant, the interest- free loan and the forgivable portion. The residual value of \$9,393 was recorded as other income. During the year ended December 31, 2022, the Company recorded accretion expense of \$3,826 (December 31, 2021: \$3,826). During the year ended December 31, 2023, the Company recorded accretion expense of \$4,285 (December 31, 2022: \$3,826).

During the year ended December 31, 2021, the Company entered into a CEBA loan with the Government of Canada for an additional \$20,000 (the “Additional Financing”). As above, the loan is interest free. If the Government of Canada is repaid the full loan of \$60,000 by December 31, 2022, 33%, being a total of \$20,000 will be forgiven. If the Company is not able to repay, the loan will convert into a regular loan with a three-year term at 5% per annum. The additional financing was recorded at a fair value of \$16,320 using an effective rate of 12%, considering the grant, the interest- free loan and the forgivable portion. The residual value of \$3,680 was recorded as other income. During the year December 31, 2022, the Company recorded accretion expense of \$1,913 (December 31, 2021: \$1,538). During the year ended December 31, 2023, the Company recorded accretion expense of \$2,142 (December 31, 2022: \$1,913).

During the year ended December 31, 2022, the Government of Canada announced that the repayment date of the CEBA loans had been extended from December 31, 2022 to December 31, 2023. If the Government is repaid the full loan by December 31, 2023, 33% will be forgiven. If the Company is not able to repay, the loans will convert into a regular loan with a two-year term at 5% per annum. Due to the modification of the repayment date, the net present value of changes to the future contractual cash flows adjusts the carrying amount of the original debt with the difference immediately recognized in profit or loss, and the Company recognized the gain of \$5,740 as income from government assistance during the year ended December 31, 2022.

On September 14, 2023, the Government announced that the due date for the CEBA loan has been extended to Jan 18, 2024, and in the case of refinancing, the deadline has been extended to March 28, 2024. As at December 31, 2023, the carrying value of the CEBA loan was \$40,000 (December 31, 2022: \$53,272). During the year ended December 31, 2023, the Company recorded accretion expense of \$6,428 (December 31, 2022: \$5,740). The Company repaid the \$40,000 CEBA loan before the due date of January 18, 2024. As a result, it recognized \$20,000 as Government loan forgiveness income for the year ended December 31, 2023.

9. RELATED PARTY BALANCES AND TRANSACTIONS

a) Related Party Loan

On May 22, 2020, the Company received \$13,000 in exchange for a loan, with a company controlled by an officer. The note carries an interest rate of 12%, accrued monthly, with a maturity date of April 30, 2021. The loan can be settled in either cash or common shares of the Company. If settled in shares, the terms will be agreed upon between the Company and the note holder. If the Company does not fully repay the loan upon maturity, the Company shall pay a penalty of 10% on the principal of the note. During the year ended December 31, 2023, the Company recorded finance costs of \$1,716 (December 31, 2022: \$1,716) in connection with interest accrued under the loan. As at December 31, 2023, included in loans payable to related parties is the carrying value of \$19,051 (December 31, 2022: \$17,334). The loan is in default at December 31, 2023.

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9. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

b) Related Party Balances and Transactions

During the year ended December 31, 2023, the Company recorded finance costs of \$67,560 (December 31, 2022: \$78,588) related to accrued interest on amounts due to companies controlled by officers and directors. Interest is accrued at 10% per annum, compounded monthly.

As at December 31, 2023 and December 31, 2022, the assets and liabilities of the Company include the following amounts receivable and payable from directors and officers:

	2023	2022
Advances receivable ⁽¹⁾	\$ 8,855	\$ 2,526
Trade payables and other liabilities	\$ 1,294,776	\$ 1,323,844

(1) This amount is non-interest bearing, unsecured and is due on demand.

c) Related Party Transactions

During the year ended December 31, 2023, and 2022, the Company incurred charges with an officer and directors, which comprise key management compensation as follows:

	2023	2022
Management fees	\$ 284,518	\$ 237,422
Consulting fees	-	70,000
Share-based compensation	17,211	63,371
	\$ 301,729	\$ 370,793

For the year ended December 31, 2023, and 2022, key management personnel were not paid any post-employment benefits, termination benefits or any other long-term benefits. These transactions were recorded at the exchange amount, which is the amount agreed to by the transacting parties.

On May 1, 2021, the Company entered into an agreement with a company controlled by the Chief Executive Officer of the company for certain corporate consulting services provided by the Chief Executive Officer. As part of the compensation, the Company will issue various performance shares up to 1,500,000 for non-market performance milestones which include the agreement to acquire NovaGold's share of Minas San Roque S.A. (1,000,000 shares – milestone completed) and completion of an NI 43-101 technical report which leads to a preliminary economic assessment (500,000 shares). As at December 31, 2023 there are shares to be issued of \$90,000 (December 31, 2022: \$90,000). As at the effective date of the contract, management estimated all of the performance shares will vest. During the year ended December 31, 2023, the Company recorded \$12,833 (December 31, 2022: \$15,423) in share-based compensation in relation to the vesting of these 500,000 shares at \$0.09 per share to be issued for the completion of an NI 43-101 technical report which leads to a preliminary economic assessment that is expected to vest over a period of 4 years.

During the year ended December 31, 2023, \$16,183 (December 31, 2022: \$15,126) in management fees was capitalized to mineral properties.

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10. LOANS PAYABLE

On July 29, 2014, the Company entered into a loan agreement with a former director, whereas the former director loaned the Company USD \$20,000. The unsecured loan bears interest at 18% per year and matured on January 29, 2016. At the option of the lender, the loan can be converted into common shares of the Company at the market price of the Company's shares.

During the year ended December 31, 2023, the Company recorded finance costs of \$4,859 (December 31, 2022: \$4,742) in connection with interest accrued under the loan. As at December 31, 2023, the loan is outstanding and due on demand and the carrying value is \$73,489 (December 31, 2022: \$68,175 included in loans payable), included in current loans payable.

The former director ceased to be a related party effective June 25, 2021.

On December 15, 2022, the Company entered into a loan agreement for \$825,000. The loan is unsecured and bears interest at 12.75% per year maturing on December 14, 2024. Interest on the loan is due and payable in one lump sum on the maturity date. During the year ended December 31, 2023, the Company recorded finance costs of \$105,187 (December 31, 2022: \$4,611) in connection with interest accrued under the loan. As at December 31, 2023, the loan is outstanding with a carrying value of \$934,798 (December 31, 2022: \$829,611) and is included in current loans payable.

On December 29, 2023, the Company entered into a loan agreement with Global Eudaemonic Holdings FZE ("Global") for the principle sum of \$1,000,000 (the "Loan"). The Loan is secured against the Company's San Roque property, matures on December 29, 2025 (the "Maturity Date"), bears an interest rate of 18% per annum compounded quarterly and grants a 1% NSR Royalty on the San Roque property. The total accrued interest is payable on the Maturity Date. As at December 31, 2023, \$1,000,000 is recorded as a long term loan payable and the company had an equal and corresponding loan receivable of \$1,000,000 as the amount was received on January 10, 2024. The purpose of this loan agreement was to pay the third and final payment owed to NovaGold for a promissory note (Note 11).

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11. PROMISSORY NOTES

a) Promissory note

The Company's Argentine subsidiary Marifil S.A. ("Marifil") owned 51% of Minas San Roque S.A ("MSR") prior to the acquisition on November 3, 2021. The remaining 49% interest in MSR was owned by NovaGold. MSR was formed for the sole exclusive purpose of proportionately investing together in the San Roque Gold Property.

On November 3, 2021, the Company entered into a share purchase agreement with NovaGold Argentina Inc. ("NovaGold"), pursuant to which NovaGold sold all 5,051,537 of the shares of MSR that it owned to Marifil in consideration for \$2,000,000 payable by Marifil as follows:

- Payment of \$250,000 on November 3, 2021 (paid);
- Delivery of a promissory note for \$750,000 which is payable on or before November 1, 2022 (paid); and
- Delivery of a promissory note for \$1,000,000 which is payable on or before November 1, 2023. The company received a 60-day extension from NovaGold. This payment was made on January 11, 2024.

The principal sum of the promissory notes does not bear interest. The Company has agreed to guarantee the payment obligations of Marifil SA. The promissory notes were valued using a discounted cash flow approach using a discount rate of 14.92% as at the date of the share purchase agreement. On the transaction date of November 3, 2021, the promissory notes were recorded at their fair value of \$1,410,824.

During the year ended December 31, 2023 the Company recorded accretion expense of \$109,734 (December 31, 2022: \$197,910). At December 31, 2023, the promissory notes were valued at \$1,000,000 (December 31, 2022: \$890,266).

Balance, December 31, 2020	\$	-
Acquisition of promissory notes		1,410,824
Accretion		31,532
Balance, December 31, 2021	\$	1,442,356
Repayments		(750,000)
Accretion		197,910
Balance, December 31, 2022	\$	890,266
Accretion		109,734
Balance, December 31, 2023	\$	1,000,000

b) Promissory note receivable

On December 8, 2023, the Company entered into a share purchase agreement with Pabs Consulting Inc. ("Pabs") to sell 1,000,000 common shares of Bateria Metals Corp. ("Bateria") (Note 6). As consideration for the common shares in Bateria, Pabs issued the Company a \$3,000,000 promissory note. According to the terms of the Promissory Note, the Purchaser (Pabs) will repay the principal sum of \$3,000,000 to the Company on or before December 8, 2025. The Promissory Note also stipulates that the loan shall bear interest at a rate of 12% per annum, with interest payable on the Maturity date. During the year ended December 31, 2023, the promissory note earned interest income of \$22,258 (December 31, 2022: Nil). As at December 31, 2023, the promissory note receivable is \$3,022,258 (December 31, 2022: Nil).

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12. SHARE CAPITAL

a) Authorized share capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

b) Shares issued

For the year ended December 31, 2023 and 2022, there were no securities issued.

c) Warrants

A summary of the warrant activity for the year ended December 31, 2023 and the year ended December 31, 2022 is as follows:

	2023		2022	
	Warrants	Weighted Average Exercise Price	Warrants	Weighted Average Exercise Price
Balance, beginning of the year	40,000,000	\$0.06	41,030,000	\$0.08
Expired	-	-	(1,030,000)	1.00
Balance, end of the year	40,000,000	\$0.06	40,000,000	\$0.06

As at December 31, 2023 warrants outstanding were as follows:

Expiry date	Number	Exercise price	Weighted average remaining life
March 17, 2024	40,000,000	\$ 0.06	0.21

As at December 31, 2023, the weighted average remaining contractual life of warrants outstanding was 0.21 years (December 31, 2022 – 1.21 years).

d) Stock options

The Company has an incentive stock option plan whereby share purchase options may be granted to directors, officers, employees and consultants of the Company and its subsidiaries. The total number of shares reserved under the plan may not exceed more than 10% of the outstanding shares at the time of granting the option. Options are granted at the market price or higher at the date of the grant, less any discounts permitted by regulatory authorities. Unless otherwise stated options vest when granted.

During the year ended December 31, 2023, the Company recorded share-based compensation of \$20,667 (December 31, 2022: \$166,095) relating to the ongoing vesting of stock options.

A summary of stock option activity for the year ended December 31, 2023 and the year ended December 31, 2022 is as follows:

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12. SHARE CAPITAL (continued)

	2023		2022	
	Options	Weighted Average Exercise Price	Options	Weighted Average Exercise Price
Balance, beginning of the year	7,612,500	\$0.05	8,900,000	0.05
Granted	-	-	-	-
Expired	(1,812,500)	\$0.05	(850,000)	0.06
Forfeited	(50,000)	-	(437,500)	0.08
Balance, end of the year	5,750,000	\$0.05	7,612,500	\$0.05

During the year ended December 31, 2023 and 2022, some directors and officers resigned and thus accelerated the expiry dates of their options. The board of directors approved a 90 day extension of the expiry date of the remaining options of those board members who resigned. These options had a previous expiry date of September 24, 2024. The following table reflects the updated expiry dates of said options.

As at December 31, 2023, options outstanding were as follows:

Expiry date	Options Outstanding			Options Exercisable		
	Number outstanding	Weighted average remaining contractual life	Weighted average exercise price	Number exercisable	Weighted average remaining contractual life	Weighted average exercise price
September 23, 2024	5,750,000	0.73	\$0.05	5,750,000	0.73	\$0.05
	5,750,000	0.73	\$0.05	5,750,000	0.73	\$0.05

As at December 31, 2023 the weighted average remaining contractual life of stock options outstanding was 0.73 years (December 31, 2022 –1.68 years).

On November 14, 2023 the Company's board of directors approved the adoption of a new equity incentive plan (the "New Equity Incentive Plan"). The maximum number of shares which may be reserved and set aside for issuance upon the grant or exercise of stock options will be 10% of the Company's issued and outstanding share capital at the time of any grant. The stock option portion of the New Equity Incentive Plan is a "rolling" maximum option plan, and any increase or decrease or reduction in the number of outstanding shares will result in an increase or decrease, respectively, in the number of shares that are available to be issued as stock options.

The maximum number of shares that may be reserved for issuance under fixed share awards is 10,132,543 (10% of the Company's issued and outstanding shares as of the date of board approval). This is a fixed maximum which will not increase or decrease depending on the number of outstanding Shares. Combined with the 10% rolling stock option portion of the New Equity Incentive Plan, there will be an aggregate maximum of 20,265,086, or approximately 20% of the Company's issued and outstanding share capital, available for grant under the New Equity Incentive Plan.

The formal adoption of the New Equity Incentive Plan is subject to the approval of the Company's disinterested shareholders.

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12. SHARE CAPITAL (continued)

e) Per share amounts

	For the year ended December 31,	
	2023	2022
Weighted average number of shares – basic:		
Issued common shares as at January 1	101,325,432	101,325,432
Total as of December 31, 2023	101,325,432	101,325,432
Income (loss) per share – basic and diluted	\$0.07	\$(0.01)

For the year ended December 31, 2023 and December 31, 2022, the effect of the Company's outstanding options and warrants are anti-dilutive and therefore they are excluded from the calculation of diluted earnings per share.

13. GENERAL AND ADMINISTRATION EXPENSES

	For the year ended December 31,	
	2023	2022
Consulting fees	\$ (2,728)	\$ 314,871
Filing fees	17,836	33,314
Investor relations & shareholder info	62,000	116,957
Management fees	284,518	265,083
Office and miscellaneous	72,564	95,267
Professional fees	137,669	144,914
Total	\$ 571,859	\$ 970,406

14. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern to support its operations and exploration. The Board of Directors does not establish a quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain the future development of the business. In the management of capital, the Company considers its capital to be the components of shareholders' equity, loans payable, and loans payable to related parties.

The properties in which the Company currently has an interest are in the exploration stage; as such, the Company has historically relied on the equity markets to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended December 31, 2023. There are no external restrictions on the management of capital.

15. FINANCIAL RISK MANAGEMENT

The Company's financial instruments are exposed to certain financial risks, including market risk, credit risk and liquidity risk. This note describes the Company's objectives, policies, and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

General objectives, policies, and processes:

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function. The Board of Directors receive quarterly reports from the Company's Chief Financial Officer through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous reported periods unless otherwise stated in the note. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

a) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as foreign currency exchange, interest rates, and commodity and equity price risk.

(i) Foreign currency risk:

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and Argentine peso as well as the Canadian dollar and the U.S. dollar will affect the Company's operations and financial results. The operating results and financial position of the Company are reported in Canadian dollars. The Company's operations are in Canada and Argentina.

Exposure to foreign currency risk increased overall during the period due to an increase in trade payables denominated in U.S. dollars, this is partially offset by a reduction in cash held in both foreign currencies.

As at December 31, 2023, if the Canadian dollar had weakened 5% against the U.S. dollar, with all other variables held constant, comprehensive gain would have been approximately \$29,000 worse. Conversely, if the Canadian dollar had strengthened 5% against the U.S. dollar, with all other variables held constant, comprehensive gain would improved by \$29,000. Similarly, if the Canadian dollar had weakened 5% against the Argentine Peso, with all other variables held constant, comprehensive gain would have been approximately \$31,000 worse. Conversely, if the Canadian dollar had strengthened 5% against the Argentine Peso, with all other variables held constant, comprehensive gain would improved by \$31,000.

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15. FINANCIAL RISK MANAGEMENT (continued)

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consist primarily of cash and other receivables. The Company believes it has no significant credit risk related to its cash as the majority of its cash is held at a large Canadian bank. The Company's other receivables consist mainly of input tax credits receivable from the Government of Canada and the Government of Argentina and, as a result, the Company does not believe it is subject to significant credit risk.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. As at December 31, 2023, the Company had cash of \$19,144, a working capital deficit \$4,428,281 to settle current liabilities of \$5,577,913. The Company will require additional financings to meet its short-term financial obligations.

All the Company's financial liabilities as at December 31, 2023 were due on demand, with the exception of the CEBA loan payable (Note 8), the loan entered into on December 15, 2022 (Note 10), the loan entered into on December 29, 2023 (Note 10).

16. BASIS OF FAIR VALUE

The Company's financial instruments consist of cash, accounts and other receivables, loan receivable, investments, promissory note, trade payables and other liabilities, loans payable and loans payable to related parties. The fair value of the Company's accounts and other receivables, loan receivable, promissory note, trade payables and other liabilities, loans payable, and loans payable to related parties approximate the carrying value, which is the amount on the consolidated statements of financial position, due to their short-term maturities or ability of prompt liquidation.

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within 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 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's cash is measured at fair value under the fair market hierarchy, based on level one quoted prices in active markets for identical assets.

The Company's investments are measured at fair value through profit or loss based on level 1 quoted prices in active markets for identical assets and based on level 2 significant other observable inputs.

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16. BASIS OF FAIR VALUE (continued)

The Company's investments are measured as follows under the fair market hierarchy:

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Aggregate fair value
As at December 31, 2023:				
Investments	\$ 303	\$ 5,100,000	\$ -	\$ 5,100,303
As at December 31, 2022:				
Investments	\$ 91,947	\$ -	\$ -	\$ 91,947

The inputs and assumptions used to value investments using level 2 inputs were based on the transaction value between two arms-length parties and the price per share for the private placements used as a comparable method for the fair value of the financial instrument. Judgement was used in determining the fair value (Note 4).

17. INCOME TAXES

The differences between tax recovery for the 2023 and 2022 years ended and the expected income tax recovery based on statutory rates arise as follows:

	2023	2022
Income (Loss) before income tax	\$ 7,196,613	\$ (1,463,213)
Expected tax income (recovery) based on statutory rate of 27% (2022 – 27%)	\$ 1,943,000	\$ (395,000)
Effect of higher statutory tax rate for foreign subsidiaries	3,000	1,000
Permanent and other differences	39,000	178,000
Change in deferred tax assets	(1,985,000)	216,000
Total income tax recovery	\$ -	\$ -

The nature and tax effect on the temporary differences giving rise to potential deferred tax assets at December 31, 2023 and 2022 are as follows:

	2023	2022
Non-capital carry forwards	\$ 1,055,000	\$ 3,047,000
Share issue costs	2,000	3,000
Resource properties	251,000	243,000
Other deductible temporary differences	2,000	2,000
	1,310,000	3,295,000
Less: unrecognized deferred tax assets	(1,310,000)	(3,295,000)
Total	\$ -	\$ -

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17. INCOME TAXES (Continued)

At December 31, 2023, the Company had accumulated Canadian non-capital losses of \$3,285,000 (2022 - \$10,795,000) and Argentine net operating losses of \$667,000 (2022 - \$530,000) for income tax purposes which may be deducted in the calculation of taxable income in future years. These losses expire from 2024 to 2043. Canadian non-capital losses expire 20 years after the year of incurrance while Argentine net operating losses expire 5 years after incurrance. The potential benefit of these non-capital loss carry-forwards has not been recognized in these financial statements as it is not considered probable that sufficient future taxable profit will allow the deferred assets to be recovered.

18. SUBSEQUENT EVENTS

On January 10, 2024 the Company received \$1,000,000 from Global Eudaemonic Holdings FZE for a loan agreement entered into on December 29, 2023. On January 11, 2024, these funds were used to pay the third and final payment to NovaGold to settle a \$1,000,000 promissory note payable.

On January 16, 2024, the Company entered into a loan agreement with Xlabs Therapeutics (Ont) Inc. for a loan of \$55,000 at an interest rate of 18% per annum with a maturity date of January 16, 2025.

On January 17, 2024, the Company paid \$40,000 for the CEBA loan outstanding.