

STUVE GOLD CORP.
Consolidated Financial Statements
Years Ended December 31, 2023 and 2022

To the Shareholders of Stuve Gold Corp.:

Opinion

We have audited the consolidated financial statements of Stuve Gold Corp. (the "Corporation"), which comprise the consolidated statements of financial position as at December 31, 2023 and December 31, 2022, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years 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 Corporation as at December 31, 2023 and December 31, 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audits of the 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

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Corporation reported a net and comprehensive loss and negative cash flows from operations during the year ended December 31, 2023 and, as of that date, the Corporation had negative working capital and an accumulated deficit. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Corporation'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 period. 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 matters described below to be the key audit matters to be communicated in our report.

Impairment Indicator Assessment of Exploration and Evaluation Assets

Key Audit Matter Description

We draw attention to notes 2, 3 and 4 to the consolidated financial statements.

The net book value of Exploration and Evaluation ("E&E") assets amounted to \$4,617,904 as at December 31, 2023. At each reporting period, management assesses E&E assets to determine whether there are any indicators of impairment. If any such indicators exist, the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset or its cash generating unit ("CGU") exceeds its estimated recoverable amount. Management assesses E&E assets for impairment based on the following indicators:

- (i) the period for which the entity has the right to explore in the specific area has expired during the year or will expire in the near future;
- (ii) substantive expenditure on further exploration for an evaluation of mineral resources in the specific area is neither budgeted nor planned;
- (iii) sufficient data exists to determine that extracting the resources will not be technically feasible or commercially viable; and
- (iv) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

The total impairment loss related to E&E assets is \$438,393 for the year ending December 31, 2023, due to being in default of the payment terms of a property option agreement.

No impairment indicators related to E&E assets carrying value as at December 31, 2023 were identified by management as at December 31, 2023 in addition to the option agreement mentioned above.

We considered this a key audit matter due to the significance of the E&E assets and the judgments made by management in their assessment of indicators of impairment related to E&E assets, and these have resulted in a high degree of subjectivity in performing audit procedures related to these judgments applied by management.

Audit Response

We responded to this matter by performing procedures in relation to the impairment indicator assessment of exploration and evaluation assets. Our audit work in relation to this included, but was not restricted to, the following:

- We assessed the judgments made by management in determining the impairment indicators, which included the following:
 - Obtained evidence to support the existence of the right to explore the area and the claim expiration by reference to public government registries;
 - Evaluated budget approvals and board minutes to obtain evidence of continuing and planned exploration expenditures and included evaluations of the work completed in the current year; and
 - Assessed whether there are any indications that extracting resources will not be technically feasible or commercially viable, or if other facts and circumstances exist that may suggest the carrying amount exceeds the recoverable amount, based on evidence obtained in other areas of the audit.
- We assessed the appropriateness of the related disclosures in the financial statements.

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

Other Information

Management is responsible for the other information. The other information comprises 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 audits 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 audits 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 on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

In connection with our audits of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. [We obtained Management's Discussion and Analysis prior to the date of this auditor's report.] [We obtained the [Annual 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. 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 International Financial Reporting 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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation'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 Corporation'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 Corporation'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 Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Calgary, Alberta

April 30, 2024

MNP LLP

Chartered Professional Accountants

STUVE GOLD CORP.
Consolidated Statements of Financial Position
(Stated in Canadian Dollars)

As at,		December 31, 2023	December 31, 2022
Assets	<i>Notes</i>		
Current			
Cash		\$ 62,982	\$ 18,632
Other receivable		5,420	3,271
Prepaid expenses		1,703	1,645
Total current assets		70,105	23,548
Mineral properties	4	4,617,904	4,988,450
Total Assets		\$ 4,688,009	\$ 5,011,998
Liabilities			
Current			
Trade and other payables		\$ 178,392	\$ 355,868
Due to related parties	5	272,018	7,982
Due to director	6	170,415	623,163
Total current liabilities		620,825	987,013
Convertible debenture	7	658,700	-
Total Liabilities		\$ 1,279,525	987,013
Shareholders' Equity			
Share capital	8	4,725,998	4,725,998
Contributed surplus	7, 8	677,302	612,094
Deficit		(1,946,548)	(1,316,022)
Accumulated other comprehensive income		(48,268)	2,915
Total shareholders' equity		3,408,484	4,024,985
Total liabilities and shareholders' equity		\$ 4,688,009	\$ 5,011,998

Incorporation and going concern (Note 1)

Approved on behalf of the Board of Directors:

Signed "Al Kroontje"
Al Kroontje

Signed "V.E. Dale Burstall"
Dale Burstall

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

STUVE GOLD CORP.
Consolidated Statements of Loss and Comprehensive Loss
(Stated in Canadian Dollars)

For the Years ended	Notes	December 31, 2023	December 31, 2022
Expenses			
General and administrative	9	\$ 118,225	\$ 237,332
Stock-based compensation	8(d)	5,183	53,950
Debenture interest	7	41,708	-
Debenture accretion	7	27,017	-
Unrealized gain on foreign exchange		-	(40,913)
Impairment	4	438,393	-
		630,526	250,369
Net loss		(630,526)	(250,369)
Other comprehensive income			
Foreign exchange translation adjustment		(51,183)	(19)
Net loss and comprehensive loss		\$ (681,709)	\$ (250,388)
Net loss per share:			
Basic and diluted		\$ (0.02)	\$ (0.01)
Weighted average common shares:			
Basic and diluted	8	29,648,484	29,648,484

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

STUVE GOLD CORP.
Consolidated Statement of Changes in Shareholders' Equity
(Stated in Canadian Dollars)

	<i>Notes</i>	Share Capital	Contributed Surplus	Accumulated OCI	Deficit	Shareholders' Equity
As at December 31, 2021		\$ 4,725,998	\$ 558,144	\$ 2,934	\$ (1,065,653)	\$ 4,221,423
Share-based compensation	8 (d)	-	53,950	-	-	53,950
Net and comprehensive loss		-	-	(19)	(250,369)	(250,388)
Balance December 31, 2022		\$ 4,725,998	\$ 612,094	\$ 2,915	\$ (1,316,022)	\$ 4,024,985
Share-based compensation	8 (d)	-	5,183	-	-	5,183
Equity portion of convertible note	7	-	60,025	-	-	60,025
Net and comprehensive loss		-	-	(51,183)	(630,526)	(681,709)
Balance, December 31, 2023		\$ 4,725,998	\$ 677,302	\$ (48,268)	\$ (1,946,548)	\$ 3,408,484

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

STUVE GOLD CORP.
Consolidated Statements of Cash Flows
(Stated in Canadian Dollars)

For the Years Ended		December 31, 2023	December 31, 2022
	<i>Notes</i>		
Cash provided by (used for):			
Operating activities			
Net loss		\$ (630,526)	\$ (250,369)
Add (deduct) items not affecting cash flow:			
Impairment	4	438,393	-
Unrealized (gain) loss on foreign exchange		-	(40,063)
Share-based compensation	8(d)	5,183	53,950
Interest	7	41,708	-
Accretion	7	27,017	-
Other receivable		(2,149)	(2,318)
Prepaid expenses		(58)	(357)
Due to related parties	10(b)	264,036	-
Trade and other payables		(177,476)	223,263
Cash flows used in operating activities		\$ (33,872)	\$ (15,894)
Investing activities			
Exploration and evaluation expenditures	4	(119,030)	(225,237)
Mineral properties acquisition		-	(263,831)
Cash flows used in investing activities		(119,030)	(489,068)
Financing activities			
Proceeds from debenture	7	650,000	-
Repayment to related party		-	(12,895)
Repayment to a director	6	(640,000)	-
Advance from a director	6	187,252	504,463
Cash flows provided by financing activities		197,252	491,568
Change in cash and cash equivalents		44,350	(13,394)
Cash and cash equivalents, beginning of year		18,632	32,026
Cash and cash equivalents, end of year		\$ 62,982	\$ 18,632

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

STUVE GOLD CORP.

Notes to the Consolidated Financial Statements For the Years ended December 31, 2023 and 2022

1. Incorporation and Going Concern

Stuve Gold Corp. (the "Corporation") was incorporated on December 14, 2017 as Big Dougie Capital Corp. by Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (Alberta). The head office of the Corporation is located at 700, 903 - 8th Avenue SW, Calgary Alberta T2P 0P7 and the registered office of the Corporation is located at Suite 1600, Dome Tower, 333 - 7th Avenue SW, Calgary Alberta, T2P 2Z1.

The Corporation is an exploration company with properties that are prospective for copper, gold, silver and cobalt in Chile.

Going Concern

The consolidated financial statements have been prepared by management in accordance with IFRS on a going concern basis. The going concern basis contemplates the realization of assets and the settlement of liabilities in the ordinary course of business. If the Corporation is unable to raise funds to pay its liabilities as they become due and successfully finance its current and future exploration projects, it may not be able to realize its assets and discharge its liabilities in the normal course of operations.

For the year ended December 31, 2023, the Corporation reported a net and comprehensive loss of \$681,709 (2022 - \$250,388) and negative cash flows from operations of \$112,873 (2022 - \$58,490) and, as at December 31, 2023, had negative working capital of \$550,721 (2022 - \$963,465) and an accumulated deficit of \$1,946,548 (2022 - \$1,316,022). These conditions indicate the existence of a material uncertainty which may cast significant doubt related to the Corporation's ability to continue as a going concern. If the going concern assumption is not appropriate, adjustments may be necessary to the carrying amounts and the classification of the Corporation's assets and liabilities. The accompanying consolidated financial statements do not include any adjustments that may result if the Corporation is unable to continue as a going concern, and, such adjustments could be material.

World Events

The wars in Ukraine and Gaza have contributed to significant volatility in financial and commodity markets. These two events have impacted global commercial activity, including causing significant fluctuations in worldwide demand and prices for certain commodities, supply chain issues and foreign exchange volatility. The magnitude of the impact on the economy and financial effect on the Corporation of these events is not known at this time.

2. Basis of Preparation

Statement of compliance

These consolidated financial statements, including required comparative information, have been prepared in accordance and compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Reporting Interpretations Committee ("IFRIC") in effect at January 1, 2023.

These financial statements, and the policies applied herein, were authorized for issue by the Corporation's Board of Directors on April 29, 2024.

Basis of Measurement

These consolidated financial statements are stated in Canadian dollars which is the Corporation's functional currency and were prepared on a going concern basis under the historical cost convention except for certain financial instruments that have been measured at fair value.

The functional currency of the Corporation's 99% owned subsidiary, Compañía Recursos Andina Limitada ("Andina") is the Chilean Peso. The 1% non-controlling interest is held in trust and as such Andina is considered 100% wholly owned.

Consolidation

These consolidated financial statements include the accounts of the Corporation and Andina. The Corporation has consolidated the assets, liabilities and expenses of its principal business is the acquisition and development of mineral properties.

STUVE GOLD CORP.

Notes to the Consolidated Financial Statements For the Years ended December 31, 2023 and 2022

2. Basis of Preparation *(continued)*

Use of judgments and estimates

Management is required to make estimates, judgments and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Management reviews these judgments, estimates and assumptions on an ongoing basis, including those related to fair values of financial instruments, recoverability of assets and income taxes. Actual results may differ from these estimates.

The key estimates and judgments concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined below.

Judgments

Judgment is used in situations when there is a choice and/or assessment required by management. The following are critical judgments that management has made in the process of applying the Corporation's accounting policies and that have a significant effect on the amounts recognized in these consolidated financial statements.

Taxes

The Corporation applies judgment in determining the total provision for current and deferred taxes. There are many transactions and calculations for which the ultimate tax determination and timing of payment is uncertain due to interpretations of complex tax regulations, changes in tax laws, and the amounts and timing of future taxable income. Differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to taxable income and expenses already recorded.

Provisions

Management has determined that there is no material restoration, rehabilitation or environmental exposure based on the facts and circumstances that existed during the year.

Going concern

The assessment of the Corporation's ability to execute its strategy for exploration involves judgement. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There is material uncertainty regarding the Corporation's ability to continue as a going concern.

Mineral Properties

The application of the Corporation's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits are likely to arise from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of resources or reserves. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances and in particular whether an economically viable extraction operation can be established. 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 expenditures is unlikely, the amount capitalized is written off, in whole or in part, in profit or loss in the period when the new information becomes available.

Exploration and evaluation assets are reviewed for changes in facts and circumstances evaluating whether the carrying amount exceeds the recoverable amount at each consolidated statement of financial position date. This determination requires significant judgment. Factors which could trigger an impairment review include, but are not limited to, significant negative industry or economic trends and interruptions in exploration activities. The Corporation's review considers the following:

- The period for which the Corporation has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditures on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;

STUVE GOLD CORP.

Notes to the Consolidated Financial Statements For the Years ended December 31, 2023 and 2022

2. Basis of preparation *(continued)*

- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources, and the entity has decided to discontinue such activities in the specific area; and
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Estimates

Share-based compensation

The recognition of expenses associated with the Corporation's stock option plan requires estimates of the fair value of stock options and warrants granted. Determining most of the inputs to the valuation model requires assumptions which include share trading volatility and the expected life of the options and warrants.

Taxes

The calculations for current and deferred taxes require management's interpretation of tax regulations and legislation in the various tax jurisdictions in which the Corporation operates, which are subject to change. The measurement of deferred tax assets and liabilities requires estimates of the timing of the reversal of temporary differences identified and management's assessment of the Corporation's ability to utilize the underlying future tax deductions against future taxable income before they expire, which involves estimating future taxable income.

The Corporation is subject to assessments by various taxation authorities in the tax jurisdictions in which it operates, and these taxation authorities may interpret the tax legislation and regulations differently than management. In addition, the calculation of income taxes involves many complex factors. As such, income taxes are subject to measurement uncertainty and actual amounts of taxes may vary from the estimates made by management.

Fair value of financial instruments

The fair value of financial instruments is determined wherever possible based on observable market data. If not available, the Company uses third-party models, independent price publications, market exchanges, investment dealer quotes and valuation methodologies that utilize observable data. Actual values may significantly differ from these estimates.

3. Material Accounting Policies

a) Cash and cash equivalents

Cash and cash equivalents, defined as being cashable within 90 days, is comprised of cash on deposit and highly liquid investments at a Canadian and a Chilean financial institution and funds held in lawyer's trust account.

b) Mineral property expenditures

Exploration and evaluation expenditures include the costs of acquiring licenses, exploration and evaluation activity, and the fair value, at the date of acquisition, of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Corporation has obtained legal rights to explore an area are recognized in net loss. Acquisition costs, including general and administration costs, are only capitalized to the extent that these costs can be related directly to operational activities in the relevant area of interest where it is considered likely to be recoverable by future exploration or sale or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. Exploration and evaluation assets are assessed for impairment if sufficient evidence exists to determine technical feasibility and commercial viability, and facts and circumstances suggest the carrying amount exceeds the recoverable amount. Once technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to the area of interest are first tested for impairment and then reclassified to mining property development assets within property and equipment.

STUVE GOLD CORP.

Notes to the Consolidated Financial Statements For the Years ended December 31, 2023 and 2022

3. Material Accounting Policies *(continued)*

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Actual costs incurred upon settlement of the decommissioning liability are charged against the provision to the extent the provision was established.

c) Fair value of financial instruments

The Corporation has classified its financial instrument fair values based on the required three level hierarchy:

- Level 1: Valuations based on quoted prices in active markets for identical assets or liabilities;
- Level 2: Valuations based on observable inputs other than quoted active market prices; and,
- Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flows methods.

The fair value hierarchy level at which a fair value measurement is categorized is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. The Corporation does not have any financial instruments measured at fair value.

d) Provisions

A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax, risk-free rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are not recognized for future operating losses.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Corporation from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Corporation recognizes any impairment loss on associated assets.

e) Share capital

Proceeds from the issuance of common shares are classified as equity on the consolidated statement of financial position. Incremental costs directly attributable to the issuance of shares are recognized as a deduction, net of any tax effects.

f) Share purchase warrants

The Corporation issues share purchase warrants in connection with certain equity transactions. The fair value of the warrants, as determined using the Black-Scholes pricing model, is credited to contributed surplus. The recorded value of the share purchase warrants is transferred to share capital upon exercise.

g) Share-based payments

The Corporation follows the fair value method for recognition of stock options awarded to directors, officers and consultants. Under this method, the equity instruments are recorded at their fair value based on the market price on the date of grant. For stock options, the fair value is estimated using the Black Scholes option pricing model that takes into account, as of the grant date, the exercise price, the expected life of the option, the current price of the underlying stock, its expected volatility, expected dividends of the stock and the risk-free interest rate over the expected life of the option. Compensation costs are recognized over the vesting period of the stock options.

Share-based compensation expense is recorded to profit and loss or mineral properties with a corresponding increase recorded to contributed surplus. Cash consideration received when options are exercised is credited to share capital along with the related amount previously recorded in contributed surplus.

h) Loss per share

Loss per share is computed by dividing the loss for the year by the weighted average number of common shares outstanding during the year. Basic and diluted loss per share for each year presented are the same due to the potential issuances of shares under warrant or share option agreements being, in total, anti-dilutive.

STUVE GOLD CORP.

Notes to the Consolidated Financial Statements For the Years ended December 31, 2023 and 2022

3. Material Accounting Policies *(continued)*

i) Foreign operations

For entities whose functional currency is the Canadian dollar, transactions in currencies other than the Corporation's functional currency are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated. Exchange differences on monetary items are recognized in the year in which they arise.

The financial results of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency. Income and expenditures of foreign operations are translated at the average rate of the exchange for the year. All assets and liabilities are translated at the rate of exchange ruling at the reporting date. Differences arising on translation are recognized as other comprehensive income ("OCI").

j) Taxes

Taxes are comprised of current and deferred taxes. Tax expense is recognized in the profit or loss except to the extent that it relates to items recognized directly in other comprehensive loss or elsewhere in shareholders' equity, in which case the related tax expense or recovery is also recognized directly in other comprehensive loss or elsewhere in shareholders' equity.

Current tax expense is the expected cash tax payable on the taxable loss for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax expense and related liability is recognized with respect to temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the reporting date and are expected to continue to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

k) Financial instruments

The Corporation measures its financial assets and liabilities at fair value on initial recognition, which is typically the transaction price unless a financial instrument contains a significant financing component. Subsequent measurement is dependent on the financial instruments' classifications.

Financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains three principal classification categories for financial assets: measured at amortized cost, fair value through OCI (FVOCI) and fair value through profit and loss (FVTPL). The classification categories are as follows:

- A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets measured at amortized cost are measured using the effective interest method.
- Financial assets at fair value through other comprehensive income: assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Financial assets at fair value through profit or loss: assets that do not meet the criteria for amortized cost or fair value through other comprehensive income.

Financial assets are derecognized when the contractual rights to the cash flows from the financial assets expire or when the contractual rights to those assets are transferred.

STUVE GOLD CORP.

Notes to the Consolidated Financial Statements For the Years ended December 31, 2023 and 2022

3. Material Accounting Policies (continued)

Financial liabilities – The classification of financial liabilities is determined by the Corporation at initial recognition. The classification categories are as follows:

- Financial liabilities measured at amortized cost: financial liabilities initially measured at fair value less directly attributable transaction costs and are subsequently measured at amortized cost using the effective interest method. Interest expense is recognized in the Consolidated Statement of Loss and Comprehensive Loss.
- Financial liabilities measured at fair value through profit or loss: financial liabilities measured a fair value with changes in fair value and interest expense recognized in the Consolidated Statement of Loss and Comprehensive Loss.

Below is a summary indicating the classification and measurement bases of the Corporation's financial instruments:

Financial Instrument	Classification	Measurement
Assets		
Cash	Amortized cost	Amortized cost
Other receivable	Amortized cost	Amortized cost
Liabilities		
Trade and other payables	Amortized cost	Amortized cost
Convertible debenture	Amortized cost	Amortized cost
Due to related parties	Amortized cost	Amortized cost
Due to director	Amortized cost	Amortized cost

The Corporation utilizes an “expected credit loss” (“ECL”) model for determining impairment or recognition of credit losses on financial assets measured at amortized cost (“AC”) or at FVTOCI.

4. Mineral Properties - exploration and evaluation expenditures

The Corporation's exploration and evaluation expenditures relate to mineral properties in Chile and are as follows:

Balance, December 31, 2021	\$	4,459,338
Acquisition, Inca property		263,831
Lease and capital expenditures		225,237
Foreign exchange effect		40,044
Balance, December 31, 2022		4,988,450
Impairment		(438,393)
Lease and capital expenditures		119,030
Foreign exchange effect		(51,183)
Balance, December 31, 2023	\$	4,617,904

The Corporation determined that being in default of the payment terms of a property option agreement was an indicator of impairment as at December 31, 2023 and accordingly performed an impairment test. The resulting impairment charge of \$438,393 was the carrying value of all exploration and evaluation expenditures on the subject property to date.

There were no indicators of impairment at December 31, 2022.

Coba

During the year ended December 31, 2020, the Corporation acquired 99% of the partnership interest of Compañía Recursos Andina Limitada (“Andina”) a limited liability company that holds a 100% interest in a gold, silver, copper and cobalt property in northern Chile in exchange for the payment of US\$500,000 and the issuance of an aggregate 50,000,000 common shares of the Corporation at a deemed price of \$0.055 per share. Management determined that the acquisition of Andina did not meet the definition of a business in accordance with IFRS 3 Business Combinations, as it did not have the inputs, processes and outputs required to meet the definition of a business. Accordingly, the acquisition has been accounted for as an asset acquisition.

STUVE GOLD CORP.

Notes to the Consolidated Financial Statements For the Years ended December 31, 2023 and 2022

4. Mineral Properties - exploration and evaluation expenditures *(continued)*

Santa Gracia

Effective November 9, 2020, the Corporation signed an option agreement (the "Agreement") which provides the Corporation the ability to acquire a 90% undivided right, title and interest in the Santa Gracia property ("Santa Gracia"). The Corporation will earn the interest according to the following schedule:

- a) To earn an undivided fifty percent interest, the Corporation shall:
 - (i) Make a cash payment to the optionee totaling \$100,000; and,
 - (ii) Incur expenditures on the property totaling US\$500,000 during the period that is within 24 months following the execution of the Agreement.
- b) To earn an additional undivided twenty-five percent interest, the Corporation shall incur additional expenditures on Santa Gracia of US\$500,000 on or before the 48th month anniversary of execution of the Agreement.
- c) To earn an additional undivided fifteen percent interest, the Corporation shall incur additional expenditures on Santa Gracia of US\$1,000,000 on or before the 60th month anniversary of execution of the Agreement.

During the year ended December 31, 2023, the Santa Gracia Agreement was amended to acknowledge the payment already made and add an additional 24 months to each of the deadlines described above.

Inca

During the year ended December 31, 2021, the Corporation entered into a binding agreement to acquire a 100% interest in the Inca property located in Maricunga Gold-Silver Belt of northern Chile (the "Inca Property").

The purchase agreement (the "Agreement") relates to 17 claim packages consisting of 2,941 hectares for a total purchase price of US \$6,150,000. The purchase price is payable in four equal payments of US\$100,000 with the first payable on signing of the Agreement and three additional payments every six months thereafter. Thereafter, three equal payments of US \$150,000 are payable every six months with a balloon payment of \$5,300,000 due on the 48th month following signing of the Agreement. The Corporation does not earn an interest in the Inca Property until the full purchase price of US \$6,150,000 has been paid and the Corporation may stop making payments towards the purchase price at any time whereafter the Corporation is not obligated to make any additional payments towards the purchase price.

In 2021 and 2022, the first three US\$100,000 payments were made toward the purchase price. There were no payments made in 2023.

The Corporation is in default of the payment terms of the Inca Property option agreement. The resulting impairment charge of \$438,393 equaled the carrying value of all exploration and evaluation expenditures on the Inca Property to date. Should the payments be brought up to date in the future there may be an option for the Corporation to revive the agreement.

Mineral Property Expenditure

There are no minimum work or expenditure commitments for the Chilean Mineral Properties other than described above for individual projects. The Corporation is required to make annual tax payments of approximately US\$1.50/hectare to the Chilean government in relation to exploration concessions and approximately US\$7.50 in relation to exploitation claims. These tax payments fluctuate and are paid throughout the year. The Corporation paid approximately CAD\$124,464 in claim taxes in 2023 (2022 -\$102,417).

As at December 31, 2023, the Corporation's gold/silver/copper/cobalt property portfolio in Chile comprised approximately 29,603 hectares of exploration and exploitation claims.

5. Due to Related Parties

The amounts due to related parties is due to companies, related by virtue of common directors, for shared office and salary expenses, loans advanced for claim payments and amounts due for professional fees in Chile. The amounts are due on demand, non-interest bearing and unsecured.

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Notes to the Consolidated Financial Statements For the Years ended December 31, 2023 and 2022

6. Due to Director

The amount due to director (in Canada) is due on demand, unsecured and non-interest bearing and is comprised of the following:

- \$6,000 was advanced to the Corporation in 2020 in connection with the qualifying transaction;
- \$112,700 was advanced in connection with the Inca Acquisition in 2021, described above in Mineral Properties;
- \$504,463 was advanced to the Corporation in 2022 for general operating purposes and for the second payment in connection with the Inca Acquisition;
- In 2023, a further \$187,252 was advanced for general operating purposes and \$640,000 was repaid to the director.

7. Convertible Debentures

Balance, December 31, 2022	\$	-
Face value of debentures		650,000
Less: equity component		(60,025)
Interest		41,708
Accretion in the period		27,017
Balance, December 31, 2023	\$	658,700

During the period, the Corporation closed a non-brokered private placement for unsecured convertible debentures (the "Debentures") for gross proceeds of CAD\$650,000. The Debentures carry interest at a rate of 7% per annum, and mature two years from the date of issue. The Debentures may be convertible by the holders at any time prior to maturity into common shares of the Corporation ("Common Shares") at a conversion price of \$0.06 per Common Share if converted within one year of issue or at a conversion price of \$0.10 per Common Share if converted thereafter.

For accounting purposes, the Debentures have been separated into their liability and equity components using an effective interest rate of 12.5%, based on the estimated market rate for a debenture without a conversion feature. The fair value of the liability component is \$589,975, while the equity portion of the conversion feature, valued at \$60,025, is recorded as a reduction of the Debentures and credited to equity, and will be accreted over the term of the Debentures.

8. Share capital

a) Authorized:

Unlimited number of voting Common Shares

Unlimited number of Preferred shares issuable in series. There are no preferred shares issued and outstanding.

b) Issued: common shares

Issued common shares	#	\$
Balance, December 31, 2021	29,648,484	4,725,998
Balance, December 31, 2022 and 2023	29,648,484	4,725,998

There was no change to share capital during the years ended December 31, 2023 or 2022.

Warrants

The Unit warrants issued in 2021 expired on August 6, 2023.

Date of Issuance	August, 2021
Exercise price	\$ 0.35
# of warrants issued	1,750,000
# of warrants exercised	-
# of warrants expired	1,750,000
Balance, December 31, 2023	nil

There are nil Unit warrants outstanding at December 31, 2023.

STUVE GOLD CORP.

Notes to the Consolidated Financial Statements For the Years ended December 31, 2023 and 2022

8. Share Capital (continued)

c) Stock options

The Corporation has adopted an incentive stock option plan (the "Stock Option Plan") in accordance with the policies of the TSX Venture Exchange Inc. (the "Exchange") for the benefit of directors, officers, employees and other key personnel of the Corporation. A maximum of 10% of the issued and outstanding common shares of the Corporation are reserved for issuance pursuant to the Stock Option Plan. The number of common shares reserved for issuance to any one person may not exceed five percent (5%) and for consultants shall not exceed two percent (2%) of the issued and outstanding common shares. The Stock Option Plan provides that the terms of the options and the option price shall be fixed by the directors subject to the price restrictions and other requirements imposed by the Exchange. Stock options granted under the Stock Option Plan may not be exercisable for a period longer than ten (10) years and the exercise price must be paid in full upon exercise of the option.

A summary of the Stock Option Plan and changes during the periods then ended is as follows:

	December 31, 2023		December 31, 2022	
	# of Stock Options	Weighted Average Price	# of Stock Options	Weighted Average Price
Balance, beginning of year	1,932,666	\$ 0.23	1,932,666	\$ 0.23
Balance end of year	1,932,666	\$ 0.23	1,932,666	\$ 0.23

A summary of the stock options outstanding is as follows:

As at December 31, 2023

Options Outstanding	Exercise Price	Weighted Average Remaining Contractual Life (years)	Exercisable Options	Expiry Date
133,333	\$0.30	4.5	133,333	July 11, 2028
1,283,333	\$0.21	1.8	1,283,333	October 2, 2025
516,000	\$0.26	1.4	516,000	June 9, 2026
1,932,666	\$0.23	2.1	1,932,666	

d) Loss per share

The basic per share as calculated is based on the weighted average number of shares outstanding during the year as follows:

	Years ended December 31,	
	2023	2022
Weighted average number of common shares		
Issued and outstanding at beginning of the year	29,648,484	29,648,484
Effect of share issuance	-	-
Weighted average number of common shares – basic	29,648,484	29,648,484

e) Escrowed shares

During the year ended December 31, 2021, 3,333,333 shares were transferred from the CPC Escrow Agreement to a voluntary escrow agreement in connection to the Qualifying Transaction (the "Voluntary Escrow Shares"). 5% of the Voluntary Escrow Shares were released on the issuance of the Final Exchange Bulletin and the remaining shares will be released in increments of 5%, 10%, 10%, 15%, 15% and 40% on the dates 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the initial release.

Also in connection with the Qualifying Transaction and pursuant to a Surplus Security Escrow Agreement, an additional 21,054,546 shares were placed in escrow to be released from escrow in stages over a period of up to three years from the date of the Final Exchange Bulletin. 5% of these common shares held in escrow were released on the issuance of the Final Exchange Bulletin. The remaining shares will be released in increments of 5%, 10%, 10%, 15%, 15% and 40% on the dates 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the initial release.

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Notes to the Consolidated Financial Statements For the Years ended December 31, 2023 and 2022

8. Share Capital *(continued)*

The final escrow released occurred in October 2023 such that as at December 31, 2023 there are nil (2022 – 13,413,297) shares in escrow.

9. General and Administrative Expenses

For the years ended December 31,	2023	2022
Office and salary expenses	\$ 40,130	\$ 151,332
Professional fees	31,882	44,724
Regulatory and transfer agent fees	20,744	20,978
Consulting fees	19,373	12,000
Travel	6,096	8,298
	\$ 118,225	\$ 237,332

10. Related Party Transactions

- a) During the year ended December 31, 2023 and 2022, the Corporation incurred expenses with related parties and included in the Consolidated Statements of Loss and Comprehensive Loss, as follows:

For the years ended December 31,	2023	2022
Administrative and accounting services provided by the CFO	\$ 3,531	\$ 12,000
Loans from a company with common directors and officers	18,607	-
Legal fees incurred or paid to a firm whose partner is a director	\$ 4,630	\$ -

The above transactions were in the normal course of operations and initially recorded at fair value.

- b) The related party amounts included in the Consolidated Statements of Financial Position, are as follows:

As at December 31,	2023	2022
Due to the CFO (included in trade and other payables)	\$ 20,531	\$ 15,500
Consulting services provided by an officer in Chile (included in Mineral Properties)	-	81,239
Due to an officer in Chile for consulting services (included in trade and other payables)	31,461	89,382
Due to a company with common directors for shared office expenses	161,960	-
Due to a company with common directors for funds transferred	59,900	-
Due to a company with common directors for funds advanced	18,607	-
Due to a law firm whose partner is a director	8,944	5,873
Due to a director in Canada <i>(note 5)</i>	\$ 170,415	\$ 623,163

There is no contract for the consulting fees paid to the officer in Chile for services provided. The fees are paid to a company in Chile controlled by the officer.

11. Key Management

The Corporation considers executive officers and directors as key management.

For the years ended December 31,	2023	2022
Salaries and other benefits	\$ 39,000	\$ 171,239
Share-based compensation	\$ 3,174	\$ 34,568
	\$ 42,174	\$ 205,807

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Notes to the Consolidated Financial Statements For the Years ended December 31, 2023 and 2022

12. Taxes

The provision for income taxes differs from the amount obtained by applying the combined Canadian federal and provincial income tax rate to the loss for the year. The differences relate to the following items:

	Year ended December 31, 2023	Year ended December 31, 2022
Loss before income taxes	\$ (630,526)	\$ (250,369)
Corporate income tax rate	23%	23%
Anticipated tax recovery	145,021	57,585
Foreign exchange different and other adjustments	(13,806)	(9,410)
Share-based compensation	1,192	12,409
Tax assets not recognized	(132,407)	54,586
Income tax provision	-	\$ -

Details of the unrecognized deductible temporary differences are as follows:

	Year ended December 31, 2023	Year ended December 31, 2022
Non-capital losses – Canada	1,026,264	872,490
	\$ 1,026,264	\$ 872,490

As at December 31, 2023, the Corporation has the following amounts available to be deducted against future taxable income:

	Expiry Date
Non-capital losses	2031 – 2041

13. Management of Capital

The Corporation's capital currently consists of common shares. Its principal source of cash is from the issuance of common shares or the issuance of debt instruments. The Corporation's capital management objectives are to safeguard its ability to continue as a going-concern and to have sufficient capital to be able to continue exploration efforts on its properties. The Corporation does not have any externally imposed capital requirements to which it is subject. The Corporation manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Corporation's objective when managing capital is to safeguard the Corporation's ability to continue as a going concern, such that it can provide returns for shareholders and benefits for other stakeholders.

14. Financial Instruments

The Corporation, as part of its operations, carries financial instruments consisting of cash, other receivable, trade and other payables, due to related parties and due to director. It is management's opinion that the Corporation is not exposed to significant credit, interest, or currency risks arising from these financial instruments except as otherwise disclosed.

Fair value

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Corporation classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in the active market for identical assets or liabilities.

Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).

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Notes to the Consolidated Financial Statements For the Years ended December 31, 2023 and 2022

14. Financial Instruments (continued)

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.

The carrying amount of cash, other receivable, trade and other payables, due to related parties and due to director approximates its fair value due to the short-term maturities of these items.

Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Corporation's primary source of credit risk is its cash balance. The Corporation believes it has no significant credit risk associated with cash as the amounts are held with either a major Canadian financial institution or in a lawyer's trust account with a reputable Canadian law firm.

Liquidity risk

The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2023, the Corporation had a cash balance of \$62,982 (December 31, 2022 - \$18,632) to settle current liabilities of \$620,825 (2022 - \$987,013).

Management must seek additional forms of financing through the issuance of new equity or debt instruments to continue its operations. Due to the nature of the mining industry, additional financing will be required to advance its exploration program.

The following are the contractual maturities of financial liabilities including expected interest and extension fee payments at December 31, 2023 and 2022:

	Contractual cash flows	Less than one year	1-3 years	Greater than 3 years
2023				
Due to director	\$ 170,415	\$ 170,415	\$ -	\$ -
Trade and other payables	178,392	178,392	-	-
Due to related parties	272,018	272,018	-	-
Convertible debentures	650,000	-	650,000	-
	\$ 1,270,825	\$ 620,825	\$ 650,000	\$ -
2022				
Due to director	\$ 623,163	\$ 623,163	\$ -	\$ -
Trade and other payables	355,868	355,868	-	-
Due to related parties	7,982	7,982	-	-
	\$ 987,013	\$ 987,013	\$ -	\$ -

Market risk

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

- Interest rate risk - The Corporation has cash balances and no variable interest-bearing debt.
- Foreign currency risk - The Corporation is exposed to the risk of changes in the Canadian/U.S. dollar exchange rate and in the U.S./Chilean Peso exchange rate for services that are denominated in Chilean Peso and converted to U.S. dollars or directly influenced by U.S. dollar (USD) benchmark prices. A hypothetical change of 10% to the foreign exchange rate between Canadian/U.S. and US/Chilean Peso would not have a material impact of the Corporation's loss during the year.
For example, at December 31, 2023, if CAD\$ had strengthened or weakened by 10% against CLP\$ with all other variables held constant, the net loss for the year would have ranged between \$151,722 higher and \$124,136 lower, mainly as a result of foreign exchange losses or gains on translation.
- Commodity risk - The Corporation is not currently exposed to commodity price risk.

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Notes to the Consolidated Financial Statements For the Years ended December 31, 2023 and 2022

15. Segmented Information

The Corporation reports its financial results as one reportable segment as this is how the financial information is reviewed by the chief decision makers of the Corporation.

The following table provides information regarding the location of the Corporation's non-current assets and other selected financial data on a geographic basis.

Segments - 2023	Canada	Chile	Total
Current assets	\$ 12,397	\$ 57,708	\$ 70,105
Non-current assets	-	4,617,904	4,617,904
Liabilities – short term	348,113	272,712	620,825
Liabilities – long term	658,700	-	658,700
Expenses	167,186	24,947	192,133
Impairment	-	438,393	438,393
Foreign exchange translation	55,001	(3,818)	51,183

The following table provides prior year information regarding the location of the Company's non-current assets on a geographic basis.

Segments - 2022	Canada	Chile	Total
Current assets	\$ 25,930	\$ (2,382)	\$ 23,548
Non-current assets	-	4,988,450	4,988,450
Liabilities – short term	623,163	214,309	987,013
Expenses	246,269	45,013	291,282
Foreign exchange translation	-	19	19