



K9 Gold Corp.

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND
2022**

(Expressed in Canadian Dollars - Unaudited)

K9 GOLD CORP.
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September 30, 2023
(Expressed in Canadian Dollars - Unaudited)

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K9 GOLD CORP.
NOTICE TO READERS
(Expressed in Canadian Dollars - Unaudited)

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements have been prepared by and are the responsibility of the management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of condensed interim consolidated financial statements by an entity's auditor.

K9 GOLD CORP.
CONSOLIDATED INTERIM CONDENSED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars - Unaudited)

	September 30, 2023	December 31, 2022
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash	473,127	1,772,108
Receivables	54,881	24,453
Prepays	80,912	122,644
	608,920	1,919,205
Exploration and evaluation assets (Notes 3, 4 and 5)	8,178,715	7,116,320
	8,787,635	9,035,525
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	198,499	88,670
Flow-through premium liability (Note 7)	6,597	127,127
	205,096	215,797
SHAREHOLDERS' EQUITY		
Share capital (Note 7)	18,022,657	17,932,657
Reserves (Note 7)	2,052,935	1,990,735
Accumulated deficit	(11,913,053)	(11,523,664)
Equity attributable to shareholders of the Company	8,162,539	8,399,728
Non-controlling interest (Notes 3 and 13)	420,000	420,000
	8,582,539	8,819,728
	8,787,635	9,035,525

Nature and Continuance of Operations (Note 1)

These condensed interim consolidated financial statements are authorized for issuance by the Board of Directors on November 10, 2023.

On Behalf of the Board of Directors:

Director (*Kosta Tsoutsis*) _____

Director (*Chris Healey*) _____

See accompanying notes to the condensed interim consolidated financial statements.

K9 GOLD CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian Dollars - Unaudited)

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2023	2022	2023	2022
	\$	\$	\$	\$
ADMINISTRATIVE EXPENSES				
Consulting fees	-	30,090	18,940	168,305
Interest and bank charges	1,032	892	3,125	2,355
Management fees (Note 8)	60,000	60,000	180,000	250,000
Marketing	2,595	120,153	32,905	338,757
Office	15,974	11,774	45,729	38,990
Professional fees	17,135	7,445	70,770	24,161
Rent (Note 8)	4,083	4,797	13,737	14,194
Share-based compensation (Note 7)	-	-	62,200	-
Travel and related	919	11,780	3,415	12,588
Trust and filing fees	28,442	29,739	57,634	53,455
	(130,180)	(276,670)	(488,455)	(902,805)
OTHER ITEM				
Impairment of exploration and evaluation assets	(21,464)	-	(21,464)	-
Reversal of flow-through premium (Note 7)	93,169	152,421	120,530	152,421
	71,705	152,421	99,066	152,421
NET AND COMPREHENSIVE LOSS FOR THE PERIOD				
	(58,475)	(124,249)	(389,389)	(750,384)
BASIC AND DILUTED NET LOSS PER SHARE				
	(0.00)	(0.00)	(0.00)	(0.01)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING				
	90,136,007	69,063,572	88,432,710	61,579,914

See accompanying notes to the condensed interim consolidated financial statements.

K9 GOLD CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars - Unaudited)

	Common Shares		Reserves			Accumulated Deficit	Non- Controlling Interest	Total
	Number	Amount	Stock Options	Warrants	Total			
		\$	\$	\$	\$			
Balance, December 31, 2021	55,189,543	15,146,474	1,909,413	14,550	1,923,963	(8,960,499)	-	8,109,938
Shares issued for cash	13,004,464	1,995,000	-	-	-	-	-	1,995,000
Shares issued for exploration and evaluation assets	1,600,000	168,000	-	-	-	-	-	168,000
Flow-through share premium	-	(174,735)	-	-	-	-	-	(174,735)
Share issuance costs	-	(155,704)	-	40,229	40,229	-	-	(115,475)
Comprehensive loss for the period	-	-	-	-	-	(750,384)	-	(750,384)
Balance, September 30, 2022	69,794,007	16,979,035	1,909,413	54,779	1,964,192	(9,710,883)	-	9,232,344
Shares issued for cash	10,842,000	758,940	-	-	-	-	-	758,940
Shares issued for asset acquisition	6,500,000	390,000	-	-	-	-	-	390,000
Flow-through share premium	-	(108,060)	-	-	-	-	-	(108,060)
Share issuance costs	-	(87,258)	-	26,543	26,543	-	-	(60,715)
NCI on acquisition	-	-	-	-	-	-	420,000	420,000
Comprehensive loss for the period	-	-	-	-	-	(1,812,781)	-	(1,812,781)
Balance, December 31, 2022	87,136,007	17,932,657	1,909,413	81,322	1,990,735	(11,523,664)	420,000	8,819,728
Shares issued for exploration and evaluation assets	3,000,000	90,000	-	-	-	-	-	90,000
Share-based compensation	-	-	62,200	-	62,200	-	-	62,200
Comprehensive loss for the period	-	-	-	-	-	(389,389)	-	(389,389)
Balance, September 30, 2023	90,136,007	18,022,657	1,971,613	81,322	2,052,935	(11,913,053)	420,000	8,582,539

See accompanying notes to the condensed interim consolidated financial statements.

K9 GOLD CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars - Unaudited)

	For the nine months ended September 30,	
	2023	2022
	\$	\$
OPERATING ACTIVITIES		
Loss for the period	(389,389)	(750,384)
Adjustments for non-cash items		
Reversal of flow-through premium	(120,530)	(152,421)
Share-based compensation	62,200	-
Changes in non-cash operating working capital items:		
Receivables	(30,428)	19,251
Prepays	41,732	(225,247)
Accounts payable and accrued liabilities	(58,913)	(2,247)
CASH USED IN OPERATING ACTIVITIES	(495,328)	(1,111,048)
INVESTING ACTIVITIES		
Cash on acquisition	(25,000)	-
Exploration and evaluation assets expenditures	(778,653)	(1,572,735)
CASH USED IN INVESTING ACTIVITIES	(803,653)	(1,572,735)
FINANCING ACTIVITIES		
Shares issued for cash	-	1,995,000
Share issue costs	-	(115,475)
CASH USED IN FINANCING ACTIVITIES	-	(1,879,525)
NET CHANGE IN CASH	(1,298,981)	(804,258)
CASH, beginning of period	1,772,108	2,054,236
CASH, end of period	473,127	1,249,978
Non-cash investing and financing activities:		
Exploration and evaluation expenditures in accounts payable	188,681	2,756
Shares issued for acquisition of exploration and evaluation assets	90,000	168,00
Finders' warrants issued	-	40,229

See accompanying notes to the condensed interim consolidated financial statements.

K9 GOLD CORP.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For The Three and Nine Months Ended September 30, 2023 and 2022

(Expressed in Canadian Dollars - Unaudited)

1. NATURE AND CONTINUANCE OF OPERATIONS

Nature of operations

K9 Gold Corp. (the “Company”) was incorporated under the Business Corporations Act (Alberta) on December 10, 2007 and continued into British Columbia under the Business Corporations Act (British Columbia) in March 2016. The Company began trading on April 18, 2011 as a Tier 2 Mining Issuer on the TSX Venture Exchange (“TSX-V”), the OTC Markets in the United States, and Frankfurt Stock Exchange (“FSE”) in Germany, and currently trades under the symbol, “KNC”, “WDFCF”, and “5GP”, respectively. The Company is engaged in the business of identification, acquisition and exploration of mineral interests.

The head office, principal address and records office of the Company are located at Suite 300 – 1455 Bellevue Ave, West Vancouver, British Columbia, Canada, V7T 1C3. The Company’s registered address is 800 – 885 West Georgia Street, Vancouver, BC, V6C 3H1.

Going concern

These condensed interim consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at September 30, 2023, the Company had working capital of \$403,824 (December 31, 2022 - \$1,703,408) but is not able to finance day to day activities through operations. The Company’s continuation as a going concern is dependent upon its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. These material uncertainties may cast significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with current cash on hand, proceeds from exercise of options, and further private placements.

The Company’s business financial condition and results of operations may be further negatively affected by economic and other consequences from Russia’s military action against Ukraine and the sanctions imposed in response to that action in late February 2022. While the Company expects any direct impacts, of the pandemic and the war in the Ukraine, to the business to be limited, the indirect impacts on the economy and on the mining industry and other industries in general could negatively affect the business and may make it more difficult for it to raise equity or debt financing. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about on its business, results of operations, financial position and cash flows in the future.

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

2. MATERIAL ACCOUNTING POLICIES

Statement of compliance

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounts Standards (“IAS”) 34, “Interim Financial Reporting” using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

This condensed interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual consolidated financial statements of the Company for the years ended December 31, 2022 and 2021.

K9 GOLD CORP.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For The Three and Nine Months Ended September 30, 2023 and 2022

(Expressed in Canadian Dollars - Unaudited)

2. MATERIAL ACCOUNTING POLICIES (continued)

Basis of preparation

The condensed interim consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The Condensed Interim Consolidated financial statements are presented in Canadian dollars unless otherwise noted.

Foreign currency transactions

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of the Company and each of its subsidiaries is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*. Transactions in currencies other than Canadian dollars are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the period end exchange rate while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

Principles of consolidation

The Condensed Interim Consolidated financial statements include the financial statements of the Company and the following subsidiaries:

Name	Jurisdiction	Parent Company	Ownership, September 30, 2023	Ownership, December 31, 2022
1141717 B.C. Ltd.	British Columbia, Canada	K9 Gold Corp.	100%	100%
Global Vanadium Nevada Corp.	Nevada, USA	1141717 B.C. Ltd.	100%	100%
1000175306 ON Ltd.	Ontario, Canada	K9 Gold Corp	50%	50%
1415322 BC Ltd.	British Columbia, Canada	K9 Gold Corp	100%*	-

* On June 5, 2023 the Company entered into a share purchase agreement with 1415322 BC Ltd. ("141 BC") to purchase 100% of the outstanding shares of 141 BC (Note 4).

All intercompany transactions, balances, revenues and expenses are eliminated on consolidation.

Use of estimates and judgments

The preparation of the Company's condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Significant accounting judgments

Significant accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the Condensed Interim Consolidated financial statements include, but are not limited to, the following:

- i) Assessment of the going concern assumption.

K9 GOLD CORP.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For The Three and Nine Months Ended September 30, 2023 and 2022

(Expressed in Canadian Dollars - Unaudited)

2. MATERIAL ACCOUNTING POLICIES (continued)

Critical accounting estimates

Key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year include, but are not limited to future accounting periods include the recoverability of the carrying value of exploration and evaluation assets.

New accounting standards not yet effective

A number of amendments to standards and interpretations applicable to the Company are not yet effective for the nine months ended September 30, 2023 and have not been applied in preparing these condensed interim consolidated financial statements nor does the Company expect these amendments to have a significant effect on its condensed interim consolidated financial statements.

3. ACQUISITION OF ONCO

In December 2022, the Company completed the acquisition of 50% of the issued and outstanding common shares of ONCO for consideration of \$420,000. Pursuant to the agreement dated November 15, 2022, which closed on December 15, 2022 ("Closing Date"), the Company paid \$30,000 and issued 6,500,000 common shares to acquire 50% of ONCO's issued and outstanding shares. The 6,500,000 common shares were issued in December 2022 valued at \$390,000 based on the trading price on date of issuance of \$0.06. In September 2022, ONCO entered into a Property Option Agreement to acquire 100% interest in forty-one mining claims located in the James Bay Region of Quebec (James Bay Lithium Property (Note 5)). As a result, the Company acquired 50% ownership of the James Bay Lithium Property, with ONCO retaining the remaining 50%. The Company recorded \$420,000 of non-controlling interest upon acquisition.

Within 14-months following the Closing Date of the agreement dated November 15, 2022, the Company may acquire the remaining 50% of the ONCO shares, in exchange for 6,500,000 Common Shares (the "Additional Purchase"). The common shares will be issued at the "market price" (as defined in the TSX Venture Exchange's policies) and will be issued pursuant to relevant applicable securities laws. If the Additional Purchase is consummated, the Company will also pay to the shareholders of ONCO, \$10,000 in cash, within 10 business days of regulatory approval.

The Company acquired ONCO for the sole purpose of acquiring the James Bay Lithium Property as described in Note 4. Based on the number of shares acquired and the Company's decision making power, the Company was determined to be the acquirer. The acquisition was determined to be an asset acquisition because ONCO did not meet the definition of business. The Company allocated the fair value of consideration paid to the acquired assets and liabilities based on their relative fair values as at the Closing Date.

The total consideration paid totalled \$420,000 and has been allocated to the assets and liabilities acquired based on their estimated fair values on the Closing Date as follows:

	Total
Consideration:	
Cash paid	\$ 30,000
Shares issued	390,000
Total consideration	\$ 420,000
Allocated as follows:	
Receivables	\$ 13,974
Exploration and evaluation assets	836,026
Loan payable	(10,000)
Non-controlling interest	(420,000)
	\$ 420,000

K9 GOLD CORP.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For The Three and Nine Months Ended September 30, 2023 and 2022

(Expressed in Canadian Dollars - Unaudited)

4. ACQUISITION OF 141 BC

In June 2023, the Company completed the acquisition of 100% of the issued and outstanding common shares of 141 BC for consideration of \$115,000. Pursuant to the agreement dated May 24, 2023, which closed on June 5, 2023 (“Closing Date”), the Company paid \$25,000 and issued 3,000,000 common shares to acquire 100% of 141 BC’s issued and outstanding shares. The 3,000,000 common shares were issued in June 2023 valued at \$90,000 based on the trading price on date of issuance of \$0.03. In May 2023, 141 BC entered into a Property Option Agreement to acquire 100% interest in sixty-four mining claims located in the James Bay Region of Quebec for the Lac Joubert-Tilly property (“LJT Property” (Note 5)). As a result, the Company may now acquire up to 100% interest in the LJT Property pursuant to the terms of the option agreement.

The Company acquired 141 BC for the sole purpose of acquiring the LJT Property as described in Note 5. Based on the number of shares acquired and the Company’s decision making power, the Company was determined to be the acquirer. The acquisition was determined to be an asset acquisition because 141 BC did not meet the definition of business. The Company allocated the fair value of consideration paid to the acquired assets and liabilities based on their relative fair values as at the Closing Date.

The total consideration paid totalled \$115,000 and has been allocated to the assets and liabilities acquired based on their estimated fair values on the Closing Date as follows:

	Total
Consideration:	
Cash paid	\$ 25,000
Shares issued	90,000
Total consideration	\$ 115,000
Allocated as follows:	
Receivables	\$ 300
Exploration and evaluation assets	114,700
	\$ 115,000

K9 GOLD CORP.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For The Three and Nine Months Ended September 30, 2023 and 2022

(Expressed in Canadian Dollars - Unaudited)

5. EXPLORATION AND EVALUATION ASSETS

	Desert Eagle	Stony Lake East Gold	Riviere Salomon	Lac Joubert Tilly	Lac Laribosiere Tilly	Total
	\$	\$	\$	\$	\$	
Balance, December 31, 2021	1,465,031	4,601,207	-	-	-	6,066,238
Acquisition:						
Acquisition of ONCO	-	-	836,026	-	-	836,026
Common shares issued	-	168,000	-	-	-	168,000
Payment in cash		150,000				150,000
Exploration:						
Consulting	-	113,180	-	-	-	113,180
Geological	-	1,307,906	-	-	-	1,307,906
Maintenance fees	21,229	-	-	-	-	21,229
Provincial grants	-	(60,000)	-	-	-	(60,000)
Impairment	(1,486,259)	-	-	-	-	(1,486,259)
Balance, December 31, 2022	1	6,280,293	836,026	-	-	7,116,320
Acquisition:						
Acquisition of 141 BC	-	-	-	114,700	-	114,700
Paid in cash	-	-	70,000	25,000	-	95,000
Exploration:						
Consulting	-	40,000	1,500	2,650	850	45,000
Geological	-	84,226	323,611	337,162	108,146	853,145
Provincial grants	-	(45,450)	-	-	-	(45,450)
Balance, September 30, 2023	1	6,359,069	1,231,137	479,512	108,996	8,178,715

Desert Eagle Project

In November 2018, the Company closed a Share Purchase and Sale Agreement (“SP&S Agreement”) with the shareholders (“Vendors”) of 1141717 B.C. Ltd. (“1141717 BC”) whereby the Company purchased 100% of the outstanding shares of 1141717 BC for \$80,000 (paid) and 7,000,000 common shares of the Company (issued) at a fair value of \$1,260,000. In conjunction with the closing of the SP&S Agreement, the Company incorporated Global Vanadium Nevada Corp. (“GVNC”) which is a wholly owned subsidiary of 1141717 BC. The acquisition of 1141717 BC has been determined to be an asset acquisition as 1141717 BC did not meet the definition of a business under IFRS 3 – Business Combinations. As a result, the acquisition of 1141717 BC was accounted for as an asset acquisition whereby the sole asset acquired being exploration and evaluation assets is assigned the entire purchase price.

In connection with the acquisition of 1141717 BC, the title to the Desert Eagle Project was transferred to GVNC. The Desert Eagle Project is located in Garfield County, Utah, and consists of 97 Lode Claims, a total of 2,004 acres and are prospective for vanadium.

During the year ended December 31, 2022, the Company recorded an impairment of \$1,486,259 on the Desert Eagle Project as the Company has limited expenditure plans for the current fiscal year. As a result, the carrying value was written down to \$1. The Company continues to hold an interest in the 97 Lode claims.

K9 GOLD CORP.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For The Three and Nine Months Ended September 30, 2023 and 2022

(Expressed in Canadian Dollars - Unaudited)

5. EXPLORATION AND EVALUATION ASSETS (continued)

Stony Lake East Gold Project

In July 2020, the Company closed an option agreement with District Copper Corp. (“District”) to acquire up to a 100% interest in the Stony Lake East Gold Project (“Stony Lake Project”) located in the Grand Falls – Bishops Falls area of the Province of Newfoundland. The Stony Lake Project is comprised of 8 mineral licenses covering a total of 13,625 hectares.

In order to exercise the option up to a 75% interest, the Company must make option payments to District as follows:

Date	Cash \$	Number of Shares	Exploration Expenditures \$
Within 15 business days following August 14, 2020	(paid) 75,000	(issued) 500,000	-
On or before November 14, 2021	(paid) 125,000	(issued) 1,200,000	(incurred) 150,000
On or before August 14, 2022	(paid) 150,000	(issued) 1,600,000	(incurred) 250,000
Total	350,000	3,300,000	400,000

In August 2022, the Company completed its commitment and acquired 75% interest of the Stony Lake Project.

In order to exercise a further 25% interest, for a total interest of 100%, the Company must make option payments to District as follows:

Date	Cash \$	Number of Shares	Exploration Expenditures \$
On or before August 14, 2023*	500,000	2,000,000	-

**The Company elected not to make this final payment, and waived its rights to exercise a further 25%. The Company continues to retain a 75% interest in the Stony Lake Project.*

James Bay Lithium Project

The James Bay Lithium Project (“JB Lithium Project”) is located in the La Grande sub-province of the Archaen Superior Province in Quebec and comprises three properties, the Riviere Salomon Property (“RS Property”), Lac Joubert-Tilly Property (“LJT Property”), and the Lac Laribosiere-Tilly Property (“LLT Property”).

Riviere Salomon Property

In November 2022, the Company entered into a Share Purchase Agreement with the shareholders of ONCO whereby the Company may purchase up to 100% of the outstanding shares of ONCO as follows:

1. Initial 50% of the ONCO’s shares on Closing Date, within 10 days of receiving regulatory approvals:
 - a. Consideration of 6,500,000 common shares of the Company (Issued).
2. Remaining 50% of the ONCO’s shares within 14 months of the Closing Date:
 - a. Consideration of an additional 6,500,000 common shares of the Company and \$10,000 in cash.

In September 2022, ONCO entered into an option agreement with 1Life Holdings Ltd. (“1Life”) to acquire a 100% interest in the Riviere Salomon Property located in the James Bay region of northern Quebec. The RS Property is comprised of 41 mineral licenses covering a total of 2,114 hectares.

K9 GOLD CORP.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For The Three and Nine Months Ended September 30, 2023 and 2022

(Expressed in Canadian Dollars - Unaudited)

5. EXPLORATION AND EVALUATION ASSETS (continued)

Riviere Salomon Property (continued)

In order to exercise the option, ONCO, and subsequently, the Company must make option payments to ILife as follows:

Date	Cash \$	Exploration Expenditures \$
On or before September 20, 2022	(paid) 10,000	-
On or before November 19, 2022	-	(waived) 30,000*
Upon completion of an initial assessment report	(paid) 20,000**	-
On or before September 20, 2023	(paid) 50,000	-
On or before September 20, 2024	50,000	-
On or before September 20, 2025	50,000	100,000
Total	180,000	130,000

*In November 2022, the Company made a \$30,000 payment in cash to ILife in lieu of incurring \$30,000 in exploration expenditures. ILife accepted this payment and waived the \$30,000 exploration expenditure requirement.

** In April 2023, despite the completion of the initial assessment report pending, the Company made an early payment of \$20,000 payment to ILife and satisfied the \$20,000 payment requirement.

ILife will retain a 1.5% NSR which can be purchased by ONCO for \$2,000,000 at any time after the option has been exercised. In addition, the Company will make a bonus payment of \$1,000,000 in the event that a 43-101 mineral resources valued at over \$100,000,000 is established on the property.

Lac Joubert-Tilly Property

In May 2023, the Company entered into a Share Purchase Agreement (“SPA”) with the shareholders of 1415322 B.C. LTD (“141 BC”) whereby the Company purchased 100% of the outstanding shares of 141 BC for \$25,000 (paid) and 3,000,000 common shares of the Company (issued) at a fair value of \$90,000.

In May 2023, 141 BC entered into an option agreement with 1Minerals Corp. (“1Minerals”) to acquire 100% interest in the LJT Property located in the James Bay region of Northern Quebec. The LJT Property is comprised of 64 mineral licenses covering a total of 3,304 hectares.

In order to exercise the option, 141 BC, and subsequently, the Company must make option payments to 1Minerals as follows:

Date	Cash \$
On or before May 19, 2023	(paid) 25,000
On or before August 9, 2023	(paid) 25,000
On or before May 9, 2024	*80,000
On or before May 9, 2025	*150,000
On or before May 9, 2026	*215,000
Total	180,000

* Pursuant to the terms of the agreement, the Company may elect to issue common shares equivalent to the value of the cash payment required in lieu of making the cash payment.

1Minerals will retain a 2.0% NSR of which 1.5% can be purchased by 141 BC for \$2,000,000 at any time after the option has been exercised. In addition, the Company will make a bonus payment of \$1,000,000 in the event that a 43-101 mineral resources valued at over \$100,000,000 is established on the property.

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NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For The Three and Nine Months Ended September 30, 2023 and 2022

(Expressed in Canadian Dollars - Unaudited)

5. EXPLORATION AND EVALUATION ASSETS (continued)

Lac Laribosiere Tilly Property

In June 2023, the Company acquired an additional 25 claims in the James Bay region of northern Quebec as part of the JB Lithium Project by direct staking.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2023	December 31, 2022
	\$	\$
Trade and other payables	194,499	50,670
Accrued liabilities	4,000	38,000
	198,499	88,670

7. SHARE CAPITAL AND RESERVES

Authorized share capital

Unlimited number of Class "A" common shares with no par value.

Issued shares

During the nine months ended September 30, 2023:

In June 2023, the Company issued 3,000,000 common shares of the Company at a fair value of \$90,000 in connection with the acquisition of 141 BC (Note 4).

During the year ended December 31, 2022:

In May 2022, the Company closed a private placement financing which consisted of 4,285,714 non-flow through units (the "NFT Unit") and 8,718,750 flow through units (the "FT Unit") at a price of \$0.14 per NFT Unit and \$0.16 per FT Unit for gross proceeds of \$600,000 and \$1,395,000, respectively ("May 2022 Offering"). Each NFT Unit or FT Unit consists of one common share of the Company and one share purchase warrant. Each warrant shall entitle the holder to purchase an additional common share of the Company at a price of \$0.20 for a period of two years. In connection with the financing, the Company paid an aggregate total of \$155,704 in share issuance costs for the financing, which includes issuing 630,000 finders' warrants, having the same terms as the financing, with a fair value of \$40,229. The flow-through common shares had an associated flow-through premium liability of \$174,375 on issuance.

In August 2022, the Company issued 1,600,000 common shares of the Company at a fair value of \$168,000 in relation to the acquisition of the Stony Lake Project, see Note 4 for details.

In December 2022, the Company closed a private placement financing which consisted of 10,842,000 flow through shares (the "FT shares") at a price of \$0.07 per FT share for gross proceeds of \$758,940 ("December 2022 Offering"). In connection with the financing, the Company paid an aggregate total of \$87,258 in share issuance costs, which includes issuing 867,360 finders' warrants with a fair value of \$26,543 exercisable at \$0.07 per warrant for a period of two years. The flow-through common shares had an associated flow-through premium liability of \$108,420 on issuance.

Additionally, in December 2022, the Company issued 6,500,000 common shares with a fair value of \$390,000 in connection with the 50% acquisition of ONCO (Note 3).

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7. SHARE CAPITAL AND RESERVES (continued)

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the nine months ended September 30, 2023 was based on the loss attributable to common shareholders of \$416,380 (September 30, 2022 - \$750,384) and the weighted average number of common shares outstanding of 88,432,710 (September 30, 2022 – 61,579,914).

As at September 30, 2023, 6,875,000 (December 31, 2022 – 4,875,000) stock options and 38,494,488 (December 31, 2022 – 38,494,488) warrants were not included in the calculation of diluted loss per share as the effect would be anti-dilutive.

Flow through premium liability

The following is a continuity schedule of the liability portion of the flow-through share issuances:

	Liability portion of the flow-through share issuance
	\$
Balance, December 31, 2021	-
Flow-through premium liability	282,795
Settlement of flow-through share premium liability pursuant to qualified expenditures	(155,668)
Balance, December 31, 2022	127,127
Flow-through premium liability	-
Settlement of flow-through share premium liability pursuant to qualified expenditures	(120,530)
Balance, September 30, 2023	6,597

The Company is required to incur \$1,395,000 of eligible exploration and evaluation expenditures by April 30, 2024 in connection with the issuance of flow-through shares on May 26, 2022 and required to incur \$758,940 of eligible exploration and evaluation expenditures by November 30, 2024 in connection with the issuance of flow-through shares on December 20, 2022. As at September 30, 2023, the Company has a remaining obligation of \$52,774 in connection with the May 2022 offering and an obligation of \$nil in connection with the December 2022 offering.

Stock options

The Company has an incentive stock option plan in place under which it is authorized to grant options to directors and employees to acquire up to 10% of the Company's issued and outstanding common shares. Under the plan, the exercise price of each option may not be less than the market price of the Company's stock as calculated on the date of grant less the applicable discount. The options can be granted for a maximum term of 10 years and vesting periods are determined by the Board of Directors.

In January 2023, the Company granted 2,000,000 stock options to certain directors, and consultants of the Company at an exercise price of \$0.07. These options were granted for a period of two years and vest upon issuance. The estimated fair value, \$62,200, was calculated using the Black-Scholes option pricing model based on the following assumptions: risk-free interest rate of 3.56%, forfeiture rate of 0%, no annual dividends, expected volatility of 104% and a market price of shares at grant date \$0.06.

During the nine months ended September 30, 2023, the Company recorded share-based compensation of \$62,200 (September 30, 2022 – \$nil).

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7. SHARE CAPITAL AND RESERVES (continued)

Stock options (continued)

A summary of changes of stock options outstanding is as follows:

	Number of Options	Weighted Average Exercise Price
		\$
Balance, December 31, 2021 and 2022	4,875,000	0.44
Granted	2,000,000	0.07
Balance, September 30, 2023	6,875,000	0.33

As at September 30, 2023, the following options were outstanding and exercisable:

Number of Options	Weighted Average Exercise Price	Expiry Date
	\$	
500,000	0.165	October 15, 2023*
2,000,000	0.07	January 25, 2025
1,500,000	0.55	September 28, 2025
300,000	0.45	November 9, 2025
1,375,000	0.32	March 1, 2026
1,200,000	0.56	May 19, 2026
6,875,000		

*Subsequent to quarter ended September 30, 2023, 500,000 stock options expired unexercised.

The weighted average life of options outstanding at September 30, 2023 was 1.86 years.

Warrants

During the nine months ended September 30, 2023, the Company did not issue any additional warrants.

During the year ended December 31, 2022, the Company issued the following warrants:

- In connection with the May 2022 Offering, 13,004,464 warrants and 630,000 finders' warrants with an exercise price of \$0.20 per share. The 630,000 finder's warrants were valued at \$40,229 using the Black-Scholes pricing model with the following assumptions: estimated life of 2 years, risk free rate of 2.53%, and volatility of 131.55%.
- In connection with the December 2022 Offering, 867,360 finders warrants with an exercise price of \$0.07 per share. The finder's warrants were valued at \$26,543 using the Black-Scholes pricing model with the following assumptions: estimated life of 2 years, risk free rate of 4.02%, and volatility of 101.60%.

During the year ended December 31, 2022, 9,510,000 warrants expired unexercised.

A summary of changes of warrants outstanding is as follows:

	Number of Warrants	Weighted Average Exercise Price
		\$
Balance, December 31, 2021	33,502,664	0.43
Issued	14,501,824	0.19
Expired	(9,510,000)	0.50
Balance, December 31, 2022 and September 30, 2023	38,494,488	0.32

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7. SHARE CAPITAL AND RESERVES (continued)

Warrants (continued)

As at September 30, 2023, the following warrants were outstanding and exercisable:

Number of Warrants	Weighted Average Exercise Price	Expiry Date
	\$	
3,220,920	0.42	October 27, 2023*
2,855,000	0.40	February 4, 2024
9,840,810	0.40	February 22, 2024
8,075,934	0.40	May 14, 2024
13,634,464	0.20	May 26, 2024
867,360	0.07	December 20, 2024
38,494,488		

*Subsequent to quarter ended September 30, 2023, 3,220,920 stock warrants expired unexercised.

The weighted average life of warrants outstanding at September 30, 2023 was 0.52 years.

8. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

	For the nine months ended September 30,	
	2023	2022
	\$	\$
Management fees	180,000	250,000
Exploration and evaluation assets expenditures	58,048	793,880
Rent	12,750	1,600
Share-based compensation	52,870	-
	303,668	1,045,480

All related party transactions are recorded at the amount agreed to by the Company and the related party. During the nine months ended September 30, 2023, the Company entered into the following transactions with key management personnel:

- (a) Paid or accrued management fees of \$90,000 (September 30, 2022 – \$125,000) to the CFO and director of the Company. As at September 30, 2023, \$332 (December 31, 2022 - \$11,628) was included in accounts payable and accrued liabilities owing to the CFO and director of the Company for unpaid management fees and reimbursement of expenses.
- (b) Paid or accrued management fees of \$90,000 (September 30, 2022 – \$125,000) to a director of the Company. As at September 30, 2023 \$nil (December 31, 2022, \$10,500) was included in accounts payable and accrued liabilities owing to the director of the Company for unpaid management fees.
- (c) Paid or incurred exploration and evaluation expenditures of \$35,667 (September 30, 2022 – \$90,000) to company controlled by the CEO and director of the Company. As at September 30, 2023, \$5,250 (December 31, 2022, \$5,312) was included in accounts payable and accrued liabilities owing to the CEO and director of the Company for exploration and evaluation expenditures.

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8. RELATED PARTY TRANSACTIONS (continued)

- (d) Paid or incurred exploration and evaluation expenditures of \$22,381 (September 30, 2022 – \$39,000) to a Company controlled by a director of the Company. As at September 30, 2023, \$788 (December 31, 2022, \$1,575) was included in accounts payable and accrued liabilities owing to the director of the Company for exploration and evaluation expenditures.
- (e) As at September 30, 2023 \$65,000 (December 31, 2022 \$65,000) was included in prepaids as an exploration and evaluation expenditure advance payment made to a company controlled by a director of the Company.
- (f) Paid or accrued rent of \$12,750 (September 30, 2022 - \$1,600) to a company by common officers of the Company.

9. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

The fair value of the Company's cash, receivables, and accounts payable and accrued liabilities approximates their carrying values.

10. FINANCIAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

- (a) Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts and its receivables. The Company has deposited its cash with a large Canadian financial institution and its receivables mostly consist of amounts due from the Canadian government. Management believes the risk of loss is low.
- (b) Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient working capital to meet liabilities when due. As at September 30, 2023, the Company had a cash balance of \$473,127 to settle current liabilities of \$198,499. Liquidity risk is assessed as low.
- (c) Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.
- (d) Currency risk
The Company's operations and financing activities are conducted majorly in Canadian dollars and, as a result, the Company is not subject to significant exposure to market risks from changes in foreign currency rates.
- (e) Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not subject to interest rate risk.

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11. CAPITAL DISCLOSURE AND MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which will allow it to meet its exploration commitments. Therefore, the Company monitors the level of risk incurred in its expenditures relative to its capital structure.

The Company considers its capital structure to include shareholders' equity. The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the potential underlying assets. To maintain or adjust the capital structure, the Company may issue new equity if available on favourable terms and approved by the TSX-V. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's overall strategy remains unchanged from 2022 and 2021. The Company is not subject to any externally imposed capital requirements.

12. SEGMENTED INFORMATION

The Company has one operating segment, mineral exploration and development. The Company's reportable segments are summarized as follows:

September 30, 2023	Canada	USA	Total
	\$	\$	\$
Exploration and evaluation assets	8,178,714	1	8,178,715
Other assets	608,920	-	608,920
	8,787,634	1	8,787,635

December 31, 2022	Canada	USA	Total
	\$	\$	\$
Exploration and evaluation assets	7,116,319	1	7,116,320
Other assets	1,919,205	-	1,919,205
	9,035,524	1	9,035,525

13. NON-CONTROLLING INTEREST

In November 2022, the Company entered into a share purchase agreement with ONCO effective December 15, 2022 to acquire a 50% non-controlling interest, with an option to acquire the remaining 50%. The Company recognized non-controlling interests of \$420,000 (Note 3).