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**Consolidated Financial Statements**

**Plato Gold Corp.**

**For the Years Ended December 31, 2023 and 2022  
(Stated in Canadian Dollars)**

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## PLATO GOLD CORP

### MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements were prepared by the management of Plato Gold Corp. (the "Company"), reviewed by the Audit Committee of the Board of Directors, and approved by the Board of Directors.

Management is responsible for the preparation of the consolidated financial statements and believes that they fairly represent the Company's financial position and the results of operations in accordance with International Financial Reporting Standards. Management has included amounts in the Company's consolidated financial statements based on estimates, judgments, and policies that it believes reasonable in the circumstances.

To discharge its responsibilities for financial reporting and for the safeguarding of assets, management believes that it has established appropriate systems of internal accounting control which provide reasonable assurance that the assets are maintained and accounted for in accordance with its policies and that transactions are recorded accurately in the Company's books and records.

"Anthony J. Cohen"

*President and CEO*

"Greg K. W. Wong"

*CFO*

Toronto, Ontario

April 24, 2024

## Independent Auditor's Report

### To the Shareholders of Plato Gold Corp.

#### Opinion

We have audited the consolidated financial statements of **Plato Gold Corp.** ("the Company"), 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, consolidated statements of changes in shareholders' equity and consolidated statements of cash flow for the years then ended, and notes to consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of **Plato Gold Corp.** as at December 31, 2023 and December 31, 2022 and its financial performance and its 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 Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the 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.

#### Emphasis of Matter - Material Uncertainty Related to Going Concern

We draw attention to Note 1 and Note 2 (e) in the consolidated financial statements. The Company has not yet achieved profitable operations, has incurred significant losses to date and has a cumulative deficit of \$12,655,484, a working capital deficiency of \$1,130,687 and net comprehensive loss for the year of \$347,405 and expects to incur future losses in the development of its business. As stated in Note 1 and Note 2 (e), these events or conditions, along with other matters as set forth in Note 1 and Note 2 (e), indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

#### Evaluation of Material Uncertainty Related to Going Concern

##### *Description of the matter*

We draw attention to Note 1 and Note 2 (e) to the financial statements. At each reporting date, the Company assesses its ability to continue as a going concern. Whether the Company is able to continue as a going concern is a significant management judgment.

##### *Why the matter is a key audit matter*

We identified the evaluation of the Company's ability to continue as a going concern as a key audit matter. This matter represented an area of higher assessed risk of material misstatement, which required significant auditor judgment in the evaluation of the results of our procedures.

##### *How the matter was addressed in the audit*

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

We evaluated the appropriateness of the Company's key strategy to resolve the situation given the current financial position and cash flows from operations.

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## Independent Auditor's Report

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### To the Shareholders of Plato Gold Corp. (Continued)

#### Key Audit Matters (Continued)

##### Evaluation of Capitalized Resource Property Costs for Impairment

###### *Description of the matter*

We draw attention to Note 6 to the financial statements. At each reporting date, the Company must consider whether there is objective evidence of impairment in the mineral properties as a result of events that have occurred after the initial recognition of the resource property costs (a "loss event") and whether that loss event (or events) has an impact on the estimated recoverability of the resource properties. The Company's assessment of whether there are any indicators that the carrying value of its investments in mineral properties may be impaired is a significant management judgment.

###### *Why the matter is a key audit matter*

We identified the evaluation of evidence of impairment for each of the mineral properties as a key audit matter. This matter represented an area of higher assessed risk of material misstatement, which required significant auditor judgment in the evaluation of the results of our procedures.

###### *How the matter was addressed in the audit*

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

We evaluated the appropriateness of the Company's impairment analysis by assessing the mineral properties for any indicators of impairment in accordance with IFRS 6.

#### **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

Management is responsible for other information. Other information comprises the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions. Our opinion on the consolidated financial statements does not cover the other information and we do not and will 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

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## Independent Auditor's Report

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### To the Shareholders of Plato Gold Corp. (Continued)

#### 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 it 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 a 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 a fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 condition may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities with the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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## Independent Auditor's Report

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To the Shareholders of Plato Gold Corp. (Continued)

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Wayne O'Connell.

*Jones & O'Connell LLP*

Jones & O'Connell LLP  
Chartered Professional Accountants  
Licensed Public Accountants

St. Catharines, Ontario  
April 24, 2024

# Plato Gold Corp.

Consolidated Statements of Financial Position  
Stated in Canadian dollars

	December 31, 2023	December 31, 2022
<b>Assets</b>		
<b>Current Assets</b>		
Cash	\$ 14,308	\$ 78,774
Prepaid expenses	19,216	18,026
Other receivables (note 4)	30,167	9,993
	<u>63,691</u>	<u>106,793</u>
<b>Portfolio Investments</b> (note 5)	72,791	75,540
<b>Mineral Properties and Deferred</b>		
<b>Exploration Costs</b> (note 6)	2,345,718	2,289,233
	<u>\$ 2,482,200</u>	<u>\$ 2,471,566</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities (note 14)	\$ 872,115	\$ 723,799
Due to related party (note 9)	40,174	-
Due to related company (note 7)	282,089	57,089
Loan payable (note 8)	-	32,080
Flow-through share premium liability (notes 10, 16)	-	32,371
	<u>1,194,378</u>	<u>845,339</u>
<b>Shareholders' Equity</b>		
Share capital (note 10)	10,028,348	10,019,348
Warrants (note 11)	63,580	133,179
Contributed surplus	3,858,856	3,789,257
Deficit	(12,655,484)	(12,308,629)
Non-controlling interest	(7,478)	(6,928)
	<u>1,287,822</u>	<u>1,626,227</u>
	<u>\$ 2,482,200</u>	<u>\$ 2,471,566</u>

## Going Concern (note 2e)

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

Approved on behalf of the Board

"Anthony J. Cohen", Director

"John H. Paterson", Director

# Plato Gold Corp.

Consolidated Statements of Loss and Comprehensive Loss

For the Year Ended December 31

Stated in Canadian dollars

	2023	2022
<b>Income</b>		
Investment income	\$ 2,052	\$ 2,222
<b>Expenses</b>		
Bad debt expense (recovery)	(471)	(110)
Consulting and director fees	800	800
Foreign exchange loss	409	604
Part XII.6 tax - flow through	3,710	-
Insurance	11,289	11,045
Interest accretion (note 8)	7,920	6,416
Interest and financing fees	1,052	1,044
Office and general	1,651	5,320
Professional fees	112,357	122,637
Publicity and advertising	240	1,872
Rent	2,400	2,400
Salaries and benefits	100	100
Investor relations	-	2,875
Transfer and filing fees	50,338	53,369
	<u>191,795</u>	<u>208,372</u>
<b>Other Expenses (Income)</b>		
Write-down of mineral properties (note 6)	190,427	88,409
Fair value adjustment on portfolio investments	3,373	55,742
Gain on revaluation of loan payable (note 8)	-	(6,415)
Realized gain on disposition of portfolio investments (note 5)	(3,767)	(47,069)
Flow through share premium amortization (note 16)	(32,371)	(57,558)
	<u>157,662</u>	<u>33,109</u>
<b>Net Loss and Comprehensive Loss</b>	<u>\$ (347,405)</u>	<u>\$ (239,259)</u>
<b>Attributable to:</b>		
Equity holders of Plato Gold Corp.	(346,855)	(238,652)
Non-controlling interest	<u>(550)</u>	<u>(607)</u>
<b>Loss per Share - basic and diluted</b>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
<b>Weighted Average Number of Common Shares Outstanding - basic and diluted</b>	<u>228,357,498</u>	<u>223,805,169</u>

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



# Plato Gold Corp.

Consolidated Statements of Changes in Shareholders' Equity

For the Year Ended December 31

Stated in Canadian dollars

	Share Capital			Contributed Surplus	Accumulated Deficit	Non- Controlling Interest	Total
	Shares	Amount	Warrants				
<b>Balance - January 1, 2022</b>	219,465,717	\$ 9,741,628	\$ 69,599	\$ 3,789,257	\$ (12,069,977)	\$ (6,321)	1,524,186
Flow-through shares issued from private placement (note 10)	5,200,000	182,000	-	-	-	-	182,000
Shares and warrants issued from private placement (note 10, 11)	3,100,000	91,420	63,580	-	-	-	155,000
Share issuance costs (note 10)	-	(3,200)	-	-	-	-	(3,200)
Shares issued for mineral properties (notes 6(b), 10)	300,000	7,500	-	-	-	-	7,500
Net loss and comprehensive loss	-	-	-	-	(238,652)	(607)	(239,259)
<b>Balance - December 31, 2022</b>	<u>\$ 228,065,717</u>	<u>\$ 10,019,348</u>	<u>\$ 133,179</u>	<u>\$ 3,789,257</u>	<u>\$ (12,308,629)</u>	<u>\$ (6,928)</u>	<u>1,626,227</u>

	Share Capital			Contributed Surplus	Accumulated Deficit	Non- Controlling Interest	Total
	Shares	Amount	Warrants				
<b>Balance - January 1, 2023</b>	228,065,717	\$ 10,019,348	\$ 133,179	\$ 3,789,257	\$ (12,308,629)	\$ (6,928)	1,626,227
Shares issued for mineral properties (notes 6(b), 10)	300,000	9,000	-	-	-	-	9,000
Expiry of warrants (note 11)	-	-	(69,599)	69,599	-	-	-
Net loss and comprehensive loss	-	-	-	-	(346,855)	(550)	(347,405)
<b>Balance - December 31, 2023</b>	<u>228,365,717</u>	<u>\$ 10,028,348</u>	<u>\$ 63,580</u>	<u>\$ 3,858,856</u>	<u>\$ (12,655,484)</u>	<u>\$ (7,478)</u>	<u>1,287,822</u>

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

# Plato Gold Corp.

Consolidated Statements of Cash Flow

For the Year Ended December 31

Stated in Canadian dollars

	2023	2022
<b>Cash Flows from Operating Activities</b>		
Net loss and comprehensive loss	\$ (347,405)	\$ (239,259)
Items not involving cash		
Realized gain on disposition of portfolio investments	(3,767)	(47,069)
Interest accretion	7,920	6,416
Gain on revaluation of loan payable	-	(6,415)
Write-down of mineral properties	190,427	88,409
Bad debt expense (recovery)	471	(110)
Fair value adjustment on portfolio investments	3,373	55,742
Flow-through share premium amortization	(32,371)	(57,558)
	(181,352)	(199,844)
Changes in non-cash working capital		
Other receivables	(20,645)	(222)
Prepaid expenses	(1,190)	(1,228)
Accounts payable and accrued liabilities	148,316	10,312
	(54,871)	(190,982)
<b>Cash Flows from Financing Activities</b>		
Proceeds from issuance of flow-through shares	-	260,000
Proceeds from issuance of shares and warrants	-	155,000
Share and warrant issuance costs	-	(3,200)
Due to related party	40,174	-
Due to related company	225,000	50,544
Repayment of loan payable	(40,000)	-
	225,174	462,344
<b>Cash Flows from Investing Activities</b>		
Mineral properties and deferred explorations costs	(237,912)	(305,354)
Proceeds from disposition of portfolio investments	3,143	35
	(234,769)	(305,319)
<b>Change in cash</b>	(64,466)	(33,957)
<b>Cash - beginning of year</b>	78,774	112,731
<b>Cash - end of year</b>	\$ 14,308	\$ 78,774

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

# Plato Gold Corp.

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2023 and 2022  
Stated in Canadian Dollars

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## 1. Nature of Operations

Plato Gold Corp. (the "Company" or "Plato") is an Ontario corporation formed by amalgamation on May 30, 2005. The primary offices are located at 1240 Bay Street, Suite 800, Toronto, Ontario M5R 2A7. The Company is listed on the TSX Venture Exchange (TSX-V: PGC), OTCQB Venture Market (OTCQB: NIOVF) and the Frankfurt Exchange (4Y7 OR WKN: A0M2QX).

The Company is a public gold and rare minerals exploration company with four projects. The first project, Good Hope Niobium Project consists of a total of 254 claims, consisting of 227 Single Cell Mining Claims and 27 Boundary Cell Mining Claims, and covers an area of approximately 5,146 hectares in the Killala Lake Area and Cairngorm Lake Area Townships, northwest of Marathon, Ontario. The second project, the Pic River Platinum Group Metals ("PGM") Project consists of a total of 111 Single Cell Mining Claims and covers an area of approximately 2,247 hectares in the Foxtrap Lake and Grain Township, Thunder Bay Mining District, in Ontario. The third project, the Lolita Project in Santa Cruz, Argentina, includes three adjoining concessions in Southern Argentina, which are held by the Company's 95% owned subsidiary, Winnipeg Minerals S.A. ("WMSA"). The fourth project, the Timmins Gold Project in Northern Ontario includes four properties (Guibord, Harker, Holloway and Marriott) in what is sometimes referred to as the Harker/Holloway gold camp located east of Timmins.

The Company is in the process of exploring its mineral properties and has not yet determined whether its properties contain economic mineral reserves. The recovery of amounts capitalized under mineral properties and deferred exploration costs is dependent upon the discovery of economically recoverable resources or reserves and upon future profitable production or sale of its interests, all of which are uncertain. Consequently, as of December 31, 2023, the Company considers itself to be an exploration and evaluation stage company with respect to these properties.

The Company has not yet realized profitable operations and has incurred significant losses to date resulting in a cumulative deficit of \$12,655,484 as at December 31, 2023. The Company's continued existence is dependent upon its ability to raise additional capital and/or obtaining financing from related parties and develop profitable operations. Management believes that it has the ability to raise the required additional funding. While management has been historically successful in raising the necessary capital, it cannot provide assurance that it will be able to execute on its business strategy or be successful in future financing activities. As at December 31, 2023, the Company's current liabilities exceed its current assets by \$1,130,687. Given the above, the Company has material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern.

## 2. Basis of Presentation and Going Concern

The Company's consolidated financial statements reflect the results of operations for the period ended December 31, 2023 and 2022, and the assets, liabilities and shareholders' equity as at December 31, 2023 and December 31, 2022.

The consolidated financial statements include the accounts of the Company and its 95% owned subsidiary, Winnipeg Minerals S.A., an Argentinean company. All significant intercompany balances and transactions have been eliminated on consolidation.

# Plato Gold Corp.

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2023 and 2022  
Stated in Canadian Dollars

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## 2. Basis of Presentation and Going Concern (continued)

### a) Statement of Compliance

The Company's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") effective as of December 31, 2023 as issued by the International Accounting Standard Board. The date that the Board of Directors approved the statements is April 24, 2024.

The significant accounting policies (note 3) have been applied consistently to all periods presented in these consolidated financial statements.

### b) Basis of Measurement

The Company's consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which have been measured at fair value. In the opinion of management, all adjustments considered necessary for a fair presentation have been included.

### c) Functional and Presentation Currency

Plato Gold Corp.'s and Winnipeg Minerals S.A.'s ("WMSA") functional currency is Canadian Dollars. The consolidated financial statements are presented in Canadian Dollars.

### d) Critical judgments, estimates, and assumptions

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of operations during the reporting period. Significant estimates and assumptions include those related to the following:

- the recoverability of the carrying value of the resource properties
- management's determination that there is no deferred tax asset recognized in these consolidated financial statements
- the ability to continue as a going concern
- the value of options and warrants issued by the Company

The application of Company's accounting policy for mineral properties and deferred exploration costs requires judgment to determine whether future economic benefits are probable, from either future development or sale. There is no assurance that the Company has or will have commercially viable resources.

# Plato Gold Corp.

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2023 and 2022  
Stated in Canadian Dollars

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## 2. Basis of Presentation and Going Concern (continued)

### d) Critical judgments, estimates, and assumptions (continued)

Determining the value of stock options and warrants involves the application of the Black-Scholes option-pricing model which requires the input of highly subjective assumptions that can materially affect the value. Significant estimates and assumptions are required for the volatility used in the Black-Scholes option-pricing model. The Company uses historical information of its own publicly traded common shares to determine the degree of volatility at the date when the stock options and warrants are granted. The degree of volatility will vary depending on when the stock options and warrants were granted, and the expected life.

While management believes that the estimates and assumptions are reasonable, actual results could differ from those estimates.

Management has also used its judgment in determining that the functional currency of the Company and its subsidiary is the Canadian dollar and the state of development of the mineral properties as the exploration stage.

### e) Going Concern

The Company's ability to continue as a going concern is dependent upon, but not limited to, its ability to raise financing necessary to fund its exploration and development programs and general and administrative expenses, maintain its resource properties, discharge its liabilities as they become due and generate positive cash flows from operations. There is no certainty that the Company will be successful in raising financing given the current condition of the financial markets, and as such there is significant uncertainty the Company will be able to continue as a going concern.

During the year ended December 31, 2023, the Company had a net loss and comprehensive loss of \$347,405 (2022 - \$239,259). As at December 31, 2023, the Company had a working capital deficiency of \$1,130,687 (2022 - \$738,546) and had an accumulated deficit of \$12,655,484 (2022 - \$12,308,629).

The consolidated financial statements are prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of the business. Accordingly, these consolidated financial statements do not give effect to adjustments that may be necessary, should the Company be unable to continue as a going concern. If the going concern assumption is not used, then the adjustments required to report the Company's assets and liabilities at liquidation values could be material to these consolidated financial statements.

# Plato Gold Corp.

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2023 and 2022  
Stated in Canadian Dollars

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## 3. Material Accounting Policies

The accounting policies the Company followed in preparing these consolidated financial statements have been applied consistently to all periods presented in these consolidated financial statements.

### a) Foreign Currency Transactions

The Company's consolidated financial statements are presented in Canadian Dollars. Costs are primarily incurred in Canadian Dollars. The Company incurs costs at its Lolita Project in Argentina primarily in US Dollars and Argentine Pesos. Although these transactions are in foreign currencies, the predominant currency of financing and management decisions is the Canadian Dollar, and as such, it is also the Company's functional currency and the functional currency of its subsidiary.

The Company translates monetary assets and liabilities at the rate of exchange in effect at the reporting date and non-monetary assets and liabilities at historical exchange rates. Income and expenses are translated at average rates in the month they occur. Gains and losses on translation are recorded in the consolidated statement of loss and comprehensive loss.

### b) Mineral Properties and Deferred Exploration Costs

The Company records its mineral exploration expenditures at cost. Acquisition costs of resource properties together with direct exploration expenditures thereon are deferred in the accounts starting on the date of acquisition of the property rights. When production is attained, these costs will be amortized on a unit-of-production basis. If the properties are abandoned, sold or considered to be impaired in value, the costs of the properties and related deferred expenses will be written down at that time. When deferred expenditures on individual producing properties exceed the estimated recoverable amount, the properties are written down to the recoverable amount.

Exploration and evaluation expenditures include costs which are directly attributable to acquisition, surveying, geological, geochemical, geophysical, exploratory drilling, land maintenance, sampling and assessing technical feasibility and commercial viability. Management salaries directly related to exploration and evaluation expenditures are not capitalized. These expenditures are capitalized until the technical feasibility and commercial viability of the extraction of mineral reserves in a project is demonstrated. Amounts received from other parties to earn an interest in the Company's resource properties are applied as a reduction of the resource properties. During the exploration period, exploration and evaluation assets are not amortized.

All capitalized exploration and evaluation expenditures are monitored for indications of impairment, to ensure that commercial quantities of reserves exist or that exploration activities related to the property are continuing or planned for the future. If an exploration property does not prove viable, all unrecoverable costs associated with the project are expensed. Once a project is determined to be technically feasible and commercially viable and a decision has been made to proceed with development, the relevant exploration and evaluation asset is tested for impairment and the balance is reclassified as a mine development asset which is allocated between property, plant and equipment and intangible assets.

# Plato Gold Corp.

Notes to the Consolidated Financial Statements  
For the Years Ended December 31, 2023 and 2022  
Stated in Canadian Dollars

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## 3. Material Accounting Policies (continued)

### b) Mineral Properties and Deferred Exploration Costs (continued)

All subsequent expenditures to ready the property for production are capitalized within mine development assets, other than those costs related to the construction of property, plant and equipment. Once production has commenced, all costs included in mine development assets are reclassified to mining properties.

Government rebates and option payments received related to exploration are reflected as a reduction of the cost of exploration.

The Company is in the process of exploring and evaluating its mineral properties and has not yet determined the amount of reserves available. On a quarterly basis in connection with quarterly reporting, senior management reviews the carrying amount of mineral properties and deferred exploration and development costs to assess whether there has been any indication of impairment in value.

### c) Flow-Through Shares

The Company may from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors.

On issuance, the Company separates the flow-through share into i) a flow-through share premium, equal to the difference between the current market price of the Company's common shares and the issue price of the flow through share and ii) share capital. When the qualifying resource expenditures are incurred, the Company recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

The issue of flow through shares is in substance an issue of ordinary shares and the sale of tax deductions. The sale of tax deductions are measured using the relative fair value method. At the time the flow through shares are issued, the sale of tax deductions is deferred and is presented as other liabilities in the consolidated statement of financial position, because the Company has not yet fulfilled its obligation to pass on the tax deductions to the investor. When the Company fulfills its obligation:

- (i) the sale of tax deductions is recognized in the consolidated statement of loss and comprehensive loss as a reduction of the deferred tax expense; and
- (ii) a deferred tax liability is recognized, in accordance with IAS 12, Income Taxes, for the taxable temporary difference that arises from the difference between the carrying amount of eligible expenditures capitalized as an asset in the statement of financial position and its tax base.

The obligation is fulfilled when the eligible expenditures are incurred and there is an intention to renounce the expenditures.

# Plato Gold Corp.

Notes to the Consolidated Financial Statements  
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## 3. Material Accounting Policies (continued)

### d) Revenue Recognition

Revenue is recognized using a single control-based model (the “model”) that applies to contracts with customers and allows the Company to recognize revenue at a point in time or overtime. The model consists of a 5-step analysis of transactions to determine whether, how much, and when revenue is recognized.

Investment income is comprised of dividend and interest income. Interest income is recognized on an accrual basis and to the extent not received at year end, recorded as a receivable. Dividends are recognized as income on the ex-dividend date.

### e) Income Taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, deferred income tax assets and liabilities are determined based on the differences between the carrying amount of assets and liabilities on the consolidated statement of financial position and their corresponding tax value, using the substantively enacted tax rates expected to apply when these temporary differences are reversed. Deferred income tax assets are recorded to recognize tax benefits only to the extent that, based on available evidence, it is probable that they will be realized. Income tax expense is recognized in the consolidated statement of loss and comprehensive loss except to the extent that it relates to a business combination, or items recognized directly in equity.

### f) Share-Based Payments

The Company accounts for share-based payments to employees using the fair value method. Under this method, compensation expense is measured at fair value on the date of grant using the Black-Scholes option pricing model, and is recognized as an expense or capitalized, depending on the nature of the grant, with a corresponding increase in equity, over the period that the options are earned, after taking any expected forfeitures into account. The Black-Scholes option pricing model requires the input of subjective assumptions, including the expected term of the option and stock price volatility.

Common share purchase warrants, stock options and other equity instruments issued to parties other than employees and as purchase consideration in non-cash transactions are recorded at the fair value of the goods and services received, unless the fair value cannot be estimated reliably. If the fair value of the goods or services received cannot be reliably estimated, then the value is determined by management using the Black-Scholes option pricing model or for shares issued as purchase consideration for mineral property assets is based upon the trading price of those shares on the date that the consideration is transferred.



# Plato Gold Corp.

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## 3. Material Accounting Policies (continued)

### g) Equity and reserves

Share capital issued by the Company is recognized at the proceeds received, net of direct issuance costs. The Company applies the fair value method with respect to the measurement of shares and warrants issued as private placement units. The Company allocates the net proceeds based on the relative fair value assigned to each of the component, including issuance costs. The fair value of the warrants was determined using the Black-Scholes pricing model.

### h) Decommissioning Liabilities

The Company's exploration activities are subject to various governmental laws and regulations relating to the protection of the environment. These environmental regulations are continually changing and becoming more restrictive. The fair value of an obligation to incur restoration, rehabilitation and environmental costs is to be recognized when incurred and the corresponding increase to the asset is amortized over the life of the asset. The liability is increased over time to reflect an accretion element considered in the initial measurement at fair value.

As at December 31, 2023 and 2022, the Company has not incurred and is not committed to any decommissioning obligations in respect of its mineral exploration properties.

### i) Loss Per Share

Loss per share is computed by dividing the net loss for the year by the weighted average number of common shares outstanding during the year, including contingently issuable shares which are included when the conditions necessary for issuance have been met. Diluted loss per share is calculated in a similar manner, except that the weighted average number of common shares outstanding is increased to include potentially issuable common shares from the assumed exercise of dilutive options and warrants. There were no dilutive options and warrants outstanding during the year as the Company's average common share stock price during the year was below the exercise price of the outstanding warrants and options.

The number of additional shares included in the calculation is based on the weighted average number of shares that would be issued on the conversion of all potentially dilutive options into common shares.

The Company's weighted average share price is below option exercise prices as at December 31, 2023, therefore its options are anti-dilutive.

### j) Related Party Transactions

All transactions with related parties are in the normal course of business and are measured at the amount agreed to by the parties involved in the transactions.

# Plato Gold Corp.

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## 3. Material Accounting Policies (continued)

### k) Cash

Cash includes bank deposits and cash held in an investment portfolio. As at December 31, 2023 and 2022, the Company did not have any cash equivalents.

### l) Government loans

Government loans are initially measured at fair value and subsequently measured at amortized cost. The difference between the fair value of the loan and cash consideration received is recognized as a government grant. The forgivable portion of the loan is recognized as a government grant when the Company estimates that it will meet the criteria to receive the loan forgiveness instead of when the loan is ultimately forgiven.

### m) Financial Instruments

#### i. Classification and measurement of financial assets and financial liabilities

IFRS 9 requires financial assets to be classified into three measurement categories on initial recognition: fair value through profit and loss (“FVTPL”), fair value through other comprehensive income (“FVOCI”), and amortized cost. Investments in equity instruments are required to be measured by default at FVTPL. IFRS 9 permit entities to elect into an irrevocable option for equity instruments to report changes in fair value in other comprehensive income.

Convertible debentures whereby balances can be converted into equity are treated in accordance with the standard. Embedded derivatives are separated from the host contract and accounted for separately if certain criteria are met. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are generally recognized in profit or loss.

Classification and measurement of financial assets is dependent on the Company’s business model for managing the financial assets and related contractual cash flows.

The following table summarizes the impact on the classification of the Company’s financial assets and liabilities:

<b>Asset/Liability</b>	<b>Classification under IFRS 9</b>
Cash	Amortized cost
Other receivables	Amortized cost
Portfolio investments	FVTPL
Accounts payable and accrued liabilities	Amortized cost
Due to related company	Amortized cost
Due to related party	Amortized cost
Loan payable	Amortized cost

# Plato Gold Corp.

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## 3. Material Accounting Policies (continued)

### m) Financial Instruments (continued)

#### ii. Impairment

IFRS 9 has a three-stage expected credit loss (“ECL”) model for determining impairment of financial assets. The expected credit loss model does not require the occurrence of a triggering event before an entity recognizes credit losses. IFRS 9 requires the Company to recognize expected credit losses upon initial recognition of a financial asset and to update the quantum of expected credit losses at the end of each reporting period to reflect changes to credit risk of the financial asset.

The Company's financial instruments measured at fair value on the consolidated statement of financial position consist of portfolio investments. Portfolio investments are measured at level 1 of the fair value hierarchy. There are three levels of the fair value hierarchy as follows:

Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2: Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

Transaction costs are expensed as incurred for financial instruments and recorded on the statement of loss and comprehensive loss. For other financial instruments, transaction costs are capitalized on initial recognition.

## 4. Other Receivables

As at December 31, 2023, other receivables includes HST receivable of \$26,030 (2022 - \$7,649). Due to the short-term nature, the carrying amount of the receivables approximates fair value.

## 5. Portfolio Investments

### a) Bonterra Resources Inc.

As at December 31, 2023, the Company holds 9,000 (2022 - 9,000) common shares of Bonterra Resources Inc., with a fair value of \$1,710 (2022 - \$2,655).

### b) Monarch Mining Corporation

As at December 31, 2023, the Company holds 11,600 (2022 - 11,600) common shares shares of Monarch Mining Corporation, with a fair value of \$58 (2022 - \$696).

# Plato Gold Corp.

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## 5. Portfolio Investments (continued)

### c) Kirkland Lake Gold Ltd. (formerly St. Andrew Goldfields Ltd.)

During the year ended December 31, 2022, Agnico Eagle Mines Limited completed a merger with Kirkland Lake Gold Ltd. and the combined entity is continued as Aginco Eagle Mines Limited. In connection with the merger, the Company received 793 shares of Aginco Eagle Mines Limited and cash proceeds of \$35 in exchange for the Company's 1,000 common shares of Kirkland Lake Gold Ltd. As a result of this transaction, the Company recorded a realized gain of \$47,069.

### d) Pan American Silver Corp.

During the year ended December 31, 2023, Pan American Silver Corp. acquired all of the issued and outstanding shares of Yamana Gold Inc., following the sale by Yamana Gold Inc. of its Canadian assets, including certain subsidiaries and partnerships, to Agnico Eagle Mines Limited. In connection with these transactions, the company received 348 common shares of Pan American Silver Corp., 81 shares of Agnico Eagle Mines Limited and cash proceeds of \$3,143 in exchange for the Company's 2,180 common shares of Yamana Gold Inc. As a result of these transactions, the company recorded a realized gain of \$3,767.

As at December 31, 2023, the Company holds 348 common shares of Pam American Silver Corp., with a fair value of \$7,527.

### e) Yamana Gold Inc.

During the year ended December 31, 2023, Pan American Silver Corp. acquired all of the issued and outstanding shares of Yamana Gold Inc. Refer to the Pan American Silver Corp. section for more information.

As at December 31, 2023, the Company holds Nil (2022 - 2,180) common shares of Yamana Gold Inc., with a fair value of \$Nil (2022 - \$16,394).

### f) Agnico Eagle Mines Limited

During the year ended December 31, 2023, Pan American Silver Corp. acquired all of the issued and outstanding shares of Yamana Gold Inc., following the sale by Yamana Gold Inc. of its Canadian assets, including certain subsidiaries and partnerships, to Agnico Eagle Mines Limited. In connection with these transactions, the company received 81 shares of Agnico Eagle Mines Limited. Refer to the Pan American Silver Corp. section for more information.

During the year ended December 31, 2022, Agnico Eagle Mines Limited completed a merger with Kirkland Lake Gold Ltd. and the combined entity is continued as Aginco Eagle Mines Limited. In connection with the merger, the Company received 793 shares of Aginco Eagle Mines Limited in exchange for the Company's 1,000 common shares of Kirkland Lake Gold Ltd.

As at December 31, 2023, the Company holds 874 (2022 - 793) common shares of Aginco Eagle Mines Limited, with a fair value of \$63,496 (2022 - \$55,795).

# Plato Gold Corp.

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## 5. Portfolio Investments (continued)

### f) Agnico Eagle Mines Limited (continued)

The Company classifies all portfolio investments as Level 1 under the fair value hierarchy. There were no transfers between fair value levels during the period ended December 31, 2023.

## 6. Mineral Properties and Deferred Exploration Costs

	<b>Good Hope Project</b>	<b>Pic River Project</b>	<b>Lolita Project</b>	<b>Timmins Gold Project</b>	<b>Total</b>
<b>Balance - December 31, 2014</b>	\$ -	\$ -	\$ 316,964	\$ 1,025,067	\$ 1,342,031
Expenditures - January 1, 2015 to December 31, 2021	1,929,587	148,145	66,837	75,824	2,220,393
Write downs - January 1, 2015 to December 31, 2021	(12,943)	-	(383,801)	(1,100,891)	(1,497,635)
<b>Balance - December 31, 2021</b>	\$ 1,916,644	\$ 148,145	\$ -	\$ -	\$ 2,064,789
Acquisition costs	-	32,500	-	-	32,500
Exploration Costs	7,526	181,234	-	73,225	261,985
Other	3,184	-	12,245	2,939	18,368
Total Expenditures	10,710	213,734	12,245	76,164	312,853
Write-down of mineral property	-	-	(12,245)	(76,164)	(88,409)
<b>Balance - December 31, 2022</b>	<u>\$ 1,927,354</u>	<u>\$ 361,879</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,289,233</u>
	<b>Good Hope Project</b>	<b>Pic River Project</b>	<b>Lolita Project</b>	<b>Timmins Gold Project</b>	<b>Total</b>
<b>Balance - December 31, 2022</b>	\$ 1,927,354	\$ 361,879	\$ -	\$ -	\$ 2,289,233
Acquisition costs	-	34,000	-	-	34,000
Exploration costs	12,207	10,278	-	-	22,485
Other	-	-	11,472	178,955	190,427
Total expenditures	12,207	44,278	11,472	178,955	246,912
Write-down of mineral property	-	-	(11,472)	(178,955)	(190,427)
<b>Balance - December 31, 2023</b>	<u>\$ 1,939,561</u>	<u>\$ 406,157</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,345,718</u>

# Plato Gold Corp.

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## 6. Mineral Properties and Deferred Exploration Costs (continued)

### a) Good Hope Niobium Project

On May 31, 2017, the Company signed two Option Agreements, KL226 Option Agreement and KL37 Option Agreement to acquire 100% interest in the Good Hope Niobium Project in the Killala Lake area, near Marathon Ontario.

The Good Hope Niobium Property consists of a total of 254 claims, consisting of 227 Single Cell Mining Claims and 27 Boundary Cell Mining Claims, and covers an area of approximately 5,146 hectares in the Killala Lake Area and Cairngorm Lake Area Townships, northwest of Marathon, Ontario. The Good Hope Property is located approximately 45 kilometers northwest of Marathon and 28 km north of Highway 17. The property is readily accessible from Trans-Canada Highway 17 and Dead Horse Road. The Property is also in close proximity to the Hemlo gold mining camp.

On August 27, 2019, the Company announced that it had met all of the terms of the KL37 and KL226 Option Agreements and the Company owns 100% of the Good Hope Niobium claims.

The following terms remain for the KL226 and KL37 Option Agreements:

- i) A 3% Net Smelter Return Royalty to Optionors, with first right of refusal for 50% buy back for \$1,500,000.
- ii) A 3% Gross Overriding Royalty from the production of diamonds only to Optionors, with first right of refusal for 50% buy back for \$1,500,000.
- iii) Performance Shares of 1,000,000 common shares to Optionors, if a NI 43-101 compliant resource exceeding 100 million tonnes of Nb205/P205 and an additional 2,000,000 common shares to Optionors, upon a positive bankable feasibility study.
- iv) 10% of the sale price or option price in cash or shares to Optionors, if the KL226 or KL37 claims are sold or optioned to a third party.

### b) Pic River Project

On January 28, 2020, the Company entered into an Option Agreement to acquire 100% interest in the Pic River PGM Project in Foxtrap Lake and Grain Township, Thunder Bay Mining District, in Ontario. The Optionors are Rudolf Wahl (70%) and Mike Dorval (30%). On April 28, 2020, the Option Agreement was amended with an additional 6 new claims to the total property.

The Pic River PGM Project consists of a total of 111 Single Cell Mining Claims and covers an area of approximately 2,247 hectares in the Foxtrap Lake and Grain Township, Thunder Bay Mining District, in Ontario.

# Plato Gold Corp.

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## 6. Mineral Properties and Deferred Exploration Costs (continued)

### b) Pic River Project (continued)

The Company, as the Optionee, will earn in for 100% interest in the project claims upon completion of the following:

i) Total cash payment of \$125,000 as follows:

- i) \$10,000 to Optionors within 7 days of signing of the Pic River PGM Option Agreement
- ii) \$15,000 to Optionors within 6 months of the TSXV approval
- iii) \$25,000 to the Optionors on or before the 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> anniversary of the TSXV approval

ii) Total payment of 1,650,000 common shares

- i) 300,000 common shares to Optionors within 15 days of TSXV approval
- ii) 450,000 common shares to Optionors on or before the 1<sup>st</sup> anniversary of the TSXV approval
- iii) 300,000 common shares to the Optionors on or before the, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> anniversary of the TSXV approval

iii) Combined exploration expenditures of \$160,000

- i) \$40,000 on or before the 1<sup>st</sup> anniversary of the TSXV approval
- ii) \$120,000 on or before the 4<sup>th</sup> anniversary of the TSXV approval

On January 20, 2021, the Option agreement was amended such that the Company is only required to incur total exploration expenditures of \$160,000 on or before the 4<sup>th</sup> anniversary of the TSXV approval. All other terms of the Option Agreement remain unchanged.

In addition, the Pic River PGM Option Agreement includes:

- i) A 3% Net Smelter Return royalty to Optionors, with the first right of refusal for 50% buy back for \$1,500,000.
- ii) A 3% Gross Overriding royalty from the production of diamonds only to Optionors, with first right of refusal for 50% buy back for \$1,500,000.
- iii) Performance Shares of 1,000,000 common shares to Optionors, if a NI 43-101 compliant resource exceeding 1 million ounces of platinum equivalent, and an additional 1,000,000 common shares to Optionors, upon a positive bankable feasibility study.
- iv) 10% of the sale price or option price in cash or shares to Optionors, if the Pic River PGM Project claims are sold or optioned to a third party.

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## 6. Mineral Properties and Deferred Exploration Costs (continued)

### b) Pic River Project (continued)

On January 28, 2020, the Company issued 300,000 common shares and cash payment of \$10,000 to the Optionors pursuant to the agreement. On June 22, 2020, the Company paid a cash payment of \$15,000 to the Optionors pursuant to the agreement.

On January 20, 2021, the Company issued 450,000 common shares and cash payment of \$25,000 to the Optionors pursuant to the agreement.

On January 10, 2022, the Company issued 300,000 common shares and cash payment of \$25,000 to the Optionors pursuant to the agreement.

On January 10, 2023, the Company issued 300,000 common shares and cash payment of \$25,000 to the Optionors pursuant to the agreement.

On January 18, 2024, the Company made the final payment and issued 300,000 common shares and cash payment of \$25,000 to the Optionors pursuant to the agreement.

The Company has met all of the Option Agreement and owns 100% of the Pic River PGM Project claims.

### c) Lolita Project

On August 27, 2007, the Company entered into an agreement to acquire a 75% interest in the Lolita Property in Argentina.

Upon completion of the initial expenditures, a Joint Work Program for up to US\$500,000 was jointly developed and financed 75% by the Company and 25% by the other party ("Lhotka"). The agreement allows that Lhotka shall have its Joint Venture interest in the property diluted by 5% for each US\$100,000 in expenditures spent by the Company, if Lhotka declines its portion of the expenditure. Lhotka's interest in the property shall not be reduced to less than 2%, unless otherwise agreed by the parties, and Lhotka is entitled to receive a 2% Net Smelter Royalty ("NSR"). The Company has available an option to purchase the NSR for US\$500,000.

With the completion of the initial expenditures, registration of ownership of the property proceeded in accordance with the Joint Venture Agreement. As of August 9, 2011, Winnipeg Minerals S.A. ("WMSA") was incorporated in Argentina with the Company holding 75% and Lhotka holding 25% of the outstanding shares. The mineral claims were subsequently transferred to WMSA as of November 14, 2011.

On August 31, 2020, in accordance with the joint venture agreement, the Company recorded cumulative expenditures above \$400,000 and thus the parties agreed to dilute the Lhotka interest by 20%. Accordingly, the Lhotka contribution outstanding after the incorporation of WMSA will be recorded as settled in full. As well, the Company's holding in WMSA increased to 95%. Accordingly, as of August 31, 2020, Lhotka's outstanding contribution is \$Nil.



# Plato Gold Corp.

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## 6. Mineral Properties and Deferred Exploration Costs (continued)

### c) Lolita Project (continued)

Effective September 1, 2020, the allocation of expenditures will be based on the 95% interest for the Company and 5% for Lhotka until cumulative expenditures exceed \$500,000.

As of December 31, 2023, the cumulative loan to WMSA and expenses incurred by the Company after the incorporation of WMSA totals \$236,713 (2022 - \$200,857) with Plato accounting for \$231,713 (2022 - \$197,650) and Lhotka \$5,000 (2022 - \$3,207).

During the year ended December 31, 2022, Lhotka paid \$863 to the Company for Lhotka's share of the cumulative loan to WMSA and expenses incurred as of December 31, 2021. As at December 31, 2023, \$4,137 (2022 - \$2,344) is receivable from Lhotka.

The option agreement, including the amendment, was in good standing as of December 31, 2023 and there are no breaches of any covenants, terms or conditions in respect thereof.

Pursuant to an impairment analysis performed on the Company's Lolita property as at December 31, 2015, the Company decided to write down the carrying value of the property totaling \$321,275 to \$Nil. While the Company's interest in the Lolita project remains unchanged for the period ended December 31, 2023, the Company has determined not to substantiate the carrying value of the properties until there are expenditures by the Company on exploration and evaluation of mineral resources for this property. Accordingly, all costs incurred to date were written off as an impairment loss. Should a valuation analysis be performed in the future such that the estimated recoverable amount of the Lolita property is greater than the carrying amount of \$Nil, the impairment losses recognized in prior years could reverse in part, or in full.

In this situation, the carrying amount could be increased to an amount that does not exceed the original carrying amount that would have been determined had no impairment loss been recognized for the Lolita property in prior years. As of December 31, 2023, the Company has incurred and written down \$407,518 (2022 - \$396,046) of project related costs.

### d) Timmins Gold Project

The Timmins Gold Project is comprised of four properties along the DestorPorcupine Fault Zone located east of Timmins. The properties are comprised of 4 leases and 142 claims. The Company holds 100% interest in the Holloway and Marriott Properties. The Company holds 50% interest in the Guibord property with the remaining 50% held by Osisko, of which 10% is beneficially held for Kirland Lake. The Company holds 20% interest in the Harker property with the remaining 80% held by Osisko. The properties are subject to a 2% net smelter royalty held by a former director of the Company.

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## 6. Mineral Properties and Deferred Exploration Costs (continued)

### d) Timmins Gold Project (continued)

Pursuant to an impairment analysis performed on the Company's Timmins property as at December 31, 2015, the Company decided to write down the carrying value of the property at December 31, 2015 totaling \$1,010,246 to \$Nil. While the Company's interest in the Timmins project remains unchanged for the period ended December 31, 2023, the Company has determined not to substantiate the carrying value of the properties until there are expenditures by the Company on exploration and evaluation of mineral resources for this property. Accordingly, all costs incurred to date were written off as an impairment loss. Should a valuation analysis be performed in the future such that the estimated recoverable amount of the Timmins property is greater than the carrying amount of \$Nil, the impairment losses recognized in prior years could reverse in part, or in full. In this situation, the carrying amount could be increased to an amount that does not exceed the original carrying amount that would have been determined had no impairment loss been recognized for the Timmins property in prior years. As of December 31, 2023, the Company has incurred and written down \$1,356,010 (2022 - \$1,177,055) of project related costs.

## 7. Due to Related Company

As at December 31, 2023, the Company owes \$282,089 (2022 - \$57,089) to a related company. Amounts due to the related company are non-interest bearing, unsecured and due on demand. The Company and the related company have a director in common. This director is also a shareholder and an officer of both companies.

## 8. Loan Payable

On November 19, 2020, the Company obtained a \$40,000 interest-free loan from the Government of Canada under the Canada Emergency Business Account ("CEBA") COVID-19 Economic Response Plan. The loan is interest free until December 31, 2022. If the Company has repaid at least \$30,000 of the loan balance by December 31, 2022, the remaining \$10,000 balance is forgiven. If \$30,000 of the loan is not repaid by December 31, 2022, an interest rate of 5% per annum is charged on the remaining balance with interest payable on the last day of each month and the outstanding loan balance payable in full by December 31, 2025. The \$40,000 of loan proceeds were initially recorded at fair value of \$18,713 using an effective rate of 25% to determine the fair value of the interest-free period. The difference between the amount received in cash and the related fair value was recognized as a government grant on the consolidated statements of loss and comprehensive loss.

On February 2, 2021, the Company obtained additional \$20,000 of loan proceeds as part of the expansion of the CEBA program. The terms of the CEBA program were amended such that if the Company has repaid at least \$40,000 of the loan balance by December 31, 2022, the remaining \$20,000 balance is forgiven. The additional \$20,000 loan proceeds were initially recorded at fair value of \$6,530 using an effective rate of 25% to determine the fair value of the interest-free period. The difference between the amount received in cash and the related fair value was recognized as a government grant on the consolidated statements of loss and comprehensive loss.

During the year ended December 31, 2022, the repayment deadline for the CEBA loan to qualify for the partial loan forgiveness was extended from December 31, 2022 to December 31, 2023. During the year end December 31, 2023, the company repaid the CEBA loan in full.

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## 8. Loan Payable (continued)

The summary of the residual value of the loan is as follows:

<b>Balance - January 1, 2022</b>	\$	32,079
Loan received		-
Fair value adjustment		(6,415)
Payments		-
Interest accretion		6,416
<b>Balance - December 31, 2022</b>	\$	<u>32,080</u>
<b>Balance - January 1, 2023</b>	\$	32,080
Loan received		-
Fair value adjustment		-
Payments		(40,000)
Interest accretion		7,920
<b>Balance - December 31, 2023</b>	\$	<u>-</u>

As at December 31, 2023, the loan payable has a face value of \$Nil (2022 - \$60,000).

## 9. Due from Related Party

During the year ended December 31, 2023, the Company's CFO advanced \$40,000 to the Company. The amounts due to the CFO bear interest at 12.2% per annum, are unsecured and due on demand.

As at December 31, 2023, the Company owes \$40,174 to the CFO.

## 10. Share Capital

### a) Authorized:

Unlimited common shares  
Unlimited preferred shares

### b) Common Shares Issued and Outstanding

	<u>Number</u>	<u>Amount</u>
<b>Balance - January 1, 2022</b>	219,465,717	\$ 9,741,628
Issued for:		
Option agreement payment (note 6 (b)) (i)	300,000	7,500
Flow-through share private placements completed on July 6, 2022 (ii)	5,200,000	182,000
Private placements completed on July 6, 2022 (ii)	3,100,000	91,420
Share issuance costs (ii)	-	(3,200)
<b>Balance - December 31, 2022</b>	<u>228,065,717</u>	<u>\$ 10,019,348</u>

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## 10. Share Capital (continued)

### b) Common Shares Issued and Outstanding (continued)

	<u>Number</u>	<u>Amount</u>
<b>Balance - January 1, 2023</b>	228,065,717	\$ 10,019,348
Issued for:		
Option agreement payment (note 6 (b)) (iii)	<u>300,000</u>	<u>9,000</u>
<b>Balance - December 31, 2023</b>	<u><u>228,365,717</u></u>	<u><u>\$ 10,028,348</u></u>

During the year ended December 31, 2022, the following transactions occurred:

(i) On January 10, 2022, the Company issued 300,000 shares pursuant to an Option Agreement. The common share issuance was valued at \$7,500 based on the Company's common share close price of \$0.025 on the date of issuance. See note 6 (b) for more information regarding the Option Agreement and share issuance.

(ii) On July 6, 2022, the Company completed a non-brokered private placement and issued 5,200,000 flow-through shares at a price of \$0.05 per flow-through share for gross proceeds of up to \$260,000. In connection with the issuance of the 5,200,000 flow-through common shares, the Company recognized a flow-through share premium liability of \$78,000 and the remaining \$182,000 was recognized as share capital. The flow-through share premium liability was calculated based on the difference between the subscription price of \$0.05 and the Company's common share close price of \$0.035 on the date of issuance.

Concurrent with the issuance of the flow-through shares, the Company also issued 3,100,000 regular units at price of \$0.05 per Unit for gross proceeds of \$155,000. Each Unit consists of one (1) common share and one (1) common share purchase warrant. Each warrant entitles the holder to purchase one (1) common share at a price of \$0.07 per common share for a period of twenty-four (24) months. The Company allocated \$91,420 of the proceeds to commons shares and \$63,580 of the proceeds to warrants.

Management participated in the private placements and contributed \$100,000 to the Company in exchange for 2,000,000 units.

In connection with the closing of the private placements, eligible finders who introduced investors to the Offering were paid an aggregate cash commission of \$3,200.

During the period ended December 31, 2023, the following transactions occurred:

(iii) On January 10, 2023, the Company issued 300,000 shares pursuant to an Option Agreement. The common share issuance was valued at \$9,000 based on the Company's common share close price of \$0.03 on the date of issuance. See note 6 (b) for more information regarding the Option Agreement and share issuance.

# Plato Gold Corp.

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## 11. Warrants

a) A summary of the status of the Company's warrants is as follows:

	Number	Amount	Weighted Average Exercise Price
<b>Balance - January 1, 2022</b>	3,096,000	\$ 69,599	\$ 0.08
Issued - July 6, 2022 (i)	3,100,000	63,580	0.07
<b>Balance - December 31, 2022</b>	6,196,000	\$ 133,179	\$ 0.08
Expiry - June 10, 2023	(1,996,000)	(43,864)	(0.07)
Expiry - December 30, 2023	(1,100,000)	(25,735)	(0.10)
<b>Balance - December 31, 2023</b>	3,100,000	\$ 63,580	\$ 0.07

During the year ended December 31, 2022, the following transactions occurred:

(i) On July 6, 2022, the Company completed a non-brokered private placement of 3,100,000 units at price of \$0.05 each for total gross proceeds of \$155,000. Each unit consists of one (1) common share and one (1) common share purchase warrant. Each warrant entitles the holder to purchase one (1) common share at a price of \$0.07 per common share for a period of twenty-four (24) months. The Company allocated \$91,420 of the proceeds to commons shares and \$63,580 of the proceeds to warrants.

The fair value of the Warrants was estimated at the grant date based on the Black-Scholes pricing model, using the following assumptions:

Expected dividend yield	Nil
Risk-free interest rate	3.10%
Expected life	2 years
Expected volatility	171%
Share price	\$0.035

During the year ended December 31, 2023, 3,096,000 warrants expired unexercised.

As at December 31, 2023, the following warrants were outstanding:

Exercise Price	Number of Warrants	Weighted average remaining life (years)	Expiry Date
\$ 0.070	3,100,000	0.52	July 6, 2024

# Plato Gold Corp.

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## 11. Warrants (continued)

As at December 31, 2022, the following warrants were outstanding:

<b>Exercise Price</b>	<b>Number of Warrants</b>	<b>Weighted average remaining life (years)</b>	<b>Expiry Date</b>
\$ 0.070	1,996,000	0.44	June 10, 2023
\$ 0.100	1,100,000	1.00	December 30, 2023
\$ 0.070	3,100,000	1.52	July 6, 2024
	<u>6,196,000</u>	<u>1.08</u>	

## 12. Share-Based Compensation

### a) Stock Option Plan

The Board of Directors has adopted a stock option plan for the Company (the “Plan”). Pursuant to the Plan, the Board of Directors may, from time to time at its discretion, allocate non-transferable options to purchase shares to directors, officers, employees and consultants of the Company.

Under the Plan, the aggregate number of shares to be issued upon the exercise of options granted thereunder may not exceed 10% of the number of issued and outstanding shares at the time of granting the options. Options shall expire no later than ten years after the date of grant.

The exercise price of options granted pursuant to the Plan shall be established based on the average closing price of the shares for the five days prior to the date of grant or such other method of pricing as may be acceptable to the stock exchange on which the shares are listed. The options shall vest and may be exercised as determined by a resolution of the Board of Directors.

# Plato Gold Corp.

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## 12. Share-Based Compensation (continued)

b) A summary of changes to stock options is as follows:

	<u>Number</u>	<u>Weighted Average Exercise Price</u>
<b>Balance - January 1, 2022, December 31, 2022 and December 31, 2023</b>	16,980,000	\$ 0.085

All outstanding options have fully vested and are exercisable.

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

<b>Exercise Price</b>	<b>Number of Options</b>		<b>Weighted average remaining life (years)</b>	<b>Expiry Date</b>
	<b>Unvested</b>	<b>Vested</b>		
\$0.100	-	6,630,000	4.83	October 29, 2028
\$0.100	-	5,250,000	5.32	April 23, 2029
\$0.050	-	5,100,000	7.31	April 22, 2031
	-	16,980,000	5.73	

As at December 31, 2022, the following options were outstanding and exercisable:

<b>Exercise Price</b>	<b>Number of Options</b>		<b>Weighted average remaining life (years)</b>	<b>Expiry Date</b>
	<b>Unvested</b>	<b>Vested</b>		
\$0.100	-	6,630,000	5.83	October 29, 2028
\$0.100	-	5,250,000	6.32	April 23, 2029
\$0.050	-	5,100,000	8.31	April 22, 2031
	-	16,980,000	6.73	

# Plato Gold Corp.

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## 13. Income Taxes

- a) Income tax recovery attributable to the loss differs from the amounts computed by the combined federal and provincial tax rates of 26.50% (2022- 26.50%) to the pre-tax loss as a result of the following for the year ended December 31:

	<u>2023</u>	<u>2022</u>
<b>Loss for the year before income taxes</b>	<u>\$ (347,405)</u>	<u>\$ (239,259)</u>
Income tax recovery computed at statutory rates	(92,062)	(63,404)
Permanent differences		
Other adjustments	(9,836)	(28,315)
Non-deductible expenses	2,915	3,216
Change in deferred taxes not recognized	<u>98,983</u>	<u>88,503</u>
	<u>\$ -</u>	<u>\$ -</u>

- b) The components of deferred tax assets and liabilities as at December 31:

	<u>2023</u>	<u>2022</u>
Deferred tax asset		
Cumulative Canadian exploration expenses	\$ 5,000	\$ 7,000
Deferred tax liability		
Loan payable	-	(2,000)
Portfolio investments	<u>(5,000)</u>	<u>(5,000)</u>
Net	<u>\$ -</u>	<u>\$ -</u>

- c) The deductible temporary differences and unused tax losses and credits for which no deferred tax asset is recognized are as at December 31:

	<u>2023</u>	<u>2022</u>
Non-capital loss carryforwards	\$ 6,679,000	\$ 6,494,000
Financing expenses	11,000	17,000
Equipment	2,000	2,000
Earned depletion base	298,000	298,000
Cumulative exploration and development expenses	609,000	454,000
Investment tax credits	506,000	506,000
Other	<u>34,000</u>	<u>34,000</u>
	<u>8,139,000</u>	<u>7,805,000</u>



# Plato Gold Corp.

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## 13. Income Taxes (continued)

As at December 31, 2023, the Company had non-capital loss carryforwards of approximately \$6,679,000 (2022 - \$6,494,000) which are available to reduce taxable income of future years.

2026	\$ 343,000
2027	700,000
2028	927,000
2029	648,000
2030	-
2031	685,000
2032	537,000
2033	540,000
2034	346,000
2035	234,000
2036	362,000
2037	343,000
2038	-
2039	213,000
2040	199,000
2041	208,000
2042	209,000
2043	185,000
	<u>\$ 6,679,000</u>

## 14. Related Party Transactions

During the year ended December 31, 2023, the Company:

- a) Incurred rent of \$2,400 (2022 - 2,400) with a related company. The Company and the related company have an officer in common. This officer is also a director and shareholder of both companies. As at December 31, 2023, accounts payable and accrued liabilities included \$21,000 (2022 - \$18,600) related to rent payable.
- b) Incurred consulting fees of \$100 (2022 - \$100) with the Company's CFO. As at December 31, 2023, accounts payable and accrued liabilities included \$71,975 (2022 - \$72,000) of consulting fees payable to the CFO.
- c) As at December 31, 2023, accounts payable and accrued liabilities included \$14,950 (2022 - \$14,950) of consulting fees payable to the former Corporate Secretary.
- d) Incurred consulting fees of \$100 (2022 - \$100) with the Company's current Corporate Secretary.
- e) Incurred salaries of \$100 (2022 - \$100) with the Company's CEO.
- f) Incurred directors fees of \$400 (2022 - \$400). As at December 31, 2023, accounts payable and accrued liabilities included \$43,350 (2022 - \$43,350) of directors' fees payable.
- g) Other related party transaction information is disclosed in notes 7, 9, and 10.

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## 15. Management Compensation

Key management includes all directors (management and non-management directors) and the Chief Financial Officer. The Chief Executive Officer is a management director. The compensation paid or payable to key management for services is shown below:

	<u>2023</u>	<u>2022</u>
Salaries and consulting fees	\$ 300	\$ 300
Directors fees	400	400
Share-based compensation (note 12)	-	-
	<u>\$ 700</u>	<u>\$ 700</u>

Accounts payable and accrued liabilities as at December 31, 2023 includes \$58,300 (2022 - \$58,300) payable to these parties.

## 16. Flow-Through Share Premium Liability

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

<b>Balance - January 1, 2022</b>	\$ 11,929
Liability incurred on flow-through shares issued on July 6, 2022 (note 10)	78,000
Settlement of flow-through shares liability on incurring expenditures	<u>(57,558)</u>
<b>Balance - December 31, 2022</b>	<u>\$ 32,371</u>
<b>Balance - January 1, 2023</b>	\$ 32,371
Settlement of flow-through shares liability on incurring expenditures	<u>(32,371)</u>
<b>Balance - December 31, 2023</b>	<u>\$ -</u>

On June 10, 2021, the Company issued 5,100,000 flow-through common shares at a price \$0.05 each for total gross proceeds of \$255,000. Under the terms of the flow-through share subscription agreements, the Company agreed to incur \$255,000 of qualified Canadian resource expenditures (the "expenditures") by December 31, 2022 and renounced those expenditures to investors effective December 31, 2021. As at December 31, 2022, the Company has incurred the required \$255,000 of expenditures.

On July 6, 2022, the Company issued 5,200,000 flow-through common shares at a price \$0.05 each for total gross proceeds of \$260,000. Under the terms of the flow-through share subscription agreements, the Company agreed to incur \$260,000 of qualified Canadian resource expenditures (the "expenditures") by December 31, 2023 and renounced those expenditures to investors effective December 31, 2022. As at December 31, 2023, the Company has incurred the required \$260,000 (2022 - \$152,096) of expenditures.

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## 17. Financial Instruments

### a) Liquidity Risk

Liquidity risk refers to the risk that the Company will not be able to meet its financial obligations when they become due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they become due. As at December 31, 2023, the Company had current assets of \$63,691 (2022 - \$106,793) to settle current liabilities of \$1,194,378 (2022 - \$845,339). With the exception of flow-through share premium liability and loan payable, all of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

The Company has no income and relies on equity financing to support its exploration program. Additional financing is required to fund the related operating expenses required to manage the Company through fiscal 2024. Management prepares budgets and ensures funds are available prior to commencement of any exploration program. During the period ended December 31, 2023, the Company received the majority of its financing from advances from related parties.

### b) Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company's credit risk relates to cash and other receivables. Cash is held with a reputable financial institution and is closely monitored by management. As at December 31, 2023, other receivables includes HST receivable of \$26,030 (2022 - \$7,649).

### c) Market Risk

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

#### *(i) Foreign Exchange Risk*

The Company is exposed to financial risk related to foreign exchange rates. The Company operates in Canada and Argentina. A significant change in the currency exchange rates between the Canadian dollar and Argentinean peso could have an effect on the Company's results of operations.

At December 31, 2023, the Company is exposed to currency risk through Argentinean cash expressed in Canadian dollars of \$888 (2022 - \$4,898). A 10% depreciation or appreciation of the Canadian dollar against the Argentinean peso would result in an increase/decrease of approximately \$89 (2022 - \$490) the Company's consolidated statement of loss and comprehensive loss.

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## 17. Financial Instruments (continued)

### c) Market Risk (continued)

#### *(ii) Equity Price Risk*

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company's portfolio investments are subject to fair value fluctuations arising from changes in the equity market. As at December 31, 2023, should the equity prices of the Company's holdings increase or decrease by 5%, the impact on net loss and comprehensive loss would be approximately \$3,640 (2022 - \$3,778).

## 18. Capital Disclosures

The Company's objective when managing capital is to raise sufficient funds to execute its exploration plan. As at December 31, 2023, the Company's capital consists of shareholders' equity in the amount of \$1,287,822 (2022 - \$1,626,227) and loan payable of \$Nil (2022 - \$32,080).

The properties in which the Company currently has an interest are in the exploration stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Although the Company has been successful at raising funds in the past through the issuance of share capital, it is uncertain whether it will be able to continue this financing due to the uncertain economic conditions. The Company believes that it will be able to raise sufficient funds from share issuance to fund its operations for the coming year. The Company does not have any externally imposed capital requirements. There were no changes in the Company's approach to capital management during the period ended December 31, 2023.