



MAS GOLD CORP.

(an exploration stage enterprise)

FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2023 and 2022

(expressed in Canadian Dollars)

TSX-V: MAS



INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF MAS GOLD CORP.

Opinion

We have audited the financial statements of MAS Gold Corp. (the "Company"), which comprise:

- ◆ the statements of financial position as at September 30, 2023 and 2022;
- ◆ the statements of loss and comprehensive loss for the years then ended;
- ◆ the statements of changes in shareholders' equity for the years then ended;
- ◆ the statements of cash flows for the years then ended; and
- ◆ the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2023 and 2022, and its financial performance and cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

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 *Auditors' 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 in our audits is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of \$2,006,958 during the year ended September 30, 2023 and, as of that date, the Company's has an accumulated deficit of \$32,463,672 and current liabilities exceeded its current assets by \$96,792. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the 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 for the year ended September 30, 2023. 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.

Except for the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no other key audit matters to communicate in our auditors' report.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

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

In connection with our audit of the 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.

We obtained Management's Discussion and Analysis prior to the date of this auditors' report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

In preparing the 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.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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- ◆ 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the 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 auditors' 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 auditors' report is Karen Ka Yee Cheng.

Smythe LLP

Chartered Professional Accountants

Vancouver, British Columbia

January 29, 2024

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MAS GOLD CORP.*(an exploration stage enterprise)*

STATEMENTS OF FINANCIAL POSITION AS AT SEPTEMBER 30

(expressed in Canadian Dollars)

	Note	2023	2022
ASSETS			
Current			
Cash	\$	837,285	\$ 200,432
Receivables		8,663	33,028
Prepaid expenses and deposits		11,408	153,333
		857,356	386,793
Reclamation bond	5	216,215	165,000
Exploration and evaluation interests	5	3,294,868	3,926,797
		\$ 4,368,439	\$ 4,478,590
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	7	\$ 564,148	\$ 840,500
Due to related party	7	390,000	420,000
		954,148	1,260,500
Convertible loan payable	8	150,000	-
		1,104,148	1,260,500
Shareholders' equity			
Share capital	6	33,465,863	31,423,708
Reserve for warrants	6	291,310	322,083
Reserve for options	6	1,970,790	1,929,013
Deficit		(32,463,672)	(30,456,714)
		3,264,291	3,218,090
		\$ 4,368,439	\$ 4,478,590

On behalf of the Board:*"Ron Netolitzky"*

Director

Ron Netolitzky

"Robert Matthews"

Director

Robert Matthews

MAS GOLD CORP.*(an exploration stage enterprise)*

STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

YEARS ENDED SEPTEMBER 30

(expressed in Canadian Dollars)

	Note	2023	2022
Exploration and evaluation expenses	5	\$ 558,728	\$ 5,042,225
Exploration expenditure funding	5	-	(3,500,000)
Government assistance	5	-	(50,000)
Net exploration and evaluation expenses		558,728	1,492,225
Operating and administrative expenses			
Consulting fees	7	272,500	234,500
Investor relations		263,813	432,455
Office, rent and administration		70,298	64,027
Professional fees		91,328	130,462
Share based compensation	6, 7	41,777	642,599
Transfer agent and listing fees		33,462	62,379
Wages		-	13,770
		773,178	1,580,192
Other			
Interest expense		23,819	80,803
Foreign exchange		9,504	24,448
Loss on subscription receivable		18,000	-
Recovery on flow-through liability	6	(8,200)	-
Impairment of exploration and evaluation interests	5	631,929	-
		675,052	105,251
Net loss and comprehensive loss for the year		\$ (2,006,958)	\$ (3,177,668)
Basic and diluted loss per share		\$ (0.01)	\$ (0.02)
Weighted average number of common shares outstanding		212,413,121	164,088,029

MAS GOLD CORP.*(an exploration stage enterprise)*

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

YEARS ENDED SEPTEMBER 30, 2023 AND 2022

(expressed in Canadian Dollars)

	Share Capital		Deficit	Subscriptions Received	Reserve	Reserve for	Total Shareholders' Equity
	Shares	Amount			for Warrants	Options	
Balance at September 30, 2021	116,132,240	\$ 23,576,788	\$ (27,279,046)	\$ 2,565,200	\$ 248,513	\$ 1,286,414	\$ 397,869
Property acquisition	30,000,000	3,000,000	-	-	-	-	3,000,000
Warrant exercise	28,174,718	3,010,936	-	(2,565,200)	20,000	-	465,736
Share based compensation	-	-	-	-	-	642,599	642,599
Issuance of shares, net of issuance costs	26,287,500	1,835,984	-	-	53,570	-	1,889,554
Net loss for the year	-	-	(3,177,668)	-	-	-	(3,177,668)
Balance at September 30, 2022	200,594,458	\$ 31,423,708	\$ (30,456,714)	\$ -	\$ 322,083	\$ 1,929,013	\$ 3,218,090
Balance at September 30, 2022	200,594,458	\$ 31,423,708	\$ (30,456,714)	\$ -	\$ 322,083	\$ 1,929,013	\$ 3,218,090
Issuance of shares, net of issuance costs	183,620,674	2,042,155	-	-	(30,773)	-	2,011,382
Option issuance	-	-	-	-	-	41,777	41,777
Net loss for the year	-	-	(2,006,958)	-	-	-	(2,006,958)
Balance at September 30, 2023	384,215,132	\$ 33,465,863	\$ (32,463,672)	\$ -	\$ 291,310	\$ 1,970,790	\$ 3,264,291

MAS GOLD CORP.*(an exploration stage enterprise)*

STATEMENTS OF CASH FLOWS

YEARS ENDED SEPTEMBER 30

(expressed in Canadian Dollars)

	2023	2022
Operating activities		
Net loss for the year	\$ (2,006,958)	\$ (3,177,668)
Items not involving cash		
Share based payments	41,777	642,599
Impairment of exploration and evaluation interests	631,929	-
Flow-through premium recovery	(8,200)	-
Net changes in non-cash working capital items		
Receivables	24,365	113,187
Prepaid expenses and deposits	141,925	210,795
Accounts payable and accrued liabilities	(139,502)	(1,027,654)
Cash used in operating activities	(1,314,664)	(3,238,741)
Investing activity		
Reclamation bond	(51,215)	(165,000)
Cash used by investing activity	(51,215)	(165,000)
Financing activities		
Advances from (payments to) related parties	(30,000)	370,000
Proceeds from convertible loan	150,000	-
Proceeds from issuance of shares, net of share issue costs	1,882,732	2,026,404
Proceeds from exercise of warrants	-	465,736
Cash provided by financing activities	2,002,732	2,862,140
Increase (decrease) in cash during the year	636,853	(541,601)
Cash, beginning of year	200,432	742,033
Cash, end of year	\$ 837,285	\$ 200,432
Supplemental cash flow information		
Interest paid	\$ -	\$ -
Income taxes paid	-	-
Share issue costs in accounts payable	-	136,850
Shares issued for mineral property acquisition	-	3,000,000

MAS GOLD CORP.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2023 AND 2022

(expressed in Canadian Dollars)



1. NATURE OF OPERATIONS AND GOING CONCERN

MAS Gold Corp. (the “Company” or “MAS Gold”) was incorporated under the laws of British Columbia on July 7, 1981. The Company is an exploration stage public company listed on the TSX Venture Exchange, whose principal business activities include the exploration and development of exploration and evaluation properties in Canada. The Company’s offices are located at 107-3239 Faithfull Avenue, Saskatoon, SK S7K 8H4.

The Company is currently exploring its mineral properties and has not yet determined whether they contain resources that are economically recoverable. The recoverability of amounts capitalized for mineral properties is dependent upon the discovery of sufficient economically recoverable ore resources, confirmation of the Company’s interest in the underlying mineral properties, the ability of the Company to arrange appropriate financing to complete the development of the mineral properties, and upon future profitable production or proceeds from the sale of the mineral properties.

The Company’s financial statements have been prepared on a going concern basis, which presumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at September 30, 2023, the Company had an accumulated deficit of \$32,463,672 (2022 - \$30,456,714) and a working capital deficiency of \$96,792 (2022 - \$873,707). The ability of the Company to continue as a going concern and meet its commitments as they become due, including completion of the acquisition, exploration, and development of its mineral property interests, is dependent on the Company’s ability to obtain the necessary financing. Management is planning to raise additional capital to finance operations and expected growth. If the Company is unable to obtain additional financing, the Company will be unable to continue in operation. There can be no assurances that management’s plans will be successful.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in future profitable mining operations. The recoverability of the carrying value of exploration and evaluation assets and the Company’s ability to continue as a going concern is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations or the ability of the Company to raise alternative financing. These factors raise significant doubt about the Company’s ability to continue as a going concern.

These financial statements do not include any adjustments relating to the recoverability of assets and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.



2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These financial statements have been prepared and are presented in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”).

The Company’s functional and reporting currency is the Canadian dollar. These financial statements have been prepared on a historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These financial statements were prepared by management and reviewed by the Audit Committee and approved and authorized for issuance by the Board of Directors on January 29, 2024.

Significant accounting estimates and judgments

The preparation of these financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and may affect both the period of revision and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amounts of assets and liabilities within the next financial year and include, but are not limited to, the following:

- Share-based payments

The Black-Scholes fair value option pricing model requires the input of highly subjective assumptions, including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate and requires judgment in making these estimates. Annualized volatility is based on volatility measures of the Company’s historical prices.



2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant accounting estimates and judgments (continued)

Critical accounting estimates (continued)

- Fair value of financial liabilities at FVTPL

The determination of the fair values of debt instruments or the component parts of hybrid contracts requires the use of valuation models and/or techniques for which the underlying assumptions are inherently subject to significant estimation and judgment. These models and techniques require that management make estimates and assumptions with respect to the following: the fair value of the Company's equity securities, expected volatility of the Company's share value, the probability of conversion and interest rates which could be obtained for debt instruments with similar terms and maturities.

Critical accounting judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the following:

- Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

- Flow-through expenditures

The Company is required to spend proceeds received from the issuance of flow-through shares on qualifying resources expenditures. Differences in judgment between management and regulatory authorities with respect to qualified expenditures may result in disallowed expenditures by the tax authorities. Any amount disallowed may result in the Company's required expenditures not being fulfilled.

- Exploration and evaluation interests

Assets or cash-generating units are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's mineral property interests. In respect of costs incurred for its mineral property interests, management has determined that acquisition costs that have been capitalized are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit, including geologic and metallurgic information, economics assessments/studies, accessible facilities, existing permits, and ability to continue development. Management determined that there are no indicators of impairment on its exploration and evaluation interests.



2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Exploration and evaluation interests

Exploration and evaluation interests include the purchase price of mineral properties and any costs incurred for mineral properties not classified as exploration and evaluation expenses. When economically viable reserves have been determined, technical feasibility has been determined and the decision to proceed with development has been approved, the capitalized mineral property interests for that project are reclassified as mining properties, a component of property, plant and equipment.

Exploration and evaluation expenses are comprised of costs that are directly attributable to:

- Researching and analyzing exploration data;
- Conducting geological studies, exploratory drilling, and sampling;
- Examining and testing extraction and treatment methods; and
- Activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource.

All exploration and evaluation expenditures are expensed until properties are determined to contain economically viable reserves. When economically viable reserves have been determined, technical feasibility has been determined and the decision to proceed with development has been approved, the subsequent costs incurred for the development of that project are capitalized as mining properties, a component of property, plant and equipment.

Development expenditures capitalized as mining properties are net of the proceeds of the sale of ore extracted during the development phase. Interest on borrowings related to the construction and development of assets is capitalized until substantially all the activities required to make the asset ready for its intended use are complete.

The costs of removing overburden to access ore are capitalized as pre-production stripping costs and classified as mineral interest.

Impairment of non-current assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit ("CGU") (the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflow from other assets or groups of assets). The recoverable amount of the asset (or CGU) is the greater of the asset's (or CGU's) fair value less costs to sell and its value in use to which the assets belong.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.



2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of non-current assets (continued)

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in profit or loss for the period, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

The Company uses its best efforts to fully understand all of the aforementioned to make an informed decision based upon historical and current facts surrounding the projects. Discounted cash flow techniques often require management to make estimates and assumptions on reserves and expected future production revenues and expenses.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or CGU) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Share-based payments

The Company has a stock option plan that is described in Note 6. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to share-based payments reserve. Consideration received on the exercise of stock options and warrants is recorded as share capital and the related share-based payments reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from share-based payments reserve.

Share capital

The Company records proceeds from share issuances, net of issue costs. Common shares issued for consideration other than cash are recorded based on their market value at the date the shares are issued.

Proceeds received on the issuance of units, consisting of common shares and warrants, are allocated first to common shares based on the market trading price of the common shares at the time the units are priced, and any excess is allocated to warrants.

At the time of closing a financing involving flow-through shares, the Company allocates the gross proceeds received (the "flow-through commitment") in the following order:

- Share capital – based on the market value of the shares;
- Warrant reserve – should warrants be issued, based on the residual value method or fair value method; and
- Flow-through share premium – recorded as a liability and equal to the estimated premium, if any, using the residual value method.



2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share capital (continued)

Thereafter, as qualifying resource expenditures are incurred, the flow-through share premium is amortized to profit or loss as a recovery. At the end of each reporting period, the Company reviews its tax position and records an adjustment to its deferred tax expense/liability accounts for taxable temporary differences, including those arising from the transfer of tax benefits to investors through flow-through shares. For this adjustment, the Company considers the tax benefits (of qualifying resource expenditures already incurred) to have been effectively transferred, if it has formally renounced those expenditures at any time (before or after the end of the reporting period).

Earnings (loss) per share

Basic earnings (loss) per share is calculated using the weighted average number of common shares outstanding during the year. The Company uses the treasury stock method for calculating diluted earnings (loss) per share. Under this method, the dilutive effect on earnings per share is calculated on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to purchase common shares at the average market price during the year. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

Financial instruments

Financial Assets

The Company recognizes a financial asset when it becomes a party to the contractual provisions of the instrument. The Company classifies financial assets at initial recognition as financial assets: measured at amortized cost, measured at fair value through other comprehensive income, or measured at fair value through profit or loss.

Financial assets measured at amortized costs

A financial asset that meets both of the following conditions is classified as a financial asset measured at amortized cost:

- The Company's business model for such financial assets is to hold the assets to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the amount outstanding.

A financial asset measured at amortized cost is initially recognized at fair value plus transaction costs directly attributable to the asset. After initial recognition, the carrying amount of the financial asset measured at amortized cost is determined using the effective interest method, net of impairment loss, if necessary.



2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (continued)

Financial Assets (continued)

Financial assets measured at fair value through other comprehensive income (“FVTOCI”)

A financial asset measured at fair value through other comprehensive income is recognized initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, the asset is measured at fair value with changes in fair value included as “financial asset at fair value through other comprehensive income” in other comprehensive income.

Financial assets measured at fair value through profit or loss (“FVTPL”)

A financial asset measured at fair value through profit or loss is recognized initially at fair value with any associated transaction costs being recognized in profit or loss when incurred. Subsequently, the financial asset is re-measured at fair value, and a gain or loss is recognized in profit or loss in the reporting period in which it arises.

The Company derecognizes a financial asset if the contractual rights to the cash flows from the asset expire, or the Company transfers substantially all the risks and rewards of ownership of the financial asset. Any interests in transferred financial assets that are created or retained by the Company are recognized as a separate asset or liability. Gains and losses on derecognition are generally recognized in profit or loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

Financial Liabilities

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognized when it is extinguished, discharged, cancelled or when it expires. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities subsequently measured at amortized cost. All interest-related charges are reported in profit or loss within interest expense, if applicable.

Derivative financial liabilities

Derivative instruments are recorded at fair value, including those derivatives that are embedded in financial or non-financial contracts that are not closely related to the host contracts. Changes in the fair values of derivative instruments are recorded in profit or loss.

Embedded derivatives

For hybrid contracts containing a host that is not an asset in the scope of IFRS 9, embedded derivatives are evaluated on initial recognition to determine if the embedded derivative must be separated from the host contract. Embedded derivatives are separated from the host contract when the economic characteristics and risks of the derivative are not closely related to those of the host contract, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives that are separated from the host contract are initially measured at fair value and subsequently measured at fair value through profit or loss.

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(an exploration stage enterprise)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2023 AND 2022

(expressed in Canadian Dollars)



2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (continued)

Financial Liabilities (continued)

Embedded derivatives (continued)

Non-option derivatives are separated from the host contract on the basis of their stated or implied substantive terms so as to result in them having a fair value of zero at inception. Option-based derivatives are separated from the host contract on the basis of stated terms and conditions and measured at their fair value on inception, with the host contract's initial carrying amount being the residual amount after separating the derivative.

Fair Value Hierarchy

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments classified as Level 1 in the fair value hierarchy are cash (cheques issued in excess of cash), accounts payable and accrued liabilities, and due to related parties. Their carrying values approximate the fair values due to short-term maturity of these instruments.

The Company's financial instruments are classified as follows:

Financial Assets	
Cash	FVTPL
Financial Liabilities	
Accounts payable and accrued liabilities	Amortized cost
Due to related parties	Amortized cost
Convertible loan payable	FVTPL



2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year-end, adjusted for amendments to tax payable with regard to previous years. Deferred tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized in profit or loss to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Joint Arrangement

A joint arrangement can take the form of a joint venture or joint operation. All joint arrangements involve a contractual arrangement that establishes joint control, which exists only when decisions about the activities that significantly affect the returns of the investee require unanimous consent of the parties sharing control. A joint operation is a joint arrangement in which the Company has rights to the assets and obligations for the liabilities relating to the arrangement. A joint venture is a joint arrangement in which the Company has rights to only the net assets of the arrangement.

Joint operations are accounted for by recognizing the Company's share of the assets, liabilities, revenue and expenses of the joint operation in the financial statements.

A joint venturer recognizes its interest in a joint venture as an investment using the equity method in accordance with IAS 28 *Investments in Associates and Joint Ventures*.

Government Assistance

Government assistance is recognized when the Company has complied with all the conditions to receive the grant and collectability is reasonably assured. Government assistance towards expenses is recognized in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the assistance are intended to compensate. Government assistance related to capitalized costs is deducted from the cost of the assets to which it relates.



3. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Company's financial instruments are exposed to certain financial risks: credit risk, liquidity risk, and market risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash and accounts receivable are exposed to credit risk. The Company minimizes credit risk by placing its cash with major Canadian financial institutions. Credit risk with respect to cash represents the maximum credit risk exposure to the Company.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company's approach to managing liquidity risk is to ensure that it has sufficient capital to meet short-term financial obligations after taking into account its exploration obligations and cash on hand. Accounts payable and accrued liabilities and amount due to related party have contractual maturities of less than 30 days and are subject to normal trade terms. The convertible loan payable has a contractual maturity of more than 12 months.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risks consist of interest rate risk, foreign currency risk, and other price risk. The Company is not exposed to significant market risk.

4. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its properties and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. In the management of capital, the Company includes the components of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or reduce expenditures. Management reviews the capital structure on a regular basis to ensure that objectives are met.

There have been no changes to the Company's approach to capital management during the current period. The Company is not subject to external restrictions on its capital.



5. EXPLORATION AND EVALUATION INTERESTS

The investment in and expenditures on mineral properties comprise a significant portion of the Company's operations. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Mineral exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

The amounts shown are for acquisition costs incurred to date and do not reflect present or future values. These costs will be written off if the properties are abandoned or the claims allowed to lapse.

Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

Environmental legislation is becoming increasingly stringent and the expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the property may be diminished or negated.

Title to exploration and evaluation interests

Although the Company has taken steps to verify the title to mineral property interests in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and may be affected by undetected defects.

MAS GOLD CORP.*(an exploration stage enterprise)*

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(expressed in Canadian Dollars)

**5. EXPLORATION AND EVALUATION INTERESTS (Continued)**

The Company has capitalized the following acquisition expenditures:

	September 30, 2021	Net Additions	September 30, 2022	Net Additions	Impairment	September 30, 2023
Greywacke						
Acquisition	\$ 185,394	\$ -	\$ 185,394	\$ -	\$ (185,394)	\$ -
Preview Lake						
Acquisition	411,535	-	411,535	-	(411,535)	-
North Lake						
Acquisition	294,868	-	294,868	-	-	294,868
Preview SW						
Acquisition	-	3,000,000	3,000,000	-	-	3,000,000
Elizabeth Lake						
Acquisition	35,000	-	35,000	-	(35,000)	-
Total exploration and evaluation assets	\$ 926,797	\$ 3,000,000	\$ 3,926,797	\$ -	\$ (631,929)	\$ 3,294,868

The Company has expensed the following evaluation and exploration expenditures for the year ended September 30, 2023:

	Greywacke	North Lake	Elizabeth Lake	Contact Lake	Preview Lake	Preview SW	Other	Total
Assays	\$ -	\$ -	\$ 69,958	\$ -	\$ -	\$ -	\$ -	\$ 69,958
Drilling	213,760	49,874	-	7,500	-	-	-	271,134
Geology	216,593	-	-	-	-	-	-	216,593
Permits, staking, legal and maintenance	1,043	-	-	-	-	-	-	1,043
	\$ 431,396	\$ 49,874	\$ 69,958	\$ 7,500	\$ -	\$ -	\$ -	\$ 558,728

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**5. EXPLORATION AND EVALUATION INTERESTS (Continued)**

The Company has expensed the following evaluation and exploration expenditures for the year ended September 30, 2022:

	Greywacke	North Lake	Elizabeth Lake	Contact Lake	Preview Lake	Preview SW	Other	Total
Assays	\$ -	\$ -	\$ 11,489	\$ -	\$ -	\$ -	\$ -	11,489
Drilling	509,784	3,235,563	-	105,552	525,355	-	-	4,376,254
Geology	126,203	-	-	-	-	-	-	126,203
Environmental	315,600	84,833	-	-	-	-	-	400,433
Field crew, camp costs and supplies	32,270	93,589	-	-	-	-	-	125,859
Permits, staking, legal and maintenance	687	-	-	-	1,300	-	-	1,987
Funding reimbursement ¹	-	-	-	-	-	-	(3,500,000)	(3,500,000)
Government assistance ²	-	-	-	-	-	-	(50,000)	(50,000)
	\$ 984,544	\$ 3,413,985	\$ 11,489	\$ 105,552	\$ 526,655	\$ -	\$ (3,550,000)	\$ 1,492,225

¹ On December 21, 2021, the Company signed an agreement granting Eros Resources Corp. the exclusive right to earn a 17.5% interest in all of the Company's current properties (excluding Preview SW) by funding \$3,500,000 in exploration expenditures over a six-month period. As at September 30, 2022, \$3,500,000 of funding has been received. In addition, during the year ended September 30, 2022, \$390,000 had been received as a future JV exploration expenditure. This transaction is subject to Exchange approval.

² On August 30, 2022, the Company received \$50,000 from the Saskatchewan Ministry of Energy and Resources in connection with their Target Mineral Exploration Incentive program ("TMEI"). The government assistance does not need to be repaid.



5. EXPLORATION AND EVALUATION INTERESTS (Continued)

Greywacke – Saskatchewan

In 2001, the Company earned a 51% interest in four mineral claims located in northern Saskatchewan for consideration of \$10,000, the issuance of 16,665 common shares and by incurring certain exploration expenditures. On September 20, 2011, the Company entered into the Greywacke Joint Venture Agreement with Golden Band Resources (“Golden Band”), the holder of the remaining 49% interest, to advance the property. MAS is the operator. This arrangement is accounted for as a joint operation. The Greywacke Joint Venture Agreement was expanded in June 2012 to form the La Ronge South Gold Joint Venture Agreement (“LRG JV”), which includes the Preview Lake and North Lake properties, with participating interests being 50:50 in all three properties, including Greywacke. Pursuant to the LRG JV and the addition of the North Lake and Preview Lake properties, the Company awarded Golden Band a 1% interest in Greywacke and 2,500,000 options, which could be exercised to purchase common shares at \$0.35 per share for three years (expired).

The LRG JV is intended to pass operatorship from MAS to Golden Band on a project specific basis, once the specific project changes to a producer status. Recent developments may no longer make that possible and Golden Band has suspended its mining operations. In a court ordered debt restructuring effective July 22, 2016, all the shares of Golden Band were acquired by its largest creditor, Procon Resources Inc. In accordance with the terms of the LRG JV, MAS has first right of refusal for all the property under the JV agreement. Any acquirer is obligated to conduct business under the LRG JV. A court ruling, subsequent to September 30, 2018, disallowed MAS’s arguments to enforce dilution on disputed costs occurring prior to April 15, 2016.

Subsequent to the ruling, MAS provided notices of dilution to Golden Band for exploration expenses incurred after April 15, 2016, which were approved but not funded by Golden Band, including the exploration programs completed in fiscal 2018, 2019, and 2020. These notices reduced the ownership position of Golden Band below 10%. In accordance with the terms of the LRG JV, once a party is diluted below 10%, they are converted to a 2.5% net smelter returns royalty (“Royalty”) position and MAS assumes 100% ownership in the LRG JV assets. MAS has the right to purchase the Royalty at any time for \$1,000,000. Notice of this, and a request for title transfer, were issued to Golden Band on January 8, 2020.

On February 11, 2021, MAS acquired an additional three mineral claims from Eagle Plains Resources Ltd. (“Eagle”) and issued 300,000 common shares, with a fair value of \$48,000, in consideration for 100% interest. Eagle was granted a 2% net smelter returns royalty, which MAS has the right to purchase 1% for \$1,000,000.

On April 16, 2021, MAS was confirmed as the 100% owner of the Greywacke property through the process of binding arbitration.

During the year ended September 30, 2023, as the Company determined there were indicators of impairment on the property and as such, the value was written down to \$nil by \$185,394, in accordance with Level 3 of the fair value hierarchy.

Preview SW – Saskatchewan

During the year ended September 30, 2022, the Company acquired 100% of its interest in its Preview SW Gold Project and property from Comstock Metals by issuing 30,000,000 common shares with a fair value of \$3,000,000.

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5. EXPLORATION AND EVALUATION INTERESTS (Continued)

Elizabeth Lake – Saskatchewan

In April 2018, the Company acquired a 100% interest in the Elizabeth Lake properties, located within the southern La Ronge gold belt for cash consideration of \$35,000.

During the year ended September 30, 2023, as the Company determined there were indicators of impairment on the property and as such, the value was written down to \$nil by \$35,000, in accordance with Level 3 of the fair value hierarchy.

Preview Lake – Saskatchewan

On April 2, 2012, Golden Band acquired a 66.67% interest in the Preview Lake properties, located within the southern La Ronge gold belt and, on June 15, 2012, Golden Band acquired the remaining 33.33% interest from Cameco Corporation and Areva Resources Canada Inc. The Company paid Golden Band \$340,009 and issued 75,000 common shares, with a fair value of \$8,250, in consideration for a 50% interest.

The Company paid 100% of the exploration costs in this first year's exploration program, with a minimum expenditure of \$300,000, which has been reached; thereafter, each party pays its pro rata share of all expenditures relating to such properties. There is a 5% net profit interest royalty in favour of a vendor on claim ML 5427 and a 1% gross revenue royalty in favour of a vendor on claim S-101681.

During the year ended September 30, 2023, as the Company determined there were indicators of impairment on the property and as such, the value was written down to \$nil by \$411,535, in accordance with Level 3 of the fair value hierarchy.

North Lake – Saskatchewan

The Company has earned a 50% participating interest in the North Lake properties by paying \$150,000 and issuing 25,000 common shares with a fair value of \$2,750 to Golden Band. The Company paid the first \$100,000 in exploration costs in the first year, and, thereafter, will pay its 50% share of any exploration costs and expenses relating to these properties, as well as Golden Band's earn-in costs from the optionor. Subsequent to earning its position, both parties are obligated to meet its share of the earn-in obligations.

On September 30, 2014, pursuant to a Second Amending Agreement, the option was amended whereby a total of \$850,000 in exploration expenditures on one of the claims, CBS 7396 in the LRG JV, which was to occur by October 14, 2014, may be incurred in five years following the election date for consideration of \$200,000 (50% each paid by the Company and Golden Band in May 2015). The vendor retains a 2% net smelter return royalty with a buyback provision of 1%.

On October 8, 2019, pursuant to an Option Agreement, the Company acquired 100% interest in North Lake properties by paying \$1,500 and issuing 300,000 common shares with a fair value of \$13,500 to Eagle Plains Resources Ltd. ("Eagle Plains"). Eagle Plains retains a 2% net smelter return royalty ("NSR") with a buyback provision for 1% of the NSR, which is purchasable at any time for \$1,000,000.

On April 16, 2021, MAS was confirmed as the 100% owner of the North Lake property through the process of binding arbitration.

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5. EXPLORATION AND EVALUATION INTERESTS (Continued)

Contact Lake – Saskatchewan

The Company acquired 100% of the Contact Lake property, including the Contact Lake Gold Mine, on September 13, 2021 through an agreement with the Government of Saskatchewan. In connection with this transaction the Company has paid a deposit of \$216,215 (2022 - \$165,000) to the Government of Saskatchewan. The Company is obliged to undertake cleanup and restoration of the property.

Little Deer Lake – Saskatchewan

On March 30, 2014, the Company acquired an undivided 100% interest in the Little Deer Lake property S-112357 adjacent to the North Lake property and Highway 102 from Wesdome Gold Mines Ltd. for \$1,000 and granted a 1% net smelter return royalty to the vendor. Under the terms of the LRG JV, a 50% interest was offered to Golden Band and although accepted, Golden Band's portion of the acquisition costs remain unpaid. The Company retains 100% interest of the property outside of the LRG JV. During the year ended September 30, 2016, as the Company determined there were indicators of impairment on the property and as such, the value was written down to \$nil by \$1,000, in accordance with Level 3 of the fair value hierarchy.

6. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value.

Share issuance activity for the year ended September 30, 2023 was as follows:

Rights Offering

In September 2023, the Company issued 179,680,674 common shares in connection with the Rights Offering for gross proceeds of \$1,796,807.

Private placements

In December of 2022 the Company issued 2,300,000 Units in a non-brokered private placement financing of the Company at a price of \$0.045 per Unit for proceeds of \$103,500. In addition, the Company issued 1,640,000 FT Units at a price of \$0.05 per FT Unit for proceeds of \$82,000. Each Unit is comprised of one common share of the Company and one Common Share purchase warrant. Each Warrant is exercisable to acquire one Common Share at a price of \$0.08 for a period of 24 months from the closing of the Offering. \$19,700 was allocated to the warrants reserve, and \$8,200 to flow-through premium liability. Share issuance costs of \$99,575 was incurred and 80,400 compensation warrants were issued. The compensation warrants are exercisable at \$0.05 for 24 months. Included in share issuance costs during the year ended September 30, 2023 is the recovery of \$136,850 cash finders fees and reversal of \$50,473 broker warrants related to the estimated 2022 financing costs.

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6. SHARE CAPITAL (Continued)

Share issuance activity for the year ended September 30, 2022 was as follows:

Private placements

In October 2021, the Company issued 350,000 shares at a price of \$0.105 per share in a non-brokered private placement financing for proceeds of \$36,750.

In December 2021, the Company issued 30,000,000 common shares at a price of \$0.10 per share to acquire, from Comstock Metals, 100% of its interest in its Preview SW Gold Project and property. The fair value of the shares at the time of the transaction was \$0.10.

In June of 2022 the Company issued an aggregate of 25,937,500 common shares at a price of \$.08 per Unit for gross proceeds of \$2,075,000. Each Unit is comprised of one common share of the Company and one Common Share purchase warrant. Each Warrant is exercisable to acquire one Common Share at a price of \$0.20 for a period of 24 months from the closing of the Offering, subject to early expiry if, commencing four months after the closing of the Offering, the daily volume weighted average trading price of the Common Shares exceeds \$0.30 for 10 consecutive trading days. Share issuance costs of \$8,400 were paid. A finder's fee of \$8,400 was paid with \$136,850 accrued in accounts payable and accrued liabilities and the Company issued 1,815,625 compensation warrants with a fair value of \$53,570. The compensation warrants have an estimated fair value of \$0.03 per warrant, estimated using the Black-Scholes option pricing model with the following assumptions: risk-free rate of 3.10%, expected life of 2 years, forfeiture rate of 0%, and expected volatility of 109%. In addition, legal and filing costs totaled \$76,946.

Stock options and warrants

The Company's registered stock option plan authorizes the Company to grant incentive stock options to executive officers, directors, employees, and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option equals the market price of the Company's stock on the date of grant. The options can be granted for a maximum term of five years. Stock options granted in relation to investor relations activities vest in 25% increments over one year from the grant date; all other stock options vest immediately.

During the year ended September 30, 2022, the Company closed the Early Warrant Exercise Incentive Plan ("EWEIP") designed to encourage the early exercise of outstanding warrants. The EWEIP enabled holders of Warrants issued in 2017, 2019 and 2020 to certain incentives for every two exercised warrants. A total of 23,517,353 Common Shares were issued under the EWEIP providing aggregate gross proceeds of \$2,565,200, which was received by the Company as at September 30, 2021. EWEIP participants opting to pay an increased exercise price equal to the original exercise price of the outstanding warrant plus \$0.02 per warrant in order to receive flow-through Common Shares provided proceeds of \$1,180,786 from the exercise of 9,673,215 outstanding warrants. EWEIP participants opting to select the non flow-through Common Shares provided proceeds of \$1,384,414 from the exercise of 13,844,138 outstanding warrants. The Company issued 11,758,672 new Incentive Warrants under the terms of the EWEIP. Each Incentive Warrant is exercisable to acquire one common share for three years at an exercise price of \$0.20. The incentive warrants have an estimated fair value of \$20,000.

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**6. SHARE CAPITAL (Continued)**

During the year ended September 30, 2022, the Company issued 4,657,365 common shares on the exercise of normal warrants with an exercise price of \$0.10 providing aggregate gross proceeds of \$465,736 which was received by the Company. The weighted average share price on the day the warrants were exercised \$0.10. There were no warrants exercised during the year ended September 30, 2023.

On February 15, 2022, the Company granted 5,600,000 stock options to directors, officers, and consultants exercisable at \$0.13 for a five-year term. The options vested immediately. The options have an estimated fair value of \$0.11 per option, estimated using the Black-Scholes option pricing model with the following assumptions: risk-free rate of 1.82%, expected life of 5 years, forfeiture rate of 0%, and expected volatility of 138%. The Company recorded a share-based payment expense of \$642,599 in the year ended September 30, 2022.

On May 1, 2023, the Company granted 2,500,000 stock options to a director, exercisable at \$0.05 with an expiration date of November 1, 2024. The options vested immediately. The options have an estimated fair value of \$0.017 per option, estimated using the Black-Scholes option pricing model with the following assumptions: risk-free rate of 4.00%, expected life of 1.5 years, forfeiture rate of 0%, and expected volatility of 150%. The Company recorded a share-based payment expense of \$41,777 in the year ended September 30, 2023.

Stock option and share purchase warrant transactions are summarized as follows:

	Stock Options		Warrants	
	Number of Options	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Outstanding, September 30, 2021	6,212,500	\$ 0.11	58,769,899	\$ 0.11
Expired	(4,637,500)	\$ 0.11	(661,700)	\$ 0.10
Exercised	-	-	(28,174,718)	\$ 0.10
Issued	5,600,000	\$ 0.13	39,511,797	\$ 0.20
Outstanding, September 30, 2022	7,175,000	\$ 0.13	69,445,278	\$ 0.17
Issued	2,500,000	\$ 0.05	4,020,400	\$ 0.08
Expired	2,050,000	\$ 0.13	(24,144,106)	\$ 0.11
Outstanding, September 30, 2023	7,625,000	\$ 0.10	49,321,572	\$ 0.19
Number exercisable/fully vested	7,625,000	\$ 0.10	49,321,572	\$ 0.19

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NOTES TO THE FINANCIAL STATEMENTS

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**6. SHARE CAPITAL (Continued)**

As at September 30, 2023, incentive stock options and share purchase warrants were outstanding as follows:

	Number	Exercise Price	Expiry Date	Weighted Average Remaining Contractual Life
Options				
	2,500,000	\$ 0.05	November 1, 2024	1.09
	375,000	\$ 0.07	December 20, 2024	1.22
	1,400,000	\$ 0.13	January 5, 2026	2.27
	3,350,000	\$ 0.13	February 15, 2027	3.38
	7,625,000			2.32
Warrants				
	21,625,000	\$ 0.20	May 20, 2024	0.64
	4,417,500	\$ 0.20	June 24, 2024	0.73
	7,500,000	\$ 0.20	August 27, 2024	0.91
	11,758,672	\$ 0.20	October 12, 2024	1.04
	3,940,000	\$ 0.08	December 30, 2024	1.25
	80,400	\$ 0.05	December 30, 2024	1.25
	49,321,572			0.83

As at September 30, 2022, incentive stock options and share purchase warrants were outstanding as follows:

	Number	Exercise Price	Expiry Date	Weighted Average Remaining Contractual Life
Options				
	300,000	\$ 0.12	December 7, 2022	0.19
	375,000	\$ 0.07	December 20, 2024	2.22
	1,400,000	\$ 0.13	January 5, 2026	3.27
	5,100,000	\$ 0.13	February 15, 2027	4.38
	7,175,000			3.87
Warrants				
	4,500,000	\$ 0.12	October 16, 2022	0.04
	17,077,881	\$ 0.10	December 30, 2022	0.25
	855,600	\$ 0.10	August 27, 2023	0.90
	21,625,000	\$ 0.20	May 20, 2024	1.64
	6,128,125	\$ 0.20	June 24, 2024	1.73
	7,500,000	\$ 0.20	August 27, 2024	1.90
	11,758,672	\$ 0.20	October 12, 2024	2.04
	69,445,278			1.29

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NOTES TO THE FINANCIAL STATEMENTS

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**7. RELATED PARTY TRANSACTIONS**

During the years ended September 30, 2023 and 2022, the Company entered into the following transactions with companies owned by directors and/or officers:

	2023	2022
Consulting fees ¹	272,500	234,500
Share-based compensation	-	430,312
Due to related party ²	390,000	420,000

¹ Included in accounts payable and accrued liabilities is \$nil (2022 - \$Nil) payable to companies controlled by directors and/or officers.

² Due to related party includes \$390,000 (2022 - \$390,000) which is an advance for expenditure expenses from Eros Resources against the Joint Venture Agreement, currently subject to Exchange approval (see Note 5); and \$nil (2022 - \$30,000) advances from directors that are non-interest bearing, unsecured and due on demand.

The key management personnel of the Company include directors and officers of the Company. \$272,500 (2022 - \$327,391) was paid directly to key management during the years ended September 30, 2023 and 2022.

8. CONVERTIBLE LOAN PAYABLE

On November 17, 2022, the Company entered into a convertible loan agreement with a third party, Kitsaki Development Limited Partnership (the "Lender"), for a principal amount of \$150,000. The convertible loan bears interest at the rate of 0% per annum. The maturity date on the loan is November 15, 2027.

At the option of the lender the indebtedness may be converted into common shares of the Company upon the lender exercising its conversion option under the following conditions:

- If conversion occurs within first anniversary of date of issuance, the lender has the option to have the principal amount of the loan convert based on market price of shares, but not less than \$0.045 per share.
- If conversion occurs after first anniversary of date of issuance, the lender has the option to have the principal amount of the loan convert based on market price of shares, but not less than \$0.10 per share. The lender may elect to convert the outstanding principal balance on the anniversary date of the date of issuance up to maturity date.

The loan is a hybrid financial instrument consisting of a debt host liability and a conversion option which is an embedded derivative. At inception of the loan the fair value of the conversion option was determined to be \$Nil using an option pricing model, the residual amount of the proceeds after separating the derivative component was allocated to the debt host liability. As at September 30, 2023, the fair value of the conversion option was \$Nil (2022 - \$Nil).

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**9. SEGMENTED REPORTING**

The Company presents and discloses segmental information based on information that is regularly reviewed by the management and the Board of Directors. Management and the Board of Directors have joint responsibility for allocating resources and assessing performance. The Company is of the opinion that there is a single segment of business, being the exploration and evaluation of mineral resources in Canada.

10. INCOME TAXES

As of September 30, 2023, the Company has non-capital losses of approximately \$7,482,000, which may be applied against future income for Canadian income tax purposes. The potential future tax benefits of these losses have not been recorded in these financial statements.

The losses expire as follows:

2026	\$ 187,000
2027	553,000
2028	266,000
2029	355,000
2030	328,000
2031	275,000
2032	157,000
2033	338,000
2034	386,000
2035	150,000
2036	97,000
2037	68,000
2038	195,000
2039	666,000
2040	431,000
2041	1,032,000
2042	1,126,000
2043	872,000
	\$ 7,482,000

The reconciliation of income taxes computed at statutory rates to the reported income tax provision is as follows:

	2023	2022
Net loss	\$ (2,006,958)	\$ (3,177,668)
Income tax at statutory rates	27%	27%
Expected income tax (recovery)	(541,878)	(857,970)
Permanent differences	13,926	173,502
Under/over provided in prior years	(439,223)	(51,690)
Unused tax losses and tax offsets	975,723	477,339
Effect of renounced expenditures	(8,548)	258,819
Total income tax recovery	\$ -	\$ -

MAS GOLD CORP.*(an exploration stage enterprise)*

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2023 AND 2022

(expressed in Canadian Dollars)

**10. INCOME TAXES (Continued)**

The following are the deductible temporary differences for which no deferred tax assets are recognized in the financial statements:

	2023	2022
Non-capital losses carried forward	\$ 7,482,000	\$ 6,629,000
Capital losses carried forward	2,617,000	881,000
Exploration and evaluation interests	12,034,000	10,925,000
Share issuance costs	240,000	343,000
Non-refundable mining income tax credits	57,000	57,000
Cumulative eligible capital	80,000	80,000
Equipment	69,000	51,000
	\$ 22,579,000	\$ 18,966,000

11. COMMITMENTS

Funds raised through the issuance of flow-through shares are required to be expended on qualified Canadian mineral exploration expenditures, as defined under Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that are allotted for such expenditures but have not yet been spent.

In connection with the flow-through shares issued during the year ended September 30, 2022, the Company has an obligation to incur qualified expenditures of \$1,180,786 by October 12, 2023. The obligation was fulfilled as at September 30, 2022.

In connection with the flow-through shares issued during the year ended September 30, 2023, the Company has an obligation to incur qualified expenditures of \$82,000. The obligation was fulfilled as at September 30, 2023.