

# **KINGSVIEW MINERALS LTD.**

## **Consolidated Financial Statements**

**For the Years Ended December 31, 2023 and 2022**

**(Expressed in Canadian Dollars)**



## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of  
**Kingsview Minerals Ltd.**

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of Kingsview Minerals Ltd. (the Company), which comprise the consolidated statements of financial position as at December 31, 2023 and 2022, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 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 audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material Uncertainty Relating to Going Concern

We draw your attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a comprehensive loss of \$550,877 for the year ended December 31, 2023. 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 consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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 auditor's report.

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

Management is responsible for the other information. The other information comprises the annual management's discussion and analysis, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the

consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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 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 relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence



obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because of 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 Pat Kenney.

*Clearhouse LLP*

Chartered Professional Accountants  
Licensed Public Accountants

Mississauga, Ontario  
March 27, 2024

**KINGSVIEW MINERALS LTD.**  
**Consolidated Statements of Financial Position**  
As at December 31, 2023 and 2022  
Expressed in Canadian dollars

	2023	2022
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 212,133	\$ 554,348
Other receivables	22,695	507
Prepaid expenses and deposits	538	---
	<b>\$ 235,366</b>	<b>\$ 554,855</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (Note 6)	\$ 257,324	\$ 192,120
Promissory Note (Note 4)	120,000	---
<b>Total liabilities</b>	<b>377,324</b>	<b>192,120</b>
<b>Shareholders' (deficit) equity</b>		
Share capital (Note 5)	2,908,933	2,908,933
Contributed surplus	388,249	342,065
Deficit	(3,439,140)	(2,888,263)
	<b>(141,958)</b>	<b>362,735</b>
	<b>\$ 235,366</b>	<b>\$ 554,855</b>

**Nature of Operations and Going Concern (Note 1)**

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

On behalf of the Board,

"Signed"

*James Macintosh*

James Macintosh  
Director

"Signed"

*Bob Leshchyshen*

Bob Leshchyshen  
Director

**KINGSVIEW MINERALS LTD.**  
**Consolidated Statements of Loss and Comprehensive Loss**  
**For the Years Ended December 31, 2023 and 2022**

*Expressed in Canadian dollars*

	<b>2023</b>	<b>2022</b>
<b>Expenses</b>		
Exploration and evaluation (Note 3)	\$ 341,798	\$ 42,434
Management fees (Note 6)	102,000	86,500
Stock-based compensation (Note 6)	46,184	---
Marketing and shareholder communication	39,588	95,277
General and administration (Note 6)	40,801	26,469
Professional fees	54,788	69,456
Regulatory, filing and transfer agent fees	21,032	40,450
Acquisition costs (Note 3)	---	1,428,500
<b>Loss and comprehensive loss before other items</b>	<b>\$ 646,191</b>	<b>\$1,789,087</b>
Ontario mining grant	(72,343)	---
Debt forgiveness	(21,000)	---
Interest and other income	(1,971)	---
<b>Loss and comprehensive loss for the year</b>	<b>\$ 550,877</b>	<b>\$1,789,087</b>
Basic and diluted loss per common share (Note 7)	\$ (0.01)	\$ (0.06)
Weighted average number of shares outstanding during the year - basic and diluted	<b>39,332,112</b>	<b>31,967,619</b>

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

## KINGSVIEW MINERALS LTD.

### Consolidated Statements of Changes in Shareholders' Equity

For the Years Ended December 31, 2023 and 2022

Expressed in Canadian dollars

	Shares Outstanding	Share Capital	Contributed Surplus	Deficit	Total
	(#)	(\$)	(\$)	(\$)	(\$)
<b>Balance at December 31, 2021</b>	<b>25,725,000</b>	<b>1,280,775</b>	<b>241,600</b>	<b>(1,099,176)</b>	<b>423,199</b>
Issue of share capital - debt settlement (Note 5)	301,112	36,133	---	---	36,133
Issue of share capital – private placements (Note 5)	4,006,000	213,525	100,465	---	313,990
Acquisition of properties (Note 5)	9,300,000	1,378,500	---	---	1,378,500
Net loss for the year	---	---	---	(1,789,087)	(1,789,087)
<b>Balance at December 31, 2022</b>	<b>39,332,112</b>	<b>2,908,933</b>	<b>342,065</b>	<b>(2,888,263)</b>	<b>362,735</b>
Share-based compensation (Note 5)	---	---	46,184	---	46,184
Net loss for the year	---	---	---	(550,877)	(550,877)
<b>Balance at December 31, 2023</b>	<b>39,332,112</b>	<b>2,908,933</b>	<b>388,249</b>	<b>(3,439,140)</b>	<b>(141,958)</b>

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

**KINGSVIEW MINERALS LTD.**  
**Consolidated Statements of Cash Flows**  
For the Years ended December 31, 2023 and 2022  
Expressed in Canadian dollars

	2023	2022
<b>CASH PROVIDED BY (USED IN):</b>		
<b>OPERATING ACTIVITIES</b>		
Net loss for the year	\$ (550,877)	\$ (1,789,087)
Share-based compensation	46,184	---
Debt forgiveness	(21,000)	---
Common shares issued for services	---	36,133
Common shares issued for property	---	1,378,500
Net change in non-cash working capital balances:		
Receivables	(22,188)	36,668
Prepaid expenses and deposits	(538)	34,151
Accounts payable and accrued liabilities	86,204	101,950
<b>Net cash flows used in operating activities</b>	<b>(462,215)</b>	<b>(201,685)</b>
<b>FINANCING ACTIVITIES</b>		
Issue of share capital – private placements	---	313,990
Promissory note	120,000	---
<b>Net cash flows from financing activities</b>	<b>120,000</b>	<b>313,990</b>
Net (decrease) increase in cash	(342,215)	112,305
Cash, beginning of the year	554,348	442,043
Cash, end of the year	\$ 212,133	\$ 554,348
<b>Non-cash items:</b>		
Fair value of warrants issued	\$ ---	\$ 100,465

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



# **KINGSVIEW MINERALS LTD.**

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

*Expressed in Canadian dollars unless otherwise indicated*

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### **1. Nature of Operations and Going Concern**

Kingsview Minerals Ltd ("Kingsview" or the "Company") which was incorporated under the Business Corporations Act (British Columbia) on October 2, 2018. On February 24, 2022, the common shares of the Company commenced trading on the Canadian Securities Exchange (the "CSE") under the symbol KVM. The principal business of the Company is the acquisition and exploration of resource properties. The registered and records office of the Company is Suite 510 - 580 Hornby Street, Vancouver, B.C., V6C 3B6.

These consolidated financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation for the foreseeable future. The operations of the Company were primarily funded by the issue of share capital. The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties, complete sufficient debt or equity financing, or generate profitable operations in the future. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business. Such adjustments could be material.

The Company is in the business of exploring for minerals that by its nature involves a high degree of risk. There can be no assurance that any future exploration programs will result in profitable mining operations. The recoverability of the carrying value of the exploration and evaluation assets and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, the ability of the Company to obtain financing or, alternatively, upon the Company's ability to dispose of its interest on an advantageous basis. Management estimates that the Company has sufficient working capital to meet its projected minimum financial obligations for the next fiscal year.

At December 31, 2023, the Company had not yet achieved profitable operations and had accumulated losses of \$3,439,140 (2022 - \$2,888,263). For the year ended December 31, 2023, the Company had a net loss of \$550,877 (2022 - \$1,789,087). The Company expects to incur further losses in the development of its business, all of which raise material uncertainties which casts significant doubt about the Company's ability to continue as a going concern.

The ability of the Company to realize the costs it has incurred to date on its properties is dependent upon the Company being able to identify economically recoverable reserves, to finance their development costs and to resolve any environmental, regulatory or other constraints, which may hinder the successful development of the reserves. Although the Company has taken steps to verify title to the properties on which it is conducting exploration and development activities and in which it has an interest, in accordance with industry standards for the current stage of exploration and development of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, and non-compliance with regulatory and environmental requirements.

### **2. Significant Accounting Policies**

#### **Statement of compliance**

These consolidated financial statements have been prepared in accordance and compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

The policies applied in these consolidated financial statements are presented below and are based on IFRS and were authorized by Board of Directors of the Company on March 20, 2024.

# **KINGSVIEW MINERALS LTD.**

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

*Expressed in Canadian dollars unless otherwise indicated*

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### **2. Significant Accounting Policies (Continued)**

#### **Basis of Measurement**

These consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

#### **Functional and presentation currency**

The consolidated financial statements are presented in Canadian dollars which is the functional currency of the Company.

#### **Basis of consolidation**

These consolidated financial statements include the financial statements of the Company and its wholly-owned subsidiary, 12185849 Canada Inc., in which the Company has control. Control is based on whether an investor has power over the investee, exposure or rights from its involvement with the investee, and the ability to use its power over the investee to affect the amount of return. The financial statements of subsidiary is included in the consolidated financial statements from the date that control commences until the date that control ceases.

#### **Critical Accounting Judgments, Estimates and Assumptions**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Judgements are choices in accounting policies and disclosures which management believes are supported by facts and circumstances existing at the date of the financial statements. They are as follow:

- The determination of deferred income tax assets and liabilities.
- The assessment of the Company's ability to continue as a going concern involves judgement regarding future funding available for its exploration projects and working capital requirements.
- Valuation of stock options and warrants.
- Valuation of shares issued for non-cash consideration (acquisition of mining claims and services)

#### **Financial instruments**

##### Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

##### Financial assets at FVTPL

Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the statement of loss and comprehensive loss in the period in which they arise.

# KINGSVIEW MINERALS LTD.

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

*Expressed in Canadian dollars unless otherwise indicated*

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### 2. Significant Accounting Policies (Continued)

#### Financial instruments (continued)

##### Financial assets (continued)

##### Financial assets at FVTOCI

Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

##### Financial assets at amortized cost

Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current assets or non-current assets based on their maturity date.

Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on derecognition of financial assets classified as FVTPL or amortized cost are recognized in the statement of loss and comprehensive loss. Gains or losses on financial assets classified as FVTOCI remain within accumulated other comprehensive income.

The Company has classified its cash as FVTPL and its other receivables at amortized cost.

##### *Impairment of financial assets at amortized cost*

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the loss allowance is measured for the financial asset at an amount equal to twelve month expected credit losses. For trade receivables the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized. Given the nature and balances of the Company's receivables the Company has no material loss allowance at adoption or as at December 31, 2023.

##### Financial liabilities

Financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

The Company does not designate any financial liabilities at FVTPL. The Company has designated its accounts payable and accrued liabilities and promissory note payable as amortized cost.

An entity classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurement. The fair value hierarchy has the following levels:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

# KINGSVIEW MINERALS LTD.

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

Expressed in Canadian dollars unless otherwise indicated

### 2. Significant Accounting Policies (Continued)

#### Financial instruments (continued)

##### Financial liabilities (continued)

##### *Fair value*

The carrying value of other loans receivable and accounts payable and accrued liabilities and promissory note payable approximate their fair value because of the short-term nature of these instruments.

Financial instruments measured at fair value on the statement of financial position are summarized in levels of fair value hierarchy as follows:

	Level 1	Level 2	Level 3	Total
<b>2023</b>				
<b>Assets - Cash</b>	\$212,133	\$ ---	\$ ---	\$212,133
<b>2022</b>				
<b>Assets - Cash</b>	\$554,348	\$ ---	\$ ---	\$554,348

#### Exploration and evaluation expenditures

The Company charges to operations all mineral property acquisition costs and exploration and evaluation costs incurred prior to the determination of economically recoverable reserve. If commercially profitable ore reserves are developed, capitalized costs of the related exploration and evaluation assets are reclassified as mining assets and amortized using the unit of production method.

#### Impairment of non-current assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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

#### Foreign currencies

The functional currency is the currency of the primary economic environment in which the entity operates. The functional currency for the Company is the Canadian dollar.

The functional currency determination was conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

# **KINGSVIEW MINERALS LTD.**

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

*Expressed in Canadian dollars unless otherwise indicated*

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### **2. Significant Accounting Policies (Continued)**

#### **Loss per share**

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the income attributable to equity shareholders of the Company by the weighted average number of common shares issued and outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

#### **Share-based payment**

The Company recognizes a share-based payment charge in profit or loss for stock options granted to consultants, employees, officers, and directors of the Company. The share-based payment charge is based on the fair value of option awards granted, measured using the Black-Scholes option pricing model at the date of issue. Options granted to consultants or other non-employees are measured at the fair value of goods or services received from these parties, or at their Black-Scholes fair values if the fair value of goods or services received cannot be measured. The fair value of stock options granted is amortized to expense on a graded basis over the vesting periods of the options granted with an off-setting amount recorded in equity reserves. Any expense recorded for options that are forfeited because non-market vesting conditions are not satisfied is reversed in the period in which the forfeiture occurs.

#### **Income taxes**

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. 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 profit or loss in the period that substantive enactment occurs. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off 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.

#### **Government grants and assistance**

Grants are recognized at their fair value where there is reasonable assurance that the grant will be received, and the Company will comply with all the attached conditions. Fair value signifies the amount received in cash.

Grants relating to expenses are recognized under the income approach under which the grants are recognized in statements of operations on a systematic basis over the periods in which the Company recognizes the related expenses for which the grants are intended to compensate and are presented as "grants".

#### **New standards and interpretations**

##### New standards not yet adopted, and interpretations issued but not yet effective

At the date of authorization of these Financial Statements, the IASB and the IFRS Interpretations Committee have issued certain new and revised Standards and Interpretations which are not yet effective. Many are not applicable or do not have a significant impact to the Company and have been excluded from these financial statements. The Company has not early adopted and is currently assessing what impact the application of these standards or amendments will have on the consolidated financial statements of the Company.

# KINGSVIEW MINERALS LTD.

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

Expressed in Canadian dollars unless otherwise indicated

### 3. Exploration and Evaluation Expenditures

#### Echum and Hubcap (formerly Centennial and Lendrum Projects), Ontario

During the year ended December 31, 2021, the Company acquired certain mineral properties and mineral claims in Ontario as part of a share exchange agreement to acquire 100% of 12185849 Canada Inc. The property has a net smelter return royalty ("NSR") of 2% owed to the previous owner of the Echum property. The Company has a right to purchase 1% of the NSR back for \$1,000,000.

On April 4, 2022, the Company issued 7,500,000 common shares as consideration to acquire additional property near Wawa, Ontario in the Michipicoten Greenstone Belt.

On October 18, 2022, the Company acquired the Norwalk Project, located near Wawa, Ontario, from RT Minerals Corp. by paying \$50,000 and issuing 1,800,000 common shares. There is a 2% net smelter return ("NSR") royalty due to the original owners of the Norwalk property.

<b>Cumulative expenditure, December 31, 2021</b>	<b>\$ 435,242</b>
Exploration and evaluation work	42,432
Acquisition	1,428,500
<b>Cumulative expenditure, December 31, 2022</b>	<b>\$ 1,906,174</b>
Exploration and evaluation work	341,798
<b>Cumulative expenditure, December 31, 2023</b>	<b>\$ 2,247,972</b>

### 4. Promissory Note

On October 20, 2023, the Company secured a \$120,000 promissory note from Rhone Merchant House Ltd. This note matures on March 30, 2024, is non-interest bearing and is unsecured. Rhone Merchant House Ltd. is assisting the Company in the proposed acquisition (Note 13).

### 5. Share Capital

#### Common Shares Authorized:

Unlimited number of common shares with no par value

#### Common Shares Issued:

At December 31, 2023, the Company had 39,332,112 common shares outstanding. No common shares were issued during the year ended December 31, 2023.

On March 3, 2022, the Company issued 301,112 common shares, at \$0.12 per share, to settle \$36,133 of debt.

On April 4, 2022, the Company issued 7,500,000 common shares as consideration to acquire additional property near Wawa, Ontario (see Note 3).

On October 18, 2022, the Company issued 1,800,000 common shares as part of its acquisition of the Norwalk Project (see Note 3).

On December 29, 2022, the Company closed a non-brokered flow-through private placement for gross proceeds of \$340,510. As part of the flow-through financing, Kingsview issued 4,006,000 flow-through units (the "FT Units") at a price of \$0.085 per FT Unit. Each FT Units consisted of one common share issued as a flow-through share and one half of one common share purchase warrant (a "Warrant"). Each full Warrant is exercisable for one common share of the Company for two years from the date of issue at a price of \$0.12.

# KINGSVIEW MINERALS LTD.

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

Expressed in Canadian dollars unless otherwise indicated

### 5. Share Capital (Continued)

#### Warrants

The number of options outstanding and exercisable is summarized as follows:

	Year ended December 31, 2023		Year ended December 31, 2022	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Beginning of year	4,635,000	\$ 0.11	2,320,000	\$ 0.10
Issued	---	---	2,315,000	0.12
End of year	4,635,000	\$ 0.11	4,635,000	\$ 0.11

At December 31, 2023, there were 4,635,000 warrants outstanding, with each warrant entitling the holder to acquire one common share of the Company at the prices noted below:

Number	Value Assigned	Exercise Price	Remaining Contractual Life In Years	Expiry Date
2,320,000	\$ 69,600	\$0.10	0.16	February 26, 2024
2,003,000	\$ 84,927	\$0.12	1.00	December 29, 2024
312,000	\$ 15,538	\$0.09	1.00	December 29, 2024
<b>4,635,000</b>	<b>\$ 170,065</b>	<b>\$0.11</b>	<b>0.58</b>	

The fair value of warrants was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

	For the year ended December 31, 2022	For the year ended December 31, 2022
Fair value per common share	\$0.09	\$0.09
Exercise price	\$0.09	\$0.12
Expected life (years)	2	2
Interest rate	4.01%	4.01%
Annualized volatility	100%	100%
Dividend yield	0.00%	0.00%

#### Stock Options

The Company has a Share Option Plan (the "Plan") under which it is authorized to grant options to purchase common shares of the Company to directors, senior officers, employees and/or consultants of the Company. The aggregate number of shares of the Company which may be issued and sold under the Plan will not exceed 10% of the total number of common shares issued and outstanding from time to time.

On March 28, 2023, the Company granted 1,800,000 stock options to directors, officers and consultants. The stock options carry an exercise price of \$0.05, and vest immediately. The value ascribed to this issue was \$46,184 using the Black-Scholes option pricing model under the following weighted average assumptions: share price – \$0.03; risk free rate of return – 3.00%; annualized volatility – 138%; expected life – 5 years; dividend yield – 0%. The Company recognized stock-based compensation expense of \$46,184 during the year ended December 31, 2023 in relation to the vesting of these options.

# KINGSVIEW MINERALS LTD.

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

Expressed in Canadian dollars unless otherwise indicated

### 5. Share Capital (Continued)

The movement in the Company's share options are as follows:

	Number of Stock Options Outstanding	Weighted Average Exercise Price
Balance, December 31, 2021 and 2022	2,000,000	\$ 0.15
Granted	1,800,000	0.05
<b>Balance, December 31, 2023</b>	<b>3,800,000</b>	<b>\$ 0.13</b>

At December 31, 2023, the Company has outstanding share purchase options enabling holders to acquire common shares of the company as follows:

Grant Date	Options Outstanding	Options Vested	Remaining Contractual Life In Years	Exercise Price (\$)	Expiry Date
May 15, 2021	2,000,000	2,000,000	2.37	0.15	May 15, 2026
March 28, 2023	1,800,000	1,800,000	4.24	0.05	March 28, 2028
	<b>3,800,000</b>	<b>3,800,000</b>	<b>3.26</b>		

### 6. Related Party Transactions

Related parties include the Directors, close family members, other key management individuals and enterprises that are controlled by these individuals as well as any persons performing similar functions.

Related party transactions conducted in the normal course of operations are measured at the fair value and approved by the Board of Directors in strict adherence to conflict of interest law and regulations.

The Company incurred the following charges with directors and/or officers of the Company and/or companies controlled by them for the years ended December 31, 2023 and 2022:

	2023	2022
	\$	\$
Consulting – President and CEO	60,000	55,000
Consulting – CFO	42,000	31,500
	<b>102,000</b>	<b>86,500</b>

At December 31, 2023, \$90,000 and \$60,000 were due to the Company's President & CEO and CFO, respectively, on account of unpaid fees (At December 31, 2022 – the Company's President and CEO and CFO were owed \$44,350 and \$28,000, respectively). These amounts are accrued and included in accounts payable.

On April 4, 2022, the Company issued 7,500,000 common shares as consideration to acquire additional property near Wawa, Ontario (Note 3). The Company's President received 500,000 of these shares and the Company's CFO received 200,000 shares.

During the year ended December 31, 2023, the Company incurred \$22,451 stock-based compensation to officers and directors (2022 - \$nil).

As part of the December 29, 2022 financing (Note 5), the Company's president subscribed for 106,000 of these shares.



# KINGSVIEW MINERALS LTD.

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

Expressed in Canadian dollars unless otherwise indicated

### 7. Loss Per Share

The calculation of basic loss per share for the year ended December 31, 2022 was based on total loss attributable to common shareholders of \$550,877 (2022 - \$1,789,087) and a weighted average number of common shares outstanding of 39,332,112 (2022 – 31,967,619).

Diluted loss per share equals basic loss per share as all outstanding options and warrants were anti-dilutive for all periods presented.

### 8. Income Taxes

The reported recovery of income taxes differs from amounts computed by applying the statutory income tax rates to the reported loss before income taxes due to the following:

For the year ended December 31,	2023	2022
Loss and comprehensive loss before income taxes	\$ (550,877)	\$ (1,789,087)
Combined statutory income tax rate	27%	27%
Expected income tax recovery	(148,737)	(483,054)
Non-deductible expenses	392	(6,974)
Change in unrecognized tax benefit	148,345	490,028
Total income tax expense	\$ ---	\$ ---

The significant components of the Company's deferred tax assets that have not been included on the statement of financial position are as follows:

As at December 31,	2023	2022
Deferred Tax Assets (Liabilities)		
Non-capital losses available for future period	\$ 263,098	\$ 218,077
Exploration and evaluation expenditures	606,953	514,668
20(1)(e) pool	4,296	5,728
	874,348	738,473
Unrecognized deferred tax assets	(874,348)	(738,473)
Net deferred tax assets	\$ ---	\$ ---

Certain deferred tax assets have not been recognized because it is not probable that future taxable profit will be available against which the Company can utilize the benefits therefrom.

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the statement of financial position are as follows:

	2023	Expiry Date Range	2022	Expiry Date Range
Temporary Differences				
Non-capital losses available for future	\$974,438	2038-2043	\$807,692	2038-2042
Exploration and evaluation expenditures	\$2,247,975	---	\$1,906,177	---
Share issue cost	\$15,912	2024-2026	\$21,216	2023-2026

Tax attributes are subject to review, and potential adjustment, by tax authorities.

### 9. Segmented Information

The Company's primary business activity is the acquisition and exploration of exploration and evaluation assets in Canada.

# **KINGSVIEW MINERALS LTD.**

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

*Expressed in Canadian dollars unless otherwise indicated*

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### **10. Flow-through Commitment**

Pursuant to the terms of flow-through share agreements, the Company has complied with its flow-through contractual obligations to subscribers with respect to the Income Tax Act (Canada) requirements for flow-through shares. As of December 31, 2023, the Company has incurred all of its Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) obligations by December 31, 2023 arising from the flow-through offerings.

### **11. Capital Management**

Capital is comprised of the Company's shareholders' equity. As at December 31, 2023, the Company's shareholders' deficit was \$141,958 and it had \$377,324 in current liabilities. The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels. The capital for expansion was mostly derived from proceeds from the issuance of common shares.

During the year ended December 31, 2023, the Company did not change its approach to capital management.

The Company is not subject to any externally imposed capital restrictions.

### **12. Financial Instruments and Risk Management**

As at December 31, 2023, the Company's financial instruments are comprised of cash, other receivables, accounts payable and accrued liabilities and promissory note payable. The fair value of these financial instruments approximates their carrying value, unless otherwise noted.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

#### *Credit risk*

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

#### *Liquidity risk*

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2023, the Company had a cash balance of \$212,133 to settle current liabilities of \$377,324. Other than the promissory note (see note 4), all of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

#### *Market risk*

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

a. Interest rate risk The Company has cash balances and no interest-bearing debt. As of December 31, 2023, the Company has no interest-bearing financial assets or liabilities.

b. Foreign currency risk The Company has a nominal amount of cash denominated in a foreign currency. As a result, the Company is not subject to any substantial foreign exchange risk from fluctuations in foreign exchange rates. The Company has not entered into any derivative or other financial instruments to mitigate this foreign exchange risk.

c. Price risk The Company is exposed to price risk with respect to commodity and 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. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

# **KINGSVIEW MINERALS LTD.**

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

*Expressed in Canadian dollars unless otherwise indicated*

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### **13. Other Events**

On November 2, 2023, Kingsview Minerals Ltd. and Erco Holdings Ltd. of Nevada ("Erco") signed non-binding Letter of Intent ("LOI") for an asset purchase agreement for three saltwater disposal leases in Texas. The proposed transaction will be structured to result in the shareholders of Erco, directly or indirectly, holding between 78% to 84% the outstanding securities of Kingsview, dependent upon the amount of a concurrent financing that is completed. The final structure will be subject to satisfactory tax, corporate and securities law advice for both Kingsview and Erco. This transaction is subject to the completion of due diligence, a definitive agreement and any and all required shareholder and regulatory approvals. Following the transaction Kingsview plans to continue trading on the Canadian Securities Exchange ("CSE"). The transaction constitutes a change of business transaction for Kingsview. The terms of the LOI require Kingsview to approve a change of name, a share consolidation of one new common share for each seven existing common shares, and for Kingsview to have a positive working capital position.