

**STAKEHOLDER GOLD CORP. NOTICE TO SHAREHOLDERS FOR THE THREE MONTHS ENDED
MARCH 31, 2019**

Responsibility for Consolidated Financial Statements

The accompanying interim condensed financial statements for Stakeholder Gold Corp. for the three months ended March 31, 2019 and 2018 have been prepared by management in accordance with International Financial Reporting Standards applicable to interim financial reporting (see note 1 to the interim condensed financial statements). Recognizing that the company is responsible for both the integrity and objectivity of the interim condensed financial statements, management is satisfied that these interim condensed financial statements have been fairly presented.

Auditors Involvement

MNP LLP, Chartered Accountants, the external auditors of Stakeholder Gold Corp., have not audited or performed review procedures applicable to auditor review of interim financial statements as at the end of the three month periods March 31, 2019 and 2018.

Stakeholder Gold Corp.
Interim Condensed Statements of Financial Position

	March 31, 2019	December 31, 2018
	(Unaudited)	(Audited)
ASSETS		
Current assets		
Cash and cash equivalents (note 4)	\$32,660	\$7,079
Restricted cash (note 4)	---	---
Receivables (note 6)	1,857	25,979
Prepaid expenses	1,139	1,139
Total current assets	35,656	34,197
Exploration and evaluation assets (note 5)	-	-
Total Assets	\$35,656	\$34,197
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	258,888	323,144
Total liabilities	\$258,888	\$323,144
SHAREHOLDERS' EQUITY		
Share capital (note 7)	10,637,332	10,517,903
Reserve - share based payments (note 7)	3,280,536	3,249,965
Accumulated deficit	(14,141,100)	(14,056,815)
Total Shareholders' Equity	(223,232)	(288,947)
Total Liabilities and Shareholders' Equity	\$35,656	\$34,197

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

Stakeholder Gold Corp.
Interim Condensed Statements of Comprehensive Loss

(Unaudited)		
For the Three Months Ended March 31,	2019	2018
Interest income	\$0	\$0
Expenses		
Management and consulting (note 6)	54,000	36,335
Investor and shareholder relations	61,698	64,589
Professional fees	---	30,513
Administrative	(32,043)	21,160
Exploration expenses	630	271,015
Share based payments (note 7)	-	-
	84,285	423,612
Net loss and comprehensive loss for the period	\$(84,285)	\$(423,614)
Average weighted shares outstanding	26,891,262	23,688,662
Basic and diluted loss per share	\$(0.01)	\$(0.02)

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

Stakeholder Gold Corp.
Interim Condensed Statement of Equity

(Unaudited)

	Shares	Share Capital	Contributed Surplus	Accumulated Deficit	Total
	#	\$	\$	\$	\$
Balance, December 31, 2017	23,588,662	10,334,620	3,238,795	(13,349,954)	223,461
Exercise of stock options (note 7)	100,000	52,930	(27,930)	-	25,000
Reallocation of issuance cost	-	(15,124)	-	-	(15,124)
Net loss for the period	-	-	-	(423,612)	(423,612)
Balance at March 31, 2018	23,688,662	10,372,427	3,210,865	(13,773,566)	(190,275)
Issuance of Shares for property (note 7)	2,302,000	136,400	67,030	-	203,430
Shares issued for Services (note 7)	-	9,077	-	-	9,077
Stock options granted (note 9)	-	-	(27,930)	-	(27,930)
Net loss for the period	-	-	-	(283,249)	(283,249)
Balance, December 31, 2018	25,990,662	10,517,903	3,249,965	(14,056,815)	(288,947)
Private Placement (note 9)	3,000,000	119,429	30,571	-	150,000
Reallocation of issuance cost	-	-	-	-	-
Net loss for the period	-	-	-	(84,285)	(84,285)
Balance at March 31, 2019	28,990,662	10,637,332	3,280,536	(14,141,100)	(223,232)

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

Stakeholder Gold Corp.**Interim Condensed Statements of Cash Flows**

(Unaudited)		
For the Three Months Ended March 31,	2019	2018
Cash flow from operating activities		
Net loss	\$(84,285)	\$(423,612)
Adjustments to reconcile loss to net cash in operating activities		
Interest income	-	-
Shares issued in exchange for services	-	-
Share based payments	-	-
	<u>(84,285)</u>	<u>(423,612)</u>
Changes in non-cash working capital		
Receivables and prepaid expenses	24,122	9,342
Accounts payable and accrued liabilities	<u>(64,256)</u>	<u>(326,342)</u>
Net cash used in operating activities	<u>(124,419)</u>	<u>(740,612)</u>
Cash flow from investing activities		
Interest received	-	-
Net cash used in investing activities	<u>-</u>	<u>-</u>
Cash flow from financing activity		
Proceeds from Exercise of stock options	150,000	25,000
Reallocation of share issuance cost	-	<u>(15,124)</u>
Net cash provided by financing activity	<u>150,000</u>	<u>9,876</u>
Increase (decrease) in cash and cash equivalents	25,581	(730,736)
Cash and cash equivalents, beginning of period	<u>7,079</u>	<u>767,686</u>
Cash and cash equivalents, end of period	<u>32,660</u>	<u>\$36,950</u>

The accompanying notes are an integral part of these financial statements

STAKEHOLDER GOLD CORP.

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS

March 31, 2019

1. NATURE OF BUSINESS AND BASIS OF PRESENTATION

Nature of Business

Stakeholder Gold Corp. (the “Company” or “Stakeholder”) was incorporated under the Canada Business Corporation Act and carries on business in one segment, being the identification, acquisition and exploration of properties for mining of precious and base metals. The Company is listed on the TSX Venture Exchange, having the symbol SRC.V. The address of the Company’s head office is 1612 – 25 Adelaide Street East, Toronto, Ontario, M5C 3A1.

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 profitable mining operations. The Company’s continued existence is dependent upon the preservation of its interests in the underlying properties, the discovery of economically recoverable reserves and the achievement of the Company’s ability to dispose of its interests on an advantageous basis. Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest in accordance with industry standards to the current stage of exploration 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, aboriginal claims, and non-compliance with regulatory requirements.

Statement of compliance

These condensed interim financial statements have been prepared in Canadian dollars, in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting. They do not include all of the information and note disclosure required for full annual financial statements and should be read in conjunction with the financial statements for the year ended December 31, 2018.

In the opinion of management, all adjustments considered necessary for a fair statement of results in accordance with IFRS have been included.

The condensed interim financial statements were authorized for issue by the Board of Directors on May 30, 2019.

2. GOING CONCERN

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to a going concern. Accordingly they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those presented in these financial statements.

The Company reported a net loss of \$84,285 and negative cash flows from operations of \$124,419. At March 31, 2019, the Company has negative working capital of \$223,232. There is uncertainty as to whether the Company will be able to meet its committed exploration expenditures for its exploration and evaluation assets and to meet its corporate administrative expenses for the next 12 months without additional financing.

The Company has a need for equity capital and financing for working capital and exploration and development of its properties. Because of continuing operating losses, the Company’s continuance as a going concern is dependent on its ability to obtain adequate financing and to reach profitable levels of operation. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operation. While the Company has been successful in securing financing in the past, there is no assurance that it will be able to do so in the future.

These circumstances create material uncertainty that indicates significant doubt as to the ability of the Company to meet its obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

STAKEHOLDER GOLD CORP.

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS

March 31, 2019

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting principles followed in preparing the financial statements are as follows:

Basis of Measurement

The financial statements have been prepared on a historical cost basis. The financial statements are presented in Canadian dollars, unless otherwise indicated.

Financial Instruments

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or financial assets acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the consolidated statements of financial position at fair value with changes in fair value recognized in profit or loss for the period. Cash is included in this category of financial assets.

Transactions costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

All financial assets, other than those at FVTPL, are subject to review for impairment at each reporting date. Financial assets are considered impaired when there is objective evidence that a financial asset or a group of financial assets may not be recoverable. Different criteria to determine impairment are applied for each category of financial assets, which are disclosed above.

Amortized Cost - This category includes financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the solely principal and interest ("SPPI") criterion. Financial asset classified in this category are measured at amortized cost using the effective interest method.

Financial assets at fair value through other comprehensive income - Equity instruments that are not held-for-trading can be irrevocably designated to have their change in fair value recognized through other comprehensive income instead of through profit or loss. This election can be made on individual instruments and is not required to be made for the entire class of instruments. Attributable transaction costs are included in the carrying value of the instruments. Financial assets at fair value through other comprehensive income are initially measured at fair value and changes therein are recognized in other comprehensive income

Financial Liabilities

The Company classifies its financial liabilities into one of two categories depending on the purpose for which the liability was incurred. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or financial liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the consolidated statements of financial position at fair value with changes in fair value recognized in profit or loss for the period.

Other financial liabilities - This category includes accounts payable and accrued liabilities. They are carried in the consolidated statements of financial position at the value on the transaction date.

3. SIGNIFICANT ACCOUNTING POLICIES - continued

Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid high- interest savings accounts convertible to known amounts of cash and subject to an insignificant risk of change in value.

Restricted cash

Restricted cash includes highly-liquid short-term interest bearing investment accounts held with reputable financial institutions to secure obligations of the Company.

Exploration and Evaluation Assets

The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition costs of mineral properties, property option payments and evaluation activity.

Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Income Taxes

Income tax on the profit or loss for the period presented comprises current and deferred tax. 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 taxes payable with regards to previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the financial reporting period. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. At the end of each reporting year, the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

3. SIGNIFICANT ACCOUNTING POLICIES - continued

Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Equity instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

Share Based Payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of comprehensive loss/income over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of comprehensive loss/income over the remaining vesting period.

The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period based on the Company's estimate of options that will eventually vest. The number of forfeitures likely to occur is estimated on grant date.

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in comprehensive loss/income over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of comprehensive loss. When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model.

All equity-settled share-based payments are reflected in Reserve – Share based payments, until exercised. Upon exercise, the shares are issued from treasury and the amount reflected in Reserve – Share based payments is credited to share capital for any consideration paid.

Comprehensive Income (Loss)

Comprehensive income includes net earnings (loss) and other comprehensive income (loss). Other comprehensive income includes holding gains on available for sale investments and gains and losses on certain derivative instruments.

3. SIGNIFICANT ACCOUNTING POLICIES - continued

Provisions

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in a provision due to passage of time is recognized as interest expense.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. At each statement of financial position reporting date, provisions are reviewed and adjusted to reflect the current best estimate of the expenditure required to settle the present obligation.

The Company has no material provisions as at March 31, 2019 or December 31, 2018.

Rehabilitation Provisions

A legal or constructive obligation to incur rehabilitation provisions may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

The Company had no material rehabilitation obligations as at March 31, 2019 or December 31, 2018.

Loss per Share

Basic loss per share is calculated by dividing net loss applicable to common shares of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per common share is computed by dividing the net loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments are converted during the year.

Share Capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

3. SIGNIFICANT ACCOUNTING POLICIES - continued

Foreign Currency Transactions

The functional currency of the Company is the Canadian dollar.

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 date of the statement of financial position 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 the statement of operations and comprehensive loss.

Critical Accounting Estimates and Judgments

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

Judgments

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

Going Concern

As is common with exploration companies, the Company's ability to continue its on-going and planned exploration activities and continue operations as a going concern, is dependent upon the recoverability of costs incurred to date on mineral properties, the existence of economically recoverable reserves, and the ability to obtain necessary equity financing from time to time. The factors considered by management are disclosed in Note 2.

Exploration and Evaluation Assets

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the year the new information becomes available.

Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

3. SIGNIFICANT ACCOUNTING POLICIES - continued

Critical Accounting Estimates and Judgments - continued

Functional Currency

The determination of an entity's functional currency is a key judgment based on the primary economy environment in which each entity of the Company operates. In determining the functional currency, management considers the currency that most faithfully represents the economic effects of events, conditions, future direction and investment opportunities.

Estimates

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income (loss) in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment

Assets, including property and equipment, and exploration and evaluation assets, are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts exceed their recoverable amounts.

An impairment loss is recognized for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates the higher of fair value less costs to sell and value in use. Determining the recoverable amount of property and equipment and exploration and evaluation assets requires management to make assumptions about future events and circumstances and cash flows. The actual results may vary and may cause significant adjustments to the Company's assets within the next financial year.

Provisions and Contingencies

Provisions and contingencies arising in the course of operations, including provisions for income or other tax matters are subject to estimation uncertainty. Management uses all information available in assessing the recognition, measurement and disclosure of matters that may give rise to provisions or contingencies. The actual outcome of various provisional and contingent matters may vary and may cause significant adjustments to the Company's assets when the amounts are determined or additional information is acquired.

Flow-through shares

The Company will from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenditures being incurred, the Company derecognizes the liability and recognizes a corresponding premium amount into other income. A deferred tax liability for the amount of tax reduction renounced to the shareholders is recognized on a retrospective basis.

3. SIGNIFICANT ACCOUNTING POLICIES - continued

Critical Accounting Estimates and Judgments – continued

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resources property exploration expenditures. The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the look-back rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Recent Accounting Pronouncements

The International Accounting Standards Board ("IASB") or the International Financial Reporting Interpretations Committees ("IFRIC") have issued a revised standard that will become effective for future periods and have a potential implication for the Company.

IFRS 16 - Leases ("IFRS 16") was issued on January 13, 2016 to require lessees to recognize assets and liabilities for most leases. For lessors, there is little change to the existing accounting in IAS17 Leases. The IAS issued its standard as part of a joint project with the Financial Accounting Standards Board ("FASB"). This new standard was adopted effective January 1, 2019 and did not have any effect on the Company's financial statements as of March 31, 2019.

4. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

Cash and cash equivalents at banks and on hand earn interest at floating interest rates based on daily deposit rates.

The Company had no cash equivalents at March 31, 2019 or December 31, 2018.

As at March 31, 2019, Stakeholder's restricted cash balance of \$32,660 (2018 – \$24,256) related to guaranteed investment certificates securing the Company's corporate credit card.

5. EXPLORATION AND EVALUATION ASSETS

Ballarat Property

The Ballarat exploration project is wholly owned by the Company and is located in the White Gold District of the Yukon Territory. The property consists of 200 claims comprising of 4,140 hectares and is located upstream of the Ballarat Creek placer mining operations.

Due to the inconclusive results of the 2016 project and management's focus on the Mountain View project (see Goldstorm Property below), management has halted exploration on the property.

Goldstorm Property

On March 8, 2017, Stakeholder announced it had entered into an arrangement with Mountain View Gold Inc. ("MVG") to earn a 100% interest in its Goldstorm property located in Elko County, Nevada.

STAKEHOLDER GOLD CORP.

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS

March 31, 2019

5. EXPLORATION AND EVALUATION ASSETS - continued

- (i) To earn the initial 40% interest on the property, the Company must pay USD\$40,000 and issue 1,250,000 common shares, issue an additional 1,250,000 common shares on the nine-month anniversary of the contract with MVG, and incur exploration expenditures of not less than USD\$750,000 within 12 months of the effective date of the agreement.

On September 3, 2017, MVG and Stakeholder amended the agreement relating to the initial 40% interest for Stakeholder to satisfying the conditions of either Option A or Option B.

"Option A" required Stakeholder to (a) issue to MVG additional 1,250,000 shares on the 9 month anniversary of the date of the Agreement; and (b) incur expenditures on the Project of not less than USD\$750,000, of which at least USD\$700,000 shall be qualifying expenditures, within 12 months of the effective date, and in the event USD\$750,000 of expenditures is not incurred within 12 months of the effective date, then by Stakeholder making a payment to MVG on the 12 month anniversary of the Effective Date of an amount equal to the balance of the USD\$750,000 of expenditures that were not incurred by the Stakeholder prior to the 12 month anniversary of the Effective Date. This option is no longer an option as the Stakeholder did not issue the 1,250,000 shares on the 9 month anniversary of the date of this Agreement.

"Option B" requires Stakeholder to: (a) issue to MVG additional 1,250,000 shares as soon as practical upon receipt of the assay results for the first 4 drill holes with respect to the Project; (b) incur expenditures on the Project of not less than USD\$350,000, on a best efforts basis, in the 2017 calendar year (incurred); and (c) incur expenditures on the Project of not less than USD\$750,000 (inclusive of the expenditures outlined in (b) above), of which at least USD\$700,000 shall be qualifying expenditures, within 18 months of the Effective Date, and in the event USD\$750,000 of expenditures is not incurred within eighteen 18 months of the Effective Date, then by Stakeholder making a payment to the MVG on the 18 month anniversary of the Effective Date of an amount equal to the balance of the USD\$750,000 of expenditures that were not incurred by Stakeholder prior to the 18 month anniversary of the Effective Date. The Company is currently in process of completing "Option B" as part of its first 40% earn-in.

- (ii) A further 40% ("Second Option") can be earned by issuing to MVG 1,750,000 common shares on the date of the exercise of the Second Option, issue an additional 1,750,000 common shares on the three-month anniversary date from the exercise of the Second Option, and incur exploration expenditures of not less than \$750,000 within nine months of the date of the exercise of the Second Option.
- (iii) The final 20% ("Third Option") can be earned by either i) paying to MVG cash consideration equal to \$20 per ounce of gold or gold equivalent multiplied by the total ounces of gold or gold equivalent (measured, indicated and inferred) on the property as set out in a technical report, to be dated no later than 60 days prior to the exercise date of the Third Option, or (ii) issuing to MVG 3,000,000 common shares.

On September 22, 2018, the Company entered into an amending agreement with MVG that extended the first 40% earn-in date until September 22, 2019. Under the terms of the amending agreement, the Company is required to perform the following:

- (i) Make payment on existing earn-in payables prior to December 30, 2018. As of the date of the amending agreement USD \$132,476 of payables is outstanding.
- (ii) Issue 1,250,000 shares prior to June 30, 2019 to MVG
- (iii) Incur the remaining first 40% Earn-In expenditures prior to September 22, 2019.

On December 31, 2018, the contract with MVG was terminated due to non-compliance with the terms of the amended agreement dated September 22, 2018.

STAKEHOLDER GOLD CORP.
NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS
March 31, 2019

5. EXPLORATION AND EVALUATION ASSETS - continued

Exploration and evaluation activities of both properties for the period ended March 31, 2019 and December 2018 are as follows:

	Ballarat	Goldstorm
Balance at, December 31, 2017	782,614	1,027,507
Expenditure	-	293,810
Balance at, December 31, 2018	782,614	1,321,317
Expenditure	630	-
Outstanding, March 31, 2019	783,244	1,321,317

6. RELATED PARTY TRANSACTIONS

- (a) Included in receivables is an amount due from a related company which has common officers and directors for \$nil (2018 - \$449). The amount is unsecured, non-interest bearing and due on demand.
- (b) The Company incurred rent of \$3,564 (2018 – \$4,384) charged by companies with common officers and/or directors.
- (c) As at March 31, 2019 accounts payable and accrued liabilities include \$24,578 (2018 – \$94,798) due to companies controlled by common officers or directors.

In accordance with IAS 24, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and key management of the Company was as follows for periods ended March 31, included in the 2019 Remuneration for the 3 months ended March 31, 2019:

	2019	2018
Remuneration	\$ 54,000	\$ 44,885
Share based payments	-	-
	\$ 54,000	\$ 44,885

STAKEHOLDER GOLD CORP.

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS

March 31, 2019

7. SHARE CAPITAL AND RESERVE FOR SHARE BASED PAYMENTS

a) Shares Authorized

The Company is authorized to issue an unlimited number of common shares with no par value. The holders of common shares are entitled to receive dividends which are declared from time to time, and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

b) Transactions

On December 21, 2017, the Company closed a non-brokered private placement with proceeds of \$600,000 comprised of 2,400,000 units. Each unit comprised of one common share and one half warrant. Each Warrant entitles the holder to purchase one additional common share of Stakeholder at a price of \$0.50 per share for a period expiring on December 21, 2019. In connection with the private placement, the Company paid \$20,139 in commission and other related issuance costs, issued 220,000 broker compensation warrants. Each warrant

entitles the holder to purchase one common share at a price of \$0.25 for a period of 2 years expiring December 21, 2019.

The net proceeds were allocated to the equity components on a relative fair value basis with \$382,061 (78%) attributed to the shares and \$197,800 (22%) attributed to the warrants. Included as a reduction to the net proceeds is \$61,166 attributed to the broker warrants. The warrants and broker warrants were valued using the Black-Scholes Option Pricing model. Significant assumptions used were as follows: dividend yield of 0%, expected volatility of 164%, risk free interest of 1.68% and an expected life of 2 years.

c) Stock Options

The Company has a Stock Option Plan (the "Plan") for its directors, officers, consultants and key employees under which the Company may grant options to acquire a maximum number of 2,368,866 (2017 – 1,943,866) common shares, representing 10% of the total issued and outstanding common shares of the Company. These options are non-transferrable and are valid for a maximum of 5 years from the date of issue. Vesting terms and conditions are determined by the Board of Directors at the time of the grant with the exception of investor relations activities which must at a minimum vest in stages over a period not less than 12 months with no more than one-fourth of the option vesting in any three month period. The exercise price of the options is fixed by the Board of Directors of the Company at the time of the grant at the market price of the common shares, subject to all regulatory requirements. Expected volatility has been determined using the share price of the Company for the period equivalent to the life of the options prior to grant date.

For options issued to employees, directors and officers, the fair value at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Options issued to non-employees are measured based on the fair value of the goods or services received, at the date of receiving those goods or services. If the fair value of the goods or services received cannot be estimated reliably, the options are measured by determining the fair value of the options granted, using a valuation model.

STAKEHOLDER GOLD CORP.
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March 31, 2019

7. SHARE CAPITAL AND RESERVE FOR SHARE BASED PAYMENTS - continued

c) Stock options - continued

On December 21, 2017, Stakeholder granted 1,000,000 stock options to directors, officers and consultants of the Company at an exercise price of \$0.32 for a period of 3 years from the date of issuance. The options vested immediately. The estimated fair value of the options at the grant date was \$318,918 using the Black-Scholes option pricing model. The estimated fair value of the options has been charged to the statements of loss an comprehensive loss and credited to share-based payments in the shareholders' equity. The underlying weighted average assumptions used in the estimation of fair value in the Black-Scholes valuation model are as follows: dividend yield 0%, expected volatility of 193%, risk free rate of return of 1.72% and an expected life of 3 years. For the year ended December 31, 2017 \$318,918 was expensed to option-based payments.

As at March 31, 2019, the Company had stock options outstanding and exercisable as follows:

Date of Grant	Stock Options (#)	Exercise Price	Expiry Date
October 4, 2016	400,000	0.61	October 3, 2019
December 21, 2017	1,000,000	0.32	December 21, 2020
	1,400,000		

A summary of the Company's stock option activity during the year is as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding, December 31, 2016	1,710,000	\$0.65
Issued	1,000,000	0.32
Expired	(360,000)	0.86
Outstanding, December 31, 2017	2,350,000	\$0.50
Exercised	(100,000)	0.25
Expired	(210,000)	1.93
Outstanding, March 31, 2018	2,040,000	\$0.51
Expired	(640,000)	0.27
Outstanding, March 31, 2019	1,400,000	\$0.40

7. SHARE CAPITAL AND RESERVE FOR SHARE BASED PAYMENTS - continued

d) Warrants

The Company has warrants outstanding entitling the holder to purchase one common stock with each warrant exercisable per the terms below:

Date of Issuance	Warrants (#)	Weighted Avg. Exercise Price	Expiration Date
Outstanding, December 31, 2017	3,023,253	\$ 0.65	
Issued	-	-	
Outstanding March 31, 2018	3,023,253	0.65	
Issued	151,010	0.50	May 25, 2020
Issued	2,000,000	0.10	December 20, 2020
Expired	(1,823,253)	0.75	
Total	3,351,010	0.26	

The warrants issued in the year were as described in Note 7(b).

e) Broker Compensation Warrants

The Company has warrants outstanding entitling the broker to purchase one common stock with each warrant exercisable per the terms below:

Date of Issuance	Warrants (#)	Weighted Average Exercise Price	Expiration Date
Outstanding, December 31, 2017	514,552	\$ 0.39	
Issued	-	-	
Outstanding, March 31, 2018	514,552	\$ 0.39	
Expired	(294,552)	0.75	
Total	220,000	0.25	

The Company issued broker's compensation warrants with the terms and conditions as referred to in Note 7(b).

f) Broker Compensation Units

In conjunction with the private placement in per Note 7(b) in October 2016, the Company issued 3,000 broker compensation units. Each broker compensation unit is exercisable under the same terms and conditions as the units subscribed in the issuance, expiring October 5, 2018.

8. CAPITAL MANAGEMENT

Stakeholder manages its shareholders' equity as capital, making adjustments based on available funds, to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties to which the Company currently has an interest are in the exploration stage and as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration as well as satisfy administrative costs, the Company will spend its existing working capital and raise additional funds as needed. Stakeholder will continue to assess new properties should sufficient geological or economic potential be demonstrated and if the Company has adequate financial resources to do so.

STAKEHOLDER GOLD CORP.

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS

March 31, 2019

8. CAPITAL MANAGEMENT - continued

Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the current size of the Company. There were no changes to its capital management approach during the year ended March 31, 2019. Stakeholder is not subject to externally imposed capital requirements.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern. The Company has no external debt and is dependent on the capital markets to finance exploration and development activities.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed through its operations to the following financial risks:

- Market Risk
- Liquidity
- Risk Credit
- Risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in the note.

General Objectives, Policies and Processes:

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of two types of risk: foreign currency risk, interest rate risk and commodity price risk.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company does not have any borrowings. Interest rate risk is limited to potential decreases on the interest rate offered on cash and cash equivalents held with chartered Canadian financial institutions. Sensitivity to a plus or minus 1% change in the interest rates could impact any renewals or extensions of term deposits which no significant impact on the net loss would have due to the immateriality of the interest earned.

Commodity Price Risk

The ability of the Company to develop its mineral properties and the future profitability of the Company is directly related to the market price of precious metals. The Company closely monitors commodity prices to determine the appropriate course of action to be taken. Based on management's knowledge and expertise of the financial markets, the Company believes that commodity price risk is remote as the Company is not a producing entity.

STAKEHOLDER GOLD CORP.**NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS**

March 31, 2019

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT – continued

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases.

At March 31, 2019, Stakeholder had a cash balance of \$32,660 and current liabilities of \$258,888. As outlined in Note 2, the Company will be required to obtain additional financing for working capital and continued exploration and development of its properties.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk in its cash and cash equivalents, short-term investments, receivables and due from related parties. The maximum credit risk represented by the Company's financial assets is represented by their carrying amounts. Concentration of credit risk exists with respect to the Company's cash and cash equivalents as substantially the entire amount is held at a single major Canadian financial institution. Credit risk on cash and cash equivalents and short-term investments is minimized by depositing with only reputable financial institutions. There is also concentration of credit risk from the balance due from related parties which share common directors with Stakeholder. Management has reviewed the receivable balances and determined that the balances are collectible; accordingly there has been no allowance for doubtful accounts recorded.

Determination of Fair Value

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The statement of financial position carrying amounts for cash and cash equivalents, restricted cash, receivables and accounts payable and accrued liabilities approximate fair value due to their short-term nature. Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.