GREENHAWK RESOURCES INC.

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2023 AND 2022

(EXPRESSED IN CANADIAN DOLLARS)

Independent Auditor's Report

To the Shareholders of Greenhawk Resources Inc.

Opinion

We have audited the consolidated financial statements of Greenhawk Resources Inc. (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, cash flows, and changes in shareholders' equity for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying 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 Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements which describes events and conditions that indicate a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters, that in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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 report.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Otto Ehinger.

DMCL.

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

April 25, 2024

Greenhawk Resources Inc.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	As at December 31, 2023	As at December 31, 2022
ASSETS		
Current assets		
Cash	**$ 3,579,462**	$ 4,562,572
Sales tax receivable	**3,248**	649
Prepaid expenses and deposits	**5,075**	13,075
Total current assets	**3,587,785**	4,576,296
Non-current assets		
Equipment (note 5)	**5,102**	1,552
Total assets	**$ 3,592,887**	$ 4,577,848
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (note 14)	**$ 140,254**	$ 33,870
Total liabilities	**140,254**	33,870
Shareholders' equity		
Share capital (note 6)	**100,846,709**	100,846,709
Contributed surplus (note 7)	**15,328,016**	15,328,016
Deficit	**(112,722,092)**	(111,630,747)
Total shareholders' equity	**3,452,633**	4,543,978
Total liabilities and shareholders' equity	**$ 3,592,887**	$ 4,577,848

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

Nature of Operations (note 1)
Subsequent Event (note 16)

Approved on behalf of the Board:

"Greg McKenzie " Director (Signed) "Tom English" Director (Signed)

Greenhawk Resources Inc.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Year Ended December 31, 2023	Year Ended December 31, 2022
Expenses		
Exploration and evaluation expenditures (note 10)	**$ 8,594**	$ -
General and administrative (note 13)	**1,135,233**	1,168,844
Loss before other items	**1,143,827**	1,168,844
Other income (note 9)	**-**	62,400
Interest expense	**-**	(6,972)
Recovery of sales tax receivable	**53,083**	-
Foreign exchange loss	**(601)**	(21)
Net loss and comprehensive loss for the year	**$ (1,091,345)**	$ (1,113,437)
Loss per share - basic and diluted (note 8)	**$ (0.01)**	$ (0.01)
Weighted average number of shares outstanding - basic and diluted (note 8)	**86,199,162**	86,199,162

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

Greenhawk Resources Inc.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Year Ended December 31, 2023	Year Ended December 31, 2022
Operating activities		
Net loss for the year	**$ (1,091,345)**	$ (1,113,437)
Adjustments for:		
Amortization	**1,349**	410
Interest expense	**-**	6,971
Changes in non-cash working capital items:		
Sales tax receivable	**(2,599)**	(161)
Prepaid expenses and deposits	**8,000**	29,965
Accounts payable and accrued liabilities	**106,384**	(32,036)
Net cash used in operating activities	**(978,211)**	(1,108,288)
Investing activities		
Purchase of equipment	**(4,899)**	-
Net cash used in investing activities	**(4,899)**	-
Financing activities		
Lease liability payments	**-**	(21,536)
Net cash used in financing activities	**-**	(21,536)
Net change in cash	**(983,110)**	(1,129,824)
Cash, beginning of year	**4,562,572**	5,692,396
Cash, end of year	**$ 3,579,462**	$ 4,562,572

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

Greenhawk Resources Inc.
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Share Capital				
	Number of Shares	**Amount**	**Contributed Surplus**	**Deficit**	**Total**
Balance, December 31, 2021	**86,199,162**	**$100,846,709**	**$ 15,328,016**	**$ (110,517,310)**	**$ 5,657,415**
Net loss for the year	-	-	-	(1,113,437)	(1,113,437)
Balance, December 31, 2022	**86,199,162**	**$100,846,709**	**$ 15,328,016**	**$ (111,630,747)**	**$ 4,543,978**
Net loss for the year	-	-	-	(1,091,345)	(1,091,345)
Balance, December 31, 2023	**86,199,162**	**$100,846,709**	**$ 15,328,016**	**$ (112,722,092)**	**$ 3,452,633**

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

1. NATURE OF OPERATIONS

Greenhawk Resources Inc. (the "Company" or "Greenhawk"), is a mineral exploration mining company which has activities in Greenland. The common shares trade on the Canadian Stock Exchange ("CSE") under the symbol "GRHK".

The head office and registered record office is located at 22 Adelaide Street West, Suite 2020, Toronto, Ontario, M5H 4E3.

The Company's going concern is dependent on cashflow from its investments, or operations and its ability to raise equity capital or borrowings sufficient to meet current and future obligations. For the year ended December 31, 2023, the Company incurred a net loss of $1,091,345. As of December 31, 2023, the Company has an accumulated deficit of $112,722,092. The Company's financial success is dependent on its ability to obtain additional financing and or achieve profitable operations in the future. These circumstances indicate that material uncertainties exist that may cast significant doubt about the Company's ability to continue as a going concern and, accordingly, the ultimate use of accounting principles applicable to a going concern. These consolidated financial statements have been prepared by management on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. These consolidated financial statements do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and consolidated statement of financial position classifications that would be necessary if the going concern assumptions inappropriate. These adjustments could be material.

2. BASIS OF PRESENTATION

Statement of Compliance

These consolidated financial statements have been prepared in accordance and in 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"). These consolidated financial statements were approved and authorized for issuance by the Board of Directors on April 25, 2024.

Basis of presentation

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

Functional and presentation currency

These consolidated financial statements have been prepared in Canadian dollars, which is the functional and presentation currency of the Company. The functional currency of Copenhagen Minerals Inc. is the Danish krone and the functional currency of Vogogo Canada Inc., Crypto 205 Inc., 2700313 Ontario Inc., and 2700311 Ontario Inc. is the Canadian dollar.

Consolidation

These consolidated financial statements include the financial statements of the Company and its wholly-owned subsidiaries. All intercompany transactions and balances are eliminated on consolidation. As of December 31, 2023, the Company had five wholly-owned subsidiaries: (i) Vogogo Canada Inc., (ii) Crypto 205 Inc. ("Crypto 205"), (iii) 2700313 Ontario Inc., (iv) 2700311 Ontario Inc., and (v) Copenhagen Minerals Inc.

3. SIGNIFICANT JUDGMENTS AND ESTIMATES

The preparation of the Company's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses, and the disclosure of contingent assets and contingent liabilities at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next fiscal year are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The following are the estimates and assumptions that have been made in applying the Company's accounting policies that have the most significant effect on the amounts in the consolidated financial statements.

Income taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. The Company has not recognized the value of any deferred tax assets in its consolidated statements of financial position.

The Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained based on its technical merits. The Company measures and records the tax benefits from such a position based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The Company's estimated liabilities related to these matters are adjusted in the period in which the uncertain tax position is effectively settled, the statute of limitations for examination expires or when additional information becomes available.

The Company's liability for unrecognized tax benefits requires the use of assumptions and significant judgment to estimate the exposures associated with its various filing positions. Although the Company believes that the judgments and estimates made are reasonable, actual results could differ and resulting adjustments could materially affect its effective income tax rate and income tax provision.

Foreign currency translation

Within each entity, transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at that date. Foreign exchange differences arising on translation are recognized in profit or loss. Non-monetary assets and liabilities that are measured at historical cost are translated using the exchange rate at the date of the transaction.

4. MATERIAL ACCOUNTING POLICY INFORMATION

Equipment

Equipment is stated at cost, net of accumulated amortization and/or accumulated impairment losses, if any. Such cost includes the cost of replacing component parts of the equipment and any expenditure required to make the equipment ready for use. Repairs and maintenance expenses are charged against income as incurred. Expenditures that extend the estimated life of an asset are capitalized.

Amortization is provided annually on equipment at rates designed to charge the cost of the assets over their estimated useful lives, as follows:

Office equipment	5 years	straight-line

The asset's residual values, useful lives and methods of amortization are reviewed at each fiscal year end and adjusted prospectively, if appropriate.

Exploration and evaluation expenditures

The Company expenses exploration and evaluation expenditures as incurred in mineral properties not commercially viable and technically feasible. Exploration and evaluation expenditures include acquisition costs of mineral properties, property option payments and evaluation activities. Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized. Development costs include costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production.

Financial instruments

Financial instruments are accounted for in accordance with IFRS 9, “Financial Instruments: Classification and Measurement”. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income (“FVTOCI”); or (iii) fair value through profit or loss (“FVTPL”). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed.

All financial assets not classified and measured at amortized cost or FVTOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income.

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

The classification determines the method by which the financial assets are carried on the consolidated statement of financial position subsequent to inception and how changes in value are recorded. Cash is measured at FVTPL.

4. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments (continued)

Financial liabilities

Financial liabilities are designated as either: (i) fair value through profit or loss; or (ii) other financial liabilities. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the consolidated statement of financial position subsequent to inception and how changes in value are recorded. Accounts payable are classified under other financial liabilities and carried at amortized cost.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

Restoration, rehabilitation and environmental obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the Company's exploration and evaluation activities. Discount rates using a pretax rate that reflects the risk and the time value of money are used to calculate the net present value. These costs are charged against profit or loss as exploration and evaluation expenditures and 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.

The Company has no restoration, rehabilitation and environmental provisions recorded as at December 31, 2023 and 2022.

Provisions

A provision is recognized 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 of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows to present value using a pre-tax rate.

Earnings/Loss per share

The calculation of earnings/loss per common share is based on the reported net income or loss divided by the weighted average number of shares outstanding during the period. Diluted earnings/loss per share is calculated on the treasury stock basis. Where potentially dilutive equity instruments are antidilutive, basic and diluted earnings/loss per share are the same.

Share-based transactions

The Company may grant stock options to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

4. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Share-based transactions (continued)

The fair value of stock options is measured on the date of grant, using the Black-Scholes Option Pricing Model with an expense recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital. When vested options are forfeited or are not exercised at the expiry date the amount previously recognized in share-based compensation is transferred to deficit.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

Income taxes

Income tax expense consists of current and deferred tax expenses. Current and deferred taxes are recognized in profit or loss except to the extent that they relate to items recognized directly in equity or other comprehensive income.

Current income tax

Current income tax is measured as the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted at the reporting date.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred tax is recognized on any temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable income.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset where they relate to income taxes levied by the same taxation authority and the Company has the legal right to offset.

Accounting standards issued but not yet effective

The Company has reviewed the accounting standards or amendments to existing accounting standards that have been issued but have future effective dates and determined that they are either not applicable or are not expected to have a significant impact on the Company’s consolidated financial statements.

(Expressed in Canadian Dollars)

5. EQUIPMENT

Cost		Office Equipment
Balance, December 31, 2021	**$**	**73,883**
Addition		2,050
Disposal		(8,202)
Write-off		(65,681)
Balance, December 31, 2022	**$**	**2,050**
Addition		4,899
Balance, December 31, 2023	**$**	**6,949**

Accumulated Amortization		
Balance, December 31, 2021	**$**	**88**
Amortization		410
Balance, December 31, 2022	**$**	**498**
Amortization		1,349
Balance, December 31, 2023	**$**	**1,847**

Net Book Value		
Balance, December 31, 2022	**$**	**1,552**
Balance, December 31, 2023	**$**	**5,102**

6. SHARE CAPITAL

(a) Authorized share capital

The authorized share capital consists of an unlimited number of common shares.

(b) Common shares issued

There were no changes in issued share capital for the years ended December 31, 2023 and 2022.

7. STOCK OPTIONS

The Company has a stock option plan ("the Plan") under which the Board of Directors may grant to directors, officers, employees and technical consultants to the Company non-transferable options to purchase common shares, exercisable for a period of up to 5 years from the date of grant.

The following table reflects the continuity of stock options for the years presented:

	Number of Options		Weighted Average Exercise Price
Balance, December 31, 2023, 2022 and 2021	**8,600,000**	**$**	**0.24**

(Expressed in Canadian Dollars)

7. STOCK OPTIONS (continued)

The Company had the following stock options outstanding as of December 31, 2023:

Number of Options Outstanding	Number of Options Vested (exercisable)	Exercise Price ($)	Weighted Average Remaining Contractual Life (years)	Expiry Date
4,600,000	4,600,000	0.27	1.81	October 20, 2025
4,000,000	4,000,000	0.20	2.48	June 24, 2026
8,600,000	**8,600,000**	**0.24**	**2.12**	

8. NET LOSS PER COMMON SHARE

The calculation of basic and diluted loss per share for the year ended December 31, 2023 was based on the loss attributable to common shareholders of $1,091,345 (year ended December 31, 2022 - $1,113,437) and the weighted average number of common shares outstanding of 86,199,162 (year ended December 31, 2022 - 86,199,162). Diluted loss per share for the year ended December 31, 2023 did not include the effect of 8,600,000 (year ended December 31, 2022 - 8,600,000) stock options as they are anti-dilutive.

9. OTHER INCOME

On March 27, 2020, the Company entered into a share purchase agreement (the "SPA") with HIVE Blockchain Technologies Ltd. ("Hive") and subsequently on April 8, 2020, the Company sold the shares of its wholly-owned subsidiary 9376-9974 Quebec Inc. to Hive. On July 21, 2022, the Company received holdback funds of $62,400 from Hive in connection with the SPA. Upon receipt of the holdback funds, the Company acknowledged and agreed that with respect to the SPA, the holdback obligations as well as any and all obligations under the SPA to the Company have been fully satisfied by Hive.

10. EXPLORATION AND EVALUATION EXPENDITURES

As of December 31, 2023, the Company owns a 100% legal and beneficial interest in two mineral exploration licenses and one prospecting license in Greenland known as the Storø Gold Project.

Below is the summary of exploration and evaluation expenditures:

	Year Ended December 31, 2023	Year Ended December 31, 2022
Storø Gold Project		
Licenses	**$ 8,594**	$ -

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed to various risks including market risk, liquidity risk.

The nature and extent of the financial instruments outstanding at the reporting date, and the risk management policies employed by the Company, are discussed below.

Interest rate risk

Interest rate risk is the risk that changes in interest rates will impact the cash flows of the Company. As at December 31, 2023, the Company is not exposed to any interest rate risk.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Currency risk arises from financial instruments (including cash) that are denominated in a currency other than Canadian dollars, which is the functional currency of the Company.

The table below indicates the foreign currencies to which the Company has exposure at December 31, 2023 in Canadian dollar terms:

	USD
Cash	$ 12,361

The table below details the effect on earnings before tax of a 10% strengthening or weakening of the CAD exchange rate at the balance sheet date for balance sheet items denominated in USD:

Currency	**10% Strengthening (weakening)**
USD	$ 1,236

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. Cash is managed through the use of a major bank which is a high credit quality financial institution as determined by rating agencies.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has cash of $3,579,462 and has positive working capital of $3,447,531 in order to manage its liquidity risk. All of the Company's liabilities are due within the next twelve months.

Fair Value Hierarchy

Fair value measurements are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The hierarchy is summarized as follows:

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

The Company determined that the carrying values of its short-term financial assets and liabilities approximate the corresponding fair values because of the relatively short periods to maturity of these instruments and the low credit risk.

The following table illustrates the classification of the Company's financial instruments recorded at fair value within the fair value hierarchy as at December 31, 2023:

December 31, 2023	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash	$ 3,579,462	$ -	$ -	$ 3,579,462

(Expressed in Canadian Dollars)

12. CAPITAL MANAGEMENT

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of equity comprised of issued share capital, warrants, and stock options. The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

There was no change to the Company's management of capital during the year ended December 31, 2023. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged for the year ended December 31, 2023.

13. EXPENSES CLASSIFIED BY NATURE

Expenses are classified by function on the consolidated statement of loss and comprehensive loss and are comprised of general and administrative. Below is a breakdown of general and administrative expenses:

	Year Ended December 31, 2023	2022
General and administrative		
Office and administrative (note 14)	**$ 168,221**	$ 175,745
Legal and professional fees (note 14)	**159,742**	107,866
Consulting fees (note 14)	**309,540**	288,540
Travel and entertainment	**2,885**	32,748
Amortization	**1,349**	410
Salaries (note 14)	**457,581**	530,050
Sales tax expense	**35,915**	33,485
	$ 1,135,233	$ 1,168,844

14. RELATED-PARTY BALANCES AND TRANSACTIONS

The key management personnel of the Company are certain members of the Company's executive management team and the Board of Directors.

The compensation of such key management for the year ended December 31, 2023 and 2022 included the following:

	Year Ended December 31, 2023	2022
Salaries, consulting and director remuneration	**$ 397,540**	$ 478,740
Office and administrative	**13,678**	12,337
Legal and professional fees	**31,600**	52,375
	$ 442,818	$ 543,452

As at December 31, 2023, included in accounts payable and accrued liabilities was $30,192 (December 31, 2022 - $27,592) of payments owed to key management personnel.

(Expressed in Canadian Dollars)

15. INCOME TAX

Income tax expense

A reconciliation between income tax expense and the product of accounting profit multiplied by the Company's domestic tax rate is provided below:

	Year ended December 31, 2023	Year ended December 31, 2022
Loss before income taxes	**$ (1,091,345)**	$ (1,113,437)
Statutory tax rate	**26.5 %**	26.5 %
Statutory income tax recovery	**(289,207)**	(295,061)
Temporary differences	**96**	684
Tax benefits not recognized/previously unrecognized	**289,111**	294,377
Income tax expense (recovery)	**$ -**	$ -

Unrecognized deferred tax assets

Deferred tax assets are recognized for the carry-forward or unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which the unused tax losses/credits can be utilized. The following represent the deductible temporary differences which have not been recognized in the financial statements:

Canada	As at December 31, 2023	As at December 31, 2022
Share issue costs	**$ 46,383**	$ 69,574
Loss carry-forward Canada	**41,633,619**	40,529,385
Exploration and evaluation assets	**14,066,594**	14,058,000
Equipment and lease obligation	**123,050**	121,701
	$ 55,869,646	$ 54,778,660

Non-capital losses

The following table summarizes the Company's non-capital losses that can be applied against future taxable profit:

Country	Amount	Expiry Date
Canada	$41,633,619	2030 - 2043

16. SUBSEQUENT EVENT

On March 11, 2024, the Company entered into a letter of intent with CG International Petroleum Corp. ("CGIP") and accepted by CGIP on March 14, 2024, whereby the Company will receive a farm-in option (the "Transaction") for up to 12 oil and gas exploration and development wells in the Doba Basin, Chad (the "Doba Project"). The Company has lent $2,700,000 to CGIP in the form of a debenture with a one-year term, bearing an interest rate of 10% payable on the maturity date of March 14, 2025 (the "Debenture").

The key terms of the letter of intent are as follows:

- In order to exercise the first farm-in right (the "First Farm-In"), which will provide the Company the rights to 50% of the free cash-flow from 4 production wells in Doba Basin, the Company must:

    i. Cancel the Debenture and the principal plus interest owing will no longer be repayable by CGIP to the Company, but will instead be considered as a cash payment towards the Company earning its rights under the First Farm-In;
    ii. Make additional cash payment of $4,300,000 to CGIP; and
    iii. Issue 50,000,000 common shares of the Company to CGIP. The Company shall be entitled, in its sole discretion, to make $10,000,000 cash payment to CGIP in lieu of the 50,000,000 common shares issuance.

- On exercise of the First Farm-In, Greenhawk will receive a right of first refusal ("ROFR") to earn an additional 50% of free cash-flow interest on 8 additional development wells.

    i. On exercise of the ROFR, the parties will enter into a second farm-in agreement, whereby the Company will be responsible for 100% of the costs for re-entry of those additional 8 wells.

- CGIP will remain the operator of the Doba Project.

- Following closing of the Transaction, CGIP shall have the right to nominate 3 new directors for the Company's board comprised of 5 directors.

The proposed Transaction is subject to due diligence by both parties, which is ongoing and is subject to approve by the CSE. No finders' fees are payable.