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**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2022 AND**  
**2021**

(Expressed in Canadian Dollars)

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**GOLD HUNTER RESOURCES INC.**  
**NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2022 AND 2021**  
(Expressed in Canadian dollars)

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**NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the condensed interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The unaudited condensed interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of unaudited condensed interim financial statements and are in accordance with International Accounting Standard 34 - Interim Financial Reporting.

The Company's independent auditor has not performed a review of these unaudited condensed interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

**GOLD HUNTER RESOURCES INC.**  
**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**  
**AS AT MAY 31, 2022 AND AUGUST 31, 2021**  
(Expressed in Canadian dollars)

	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>		
CURRENT		
Cash and cash equivalents	\$ 855,884	\$ 1,722,636
Amounts receivable	8,755	7,245
Prepaid expenses	330,000	-
	1,194,639	1,729,881
EXPLORATION AND EVALUATION ASSET (Note 4)	2,333,245	227,904
	<b>\$ 3,527,884</b>	<b>\$ 1,957,785</b>

**LIABILITIES**

CURRENT		
Accounts payable	\$ 264,483	\$ 16,903

**SHAREHOLDERS' EQUITY**

SHARE CAPITAL (Note 5)	4,049,567	2,311,167
CONTRIBUTED SURPLUS (Note 5)	120,881	120,881
DEFICIT	(907,047)	(491,166)
	3,263,401	1,940,882
	<b>\$ 3,527,884</b>	<b>\$ 1,957,785</b>

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)  
COMMITMENTS (Note 9)

Approved on behalf of the Board:

*// Michael Williams //*  
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Director

*// Richard Macey //*  
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Director

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

**GOLD HUNTER RESOURCES INC.**  
**CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**  
**FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2022 AND 2021**  
(Expressed in Canadian dollars)

	Three months ended May 31, 2022	Three months ended May 31, 2021	Nine months ended May 31, 2022	Nine months ended May 31, 2021
<b>EXPENSES</b>				
Consulting fees	\$ 62,500	\$ 28,000	\$ 139,500	\$ 28,000
Listing fees	4,560	8,651	14,903	36,211
Management fees ( <i>Note 6</i> )	45,000	9,000	105,000	27,000
Office expense	5,867	5,066	8,161	9,556
Professional fees ( <i>Note 6</i> )	3,864	40,534	127,980	166,083
Rent	750	2,250	5,250	6,750
Share-based compensation ( <i>Note 5 and 6</i> )	-	-	-	37,000
Travel and accommodation	15,087	-	15,087	-
<b>NET LOSS AND COMPREHENSIVE LOSS</b>	<b>\$ (137,628)</b>	<b>\$ (93,501)</b>	<b>\$ (415,881)</b>	<b>\$ (310,600)</b>
<b>LOSS PER SHARE – BASIC AND DILUTED</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>	<b>\$ (0.02)</b>	<b>\$ (0.02)</b>
<b>WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING</b>	<b>25,826,500</b>	<b>21,558,018</b>	<b>23,419,174</b>	<b>14,592,204</b>

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

**GOLD HUNTER RESOURCES INC.**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2022 AND 2021**  
(Expressed in Canadian dollars)

	Nine months ended May 31, 2022	Nine months ended May 31, 2021
<b>OPERATING ACTIVITIES</b>		
Net loss for the period	\$ (415,881)	\$ (310,600)
Item not involving cash:		
Share-based compensation	-	37,000
	(415,881)	(273,600)
Changes in non-cash working capital balances:		
Amounts receivable	(1,510)	(11,094)
Prepaid expenses	(330,000)	3,938
Accounts payable	247,579	(6,997)
Goods and services tax receivable	-	8,091
Cash used in operating activities	(499,812)	(279,662)
<b>INVESTING ACTIVITIES</b>		
Exploration and evaluation assets	(366,940)	(85,330)
<b>FINANCING ACTIVITIES</b>		
Deferred financing fees	-	33,375
Shares issued for cash, net of costs	-	2,018,980
	-	2,052,355
<b>CHANGE IN CASH AND CASH EQUIVIVANTS</b>	(866,752)	1,687,363
<b>CASH AND CASH EQUIVIVANTS, BEGINNING OF PERIOD</b>	1,722,636	69,315
<b>CASH AND CASH EQUIVIVANTS, END OF PERIOD</b>	\$ 855,884	\$ 1,756,678

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

**GOLD HUNTER RESOURCES INC.**  
**CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2022 AND 2021**  
(Expressed in Canadian dollars)

	<u>Common shares</u>		Contributed surplus	Deficit	Total equity
	Number of shares	Amount			
<b>As at August 31, 2020</b>	10,300,000	296,000	30,000	(109,147)	216,853
Shares issued for property	500,000	50,000	-	-	50,000
Shares issued for cash	10,750,000	2,112,501	-	-	2,112,501
Share issuance costs	-	(202,878)	54,714	-	(148,164)
Stock options exercised	30,950	4,643	-	-	4,643
Share based compensation	-	-	37,000	-	37,000
Net loss for the period	-	-	-	(310,600)	(310,600)
<b>As at May 31, 2021</b>	<b>21,580,950</b>	<b>\$ 2,260,266</b>	<b>\$ 121,714</b>	<b>\$ (419,747)</b>	<b>\$ 1,962,233</b>
<b>As at August 31, 2021</b>	<b>21,586,500</b>	<b>2,311,167</b>	<b>120,881</b>	<b>(491,166)</b>	<b>1,940,882</b>
Shares issued for property	4,240,000	1,738,400	-	-	1,738,400
Net loss for the period	-	-	-	(415,881)	(415,881)
<b>As at May 31, 2022</b>	<b>25,826,500</b>	<b>\$ 4,049,567</b>	<b>\$ 120,881</b>	<b>\$ (907,047)</b>	<b>\$ 3,263,401</b>

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

## **1. NATURE OF BUSINESS AND CONTINUING OPERATIONS**

Gold Hunter Resources Inc. (“the Company”) was incorporated on October 30, 2019 under the laws of British Columbia. The address of the Company’s corporate office and its principal place of business is 75-8050 204<sup>th</sup> Street, Langley, British Columbia, Canada.

The Company’s principal business activities include the acquisition and exploration of mineral property assets. As at May 31, 2022, the Company has not yet determined whether the Company’s mineral property assets contain ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition.

The Company had a deficit of \$907,047 as at May 31, 2022, which has been funded by the issuance of equity. The Company’s ability to continue its operations and to realize its assets at their carrying value is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company’s ability to continue as a going concern.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

The outbreak of COVID-19, is impacting worldwide economic activity. This global pandemic poses the risk that the Company or its clients, employees, contractors, suppliers, and other partners may be unable to conduct regular business activities for an indefinite period of time. At this point, the impact on the Company has been minimal.

## **2. BASIS OF PREPARATION**

### **Statement of Compliance**

These unaudited condensed interim financial statements of the Company have been prepared in accordance with International Accounting Standard 34, “Interim Financial Reporting” (“IAS 34”) and International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations of the Financial Reporting Interpretations Committee (“IFRIC”).

### **Approval of the Financial Statements**

The financial statements of the Company for the three and nine months ended May 31, 2022 and 2021 were reviewed by the Audit Committee and approved and authorized for issuance by the Board of Directors on July 18, 2022.

### **Basis of Measurement**

These financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value as explained in the accounting policies set out in Note 3.

The functional and presentation currency of the Company is the Canadian dollar.

### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Company's significant accounting policies and critical accounting estimates applied in the interim financial statements are the same as those applied on the Company's annual financial statements and for the period ended August 31, 2021.

### **4. EXPLORATION AND EVALUATION ASSET**

#### **Cameron Lake East Property**

On September 20, 2019, the Company entered into a mineral property option agreement which was subsequently amended on January 15, 2021. The agreement provides for the Company to acquire the 100% interest in the mineral claims known as Cameron Lake East Property located in the Kenora Mining Division of Ontario subject to a 1.5% net smelting royalty.

The terms of the Agreement, require the Company to make cash payments totaling \$66,000 and issue 1,000,000 common shares of the Company as follows:

- a. make a cash payment of \$20,000 on signing of this Agreement - **paid**;
- b. make a further cash payment of \$10,000 and issue 500,000 common shares on the earlier of (i) listing of the Optionee's common shares on the Canadian Securities Exchange, and (ii) March 15, 2021 - **paid and issued**;
- c. make a further cash payment of \$12,000 on January 15, 2022 - **paid**;
- d. make a further cash payment of \$12,000 and issue 500,000 Shares on January 15, 2023; and
- e. make a final cash payment of \$12,000 on January 15, 2024.

Following completion of the cash payments and common share issuances set forth above, and satisfaction of the remaining option payments under the Head Option Agreement, the Company shall have exercised the option in full and shall be the beneficial owner of the Claims subject to the reservation by the Optionor's NSR. At any time following January 31, 2021, the Company shall have the right to accelerate the exercise of the Option by completing all of the required cash payments and common share issuances as set forth above.

Following the exercise of the Option, the Company will have the right to purchase the Optionor's NSR at any time for \$1,000,000. For greater certainty, in the event the Company purchases the Optionor's NSR, the Claims would be subject only to the Claim Holder's NSR of which the Optionor will hold an option to purchase a one-half interest (0.75%) in accordance with the terms of the Head Option Agreement.

#### **Rambler and Tilt Cove Properties**

On February 24, 2022, the Company completed the acquisition of the Rambler and Tilt Cove Projects pursuant to two separate arm's length agreements to which the Company will acquire a 100% interest in eight mineral projects as an option to acquire a 100% interest in an additional one mineral project in the Province of Newfoundland and Labrador collectively known as the Rambler and Tilt Cove Projects.

The first agreement is a Property Purchase Agreement made between the Company and Fair Haven Resources Inc. ("Fair Haven") pursuant to which the Company will acquire all of Fair Haven's interest in the Rambler and Tilt Cove Projects, and six other projects in consideration for the payment of \$250,000 and the issuance of 4,000,000 common share.

Fair Haven has retained a 2% net smelter returns royalty on the Property (the "NSR"). The Company holds the right to buy back 50% of the NSR at any time for \$1,000,000. In addition, the Company holds a right of first refusal in connection with any proposed sale or transfer of the NSR by Fair Haven. A 6% finder's fee is payable to Canal Front Investments Inc. in connection with the Fair Haven Acquisition Agreement consisting of \$15,000 cash and 240,000 common shares.



#### **4. EXPLORATION AND EVALUATION ASSET, continued**

##### **Rambler and Tilt Cove Properties, continued**

The second agreement is a Property Option Agreement made among the Company and Unity Resources, Gary Lewis, Jerry Jones, Nicholas Rodway, Aubrey Budgell and Paul Delaney (the "Marwan Optionors") pursuant to which the Company has the option to acquire all of the Marwan Optionors' interest in Rambler project by completing a series of cash payments to the Marwan Optionors totaling \$1,695,000, issuing 10,300,000 common shares to the Marwan Optionors and incurring \$2,500,000 of expenditures, in stages over a period of five years as follows:

- a. \$15,000 upon signing of the agreement - **paid**;
- b. pay \$25,000 on or before December 1, 2022;
- c. pay \$50,000 on or before December 1, 2023
- d. issue 1,500,000 common shares and incur \$800,000 of property expenditures on or before July 1, 2024;
- e. pay \$190,000 and issue 2,000,000 common shares on or before December 1, 2024;
- f. pay \$415,000 and issue 2,800,000 common shares on or before December 1, 2025; and
- g. pay \$1,000,000 and issue 4,000,000 Shares and incur a further \$1,700,000 of property expenditures on or before December 1, 2026.

An 8% finder's fee is payable to Canal Front Investments Inc. and Sean Kingsley (each as to 4%) in connection with the agreement consisting of \$135,600 cash and 824,000 common shares, in stages over a period of five years as follows:

- a. \$1,200 upon signing of the agreement; - **paid**;
- b. pay \$2,000 on or before December 1, 2022;
- c. pay \$4,000 on or before December 1, 2023
- d. issue 120,000 common shares on or before July 1, 2024;
- e. pay \$15,200 and issue 160,000 common shares on or before December 1, 2024;
- f. pay \$33,200 and issue 224,000 common shares on or before December 1, 2025; and
- g. pay \$80,000 and issue 320,000 Shares on or before December 1, 2026.

**GOLD HUNTER RESOURCES INC.**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2022 AND 2021**  
(Expressed in Canadian dollars)

**4. EXPLORATION AND EVALUATION ASSET, continued**

	<b>Cameron Lake East</b>	<b>Rambler and Tilt Cove</b>	<b>Total</b>
	\$	\$	\$
<b>Acquisition costs</b>			
Balance at August 31, 2021	130,000	-	130,000
Additions:			
Cash	12,000	281,200	293,200
Common shares	-	1,738,400	1,738,400
Balance, May 31, 2022	<u>142,000</u>	<u>2,019,600</u>	<u>2,161,600</u>
<b>Exploration costs</b>			
Balance at August 31, 2021	97,904	-	97,904
Additions:			
Accommodation	6,630	-	6,630
Administration	9,619	-	9,619
Equipment rental	1,925	-	1,925
Geological supplies	1,020	-	1,020
Labour	22,600	-	22,600
Sample analysis	16,846	-	16,846
Travel	15,101	-	15,101
Balance, May 31, 2022	<u>171,645</u>	<u>-</u>	<u>171,645</u>
Balance at August 31, 2021	<u><b>227,904</b></u>	<u>-</u>	<u><b>227,904</b></u>
Balance, May 31, 2022	<u><b>313,645</b></u>	<u><b>2,019,600</b></u>	<u><b>2,333,245</b></u>

**GOLD HUNTER RESOURCES INC.**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2022 AND 2021**  
(Expressed in Canadian dollars)

**5. SHARE CAPITAL**

**Authorized**

Unlimited number of common shares without par value.

**Issued and outstanding**

As of May 31, 2022 there were 25,826,500 (May 31, 2021 - 21,580,950) common shares issued and outstanding.

During the nine-month period ended May 31, 2022:

- I. On February 1, 2022, the Company issued 4,000,000 common shares pursuant to the Fair Haven Property Purchase Agreement (Note 4). The common shares were valued at \$1,640,000.
- II. On February 1, 2022, the Company issued 240,000 common shares pursuant to the Fair Haven Property Purchase Agreement (Note 4). The common shares were valued at \$98,400.

During the nine-month period ended May 31, 2021:

- I. On February 10, 2021, the Company issued 500,000 common shares pursuant to a mineral property option agreement (Note 4).
- II. On February 11, 2021, the Company completed a private placement for 5,750,000 common shares at a price \$0.15 per share for gross proceeds of \$862,500.
- III. On February 19, 2021, the Company issued 450 common shares pursuant to the exercise of broker options at an exercise price of \$0.15 per share for gross proceeds of \$68.
- IV. On February 23, 2021 the Company completed an initial public offering for 5,000,000 common shares at a price \$0.25 per share for gross proceeds of \$1,250,000.
- V. On May 7, 2021, the Company issued 30,500 common shares pursuant to the exercise of broker options at an exercise price of \$0.15 per share for gross proceeds of \$4,575.

**Stock Options**

The Company adopted a Stock Option Plan ('Plan') for directors and officers of the Company. The Company may grant options to individuals, options are exercisable over periods of up to ten years, as determined by the Board of Directors of the Company, to buy shares of the Company at the fair market value on the date the option is granted. The maximum number of shares which may be issuable under the Plan cannot exceed 10% of the total number of issued and outstanding shares on a non-diluted basis.

A continuity schedule of outstanding share purchase options is as follows:

	Number Outstanding	Weighted Average Exercise Price \$
August 31, 2021	1,281,000	0.37
Forfeited	(200,000)	0.50
May 31, 2022	1,081,000	0.34

**GOLD HUNTER RESOURCES INC.**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2022 AND 2021**  
(Expressed in Canadian dollars)

**5. SHARE CAPITAL, continued**

**Stock Options, continued**

As of May 31, 2022, the Company had share purchase options outstanding and exercisable to acquire common shares of the Company as follows:

<b>Grant Date</b>	<b>Expiry Date</b>	<b>Number of options</b>	<b>Exercisable</b>	<b>Exercise Price</b>
October 1, 2020	October 1, 2030	600,000	600,000	\$ 0.50
February 11, 2021	February 11, 2023	481,000	481,000	\$ 0.15
		1,081,000	1,081,000	\$ 0.34

On October 1, 2020, the Company issued 800,000 stock options to directors and officers of the Company. The stock options are exercisable for \$0.15 per common share expiring on October 1, 2030. On May 20, 2021, the exercise price of the issued options was amended from \$0.15 to \$0.50. The Company uses the Black-Scholes option pricing model to estimate the fair value for all share-based compensation. The assumptions used in this pricing model, and the resulting fair values per option, for the options granted are (i) risk-free interest rate of 1.58%, (ii) expected life of 10 years, (iii) expected volatility of 125%, (iv) expected dividend rate of 0%, (v) expected forfeiture rate of 0%, and (vi) fair value per option of \$0.05.

On February 11, 2021 the Company issued 517,500 finders options pursuant to the IPO. The finders options are exercisable for \$0.15 per common share expiring on February 11, 2023. The Company uses the Black-Scholes option pricing model to estimate the fair value for all share-based compensation. The assumptions used in this pricing model, and the resulting fair values per option, for the options granted are (i) risk-free interest rate of 0.25%, (ii) expected life of 2 years, (iii) expected volatility of 148%, (iv) expected dividend rate of 0%, (v) expected forfeiture rate of 0%, and (vi) fair value per option of \$0.11.

**6. RELATED PARTY BALANCES AND TRANSACTIONS**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management includes directors and key officers of the Company, including the President, Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”).

The Company had incurred the following key management personnel cost from related parties:

	<b>Nine months ended May 31, 2022</b>	<b>Nine months ended May 31, 2021</b>
	\$	\$
Management fees	75,000	27,000
Professional fees	68,240	18,167
Share-based payments	-	37,000

## 7. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and development of its exploration and evaluation assets. The Company does not have any externally imposed capital requirements to which it is subject.

The Company's capital structure consists of shareholders' equity. As at May 31, 2022, the Company had capital resources consisting of cash. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets or adjust the amount of cash.

## 8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, Financial Instruments: Disclosures, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### Fair value of financial instruments

The Company's financial assets include cash and cash equivalents and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position as at May 31, 2022 were as follows:

	Carrying amount	Fair value measurement using		
		Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 855,884	\$ 855,884	\$ -	\$ -

### Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

#### *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

**8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK, continued**

**Financial risk management objectives and policies, continued**

*Credit Risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk, the Company places these instruments with a high-quality financial institution.

*Interest Rate Risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

*Liquidity risk*

In the management of liquidity risk, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

**9. COMMITMENTS**

The Company is committed to certain cash payments and common share issuances as described in Note 4.