



CONDENSED INTERIM FINANCIAL STATEMENTS

**FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2023 AND
2022**

(Expressed in Canadian Dollars)

GOLD HUNTER RESOURCES INC.
NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2023 AND 2022
(Expressed in Canadian dollars)

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 interim financial statements, they must be accompanied by a notice indicating that the 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 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 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, 2023 AND AUGUST 31, 2022
(Expressed in Canadian dollars)

	May 31, 2023	August 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	\$ 36,489	\$ 297,055
Amounts receivable	13,490	23,202
Prepaid expenses	3,500	163,663
	53,479	483,920
Non-current assets		
Exploration and evaluation assets (Note 4)	3,056,227	2,727,750
	\$ 3,109,706	\$ 3,211,670
LIABILITIES		
Current liabilities		
Accounts payable	\$ 120,844	\$ 65,708
SHAREHOLDERS' EQUITY		
Share capital (Note 5)	4,271,188	4,049,567
Contributed surplus (Note 5)	69,167	120,881
Deficit	(1,351,493)	(1,024,486)
	2,988,862	3,145,962
	\$ 3,109,706	\$ 3,211,670

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)
COMMITMENTS (Note 9)
SUBSEQUENT EVENTS (Note 10)

Approved on behalf of the Board:

"Michael Williams"
Director

"Sean Kingsley"
Director

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

GOLD HUNTER RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2023 AND 2022
(Expressed in Canadian dollars)

	Three months ended May 31, 2023	Three months ended May 31, 2022	Nine months ended May 31, 2023	Nine months ended May 31, 2022
EXPENSES				
Consulting fees	\$ 33,500	\$ 62,500	\$ 108,500	\$ 139,500
Listing fees	3,211	4,560	18,399	14,903
Management fees (Note 6)	42,000	45,000	126,000	105,000
Office expense	593	5,867	5,715	8,161
Professional fees (Note 6)	26,099	3,864	32,352	127,980
Rent	10,500	750	31,500	5,250
Travel and accommodation	-	15,087	4,541	15,087
NET LOSS AND COMPREHENSIVE LOSS	\$ (115,903)	\$ (137,628)	\$ (327,007)	\$ (415,881)
LOSS PER SHARE – BASIC AND DILUTED	\$ (0.00)	\$ (0.01)	\$ (0.01)	\$ (0.02)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES				
OUTSTANDING – BASIC AND DILUTED	26,287,000	25,826,500	26,020,352	23,419,174

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

GOLD HUNTER RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2023 AND 2022
(Expressed in Canadian dollars)

	Common shares		Contributed surplus	Deficit	Total equity
	Number of shares	Amount			
As of August 31, 2021	21,586,500	2,311,167	120,881	(491,166)	1,940,882
Shares issued for property	4,240,000	1,738,400	-	-	1,738,400
Net loss for the period	-	-	-	(415,881)	(415,881)
As of May 31, 2022	25,826,500	\$ 4,049,567	\$ 120,881	\$ (907,047)	\$ 3,263,401
As of August 31, 2022	25,826,500	\$ 4,049,567	\$ 120,881	\$ (1,024,486)	\$ 3,145,962
Shares issued for property	500,000	100,000	-	-	100,000
Compensation options exercised	460,500	121,621	(51,714)	-	69,907
Net loss for the period	-	-	-	(327,007)	(327,007)
As of May 31, 2023	26,787,000	\$ 4,271,188	\$ 69,167	\$ (1,351,493)	\$ 2,988,862

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

GOLD HUNTER RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2023 AND 2022
(Expressed in Canadian dollars)

	Nine months ended May 31, 2023	Nine months ended May 31, 2022
OPERATING ACTIVITIES		
Net loss for the period	\$ (327,007)	\$ (415,881)
Changes in non-cash working capital balances:		
Amounts receivable	9,712	(1,510)
Prepaid expenses	160,163	(330,000)
Accounts payable	55,136	247,579
	<u>(101,996)</u>	<u>(499,812)</u>
INVESTING ACTIVITIES		
Exploration and evaluation assets	(228,477)	(366,940)
FINANCING ACTIVITIES		
Proceeds from compensation options exercised	69,907	-
CHANGE IN CASH AND CASH EQUIVANTS	(260,566)	(866,752)
CASH AND CASH EQUIVANTS, BEGINNING OF PERIOD	297,055	1,722,636
CASH AND CASH EQUIVANTS, END OF PERIOD	\$ 36,489	\$ 855,884

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

GOLD HUNTER RESOURCES INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2023 AND 2022
(Expressed in Canadian dollars)

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 204th Street, Langley, British Columbia, Canada.

The Company’s principal business activities include the acquisition and exploration of mineral property assets. As of May 31, 2023, 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 an accumulated deficit of \$1,351,493 as of May 31, 2023, 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 unaudited condensed interim 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 unaudited condensed interim financial statements.

The outbreak of the Coronavirus Disease 2019, or COVID-19, has spread across the globe and 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. The Company continues to monitor the situation and is taking all necessary precautions in order to follow rules and best practices as set out by the federal and provincial governments.

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 unaudited condensed interim financial statements of the Company for the three and nine months ended May 31, 2023 and 2022 were reviewed by the Audit Committee and approved and authorized for issuance by the Board of Directors on July 18, 2023.

Basis of Measurement

These unaudited condensed interim financial statements have been prepared on a 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.

GOLD HUNTER RESOURCES INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2023 AND 2022
(Expressed in Canadian dollars)

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 year ended August 31, 2022.

4. EXPLORATION AND EVALUATION ASSET

Cameron Lake East Property

On January 15, 2020, the Company (the "Optionee") entered into a mineral property option agreement (the "Agreement") with Northbound Capital Corp. (the "Optionor"). The Agreement was subsequently amended on January 15, 2021. Pursuant to an underlying mineral property option agreement dated September 20, 2019 (the "Head Option Agreement"), the Optionor has an option to acquire 100% interest in the mineral claims known as Cameron Lake East Property located in the Kenora Mining Division of Ontario (the "Claims") from the original claim holder (the "Claim Holder"). Under the Head Option Agreement, the Optionor will make a total cash payment of \$48,000 by September 20, 2023, to the Claim Holder. Pursuant to the terms of the Agreement, the Company is required to make any remaining cash payments due by the Optionor under the Head Option Agreement.

Upon exercise by the Optionor of its option under the Head Option Agreement, the Claim Holder will be entitled to a 1.5% net smelter returns royalty (the "Claim Holder's NSR"), subject to the Optionor's right to purchase a one-half interest in the Claim Holder's NSR in accordance with the Head Option Agreement.

Under the Agreement, the Optionor has granted the Company the option to acquire all rights, title and interest in the Claims. In addition, the Claims are subject to the reservation by the Optionor of a 1.5% net smelter returns royalty (the "Optionor's NSR") to be paid by the Company upon exercise of the option in full.

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 common shares on January 15, 2023 - paid and issued; 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.

GOLD HUNTER RESOURCES INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2023 AND 2022
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4. EXPLORATION AND EVALUATION ASSET (continued)

Rambler and Tilt Cove Projects

In January 2022, the Company entered into agreements to acquire the Rambler and Tilt Cove Projects. Pursuant to the arm's length agreements to which the Company will acquire a 100% interest in eight mineral projects and 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 (all of which has been paid and issued).

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. In connection with the Fair Haven Property Purchase Agreement, the Company paid a 6% finder's fee to Canal Front Investments Inc. consisting of \$15,000 cash and 240,000 common shares.

The second agreement is a Property Option Agreement made among the Company and Unity Resources Inc., 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 - paid;
- 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.

In connection with the Property Option Agreement, the Company will pay an 8% finder's fee to Canal Front Investments Inc. and Sean Kingsley 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- paid;
- 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 common shares on or before December 1, 2026.

The Marwan Optionors have retained a 2.5% net smelter returns royalty (the "NSR") on the Property. The Company holds the right to buy back 60% of the NSR (equal to 1.5%NSR) at any time for \$2,000,000.

GOLD HUNTER RESOURCES INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2023 AND 2022
(Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSET (continued)

	Cameron Lake East	Rambler and Tilt Cove	Total
	\$	\$	\$
Acquisition costs			
Balance, August 31, 2022	142,000	2,019,600	2,161,600
Additions:			
Cash	12,000	27,000	39,000
Common shares	100,000	-	100,000
Other	-	2,798	2,798
Balance, May 31, 2023	254,000	2,049,398	2,303,398
Exploration costs			
Balance, August 31, 2022	171,644	394,506	566,150
Data compilation	-	186,679	186,679
Balance, May 31, 2023	171,644	581,185	752,829
Balance, August 31, 2022	313,644	2,414,106	2,727,750
Balance, May 31, 2023	425,644	2,630,583	3,056,227

5. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value.

Issued and outstanding

As of May 31, 2023, there were 26,787,000 (May 31, 2022 - 25,826,500) common shares issued and outstanding.

During the nine months ended May 31, 2023:

- I. On January 14, 2023, the Company issued 500,000 common shares pursuant to the Cameron Lake East Property Option Agreement (Note 4). The common shares were valued at \$100,000.
- II. The Company issued 460,500 common shares pursuant to the exercise of compensation options for gross proceeds of \$69,075.

During the nine months 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.

GOLD HUNTER RESOURCES INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2023 AND 2022
(Expressed in Canadian dollars)

5. SHARE CAPITAL (continued)

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
		\$
Balance as of August 31, 2022	800,000	0.50
Forfeited	(200,000)	0.50
Balance as of May 31, 2023	600,000	0.50

As of May 31, 2023, the Company had share purchase options outstanding and exercisable to acquire common shares of the Company as follows:

Grant Date	Expiry Date	Number of options	Exercisable	Exercise Price
October 1, 2020	October 1, 2030	600,000	600,000	\$ 0.50
		600,000	600,000	\$ 0.50

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. For the year ended August 31, 2021, the Company recorded share-based compensation expense of \$37,000. 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.

Compensation Options

A continuity schedule of outstanding compensation options is as follows:

	Number Outstanding	Weighted Average Exercise Price
		\$
Balance as of August 31, 2022	481,000	0.15
Exercised	(460,500)	0.15
Expired	(20,500)	0.15
Balance as of May 31, 2023	-	-

GOLD HUNTER RESOURCES INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2023 AND 2022
(Expressed in Canadian dollars)

5. SHARE CAPITAL (continued)

Compensation Options (continued)

During the nine months ended May 31, 2023, 460,500 compensation options were exercised at a price of \$0.15 per common share and 20,500 compensation options expired.

As of May 31, 2023, the Company had Nil compensation options outstanding and exercisable to acquire common shares of the Company.

On February 11, 2021, the Company issued 517,500 finder's options pursuant to the IPO. The finder's 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:

	Nine months ended May 31, 2023	Nine months ended May 31, 2022
	\$	\$
Management fees	99,000	75,000
Professional fees	-	68,240

During the nine months ended May 31, 2023, the Company paid management fees of \$99,000 (2022 - 75,000) to the CEO and CFO of the Company.

During the nine months ended May 31, 2023, the Company incurred accounting fees of \$Nil (2022 - \$68,240) to the CFO and a company controlled by the former CFO of the Company.

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 identification, evaluation and acquisition of a Qualified Transaction. The Company does not have any externally imposed capital requirements to which it is subject.

The Company's capital structure consists of equity and share subscriptions. As of May 31, 2023, 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.

GOLD HUNTER RESOURCES INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2023 AND 2022
(Expressed in Canadian dollars)

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 of May 31, 2023, were as follows:

	Carrying amount	Fair value measurement using		
		Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 36,489	\$ 36,489	\$ -	\$ -

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 in 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.

Currency risk (continued)

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.

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.

8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Financial risk management objectives and policies (continued)

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 of the Company, the Company maintains a balance between continuity of funding and 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.

10. SUBSEQUENT EVENTS

On June 6, 2023, the Company announced it has entered into a mineral property purchase agreement dated June 5, 2023, pursuant to which the Company will sell to Sorrento Resources Ltd. ("Sorrento") (CSE:SRS) a 100% interest in a portion of its claims comprising the PEG Lithium property, Harmsworth and Tom Joe properties, as well as three properties along the Doucers Valley Fault, all located in the Province of Newfoundland and Labrador (the "Property"). As consideration for the Property, Sorrento will pay to the Company \$50,000 in cash and issue 1,000,000 common shares, which shares will be subject to a statutory hold period of four months and one day following completion of the acquisition (the "Closing"). The Property will also be subject to a 1% net smelter returns royalty to be granted to the Company (the "Gold Hunter NSR") upon Closing. Sorrento will also have the right to buy back 50% of the Gold Hunter NSR at any time for \$1,000,000. The Property is currently subject to a 2% net smelter returns royalty held by Fair Haven Resources Inc (the "Fairhaven NSR"). Both the Fairhaven NSR and Gold Hunter NSR are subject to rights of first refusal in favor of Sorrento in connection with any proposed sale or transfer of such royalty.

On June 14, 2023, the Company announced further to its press release on June 6, 2023, the completion of the sale to Sorrento. The Company received full consideration for the sale comprising \$50,000 and 1,000,000 common shares of Sorrento.

On June 26, 2023, the Company announced that Sean Kingsley was appointed as the President, Chief Executive Officer, and Director of the Company. To facilitate the appointment, Richard Macey has stepped down as CEO and President and will continue to provide his guidance and expertise as a Director of the Company.

On July 13, 2023, the Company announced a significant expansion of its mineral claim holdings in the Baie Verte Peninsula, Newfoundland with the arm's length acquisition of a 100%-interest in five separate properties. To acquire the properties, the Company must pay a total of \$115,000 and issue a total of 3,075,000 common shares at certain dates within four months. The Company will pay a finder's fee of 250,000 shares in respect of the agreements. Each of the purchase agreements for the acquired properties were dated July 12th, 2023, and are expected to close within ten days, subject to applicable regulatory approvals.

10. SUBSEQUENT EVENTS (continued)

On July 13, 2023, the Company announced a non-brokered private placement consisting of both flow-through and non-flow-through units as follows:

- Up to 2,000,000 units (the “NFT Units”) at a price of \$0.25 per NFT Unit for gross proceeds of up to \$500,000. Each NFT Unit will consist of one common share (an “NFT Share”) and one transferable common share purchase warrant exercisable for one additional NFT Share at a price of \$0.35 for a period of 24 months (each NFT Share purchase warrant, a “Warrant”).
- Up to 833,333 flow-through units (the “FT Units”) at a price of \$0.30 per FT Unit for gross proceeds of up to \$250,000. Each FT Unit will consist of one flow-through common share (an “FT Share”) and one Warrant.

The Company will pay finder’s fees to eligible finders equal to 8.0% in cash of the gross proceeds from places introduced by such finder, and issue to the finder non-transferable warrants (“Finder’s Warrants”) equal to 8.0% of the aggregate number of Offered Securities issued to places introduced by such finder, subject to regulatory approval and compliance with applicable securities laws. Any Finder’s Warrants will be exercisable into common shares at a price of \$0.35 per common share for a period of twenty-four (24) months from the date of closing of the private placement.

On July 13, 2023, the Company announced it has obtained private, non-interest-bearing loans (the “Loans”) from certain insiders and other independent parties (the “Lenders”) in the aggregate amount of \$100,000 pursuant to the terms of loan agreements dated July 12, 2023 (the “Loan Agreements”). These loans will be paid in full upon the completion of the Company’s private placement. The proceeds from the Loans will be used to fulfill the Company’s mineral claim obligations in Newfoundland’s Baie Verte Peninsula and Ontario’s Cameron Lake districts in Canada.

In accordance with the Loan Agreements, the Lenders will be granted an aggregate total of 400,000 common share purchase warrants (the “Bonus Warrants”) in the Company. Each Bonus Warrant is exercisable to purchase one common share of the Company a price of \$0.35 for a period of 24 months from the date of issuance. The Loans and Bonus Warrants are subject to regulatory approval and applicable securities laws. The Bonus Warrants along with any common shares acquired upon their conversion, will be subject to a statutory hold period of four months and one day from the date of issuance of the warrants.