



**GOLD HUNTER**  
**RESOURCES INC**

**Gold Hunter Resources Inc.**

**Condensed Consolidated Interim Financial Statements**

**For the three months ended November 30, 2023 and 2022**

(Expressed in Canadian Dollars)  
(Unaudited)

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## **Notice of No Auditor Review**

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The condensed consolidated 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 condensed consolidated 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 Consolidated Interim Statements of Financial Position

As at November 30, 2023 and August 31, 2023

(Expressed in Canadian dollars)

(Unaudited)

	November 30, 2023	August 31, 2023
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 81,808	\$ 70,779
Amounts receivable	7,493	9,552
Prepaid expenses	89,917	2,750
	179,218	83,081
<b>Non-current assets</b>		
Investments (note 4)	130,000	190,000
Exploration and evaluation assets (note 6)	2,451,178	2,409,966
	\$ 2,760,396	\$ 2,683,047
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (note 8)	\$ 63,711	\$ 306,301
Loans and notes payable (note 5, 6)	-	152,500
	63,711	458,801
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (note 7)	5,769,111	4,898,580
Reserves	133,954	272,193
Accumulated other comprehensive loss	(170,000)	(110,000)
Deficit	(3,036,380)	(2,836,527)
	2,696,685	2,224,246
	\$ 2,760,396	\$ 2,683,047

NATURE OF BUSINESS AND CONTINUING OPERATIONS (note 1)

COMMITMENTS (note 11)

SUBSEQUENT EVENTS (note 12)

Approved on behalf of the Board:

*"Michael Williams"*

Director

*"Richard Macey"*

Director

The accompanying notes and schedules are an integral part of these condensed consolidated interim financial statements

# Gold Hunter Resources Inc.

## Condensed Consolidated Interim Statements of Loss and Comprehensive Loss For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)  
(Unaudited)

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	Three months ended November 30, 2023	Three months ended November 30, 2022
<b>EXPENSES</b>		
Consulting fees	\$ 67,896	\$ 37,500
Investor relations and shareholder information	10,000	-
Listing and filing fees	8,492	5,525
Management fees (note 8)	66,000	42,000
Office expense	1,142	3,489
Professional fees (note 8)	6,774	-
Rent	10,500	10,500
Travel and accommodation	2,757	3,790
	(173,561)	(102,804)
<b>OTHER EXPENSES</b>		
Financing fee (note 5)	(26,292)	-
<b>NET LOSS</b>	(199,853)	(102,804)
<b>OTHER COMPREHENSIVE LOSS</b>		
Unrealized loss on investments (note 4)	(60,000)	-
<b>COMPREHENSIVE LOSS</b>	\$ (259,853)	\$ (102,804)
<b>LOSS PER SHARE</b> (basic and diluted)	\$ (0.01)	\$ (0.00)
<b>WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING</b> (basic and diluted)	30,388,044	25,826,500

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The accompanying notes and schedules are an integral part of these condensed consolidated interim financial statements

# Gold Hunter Resources Inc.

## Condensed Consolidated Interim Statements of Changes in Equity For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)

(Unaudited)

	Common shares		Reserves	Accumulated Other Comprehensive Loss		Deficit	Total
	Number	Amount					
<b>As at August 31, 2022</b>	<b>25,826,500</b>	<b>\$ 4,049,567</b>	<b>\$ 120,881</b>	<b>\$ -</b>	<b>\$ (1,024,486)</b>	<b>\$ 3,145,962</b>	
Net loss for the period	-	-	-	-	(102,804)	(102,804)	
<b>As at November 30, 2022</b>	<b>25,826,500</b>	<b>\$ 4,049,567</b>	<b>\$ 120,881</b>	<b>\$ -</b>	<b>\$ (1,127,290)</b>	<b>\$ 3,043,158</b>	
<b>As at August 31, 2023</b>	<b>29,312,000</b>	<b>\$ 4,898,580</b>	<b>\$ 272,193</b>	<b>\$ (110,000)</b>	<b>\$ (2,836,527)</b>	<b>\$ 2,224,246</b>	
Shares and warrants issued for cash	2,880,000	691,200	28,800	-	-	720,000	
Shares issued for exploration and evaluation assets	800,000	200,000	(200,000)	-	-	-	
Share issuance costs	-	(20,669)	6,669	-	-	(14,000)	
Bonus warrants issued (note 5)	-	-	26,292	-	-	26,292	
Net loss for the period	-	-	-	-	(199,853)	(199,853)	
Other comprehensive loss							
Unrealized loss on investments (note 4)	-	-	-	(60,000)	-	(60,000)	
<b>As at November 30, 2023</b>	<b>32,992,000</b>	<b>\$ 5,769,111</b>	<b>\$ 133,954</b>	<b>\$ (170,000)</b>	<b>\$ (3,036,380)</b>	<b>\$ 2,696,685</b>	

The accompanying notes and schedules are an integral part of these condensed consolidated interim financial statements

**Gold Hunter Resources Inc.**  
**Condensed Consolidated Interim Statements of Cash Flows**  
**For the three months ended November 30, 2023 and 2022**  
(Expressed in Canadian dollars)  
(Unaudited)

	Three months ended November 30, 2023	Three months ended November 30, 2022
<b>OPERATING ACTIVITIES</b>		
Net loss for the period	\$ (199,853)	\$ (102,804)
Item not involving cash:		
Financing fee	26,292	-
	(173,561)	(102,804)
Changes in non-cash working capital balances:		
Amounts receivable	2,059	520
Prepaid expenses	(87,167)	(4,150)
Accounts payable	(242,590)	(46,881)
Cash used in operating activities	(501,259)	(153,315)
<b>INVESTING ACTIVITIES</b>		
Exploration and evaluation assets	(41,212)	(27,798)
Cash used in investing activities	(41,212)	(27,798)
<b>FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares and warrants, net	706,000	-
Repayment of loans and notes (note 5)	(152,500)	-
Cash provided by financing activities	553,500	-
<b>CHANGE IN CASH AND CASH EQUIVANTS</b>	11,029	(181,113)
<b>CASH AND CASH EQUIVANTS, BEGINNING OF PERIOD</b>	70,779	297,055
<b>CASH AND CASH EQUIVANTS, END OF PERIOD</b>	\$ 81,808	\$ 115,942
Interest and income taxes paid	\$ -	\$ -

The accompanying notes and schedules are an integral part of these condensed consolidated interim financial statements

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)  
(Unaudited)

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### 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 at November 30, 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 \$3,036,380 as at November 30, 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. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern.

These condensed consolidated 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 condensed consolidated interim financial statements.

### 2. BASIS OF PREPARATION

#### Statement of Compliance

These condensed consolidated 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 condensed consolidated interim financial statements of the Company for the three months ended November 30, 2023 and 2022 were reviewed by the Audit Committee and approved and authorized for issuance by the Board of Directors on January 19, 2024.

#### Basis of Measurement

These condensed consolidated interim 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.



# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)  
(Unaudited)

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### 2. BASIS OF PREPARATION (continued)

#### Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly owned Canadian subsidiary, 1451366 B.C. Ltd. All intercompany accounts and transactions between the Company and its subsidiary have been eliminated upon consolidation.

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These condensed consolidated interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these condensed consolidated interim financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

Cash equivalents include short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash. As of November 30, 2023, the Company held no cash equivalents.

#### Significant accounting estimates and judgements

The preparation of these condensed consolidated interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed consolidated interim financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed consolidated interim financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

#### *Significant accounting estimates*

- i. the measurement of deferred income tax assets and liabilities; and
- ii. the inputs used in accounting for share purchase warrants and share-based payments.

#### *Significant accounting judgments*

- i. the determination of categories of financial assets and financial liabilities;
- ii. the evaluation of the Company's ability to continue as a going concern; and
- iii. the assessment of indications of impairment of the mineral property and related determination of the net realizable value and write-down of the mineral property where applicable.

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)  
(Unaudited)

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the financial statements date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

#### Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive. Basic and diluted loss per share excludes all of the Company's common shares from the weighted average shares calculation that are contingently returnable.

As the Company has recorded a net loss in each of the periods presented, basic and diluted net loss per share are the same as the exercise of stock options or share purchase warrants are anti-dilutive.

#### Share capital

Common shares, options and warrants are classified as equity. Transaction costs directly attributable to the issuance of common shares, options and warrants are recognized as a deduction from equity, net of any tax effects.

The Company bifurcates units which consist of common shares and share purchase warrants using the residual value approach, whereby it measures the common share component of the unit at fair value using the trading price and then allocates the residual value, if any, of the units over the fair value of the common shares to the warrant component. The value of the warrant component is credited to reserves. When warrants are exercised, the corresponding value is transferred from reserves to share capital. When warrants expire unexercised or are cancelled, the applicable amounts recorded in reserves are reclassified to deficit.

Warrants issued as finders' and agents' fees, including agents' compensation options issued during the initial public offering, are recorded at fair value measured using the Black-Scholes option pricing model.

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)  
(Unaudited)

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Share issuance costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are charged to operations.

#### Share-based payments

The Company may grant stock options to acquire common shares 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.

The fair value of stock options granted to employees and others providing similar services is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized in expense and reserves over the vesting period. Consideration paid for the shares along with the fair value recorded in reserves on the exercise of stock options is credited to share capital. When stock options expire unexercised or are cancelled, the applicable amounts recorded in reserves are reclassified to deficit.

In situations where equity instruments are issued to non-employees and the fair value of some or all of the goods or services received by the entity cannot be estimated reliably, the equity instruments are measured at the fair value of the share-based payment. Otherwise, share-based payment transactions are measured at the fair value of goods or services received.

Where the terms and conditions of options are modified, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

#### Financial instruments

##### Financial assets

On initial recognition financial assets are classified as measured at:

- i. Amortized cost;
- ii. Fair value through other comprehensive income ("FVOCI"); and
- iii. Fair value through profit and loss ("FVTPL").

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)  
(Unaudited)

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

##### Financial assets (continued)

Subsequent measurement of financial assets depends on their classification:

- i. Amortized cost  
Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.

The Company does not have any assets classified at amortized cost.

- ii. FVOCI  
Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

The Company's investments are classified at FVOCI.

- iii. FVTPL  
Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the statement of operations and comprehensive loss in the period in which it arises.

The Company's cash and cash equivalents are classified at FVTPL.

##### Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group entities are recorded at the proceeds received, net of direct issue costs.

Financial liabilities are classified as measured at (i) FVTPL; or (ii) amortized cost.

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI and the remaining amount of the change in the fair value is presented in profit or loss.

The Company does not classify any financial liabilities at FVTPL.

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)  
(Unaudited)

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

##### Financial liabilities and equity (continued)

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

The Company classifies its accounts payable, loans and notes payable at amortized cost.

A financial liability is derecognized when the contractual obligation under the liability is discharged, cancelled or expires or its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

#### Exploration and evaluation assets

All costs related to the acquisition, exploration and development of mineral properties are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units-of-production method over estimated recoverable reserves.

Management annually assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if the property has been abandoned, there are unfavourable changes in the property economics, there are restrictions on development, or when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written-down to the estimated recoverable amount.

The recoverability of mineral properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

When options are granted on mineral properties or properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

#### Decommissioning, restoration, and similar liabilities

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)  
(Unaudited)

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Decommissioning, restoration, and similar liabilities (continued)

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the units-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

#### Flow-through shares

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. On issuance, the premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability. As expenditures are incurred, the liability associated with the renounced tax deductions is recognized through profit and loss with a pro-rata portion of the deferred premium.

To the extent that the Company has deferred tax assets in the form of tax loss carry-forwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

#### Adoption of new accounting standards, interpretations, and amendments

The Company has performed an assessment of new standards issued by the IASB that are not yet effective. The Company has assessed that the impact of adopting these accounting standards on its financial statements would not be significant.

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)  
(Unaudited)

### 4. INVESTMENTS

Investments in shares comprise the following:

	Number of shares	Cost	Accumulated Unrealized Loss	November 30, 2023 Fair Value
Sorrento Resources Ltd.	1,000,000	\$ 300,000	\$ (170,000)	\$ 130,000

	Number of shares	Cost	Accumulated Unrealized Loss	August 31, 2023 Fair Value
Sorrento Resources Ltd.	1,000,000	\$ 300,000	\$ (110,000)	\$ 190,000

During the three-month period ended November 30, 2023, the Company recorded an unrealized loss of \$60,000 (2022 - \$Nil) in other comprehensive income.

Sorrento Resources Ltd. is a listed company, and the fair value of the investments was determined using quoted market prices at the date of the Condensed Consolidated Interim Statements of Financial Position. In June 2023, the Company received 1,000,000 common shares of Sorrento Resources Ltd. with a fair value of \$300,000, in respect of the sale of six other projects acquired as part of the Rambler and Tilt Cove Projects Property (note 6).

### 5. LOANS AND NOTES PAYABLE

In July 2023, the Company obtained private, non-interest-bearing loans from a certain related and other unrelated parties for an aggregate amount of \$75,000 (includes \$25,000 from an insider). The loans are payable in full upon the closing of the Company's next private placement financing ("Future Financing"). The proceeds from the loans will be used to fulfill the Company's mineral claim obligations in respect of its exploration and evaluation assets (note 6) and working capital requirements. On closing of the Future Financing, the Company will repay the loans and will issue to the lenders an aggregate total of 300,000 common share purchase warrants (includes 100,000 warrants to an insider) in the Company ("Bonus Warrants"). Each Bonus Warrant will be exercisable to purchase one common share of the Company at the per share issue price of the Future Financing, for a period of 24 months from the date of issuance.

In July 2023, the Company issued promissory notes in the aggregate amount of \$77,500 in respect of the purchase of five additional properties adjacent to the Rambler Project (note 6). The notes are unsecured, non-interest-bearing and have a term of 90 days.

During the three-month period ended November 30, 2023, the Company fully repaid the \$77,500 promissory notes and \$75,000 loans. In connection with the loans, the Company issued 300,000 Bonus Warrants with a fair value of \$26,292. Each bonus warrant is exercisable to purchase one share at a price of \$0.35 for a period of 24 months from the closing date of the private placement (note 7).

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

### For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)  
(Unaudited)

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#### 6. EXPLORATION AND EVALUATION ASSETS

##### Cameron Lake East Property

In January 2020, the Company entered into an option agreement (the "Agreement") to acquire the mineral claims known as Cameron Lake East Property located in the Kenora Mining Division of Ontario. The Agreement is pursuant to an underlying option agreement (the "Head Option Agreement") between the optionor and the original claim holder ("Claim Holder"). To exercise the option and acquire the claims, the Company must pay the optionor \$66,000 and issue 1,000,000 common shares of the Company as follows:

- a. pay \$20,000 on signing of the Agreement (paid);
- b. pay an additional \$10,000 and issue 500,000 common shares on the earlier of (i) listing of the Company's common shares on the Canadian Securities Exchange, and (ii) March 15, 2021 (paid and issued);
- c. pay an additional \$12,000 on January 15, 2022 (paid);
- d. pay an additional \$12,000 and issue an additional 500,000 common shares on January 15, 2023 (paid and issued); and
- e. pay an additional \$12,000 on January 15, 2024.

In addition, under the Head Option Agreement, the optionor must pay the Claim Holder \$48,000 (paid) by September 20, 2023. 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 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.

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 (1.5%) 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. Refer to the Schedules of exploration and evaluation assets for a summary of expenditures and continuity of exploration and evaluation assets.

##### Rambler and Tilt Cove Properties

In January 2022, the Company entered into one option agreement and one purchase agreement to acquire the Rambler and Tilt Cove Projects and six other projects in the Province of Newfoundland and Labrador, collectively known as the Rambler and Tilt Cove Properties. To exercise the option and acquire the claims, the Company must pay the optionors \$1,695,000, issue 10,300,000 common shares, and incur \$2,500,000 of exploration expenditures on the claims as follows:

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



# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)  
(Unaudited)

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### 6. EXPLORATION AND EVALUATION ASSETS (continued)

#### Rambler and Tilt Cove Properties (continued)

In addition, the Company must pay finders' fees of \$135,600 and issue 824,000 common shares as follows:

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

In connection with the purchase agreement, the Company paid \$250,000 and issued 4,000,000 common shares to acquire the claims. The Company also paid a finders' fee of \$15,000 and 240,000 shares in respect of the purchase agreement. A portion of the claims is subject to a 2% net smelter returns royalty and a portion is subject to a 2.5% net smelter returns royalty of which the Company may purchase 50% at any time for \$1,000,000 and 60% at any time for \$2,000,000, respectively.

In June 2023, the Company sold 100% interest in the six other projects acquired as part of the Rambler and Tilt Cove Projects for \$50,000 and 1,000,000 common shares of Sorrento Resources Ltd. with a fair value of \$300,000, determined using quoted market prices on the closing date of the transaction. The Company retained a 1% net smelter returns royalty which the purchaser has the right to buy back 50% at any time for \$1,000,000. Pursuant the sale transaction, the Company recorded a loss on sale of exploration and evaluation assets of \$1,271,090.

In July 2023, the Company purchased five additional properties adjacent to the Rambler Project in the Baie Verte Peninsula, Newfoundland. The Company paid \$37,500 and issued 2,275,000 common shares on the closing date of the transaction. In addition, the Company issued \$77,500 of non-interest bearing promissory notes with a term of 90 days and issued 250,000 common shares as finders' fee. The Company will also issue an additional 800,000 common shares on the date that is 4 months and a day from the closing date and recorded a reserve for an obligation to issue the remaining common shares with a fair value of \$200,000. The five properties are each subject to a 2% net smelter returns royalty of which the Company may purchase 50% at any time for an aggregate total of \$5,500,000.

In November 2023, the Company issued the remaining 800,000 common shares, reclassified the \$200,000 reserve to share capital, and fully repaid the \$77,500 promissory notes. Refer to the Schedules of exploration and evaluation assets for a summary of expenditures and continuity of exploration and evaluation assets.

Subsequent to the period ended November 30, 2023, the Company amended the mineral property option agreement and finders' agreement, dated in January 2022, in regard to the Rambler and Tilt Cove Properties (note 12).

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)  
(Unaudited)

### 7. SHARE CAPITAL

#### Authorized

Unlimited number of common shares without par value.

#### Issued and outstanding

As of November 30, 2023 there were 32,992,000 (November 30, 2022 - 25,826,500) common shares issued and outstanding.

During the three-month period ended November 30, 2023:

- I. On November 2, 2023, the Company issued, pursuant to a private placement, 2,880,000 units at a price of \$0.25 per unit for gross proceeds of \$720,000. Each unit consisted of one common share and one transferable common share purchase warrant exercisable for one common share at a price of \$0.35 per share for a period of 24 months. Warrants were valued at \$28,800 using the residual value method. The Company paid cash finders' fees totaling \$14,000 and 56,000 finders' warrants with a fair value of \$6,669 in respect of the offering.
- II. On November 13, 2023, the Company issued 800,000 common shares with a fair value of \$0.25 per share (\$200,000 total) for the purchase of exploration and evaluation assets (Rambler Property) (note 6).

During the three-month period ended November 30, 2022:

- I. The Company did not have any share transactions.

#### Stock Options

The Company adopted an Omnibus Compensation Plan (the "Plan") under which the Board of Directors may grant restricted share units ("RSUs") and stock options ("Options") to directors, officers, employees, and consultants.

Under the plan, the number of common shares reserved for issuance pursuant to the settlement of RSUs may not exceed 10% of the issued and outstanding common shares and the number of common shares reserved for issuance pursuant to the new grant of Options may not exceed 10% of the issued and outstanding common shares. The options expire not more than 10 years from the date of grant or earlier if the individual ceases to be associated with the Company, and vest over terms determined at the time of grant.

A continuity schedule of outstanding stock options is as follows:

	Number Outstanding	Weighted Average Exercise Price
		\$
Balance as at August 31, 2022	800,000	0.50
Forfeited	(200,000)	0.50
Balance as at August 31, 2023	600,000	0.50
Balance as at November 30, 2023	600,000	0.50

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)  
(Unaudited)

### 7. SHARE CAPITAL (continued)

#### Stock Options (continued)

As of November 30, 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

#### Restricted share units

As of November 30, 2023, the Company had no RSUs outstanding and exercisable to acquire common shares of the Company.

#### Share purchase warrants

A continuity schedule of outstanding warrants is as follows:

	Number Outstanding	Weighted Average Exercise Price
		\$
Balance as at August 31, 2022 and 2023	-	-
Issued	3,236,000	0.35
Balance as at November 30, 2023	3,236,000	0.35

As of November 30, 2023, the Company had warrants outstanding and exercisable to acquire common shares of the Company as follows:

Expiry Date	Number of warrants	Exercisable	Exercise Price
			\$
November 2, 2025	3,236,000	3,236,000	\$ 0.35

During the three-month period ended November 30, 2023, there were 2,880,000 warrants issued pursuant to a private placement, 56,000 warrants issued to finders, and 300,000 warrants issued as bonus warrants (note 5).

The fair value of the warrants issued pursuant to a private placement were valued at \$28,800 using the residual value method. The fair value of the warrants issued to finders was \$6,669 and was estimated using the Black-Scholes option pricing model with the following assumptions: (i) stock price on grant date of \$0.24, (ii) exercise price of \$0.25, (iii) expected life of 2 years, (iv) expected volatility of 109%, (v) expected dividend rate of 0%, (vi) risk-free interest rate of 4.48%, and (vii) expected forfeiture rate of 0%. The fair value of the bonus warrants issued was \$26,292 and was estimated using the Black-Scholes option pricing model with the following assumptions: (i) stock price on service date of \$0.195, (ii) exercise price of \$0.25, (iii) expected life of 2 years, (iv) expected volatility of 109%, (v) expected dividend rate of 0%, (vi) risk-free interest rate of 4.48%, and (vii) expected forfeiture rate of 0%.

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)  
(Unaudited)

### 8. 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 Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”).

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

	2023	2022
	\$	\$
Management fees	52,000	33,000

During the three-month period ended November 30, 2023, the Company paid management fees of \$52,000 (2022 - \$33,000) to a company controlled by the CEO, the former CEO, and CFO of the Company. In addition, the Company issued 100,000 Bonus Warrants with a fair value of \$8,764 to a company controlled by the CEO in connection with a loan agreement (note 5 and 7) and the CFO of the Company participated in the private placement and purchased 40,000 units with the warrants having a fair value of \$400 using the residual value method (note 7).

As at November 30, 2023, \$Nil (2022 - \$Nil) was due to key management personnel and management entities and is included in accounts payable and accrued liabilities on the Condensed Consolidated Interim Statements of Financial Position. The amount payable are unsecured, non-interest bearing and due on demand.

### 9. MANAGEMENT OF CAPITAL

The Company defines capital as all components of equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company is not subject to any externally imposed capital requirements.

The exploration and evaluation assets in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

The Company's capital structure consists of equity. As at November 30, 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 Consolidated Interim Financial Statements For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)  
(Unaudited)

### 10. 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 investments, 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 Condensed Consolidated Interim Statements of Financial Position as at November 30, 2023 were as follows:

	Carrying amount	Fair value measurement using		
		Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 81,808	\$ 81,808	\$ -	\$ -
Investments	\$ 130,000	\$ 130,000	\$ -	\$ -

#### Financial risk management objectives and policies

The Company's financial instruments include cash, investments, accounts payable loans and notes 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.

##### *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.

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)  
(Unaudited)

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### 10. 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*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. 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. As November 30, 2023, the Company has cash and cash equivalents balance of \$81,808 to settle its short-term liabilities of \$63,711.

### 11. COMMITMENTS

The Company is committed to certain cash payments and common share issuances as described in note 6.

### 12. SUBSEQUENT EVENTS

In December 2023, the Company entered into share purchase and sale agreement (the "Agreement") with Firefly Metals Ltd. ("Firefly") (formerly AuTECO Minerals Ltd.), an Australian-based company listed on the Australian Securities Exchange. Under the Agreement, Firefly will acquire all of the common shares of 1451366 B.C. Ltd. (the "Subsidiary"), a wholly owned subsidiary of the Company, in exchange for the issuance to the Company of 30,290,624 common shares of Firefly at a deemed issue price of CDN\$0.498 per Firefly share representing an amount equal to CDN\$15,000,000 (the "Transaction"). Prior to closing the Transaction, the Subsidiary will hold all its mineral claims and assets in Newfoundland & Labrador, Canada comprised of 624 mineral claims on the Company's Rambler Property and 52 on the Company's Tilt Cove Property. Upon the Closing, the Subsidiary will become a wholly owned subsidiary of Firefly and Firefly will assume all related obligations and liabilities regarding the claims and any royalties on the claims.

Completion of the Transaction is contingent on several conditions, including necessary regulatory, shareholder and third-party approvals. A special meeting of its shareholders will be convened to seek approval, by special resolution, of the Transaction.

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)  
(Unaudited)

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### 12. SUBSEQUENT EVENTS (continued)

In December 2023, the Company amended the mineral property option agreement, dated January 17, 2022, in regards to the Rambler and Tilt Cove Properties. As per the amendment, the Company can fully exercise the option and acquire a 100% interest in the claims upon the issuance of 6,000,000 common shares of the Company, to be issued on or before January 4, 2023. The shares will be held in escrow by the Company and will be released upon the closing of the Transaction. In the event that the Transaction does not close by July 1, 2024, the shares will be cancelled immediately, and the option agreement will revert back to its original form. Additionally, there's an agreed cash payment of \$500,000 to be paid no later than August 1, 2024. However, if the Company (or its Subsidiary) disposes of the optioned claims, the cash payment will be due within 30 days of the disposition of the optioned claims. In addition, the amended option agreement removes one claim that was duplicated and was part of the claims subsequently acquired by the Company in the purchase agreement, dated July 12, 2023.

In January 2024, the Company amended the finders' agreement to reflect the terms of the amended option agreement. The finders' fee shall consist of \$40,000 and 480,000 common shares and shall be paid and issued upon closing of the Transaction. In the event that the Transaction does not close by July 1, 2024, the finders' agreement will revert back to its original form.

In January 2024, the Company issued 6,000,000 shares with a fair value \$1,590,000 of in respect of an option to purchase exploration and evaluation assets (Rambler Property).

In January 2024, the Company announced its intention to distribute shares (the "Distribution") of Firefly to the shareholders of the Company, subject to the Company obtaining any required regulatory approval. The Distribution is in connection with the Transaction. The Company will announce the record date for the Distribution. Shareholders of record will receive a pro-rata distribution of a portion of the shares being issued to the Company in connection with the Transaction.

**Gold Hunter Resources Inc.**  
**Schedules of Exploration and Evaluation Assets**  
**For the three months ended November 30, 2023**

(Expressed in Canadian dollars)  
(Unaudited)

	Cameron Lake East	Rambler and Tilt Cove	Total
	\$	\$	\$
<b>Balance, August 31, 2023</b>	<b>425,644</b>	<b>1,984,322</b>	<b>2,409,966</b>
Acquisition costs			
Cash	-	-	-
Shares	-	-	-
Other	22,547	8,657	31,204
	22,547	8,657	31,204
Exploration and evaluation costs			
Data compilation	-	2,400	2,400
Geophysical surveys	-	108	108
Prospecting	-	7,500	7,500
	-	10,008	10,008
<b>Balance, November 30, 2023</b>	<b>448,191</b>	<b>2,002,987</b>	<b>2,451,178</b>

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



**Gold Hunter Resources Inc.**  
**Schedules of Exploration and Evaluation Assets**  
**For the three months ended November 30, 2022**

(Expressed in Canadian dollars)  
(Unaudited)

	Cameron Lake East	Rambler and Tilt Cove	Total
	\$	\$	\$
<b>Balance, August 31, 2022</b>	<b>313,644</b>	<b>2,414,106</b>	<b>2,727,750</b>
Acquisition costs			
Cash	-	25,000	25,000
Shares	-	2,798	2,798
	-	27,798	27,798
<b>Balance, November 30, 2022</b>	<b>313,644</b>	<b>2,441,904</b>	<b>2,755,548</b>

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