



**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE NINE MONTHS ENDED**

**AUGUST 31, 2022 AND 2021**

**(Expressed in Canadian Dollars)**

**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**

**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**

**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

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

Under National Instrument 51-102 *Continuous Disclosure Obligations*, Part 4, subsection 4.3(3), 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 consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

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**SUN SUMMIT MINERALS CORP.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**(Expressed in Canadian Dollars)**

	August 31, 2022	November 30, 2021
	\$	\$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	3,621,312	2,159,042
Marketable securities	793	875
Receivables	97,977	177,345
Exploration advances (Note 5)	731,046	354,775
Prepaid expenses	14,390	18,906
	4,465,518	2,710,943
<b>Non-current assets</b>		
Equipment	38,223	36,373
Investment in associate (Note 4)	500,000	-
Mineral properties (Note 5)	500,297	500,297
Reclamation deposit	112,000	27,500
	<b>5,616,038</b>	<b>3,275,113</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (Note 6)	34,682	153,093
Flow-through premium (Note 7)	1,161,201	485,560
	1,195,883	638,653
<b>Shareholders' equity</b>		
Share capital (Note 8)	28,963,322	24,668,820
Equity reserves (Note 8)	4,949,599	4,665,293
Deficit	(29,492,766)	(26,697,653)
	4,420,155	2,636,460
	<b>5,616,038</b>	<b>3,275,113</b>

Nature of operations and going concern (Note 1)  
Subsequent event (Note 10)

Commitment (Note 9)

**APPROVED AND AUTHORIZED BY THE DIRECTORS ON OCTOBER 31, 2022:**

"CRAIG B. PRENTER" , Director

"R. STUART ANGUS" , Director

**SUN SUMMIT MINERALS CORP.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**  
(Expressed in Canadian Dollars)  
(Unaudited)

	For the three months ended August 31,		For the nine months ended August 31,	
	2022	2021	2022	2021
	\$	\$	\$	\$
<b>EXPENSES</b>				
Accounting and audit fees (Note 6)	20,475	30,117	95,936	104,105
Advertising and promotion	59,639	60,767	193,444	166,335
Depreciation	2,273	1,459	6,745	4,167
Exploration and evaluation (Note 5)	309,883	456,850	2,769,024	2,583,411
Insurance	10,217	9,120	18,243	14,345
Investor relations	14,279	32,000	136,710	106,452
Legal and professional fees (Note 6)	31,204	56,177	104,123	97,772
Management fees (Note 6)	26,936	73,105	153,849	139,305
Office and administration expenses	42,058	21,264	96,987	48,272
Share-based payments (Note 6)	170,734	(3,544)	170,734	609,275
Wages and benefits (Note 6)	27,521	38,838	100,872	105,199
Transfer agent and filing fees	10,410	20,309	34,908	40,018
Travel	10,254	2,577	16,575	2,783
<b>Total Expenses</b>	<b>(735,884)</b>	<b>(799,039)</b>	<b>(3,898,151)</b>	<b>(4,021,439)</b>
<b>OTHER ITEMS</b>				
Foreign exchange gain (loss)	(1,033)	8,250	(2,084)	9,982
Interest income	21,934	2,799	31,068	8,607
Gain on sale of subsidiary (Note 4)	-	-	505,663	-
Recovery of flow-through premium (Note 7)	39,602	19,514	568,473	84,454
Unrealized loss on marketable securities	(72)	-	(82)	(483)
<b>Total Other Items</b>	<b>60,431</b>	<b>30,563</b>	<b>1,103,038</b>	<b>102,560</b>
<b>NET AND COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b>(675,453)</b>	<b>(768,476)</b>	<b>(2,795,113)</b>	<b>(3,918,879)</b>
<b>Basic and diluted loss per common share</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.04)</b>	<b>(0.07)</b>
<b>Weighted average number of common shares outstanding – basic and diluted</b>	<b>76,740,213</b>	<b>59,365,333</b>	<b>64,178,275</b>	<b>55,156,752</b>

**SUN SUMMIT MINERALS CORP.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(Expressed in Canadian Dollars)**  
**(Unaudited)**

	For the nine months ended August 31,	
	2022	2021
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Net loss for the period	(2,795,113)	(3,918,879)
Items not affecting cash:		
Depreciation	6,745	4,167
Share-based payments	170,734	609,275
Recovery of flow-through premium	(568,473)	(84,454)
Gain on sale of subsidiary	(505,663)	-
Unrealized gain on marketable securities	82	483
Impairment of mineral property	-	-
Foreign exchange	-	49
Changes in non-cash working capital items:		
Receivables	79,368	(40,845)
Prepaid expenses	4,516	44,784
Exploration advances	(376,271)	-
Accounts payable and accrued liabilities	(112,748)	22,850
Net cash used in operating activities	(4,096,823)	(3,362,570)
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(8,595)	(23,118)
Mineral property additions	-	(22,119)
Reclamation deposits	(84,500)	-
Net cash used in investing activities	(93,095)	(45,237)
<b>FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares, net	5,636,888	4,624,716
Proceeds from exercise of warrants and stock options	15,300	1,446,646
Net cash provided by financing activities	5,652,188	6,071,362
CHANGE IN CASH	1,462,270	2,663,555
CASH, BEGINNING OF PERIOD	2,159,042	3,045,869
<b>CASH, END OF PERIOD</b>	<b>3,621,312</b>	<b>5,709,424</b>

**SUN SUMMIT MINERALS CORP.**

**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

(Expressed in Canadian Dollars)

(Unaudited)

	Share Capital Common Shares		Equity Reserves	Deficit	Total Shareholders' Equity
	#	\$	\$	\$	\$
Balance at November 30, 2020	51,217,824	19,179,130	3,216,801	(19,194,910)	3,201,021
Shares issued for cash	6,953,878	5,000,000	-	-	5,000,000
Flow-through premium	-	(1,175,367)	-	-	(1,175,367)
Share issuance costs	-	(497,161)	121,877	-	(375,284)
Exercise of warrants	5,040,504	1,277,742	(48,396)	-	1,229,346
Exercise of options	918,332	416,060	(198,760)	-	217,300
Share-based payments	-	-	609,275	-	609,275
Net and comprehensive loss	-	-	-	(3,918,879)	(3,918,879)
<b>Balance at August 31, 2021</b>	<b>64,130,538</b>	<b>24,200,404</b>	<b>3,700,797</b>	<b>(23,113,789)</b>	<b>4,787,412</b>
Balance at November 30, 2021	65,370,723	24,668,820	4,665,293	(26,697,653)	2,636,460
Shares issued for cash	11,324,490	6,000,400	-	-	6,000,400
Flow-through premium	-	(1,244,114)	-	-	(1,244,114)
Share issuance costs	-	(477,084)	113,572	-	(363,512)
Exercise of warrants	45,000	15,300	-	-	15,300
Share-based payments	-	-	170,734	-	170,734
Net and comprehensive loss	-	-	-	(2,795,113)	(2,795,113)
<b>Balance at August 31, 2022</b>	<b>76,740,213</b>	<b>28,963,322</b>	<b>4,949,599</b>	<b>(29,492,766)</b>	<b>4,420,155</b>

**SUN SUMMIT MINERALS CORP.**  
**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED AUGUST 31, 2022 AND 2021**  
**(Expressed in Canadian Dollars)**  
**(Unaudited)**

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**1. NATURE OF OPERATIONS AND GOING CONCERN**

Sun Summit Minerals Corp. (“the Company”) was incorporated on September 27, 2005 under the *Business Corporations Act* of British Columbia and its shares trade on the TSX Venture Exchange (the “Exchange”) under the symbol SMN and on the OTCQB Venture Market of the OTC Markets Group Inc. under the symbol SMREF. The Company’s mailing address is 800 – 899 West Pender Street, Vancouver, BC, V6C 3B2. The registered and records office address is 704 – 595 Howe Street, Vancouver, BC, V6C 2T5.

The Company is engaged in the acquisition, exploration and development of precious metal properties in British Columbia, Canada.

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain resources that are economically recoverable. The realization of amounts shown for mineral properties and related deferred costs is dependent upon the discovery and exploitation of economically recoverable resources, the ability of the Company to obtain necessary financing to complete development, and attaining future profitable production or proceeds from the disposition of such properties. During the nine months ended August 31, 2022, the Company sold its wholly-owned subsidiary, San Marco Resources Mexico, S.A. de C.V. (“SMN Mexico”). See Note 4 for further details.

These condensed interim consolidated financial statements have been prepared by management on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. At August 31, 2022, the Company had not yet achieved profitable operations and has an accumulated deficit of \$29,492,766 since its inception. A number of alternatives including, but not limited to selling an interest in one or more of its properties or completing a financing, are being evaluated with the objective of funding ongoing activities and obtaining additional working capital. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due. These material uncertainties may cast significant doubt on the entity’s ability to continue as a going concern. These condensed interim consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

In March 2020 the World Health Organization declared the CoViD-19 illness, caused by the novel coronavirus, to be a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. Currently, the global pandemic has not had a significant effect on the Company’s operations other than certain delays and ensuring new protocols are being implemented in order to reduce the risk of further spread.

**2. BASIS OF PRESENTATION**

The condensed interim consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim consolidated financial statements should be read in conjunction with the annual financial statements for the year ended November 30, 2021, which have been prepared in accordance with IFRS as issued by IASB. The accounting policies adopted are consistent with those of the previous financial year, except for recent accounting pronouncements as described in Note 3 below. The Board of Directors approved the condensed interim consolidated financial statements on October 31, 2022.

**SUN SUMMIT MINERALS CORP.**  
**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
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**3. RECENT ACCOUNTING PRONOUNCEMENTS**

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or International Financial Reporting Interpretations Committee.

During the period ended August 31, 2022, the Company was not required to, and has not adopted any new standards, interpretations, amendments and improvements to existing standards which had a material impact on the Company's condensed interim consolidated financial statements. The Company also does not expect the adoption of any currently announced new standards, interpretations, amendments and improvements to existing standards to have a material impact on the Company's condensed interim consolidated financial statements.

**4. INVESTMENT IN ASSOCIATE**

During the nine months ended August 31, 2022, the Company completed its sale of 100% of the issued and outstanding shares of SMN Mexico to an unrelated third party, Green Earth Metals Inc. ("Green Earth"), a private entity incorporated under the laws of British Columbia. In consideration, the Company received 5,000,000 common shares and 2,000,000 share purchase warrants of Green Earth, each warrant entitling the Company to purchase one common share of Green Earth until February 14, 2027 at a price equal to the initial public offering price of Green Earth's shares.

The fair value of the consideration received was calculated to be \$500,000. The fair value of the warrants received was nominal. During the nine months ended August 31, 2022, the Company recorded a gain on sale of subsidiary of \$505,663, representing the consideration received and the net liabilities of SMN Mexico on the date of sale.

Upon receipt of the common shares of Green Earth, the Company owned approximately 32.4% of the issued and outstanding common shares of Green Earth. As a result, the Company has significant influence over Green Earth, and has records its interest in Green Earth on the equity basis.

**SUN SUMMIT MINERALS CORP.**  
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**5. MINERAL PROPERTIES**

A summary of capitalized acquisition costs is as follows:

	<b>BUCK PROPERTY</b>
	\$
Balance, November 30, 2020	208,178
Additions:	
Cash payments	47,119
Common shares issued	245,000
<b>Balance, November 30, 2021 and August 31, 2022</b>	<b>500,297</b>

Exploration and evaluation costs incurred during the nine months ended August 31, 2022 and 2020 are as follows:

	<b>BUCK PROPERTY</b>	<b>OTHER PROJECTS</b>	<b>TOTAL</b>
	\$	\$	\$
Drilling	599,678	-	599,678
Equipment rental	120,870	-	120,870
Field supplies and on-site expenses	111,136	-	111,136
Geochemical surveying	964,422	17,360	981,782
Miscellaneous	209,750	60	209,810
On-site personnel costs	394,850	-	394,850
Sampling, prospecting, study	137,674	2,550	140,224
Transportation and accommodation	210,674	-	210,674
<b>Expenses for the nine months ended August 31, 2022</b>	<b>2,749,054</b>	<b>19,970</b>	<b>2,769,024</b>
Drilling	903,478	-	903,478
Equipment rental	114,528	-	114,528
Field supplies and on-site expenses	136,555	-	136,555
Geochemical surveying	672,620	-	672,620
Geological consulting	26,100	1,324	27,424
Geophysics, topographic, mapping	43,322	-	43,322
Miscellaneous	50,082	12,909	62,991
Mineral rights	-	13,319	13,319
On-site personnel costs	398,928	-	398,928
Sampling, prospecting, study	143,764	1,404	145,168
Transportation and accommodation	173,539	4,676	178,215
Mineral exploration tax credits	(113,137)	-	(113,137)
<b>Expenses for the nine months ended August 31, 2021</b>	<b>2,549,779</b>	<b>33,632</b>	<b>2,583,411</b>

**SUN SUMMIT MINERALS CORP.**  
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**5. MINERAL PROPERTIES (continued)**

**Buck Property**

As of July 5, 2019, the Company entered into an option agreement (the “Buck Agreement”) to acquire a 100% interest in a mineral property in north-central British Columbia (the “Buck Property”). To exercise the option and obtain a 100% interest in the Buck Property, the Company must incur \$112,000 in exploration expenditures by December 31, 2019, and make cash payments totalling \$300,000 and issue 4,000,000 common shares of the Company on or before the fifth anniversary of Exchange approval of the Buck Agreement, on October 9, 2019, as follows:

	<b>Cash</b>	<b>Common shares</b>
	\$	#
On October 9, 2019 (paid and issued)	25,000	250,000
On or before October 9, 2020 (paid and issued)	25,000	400,000
On or before October 9, 2021 (paid and issued)	25,000	500,000
On or before October 9, 2022 (paid and issued subsequent to August 31, 2022)	25,000	750,000
On or before October 9, 2023	50,000	1,000,000
On or before October 9, 2024	150,000	1,100,000
<b>Total</b>	<b>300,000</b>	<b>4,000,000</b>

On the exercise of the option, the optionors will be granted a 2.5% net smelter return (“NSR”) royalty on the Buck Property, which can be reduced to 1.5% NSR with the payment of \$2,500,000 to the Optionors prior to the first anniversary of the commencement of commercial production. An additional 4,000,000 common shares are also to be issued to the optionors upon the earlier of the completion of a bankable feasibility study or the eighth anniversary of the Exchange’s approval of the Buck Agreement on October 9, 2019.

During the year ended November 30, 2021, the Company made cash payments totalling \$22,119 to stake additional claims adjacent to the existing claims comprising the Buck Property. As at August 31, 2022, the Company had made cash payments of \$75,000 to the optionors and issued 1,150,000 common shares to the optionors pursuant to the Buck Agreement.

As at August 31, 2022, the Company had advanced \$731,046 (November 30, 2021: \$352,806) to a service provider in connection with ongoing exploration and evaluation expenditures.

**SUN SUMMIT MINERALS CORP.**  
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**(Unaudited)**

**6. RELATED PARTY TRANSACTIONS**

**Compensation of key management personnel**

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole.

The remuneration of the directors and the chief executive officer for the nine months ended August 31, 2022 and 2021 were as follows:

	<b>2022</b>	<b>2021</b>
	\$	\$
Management fees <sup>(i)</sup>	90,900	130,500
Salaries and wages	93,750	-
Share based payments	126,195	368,681
<b>Total</b>	<b>310,845</b>	<b>499,181</b>

(i) Management fees includes \$90,900 (2021 - \$104,400) classified as management fees and \$Nil (2021 - \$26,100) classified as exploration and evaluation costs paid to related parties.

**Transactions with other related parties**

Certain of the Company's officers render services to the Company through entities in which they are an officer, director, or partner.

The Company incurred the following fees and expenses during the nine months ended August 31, 2022 and 2021 with these related parties as follows:

	<b>2022</b>	<b>2021</b>
	\$	\$
Accounting fees	64,350	66,250
Legal fees	64,785	83,268
Share issuance costs	46,245	42,750
<b>Total</b>	<b>175,380</b>	<b>192,268</b>

At August 31, 2022, there was \$Nil (November 30, 2021 - \$7,862) included in accounts payable and accrued liabilities that was owing to related parties for accounting and legal fees.

**SUN SUMMIT MINERALS CORP.**  
**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED AUGUST 31, 2022 AND 2021**  
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**(Unaudited)**

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**7. FLOW-THROUGH PREMIUM**

- i. During the nine months ended August 31, 2022, the Company issued flow-through units and recognized a non-cash deferred flow-through premium of \$1,244,114 as the difference between the fair value of the amounts recognized as equity and the amounts paid by investors. During the nine months ended August 31, 2022, the Company recognized \$82,913 as recovery of the deferred flow-through premium liability related to this flow-through financing as other income based on the amount of eligible expenditures incurred. As at August 31, 2022, the remaining unrealized flow-through premium related to this flow-through financing was \$1,161,201 (November 30, 2021 - \$Nil).
- ii. During the year ended November 30, 2021, the Company issued flow-through units and recognized a non-cash deferred flow-through premium of \$1,175,367 as the difference between the fair value of the amounts recognized as equity and the amounts paid by investors. During the nine months ended August 31, 2022, the Company recognized \$485,560 as recovery of the deferred flow-through premium liability related to this flow-through financing as other income based on the amount of eligible expenditures incurred. As at August 31, 2022, there was no remaining unrealized flow-through premium related to this flow-through financing (November 30, 2021 - \$485,560).
- iii. During the year ended November 30, 2020, the Company issued flow-through units and recognized a non-cash deferred flow-through premium of \$129,960 as the difference between the fair value of the amounts recognized as equity and the amounts paid by investors. During the nine months ended August 31, 2022, the Company recognized \$Nil (2021 - \$84,454) as recovery of the deferred flow-through premium liability related to this flow-through financing as other income based on the amount of eligible expenditures incurred. As at November 30, 2021, there was no remaining unrealized flow-through premium related to this flow-through financing.

**8. SHARE CAPITAL AND EQUITY RESERVES**

- a) Authorized  
  
Unlimited number of common shares without par value

- b) Issued

During the nine months ended August 31, 2022:

- i. The Company completed a non-brokered private placement whereby it issued 9,809,379 flow-through units (each a “FT Unit”) and 1,515,111 non-flow-through units (each a “NFT Unit”) for gross proceeds of \$6,000,400. Each FT Unit consisted of one flow-through common share and one-half of one common share purchase warrant. Each NFT Unit consisted of one non-flow-through common share and one-half of one common share purchase warrant. Each whole warrant is exercisable to purchase one additional non-flow-through common share of the Company until March 25, 2024 at a price of \$0.70.

In connection with the private placement, the Company paid cash finder’s fees of \$319,338 and issued 607,634 finder warrants, with each finder warrant exercisable to purchase one additional non-flow-through common share of the Company until March 25, 2024 at a price of \$0.70. The Company incurred other legal and professional fees of \$44,174 in connection with the private placement.

- ii. The Company issued 45,000 common shares pursuant to the exercise of share purchase warrants for gross proceeds of \$15,300.

**SUN SUMMIT MINERALS CORP.**  
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**8. SHARE CAPITAL AND EQUITY RESERVES (continued)**

b) Issued (continued)

During the nine months ended August 31, 2021:

- i. The Company issued 4,290,467 common shares pursuant to the exercise of share purchase warrants for gross proceeds of \$1,000,519. In connection with the exercise of share purchase warrants, the Company reallocated \$45,396 from contributed surplus to shareholders' equity.
- ii. The Company issued 738,332 common shares pursuant to the exercise of stock options for gross proceeds of \$178,900. In connection with the exercise of stock options, the Company reallocated \$164,959 from contributed surplus to shareholders' equity.

c) Stock options

The Company's stock option transactions are as follows:

	<b>Number of Shares issuable under Options</b>	<b>Weighted Average Exercise Price</b>
		\$
Shares issuable under Options outstanding at November 30, 2020	3,733,333	0.35
Granted	3,425,000	0.51
Exercised	(1,143,332)	0.24
Forfeited	(45,000)	0.38
<b>Shares issuable under Options outstanding at November 30, 2021</b>	<b>5,970,000</b>	<b>0.46</b>
Granted	1,350,000	0.27
Expired	(600,000)	0.56
Forfeited	(325,000)	0.38
<b>Shares issuable under Options outstanding at August 31, 2022</b>	<b>6,395,000</b>	<b>0.42</b>
<b>Shares issuable under Options exercisable at August 31, 2022</b>	<b>6,395,000</b>	<b>0.42</b>

**SUN SUMMIT MINERALS CORP.**  
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**8. SHARE CAPITAL AND EQUITY RESERVES (continued)**

c) Stock options (continued)

As at August 31, 2022, the following stock options were outstanding:

Number of Shares issuable under Options Outstanding	Exercise Price	Expiry Date
	\$	
66,667 <sup>(1)</sup>	0.54	October 2, 2022
75,000	0.43	January 13, 2023
133,333	0.56	January 31, 2023
50,000	0.56	February 1, 2023
200,000	0.56	February 14, 2023
400,000	0.56	June 25, 2023
25,000	0.57	November 10, 2023
620,000	0.18	February 6, 2025
300,000	0.30	June 1, 2025
150,000	0.30	June 15, 2025
150,000	0.31	August 4, 2025
1,175,000	0.43	January 13, 2026
1,900,000	0.57	November 10, 2026
1,150,000	0.27	July 11, 2027
<b>6,395,000</b>		

<sup>(1)</sup> Expired subsequent to August 31, 2022.

As at August 31, 2022 the stock options outstanding have a weighted average outstanding life of 3.33 years.

The Company has a 10% rolling stock option plan whereby the Company may from time to time, in accordance with the Exchange's requirements, grant to directors, officers, employees and consultants options to purchase common shares of the Company. The options can be granted for a maximum of five years, the vesting provisions are determined by the Board of Directors and, the exercise price of each option is required to be no less than the market price of the Company's stock as calculated immediately preceding the day of the grant and shall not be less than \$0.10 per share.

During the nine months ended August 31, 2022, the Company granted stock options to various directors, officers and consultants of the Company to purchase 1,350,000 common shares. Each stock option is exercisable at prices ranging from \$0.25 to \$0.39 for a period ranging from 18 months to five years.

During the nine months ended August 31, 2021, the Company granted stock options to various directors, officers and consultants of the Company to purchase 1,475,000 common shares. Each stock option is exercisable at prices ranging from \$0.38 to \$0.48 for a period ranging from three years to five years.

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**(Unaudited)**

**8. SHARE CAPITAL AND EQUITY RESERVES (continued)**

c) Stock options (continued)

During the nine months ended August 31, 2022 and 2021, the Company recorded share-based payments of \$170,734 (2021 - \$609,275) in connection with the stock options granted and vested during the period. The fair value of the stock options granted was estimated as at the date of the grant using the Black-Scholes Option Pricing Model and the following weighted average assumptions:

	<b>2022</b>	<b>2021</b>
Risk free interest rate	3.13%	0.42%
Expected life of options	5 years	4.61 years
Expected dividend yield	0%	0%
Expected stock price volatility	113%	125%
Exercise price	\$0.25	\$0.43
Stock price	\$0.19	\$0.43
<b>Weighted average fair value per option</b>	<b>\$0.15</b>	<b>\$0.35</b>

d) Warrants

The Company's warrant transactions are as follows:

	<b>Number of Shares issuable under Warrants</b>	<b>Weighted Average Exercise Price</b>
		\$
Shares issuable under Warrants outstanding at November 30, 2020	16,473,899	0.28
Issued	3,847,974	
Exercised	(5,555,689)	
Expired	(121,616)	
<b>Shares issuable under Warrants outstanding at November 30, 2021</b>	<b>14,644,566</b>	<b>0.46</b>
Issued	6,274,499	
Exercised	(45,000)	
<b>Shares issuable under Warrants outstanding at August 31, 2022</b>	<b>20,874,065</b>	<b>0.53</b>

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**(Unaudited)**

**8. SHARE CAPITAL AND EQUITY RESERVES (continued)**

d) Warrants (continued)

As at August 31, 2022, the following share purchase warrants were outstanding:

<b>Number of Shares issuable under Warrants</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
	\$	
1,080,000	0.25	November 21, 2022
569,251	0.20	February 19, 2023
3,000,039	0.30	May 29, 2023
5,703,899	0.34	July 23, 2022
398,403	0.26	July 23, 2022
3,476,938	0.90	July 29, 2023
207,838	0.66	July 29, 2023
163,198	0.81	July 29, 2023
6,274,499	0.70	March 25, 2024
<b>20,874,065</b>		

As at August 31, 2022, the warrants outstanding have a weighted average outstanding life of 0.74 years.

**9. COMMITMENT**

During the nine months ended August 31, 2022, the Company issued flow-through common shares for gross proceeds of \$5,318,600 of which the Company has spent \$583,475 and is expected to incur the remaining expenditures over the flow-through period. Expenditures related to the use of flow-through share proceeds are not available as a tax deduction to the Company as the tax benefits of these expenditures are renounced to the investors. The Company is required to incur these expenditures before December 31, 2022 and 2023 under the general rule and the look-back rule, respectively.

**10. SUBSEQUENT EVENT**

Subsequent to August 31, 2022, the Company issued 750,000 common shares and made a cash payment of \$25,000 pursuant to the Buck Agreement's anniversary payment due in October, 2022.