



**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED**

**MAY 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 STATEMENT 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)**

	May 31, 2022	November 30, 2021
	\$	\$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	5,060,188	2,159,042
Marketable securities	865	875
Receivables	99,965	177,345
Exploration advances (Note 5)	-	354,775
Prepaid expenses	13,752	18,906
	<b>5,174,770</b>	<b>2,710,943</b>
<b>Non-current assets</b>		
Equipment	40,247	36,373
Investment in associate (Note 4)	500,000	-
Mineral properties (Note 5)	500,297	500,297
Reclamation deposit	27,500	27,500
	<b>6,242,814</b>	<b>3,275,113</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (Note 6)	117,137	153,093
Flow-through premium (Note 7)	1,200,803	485,560
	<b>1,317,940</b>	<b>638,653</b>
<b>Shareholders' equity</b>		
Share capital (Note 8)	28,963,322	24,668,820
Equity reserves (Note 8)	4,778,865	4,665,293
Deficit	(28,817,313)	(26,697,653)
	<b>4,924,874</b>	<b>2,636,460</b>
	<b>6,242,814</b>	<b>3,275,113</b>

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

Commitments (Note 9)

**APPROVED AND AUTHORIZED BY THE DIRECTORS ON JULY 29, 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 May 31,		For the six months ended May 31,	
	2022	2021	2022	2021
	\$	\$	\$	\$
<b>EXPENSES</b>				
Accounting and audit fees (Note 6)	53,861	50,887	75,461	73,988
Advertising and promotion	98,645	71,643	133,805	105,568
Depreciation	2,653	1,944	4,472	2,708
Exploration and evaluation (Note 5)	1,427,331	1,493,185	2,459,141	2,126,561
Insurance	5,122	2,731	8,026	5,225
Investor relations	90,650	39,938	122,431	74,452
Legal and professional fees (Note 6)	61,184	22,776	72,919	41,595
Management fees (Note 6)	80,138	45,900	126,913	66,200
Office and administration expenses	25,448	15,451	54,930	27,008
Share-based payments (Note 6)	-	82,989	-	612,819
Wages and benefits (Note 6)	38,435	37,851	73,351	66,361
Transfer agent and filing fees	16,865	12,736	24,498	19,709
Travel	4,632	206	6,321	206
<b>Total Expenses</b>	<b>(1,904,964)</b>	<b>(1,878,237)</b>	<b>(3,162,267)</b>	<b>(3,222,400)</b>
<b>OTHER ITEMS</b>				
Foreign exchange gain (loss)	(1,063)	(345)	(1,051)	1,732
Interest income	8,227	2,216	9,134	5,808
Gain on sale of subsidiary	-	-	505,663	-
Recovery of flow-through premium (Note 7)	309,738	49,935	528,871	64,940
Unrealized loss on marketable securities	(510)	(167)	(10)	(483)
<b>Total Other Items</b>	<b>316,392</b>	<b>51,639</b>	<b>1,042,607</b>	<b>71,997</b>
<b>NET AND COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b>(1,588,572)</b>	<b>(1,826,598)</b>	<b>(2,119,660)</b>	<b>(3,150,403)</b>
<b>Basic and diluted loss per common share</b>	<b>(0.02)</b>	<b>(0.03)</b>	<b>(0.03)</b>	<b>(0.06)</b>
<b>Weighted average number of common shares outstanding – basic and diluted</b>	<b>73,893,927</b>	<b>54,057,934</b>	<b>61,807,409</b>	<b>53,029,337</b>

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

	For the six months ended May 31,	
	2022	2021
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Net loss for the period	(2,119,660)	(3,150,402)
Items not affecting cash:		
Depreciation	4,472	2,708
Share-based payments	-	612,819
Recovery of flow-through premium (Note 7)	(528,871)	(64,940)
Gain on sale of subsidiary	(505,663)	-
Unrealized gain on marketable securities	10	483
Impairment of mineral property	-	-
Foreign exchange	-	125
Changes in non-cash working capital items:		
Receivables	77,380	(6,125)
Prepaid expenses	5,154	42,053
Exploration advances	354,775	-
Accounts payable and accrued liabilities	(30,293)	76,525
<b>Net cash used in operating activities</b>	<b>(2,742,696)</b>	<b>(2,486,754)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(8,346)	(16,403)
Mineral property additions	-	(22,119)
Sale of property and equipment	-	-
Reclamation deposits	-	-
<b>Net cash used in investing activities</b>	<b>(8,346)</b>	<b>(38,522)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares, net	5,636,888	-
Proceeds from exercise of warrants and stock options	15,300	1,179,419
<b>Net cash provided by financing activities</b>	<b>5,652,188</b>	<b>1,179,419</b>
<b>CHANGE IN CASH</b>	<b>2,901,146</b>	<b>(1,345,857)</b>
<b>CASH, BEGINNING OF PERIOD</b>	<b>2,159,042</b>	<b>3,045,869</b>
<b>CASH, END OF PERIOD</b>	<b>5,060,188</b>	<b>1,700,012</b>

**SUN SUMMIT MINERALS CORP.****CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY****(Expressed in Canadian Dollars)****(Unaudited)**

	Share Capital		Equity		Total
	Common Shares		Reserves	Deficit	Shareholders' Equity
	#	\$	\$	\$	\$
Balance at November 30, 2020	51,217,824	19,179,130	3,216,801	(19,194,910)	3,201,021
Exercise of warrants	4,290,467	1,045,915	(45,396)	-	1,000,519
Exercise of options	738,332	343,859	(164,959)	-	178,900
Share-based payments	-	-	612,819	-	612,819
Net and comprehensive loss	-	-	-	(3,150,402)	(3,150,402)
<b>Balance at May 31, 2021</b>	<b>56,246,623</b>	<b>20,568,904</b>	<b>3,619,265</b>	<b>(22,345,312)</b>	<b>1,842,857</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
Net and comprehensive loss	-	-	-	(2,119,660)	(2,119,660)
<b>Balance at May 31, 2022</b>	<b>76,740,213</b>	<b>28,963,322</b>	<b>4,778,865</b>	<b>(28,817,313)</b>	<b>4,924,874</b>

**SUN SUMMIT MINERALS CORP.**  
**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED MAY 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 1700 – 1030 W. Georgia Street, Vancouver, BC, V6E 2Y3. The registered and records office address is Suite 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 six months ended May 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 May 31, 2022, the Company had not yet achieved profitable operations and has an accumulated deficit of \$28,817,313 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 July 29, 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 May 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 six months ended May 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 six months ended May 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 May 31, 2022</b>	<b>500,297</b>

Exploration and evaluation costs incurred during the six months ended May 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	104,384	-	104,384
Field supplies and on-site expenses	110,905	-	110,905
Geochemical surveying	912,853	17,360	930,213
Miscellaneous	194,010	60	194,070
On-site personnel costs	254,917	-	254,917
Sampling, prospecting, study	101,293	2,550	103,843
Transportation and accommodation	161,130	-	161,130
<b>Expenses for the six months ended May 31, 2022</b>	<b>2,439,171</b>	<b>19,970</b>	<b>2,459,141</b>
Drilling	903,306	-	903,306
Equipment rental	70,322	-	70,322
Field supplies and on-site expenses	48,501	-	48,501
Geochemical surveying	465,087	-	465,087
Geological consulting	26,100	834	26,934
Geophysics, topographic, mapping	43,322	-	43,322
Miscellaneous	27,699	10,336	38,035
Mineral rights	-	6,705	6,705
On-site personnel costs	320,377	-	320,377
Sampling, prospecting, study	89,361	38	89,399
Transportation and accommodation	112,053	2,520	114,573
<b>Expenses for the six months ended May 31, 2021</b>	<b>2,106,128</b>	<b>20,433</b>	<b>2,126,561</b>

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

**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	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 May 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 November 30, 2021, the Company had advanced \$352,806 to a service provider in connection with ongoing exploration and evaluation expenditures.

**SUN SUMMIT MINERALS CORP.**  
**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
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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 six months ended May 31, 2022 and 2021 were as follows:

	<b>2022</b>	<b>2021</b>
	\$	\$
Management fees <sup>(i)</sup>	90,900	85,500
Salaries and wages	62,500	-
Share based payments	-	368,681
<b>Total</b>	<b>153,400</b>	<b>454,181</b>

(i) Management fees includes \$90,900 (2021 - \$32,200) 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 six months ended May 31, 2022 and 2021 with these related parties as follows:

	<b>2022</b>	<b>2021</b>
	\$	\$
Accounting fees	44,850	42,250
Legal fees	50,950	39,506
Share issuance costs	46,245	-
<b>Total</b>	<b>141,685</b>	<b>81,756</b>

At May 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**  
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**(Expressed in Canadian Dollars)**  
**(Unaudited)**

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**7. FLOW-THROUGH PREMIUM**

- i. During the six months ended May 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 six months ended May 31, 2022, the Company recognized \$43,311 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 May 31, 2022, the remaining unrealized flow-through premium related to this flow-through financing was \$1,200,803 (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 six months ended May 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 May 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 six months ended May 31, 2022, the Company recognized \$Nil (2021 - \$15,005) 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 six months ended May 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 six months ended May 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	200,000	0.39
Exercised	-	-
Forfeited	(325,000)	0.38
<b>Shares issuable under Options outstanding at May 31, 2022</b>	<b>5,845,000</b>	<b>0.47</b>
<b>Shares issuable under Options exercisable at May 31, 2022</b>	<b>5,845,000</b>	<b>0.47</b>

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

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

c) Stock options (continued)

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

Number of Shares issuable under Options Outstanding	Exercise Price	Expiry Date
	\$	
500,000	0.57	June 2, 2022 <sup>(1)</sup>
100,000	0.48	July 12, 2022 <sup>(1)</sup>
66,667	0.54	October 2, 2022
75,000	0.43	January 13, 2023
133,333	0.56	January 31, 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
1,225,000	0.43	January 13, 2026
1,900,000	0.57	November 10, 2026
<b>5,845,000</b>		

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

As at May 31, 2022 the stock options outstanding have a weighted average outstanding life of 2.91 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.

The Company did not grant any stock options during the six months ended May 31, 2022.

During the six months ended May 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 18 months to five years.

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**(Unaudited)**

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

c) Stock options (continued)

During the six months ended May 31, 2022 and 2021, the Company recorded share-based payments of \$Nil (2021 - \$529,830) 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	N/A	0.42%
Expected life of options	N/A	4.61 years
Expected dividend yield	N/A	0%
Expected stock price volatility	N/A	125%
Exercise price	N/A	\$0.43
Stock price	N/A	\$0.43
<b>Weighted average fair value per option</b>	<b>N/A</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>
		<b>\$</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 May 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 May 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 May 31, 2022, the warrants outstanding have a weighted average outstanding life of 0.99 years.

**9. COMMITMENTS**

During the six months ended May 31, 2022, the Company issued flow-through common shares for gross proceeds of \$5,318,600. 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. As at May 31, 2022, the Company had \$5,132,746 in unspent flow-through funds. 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 May 31, 2022, the Company issued stock options to purchase 1,150,000 common shares to various directors, officers and consultants of the Company exercisable at a price of \$0.25 per common share until July 11, 2027.