
NORTH PEAK RESOURCES LTD.

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021**

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited condensed interim consolidated financial statements of North Peak Resources Ltd. (the "Company") are the responsibility of management and the Board of Directors.

The unaudited condensed interim consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited condensed interim consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 - Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards ("IFRS") appropriate in the circumstances.

Management has established processes, which are in place to provide it with sufficient knowledge to support management representations that it has exercised reasonable diligence in that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited condensed interim consolidated financial statements and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited condensed interim consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

NOTICE TO READER

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

NORTH PEAK RESOURCES LTD.**Condensed Interim Consolidated Statements of Financial Position****(Expressed in Canadian Dollars)****(Unaudited)**

As at	September 30, 2022	December 31, 2021
ASSETS		
Current assets		
Cash	\$ 8,431,315	\$ 5,115,374
Investment	100,000	100,000
Accounts receivable (note 3)	587,500	-
Prepaid and sundry receivable	133,491	114,901
	\$ 9,252,306	\$ 5,330,275
Exploration and evaluation assets (note 3)	95,000	3,651,793
Right-of-use assets (note 4)	71,566	-
Total assets	\$ 9,418,872	\$ 8,982,068
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (note 10)	\$ 108,508	\$ 147,695
Current portion of lease liability (note 5)	13,631	-
	\$ 122,139	\$ 147,695
Non-current portion of lease liability (note 5)	56,230	-
Total liabilities	\$ 178,369	\$ 147,695
Shareholders' equity		
Share capital (note 6)	31,028,398	27,674,324
Contributed surplus (notes 7 and 8)	14,017,127	11,340,951
Deficit	(35,805,022)	(30,180,902)
Total shareholders' equity	9,240,503	8,834,373
Total liabilities and shareholders' equity	\$ 9,418,872	\$ 8,982,068

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

NORTH PEAK RESOURCES LTD.**Condensed Interim Consolidated Statements of Loss Income and Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)**

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Expenses				
Contractor fees	\$ 7,330	\$ 5,272	\$ 19,408	\$ 15,163
Travel	11,321	15,107	133,628	19,215
Office and general (note 10)	198,076	189,634	556,550	520,588
Professional fees (note 10)	82,535	27,983	193,464	102,458
Marketing	-	276	-	776
Exploration expenses (note 11)	324,153	78,621	1,918,517	190,439
Impairment of exploration and evaluation assets (note 3)	-	-	2,148,890	-
Loss on disposition of exploration and evaluation assets (note 3)	193,050	-	193,050	-
Stock-based compensation (notes 8 and 10)	86,551	40,417	533,159	127,980
Interest income	(45,916)	(8,698)	(72,546)	(24,871)
Loss from continuing operations for the period	(857,100)	(348,612)	(5,624,120)	(951,748)
Gain from discontinued operations (note 12)	-	-	-	150,000
Net loss and comprehensive loss for the period	\$ (857,100)	\$ (348,612)	\$ (5,624,120)	\$ (801,748)
Basic and diluted net loss per share (note 9)	\$ (0.04)	\$ (0.02)	\$ (0.24)	\$ (0.04)
Weighted average number of common shares outstanding, basic and diluted (note 9)	23,834,451	20,034,455	23,179,907	19,950,819

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

NORTH PEAK RESOURCES LTD.**Condensed Interim Consolidated Statements of Changes in Shareholders' Equity****(Expressed in Canadian Dollars)****(Unaudited)**

	Share Capital Number	Share Capital Amount	Shares to be Issued	Contributed Surplus	Deficit	Total
Balance, December 31, 2020	17,734,456	\$ 24,347,714	\$ 404,613	\$ 10,798,331	\$(28,613,427)	\$ 6,937,231
Issued on private placement	2,299,999	1,104,000	(404,613)	-	-	699,387
Costs of issue	-	(67,890)	-	-	-	(67,890)
Stock-based compensation	-	-	-	127,980	-	127,980
Net loss for the period	-	-	-	-	(801,748)	(801,748)
Balance, September 30, 2021	20,034,455	25,383,824	-	10,926,311	(29,415,175)	6,894,960
Balance, December 31, 2021	21,334,455	27,674,324	-	11,340,951	(30,180,902)	8,834,373
Issued on private placement	2,499,996	5,750,000	-	-	-	5,750,000
Costs of issue	-	(252,909)	-	-	-	(252,909)
Warrants issued	-	(2,143,017)	-	2,143,017	-	-
Stock-based compensation	-	-	-	533,159	-	533,159
Net loss for the period	-	-	-	-	(5,624,120)	(5,624,120)
Balance, September 30, 2022	23,834,451	\$ 31,028,398	\$ -	\$ 14,017,127	\$(35,805,022)	\$ 9,240,503

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

NORTH PEAK RESOURCES LTD.**Condensed Interim Consolidated Statements of Cash Flows****(Expressed in Canadian Dollars)****(Unaudited)**

For the Nine Months Ended September 30,	2022	2021
Operating activities		
Net loss for the period	\$ (5,624,120)	\$ (801,748)
Stock-based compensation	533,159	127,980
Gain on disposition of patents	-	(150,000)
Loss on disposition of exploration and evaluation assets	193,050	-
Depreciation of right-of-use assets	35,782	-
Impairment of exploration and evaluation assets	2,148,890	-
Non-cash working capital items:		
Prepaid and sundry receivable	(18,590)	113,922
Accounts payable and accrued liabilities	(39,187)	(39,764)
	(2,771,016)	(749,610)
Investing activities		
Proceeds on disposition of patents	-	150,000
Proceeds received on disposition of mining claims	656,950	-
Property acquisition costs	(29,597)	-
	627,353	150,000
Financing activities		
Private placement, net of fees	5,497,091	1,036,110
Repayment of lease obligations	(37,487)	-
Proceeds received for subsequent private placement	-	(404,613)
	5,459,604	631,497
Net change in cash	3,315,941	31,887
Cash, beginning of the period	5,115,374	6,746,310
Cash, end of the period	\$ 8,431,315	\$ 6,778,197

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

NORTH PEAK RESOURCES LTD.

Notes to Condensed Interim Consolidated Financial Statements

For the Nine Months Ended September 30, 2022 and 2021

(Expressed in Canadian Dollars)

(Unaudited)

1. Nature of Operations

North Peak Resources Ltd. ("the Company") was incorporated on March 28, 2011 and organized under the laws of Alberta, Canada.

The Company is a Canadian based gold and silver exploration and development company that is listed on the TSX Venture Exchange (the "Exchange") under the symbol "NPR".

The Company holds an option to acquire 100% interest in and to the Kenogami Lake Project (formerly known as the Leahy Property) located 15 kilometres southwest of Kirkland Lake, Ontario, Canada (the "Kenogami Property").

The registered office of the Company is located at 1600, 421 - 7 Avenue SW, Calgary, Alberta T2P 4K9.

The Company previously had an option agreement to acquire the Black Horse property in Nevada, but agreed in September 2022, to amend the original agreement such that control of the Black Horse property reverted back to Minex LLC.

On February 1, 2022, the Company incorporated a wholly owned subsidiary "North Peak (Nevada) Ltd." in Nevada, USA in order to commence operations at the Black Horse property.

2. Significant Accounting Policies

Statement of Compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual consolidated financial statements as at and for the year ended December 31, 2021. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending December 31, 2022 could result in restatement of these unaudited condensed interim consolidated financial statements.

These unaudited condensed interim consolidated financial statements were authorized for issuance by the Board of Directors of the Company on November 22, 2022.

Basis of Consolidation

These condensed interim consolidated financial statements incorporate the financial statements of the Company and its wholly owned subsidiary North Peak (Nevada) Ltd. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

Leases and Right-of-Use Assets

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. Contracts that convey the right to control the use of an identified asset for a period of time in exchange for consideration are accounted for as leases giving rise to right-of-use assets.

At the commencement date, a right-of-use asset is measured at cost, where cost comprises: (a) the amount of the initial measurement of the lease liability; (b) any lease payments made at or before the commencement date, less any lease incentives received; (c) any initial direct costs incurred by the Company, and (d) an estimate of costs to be incurred by the Company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

NORTH PEAK RESOURCES LTD.

Notes to Condensed Interim Consolidated Financial Statements For the Nine Months Ended September 30, 2022 and 2021 (Expressed in Canadian Dollars) (Unaudited)

2. Significant Accounting Policies (Continued)

Leases and Right-of-Use Assets (Continued)

A lease liability is initially measured at the present value of the unpaid lease payments. Subsequently, the Company measures a lease liability by: (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made, and (c) re-measuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments. Each lease payment is allocated between repayment of the lease principal and interest. Interest on the lease liability in each period during the lease term is allocated to produce a constant periodic rate of interest on the remaining balance of the lease liability. Except where the costs are included in the carrying amount of another asset, the Company recognizes in profit or loss (a) the interest on a lease liability and (b) variable lease payments not included in the measurement of a lease liability in the period in which the event or condition that triggers those payments occurs. The Company subsequently measures a right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses, and adjusted for any re-measurement of the lease liability. Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term.

3. Exploration and Evaluation Assets

	Nine Months Ended September 30, 2022	Year Ended December 31, 2021
<u>The Black Horse Project, Nevada, USA</u>		
Balance, beginning of period	\$ 3,556,793	\$ -
Acquisition costs	29,597	3,556,793
Impairment charge	(2,148,890)	-
Disposition of project	(1,437,500)	-
Balance, end of period	\$ -	\$ 3,556,793
<u>The Kenogami Property (formerly the Leahy Project), Ontario, Canada</u>		
Balance, beginning of period	\$ 95,000	\$ 54,500
Acquisition costs	-	40,500
Balance, end of period	\$ 95,000	\$ 95,000
Total exploration and evaluation assets, end of period	\$ 95,000	\$ 3,651,793

The Black Horse Project, Nevada, USA

On December 6, 2021, the Company signed a binding definitive agreement with Minex LLC ("Minex") for an option (the "Option") to acquire the Black Horse property. An initial payment to Minex of a combination of US\$1million in cash (\$1,281,200 - paid) and 1,250,000 common shares (issued on December 13, 2021, ascribed a fair value of \$2,250,000) of the Company initiated the Option.

In the second quarter of fiscal 2022, the Company assessed the carrying value of this project in the context of the outcomes it received from its completed drilling programs to date, resulting in an impairment charge of \$nil and \$2,148,890 being recognized on the statements of loss and comprehensive loss for the three and nine months ended September 30, 2022, respectively (three and nine months ended September 30, 2021 - \$nil).

NORTH PEAK RESOURCES LTD.

Notes to Condensed Interim Consolidated Financial Statements

For the Nine Months Ended September 30, 2022 and 2021

(Expressed in Canadian Dollars)

(Unaudited)

3. Exploration and Evaluation Assets (Continued)

The Black Horse Project, Nevada, USA (Continued)

Effective August 31, 2022, the Company entered into an agreement with Minex LLC to amend the option agreement for the Company to acquire the Black Horse property such that control of the property reverted back to Minex and US\$500,000 and 1,250,000 common shares from the initial option payment are to be returned to the Company. Accordingly, the Company has forgone all option rights over this property. As at September 30, 2022, the Company had received cash US\$500,000 (\$656,950). Receipt of the 1,250,000 common shares (ascribed a fair value of \$587,500) is included in accounts receivable as at September 30, 2022. A loss in relation to this disposition of exploration and evaluation assets of \$193,050 has been recognized on the Company's unaudited condensed interim consolidated statement of loss and comprehensive loss in connection with this transaction for the three and nine months ended September 30, 2022. (three and nine months ended September 30, 2021 - \$nil).

The Kenogami Property (formerly the Leahy Property), Ontario, Canada

The Company acquired the Kenogami Property in connection with the Company's change of business transaction to become a mining issuer (the "COB Transaction"), which was completed on June 26, 2020. The terms of the Kenogami Option required the Company to make an initial cash payment of \$35,000 (paid), and the Company has completed the following other conditions to exercise: (1) issued 25,000 common shares (post-consolidation) effective upon issuance of the 43-101 technical report on the Kenogami Property (completed – issued the common shares on July 2, 2020, and ascribed a fair value of \$19,500); and (2) incurred \$100,000 of exploration expenditures on the Kenogami Property and issued an additional 50,000 common shares to the optionor (completed, with corresponding common shares issued November 10, 2021, and ascribed a fair value of \$40,500). The remaining condition for the exercise of the Kenogami Option is the Company incurring no less than \$150,000 of exploration expenditures on the Kenogami Property on or before the fourth anniversary of the closing of the COB Transaction.

The Company continues to assess the Kenogami Property to determine the most effective and efficient path towards completing the remaining \$150,000 work commitment.

4. Right-of-Use Assets

Right-of-use assets at December 31, 2021	-
Additions	107,348
Depreciation	(35,782)
Balance, September 30, 2022	\$ 71,566

Right-of-use assets consists of a facility lease amortized over 22 months.

Maturity Analysis - Contractual Undiscounted Cash Flows

As at September 30, 2022:	
Less than one year	\$ 61,853
Greater than one year	20,611
Total undiscounted lease obligation	\$ 82,464

NORTH PEAK RESOURCES LTD.

Notes to Condensed Interim Consolidated Financial Statements

For the Nine Months Ended September 30, 2022 and 2021

(Expressed in Canadian Dollars)

(Unaudited)

5. Lease Obligation

At the commencement date of the leases, the lease liability was measured at the present value of the lease payments that were not paid at that date. The lease payments are discounted using an interest rate of 10%, which is the Company's incremental borrowing rate. The continuity of the lease liabilities are presented in the table below:

Balance, December 31, 2021	\$	-
Additions		107,348
Accretion expense		3,749
Lease payments		(41,236)
Balance, September 30, 2022	\$	69,861
As at September 30, 2022:		
Less than one year	\$	56,230
Greater than one year		13,631
Total lease obligation	\$	69,861

6. Share Capital

- a) Authorized share capital - at September 30, 2022, the authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.
- b) Common shares issued - the holders of common shares are entitled to receive notice of and attend all meetings of the shareholders of the Company and are entitled to one vote in respect of each common share held at such meetings. In the event of liquidation, dissolution or winding-up of the Company, the holders of common shares are entitled to share rateably the remaining assets of the Company.

The change in issued share capital for the periods presented are as follows:

	Number of common shares	Amount
Balance, December 31, 2020	17,734,456	\$ 24,347,714
Private placement	2,299,999	1,104,000
Costs of issue	-	(67,890)
Balance, September 30, 2021	20,034,455	\$ 25,383,824
Balance, December 31, 2021	21,334,455	27,674,324
Private placement (i)	2,499,996	5,750,000
Costs of issue (i)	-	(252,909)
Warrants issued in conjunction with private placement (i)	-	(2,143,017)
Balance, September 30, 2022	23,834,451	\$ 31,028,398

- (i) On March 11, 2022, the Company closed a non-brokered private placement of 2,499,996 units at an issue price of \$2.30 per unit, for aggregate gross proceeds of \$5,750,000. Each unit is comprised of one common share of the Company and one-half of one common share purchase warrant of the Company. Each whole warrant entitles the holder to acquire one common share of the Company for a period of 12 months from the date of issuance of the warrant, at an exercise price of \$3.50 per share. Cash costs of issue amounted to \$252,909 in aggregate.

NORTH PEAK RESOURCES LTD.

Notes to Condensed Interim Consolidated Financial Statements For the Nine Months Ended September 30, 2022 and 2021 (Expressed in Canadian Dollars) (Unaudited)

6. Share Capital (Continued)

(i) (Continued)

The 1,249,998 warrants issued in conjunction with this private placement were ascribed a fair value of \$2,143,017, estimated using the Black-Scholes option pricing model using the relative value method with the following assumptions: expected dividend yield of 0%; expected volatility of 126%; a risk-free interest rate of 1.6%, and an expected life of 1 year.

7. Warrants

The following table reflects the continuity of warrants for the nine months ended September 30, 2022 and 2021:

	Number of Warrants	Weighted Average Exercise Price
Balance, December 31, 2020 and September 30, 2021	-	\$ -
Balance, December 31, 2021	-	\$ -
Issued (Note 6(b)(i))	1,249,998	\$ 3.50
Balance, September 30, 2022	1,249,998	\$ 3.50

The following table reflects the warrants outstanding as at September 30, 2022:

Expiry Date	Exercise Price	Weighted Average Life Remaining	Warrants Outstanding	Black-Scholes Value
March 11, 2023	\$ 3.50	0.72 years	1,249,998	\$ 2,143,017

8. Stock Options

The Company has adopted an incentive stock option plan which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares.

NORTH PEAK RESOURCES LTD.

Notes to Condensed Interim Consolidated Financial Statements For the Nine Months Ended September 30, 2022 and 2021 (Expressed in Canadian Dollars) (Unaudited)

8. Stock Options (Continued)

The following table reflects the continuity of stock options for the nine months ended September 30, 2022 and 2021:

	Number of Stock Options	Weighted Average Exercise Price (CDN)
Balance, December 31, 2020	1,521,250	\$0.92
Expired	(18,750)	\$1.02
Balance, September 30, 2021	1,502,500	\$1.35
Balance, December 31, 2021	2,027,500	\$1.36
Granted (i)(ii)	105,000	\$2.67
Expired	(10,000)	\$2.87
Balance, September 30, 2022	2,122,500	\$1.36

- i) On February 1, 2022, the Company granted 25,000 stock options to a consultant at an exercise price of \$2.10 per share, vesting one-half immediately and the remaining one-half on February 1, 2023, expiring five years from the date of grant. The resulting fair value of \$55,347 was estimated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 140%; a risk-free interest rate of 1.65%, an expected life of 5 years, and a forfeiture rate of nil.
- ii) On February 17, 2022, the Company granted 70,000 stock options to a consultant at an exercise price of \$2.87 per share, vesting one-half immediately and the remaining one-half on February 17, 2023, expiring five years from the date of grant. The resulting fair value of \$228,784 was estimated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 140%; a risk-free interest rate of 1.75%, an expected life of 5 years, and a forfeiture rate of nil.

The following table reflects the stock options outstanding as at September 30, 2022:

Expiry Date	Exercise Price(CDN)	Weighted Average Life Remaining	Options Outstanding	Black-Scholes Value
January 29, 2023	\$ 15.50	0.33 years	40,000	\$ 301,160
May 11, 2023	11.66	0.61 years	37,500	405,375
January 10, 2024	3.04	1.28 years	75,000	212,025
July 2, 2025	0.55	2.76 years	1,350,000	668,790
October 13, 2026	0.40	4.04 years	100,000	34,510
November 11, 2026	0.81	4.12 years	25,000	20,560
December 2, 2026	1.28	4.18 years	65,000	71,916
December 10, 2026	1.55	4.20 years	135,000	185,231
December 17, 2026	1.90	4.22 years	200,000	378,280
February 1, 2027	2.10	4.34 years	25,000	55,348
February 17, 2027	2.87	4.39 years	70,000	200,186
	\$ 1.43	3.05 years	2,122,500	\$ 2,533,381

Of the 2,122,500 options outstanding at September 30, 2022, 1,807,500 were exercisable.

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Notes to Condensed Interim Consolidated Financial Statements For the Nine Months Ended September 30, 2022 and 2021 (Expressed in Canadian Dollars) (Unaudited)

9. Net Loss Per Share

The calculation of basic and diluted income (loss) per share for the nine months ended September 30, 2022 and 2021 was based on the loss attributable to common shareholders of \$5,624,120 and \$801,748, respectively and the weighted average number of common shares outstanding of 23,179,907 and 19,950,819, respectively. Basic and diluted income (loss) per share are the same.

10. Related Party Balances and Transactions

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Remuneration paid to CEO	\$ 39,229	\$ 38,052	\$ 115,453	\$ 112,983
Remuneration paid to CFO	\$ 7,500	\$ 4,500	\$ 17,500	\$ 13,500
Stock-based compensation expense - directors and officers	\$ 23,385	\$ 28,286	\$ 179,542	\$ 89,568

As at September 30, 2022, amounts due to related parties totaled \$20,986 (December 31, 2021 - \$23,882) pertaining to amounts payable for key management remuneration, and reimbursement of expenses paid on behalf of the Company included in accounts payable.

During the three and nine months ended September 30, 2022, directors were paid fees as follows: Mr. Brian Hinchcliffe: \$39,229 and \$115,453, respectively (three and nine months ended September 30, 2021 - \$38,052 and \$112,983, respectively); Ms. Chelsea Hayes: \$nil (three and nine months ended September 30, 2021 - \$39,732 and \$119,661, respectively), and Mr. Gordon Chmilar: \$nil (three and nine months ended September 30, 2021 - \$12,000). As at September 30, 2022, \$nil (December 31, 2021 - \$nil) was included in accounts payable and accrued liabilities in relation to these fees.

During the three and nine months ended September 30, 2022, Ms. Chelsea Hayes was paid \$45,779 and \$142,880, respectively in her capacity as director of business development. Included in accounts payable and accrued liabilities at September 30, 2022 is \$nil (December 31, 2021 - \$nil) with respect to these services.

During the three and nine months ended September 30, 2022, the Company expensed \$15,549 and \$42,373 (three and nine months ended September 30, 2021 - \$7,354 and \$28,336) to Marrelli Support Services Inc. ("Marrelli Support") and DSA Corporate Services Inc. (the "DSA"), together known as the "Marrelli Group" for:

- (i) Robert D.B. Suttie, President of Marrelli Support, to act as Chief Financial Officer ("CFO") of the Company,
- (ii) Bookkeeping and office support services, and
- (iii) Regulatory filing services.

The Marrelli Group is also reimbursed for out of pocket expenses.

As of September 30, 2022, the Marrelli Group was owed \$2,914 (December 31, 2021 - \$8,661). These amounts are included in accounts payable and accrued liabilities.

For the three and nine months ended September 30, 2022, legal fees of \$38,790 and \$124,187, respectively, (three and nine months ended September 30 2021 - \$23,064 and \$47,231) was paid to a law firm for which a director is a partner. The legal fees incurred pertained to general corporate matters. As at September 30, 2022, \$7,043 (December 31, 2021 - \$15,221) was included in accounts payable and accrued liabilities in relation to these fees.

The above noted transactions are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

NORTH PEAK RESOURCES LTD.

Notes to Condensed Interim Consolidated Financial Statements For the Nine Months Ended September 30, 2022 and 2021 (Expressed in Canadian Dollars) (Unaudited)

11. Exploration Expenses

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
<u>Black Horse Project</u>				
Drilling	\$ 83,390	\$ -	\$ 1,026,381	\$ -
Project management	129,128	-	417,056	-
Camp Support	55,671	-	187,209	-
Geological	3,230	-	59,179	-
Survey	1,412	-	28,599	-
Field supplies	3,185	-	58,327	-
Mapping	5,387	-	26,638	-
Environmental	1,833	-	18,361	-
Assays	40,917	-	78,237	-
	\$ 324,153	\$ -	\$ 1,899,987	\$ -
<u>The Kenogami Property</u>				
Drilling	\$ -	\$ 74,213	\$ -	\$ 109,065
Assays	-	3,407	-	3,407
Geological	-	-	18,530	1,890
Environmental	-	-	-	1,613
	\$ -	\$ 77,620	\$ 18,530	\$ 115,975
Investigation of Prospective Properties	\$ -	\$ 1,001	\$ -	\$ 74,464
Total Exploration Expenses for the Period	\$ 324,153	\$ 78,621	\$ 1,918,517	\$ 190,439

12. Disposition of Intellectual Property

On February 24, 2021, the Company sold four United States issued patents, ongoing related patent applications in China and related development work to Helix Applications Inc. ("Helix"). The Company prepared and applied for these patents prior to its current status as a gold and silver exploration development company, as part of a broader application for the technology it was developing at the time within the blockchain sector. As part of the transaction, the Company received \$150,000 and a 5% royalty on any profits generated by Helix and its affiliates from any commercial applications derived from the patents that Helix may develop as it seeks to evaluate the growing interest in the networks of digital token economics. Accordingly, the Company has recognized a gain on disposition of patents of \$150,000 on its consolidated statement of loss and comprehensive loss for the nine months ended September 30, 2021.

NORTH PEAK RESOURCES LTD.

Notes to Condensed Interim Consolidated Financial Statements

For the Nine Months Ended September 30, 2022 and 2021

(Expressed in Canadian Dollars)

(Unaudited)

13. Contingencies and Commitments

During the nine months ended September 30, 2022, the continuing outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat its spread. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operating subsidiaries in future periods.

Due to the worldwide COVID-19 outbreak, material uncertainties may come into existence that could influence management's going concern assumption. Management cannot accurately predict the future impact COVID-19 may have on:

- The severity and the length of potential measures taken by governments to manage the spread of the virus and their effect on labour availability and supply lines;
- Availability of essential supplies;
- Purchasing power of the Canadian dollar, and
- Ability to obtain funding.

At the date of the approval of these unaudited condensed interim consolidated financial statements, the Canadian government has not introduced measures which impede the activities of the Company. Management believes the business will continue and accordingly, the current situation bears no impact on management's going concern assumption. However, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.