GUNPOINT EXPLORATION LTD.

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

(expressed in thousands of Canadian Dollars, unless otherwise noted)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL RESULTS

Pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim condensed financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying interim condensed financial statements of the company have been prepared in accordance with IFRS and are the responsibility of the company's management. The interim condensed financial statements and related financial reporting matters have been reviewed and approved by the audit committee.

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

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

($000's)	Notes		As at September 30, 2024		As at December 31, 2023
ASSETS					
Current assets					
Cash		**$**	**709**	$	1,328
Accounts receivable and prepaids			**26**		36
Investments	8		**664**		465
			1,399		1,829
Non-current assets					
Investment in mineral properties	7		**5,569**		5,346
Reclamation deposit			**329**		322
		$	**7,297**	$	7,497
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities		**$**	**35**	$	51
			35		51
Non-current liabilities					
Reclamation obligation			**316**		310
Total liabilities			**351**	**$**	**361**
SHAREHOLDERS' EQUITY					
Share capital	11		**13,290**		13,290
Reserves	11		**44,022**		43,827
Deficit			**(50,366)**		(49,981)
Total shareholders' equity			**6,946**		7,136
		$	**7,297**	$	7,497

Nature of operations and going concern (Note 1)

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)

		Three months ended September 30,		Nine months ended September 30,	
($000's)	Notes	**2024**	2023	**2024**	2023
Expenses					
Exploration		**$ 64**	$ 29	**$ 120**	$ 113
General and administrative		**16**	28	**85**	100
Professional fees		**48**	36	**216**	123
Share-based compensation	10	**65**	65	**195**	195
Total expenses		**193**	158	**616**	531
Loss before other items		**(193)**	(158)	**(616)**	(531)
Other income (expenses)					
Finance costs		-	(1)	(1)	(2)
Foreign exchange gain (loss)		59	34	**32**	40
Other income		8	10	**26**	19
Unrealized gain (loss) on investments	8	36	(69)	**174**	(382)
Total other income (expense)		**103**	(26)	**231**	(325)
Net loss and comprehensive loss		**$ (90)**	$ (184)	**$ (385)**	$ (856)
Loss per common share, basic and diluted		**($0.00)**	($0.01)	**($0.01)**	($0.02)
Weighted Average Shares Outstanding					
Basic and diluted		**50,894,933**	50,861,231	**50,894,933**	50,872,589

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

($000s)	Number of Shares	Share capital	Additional paid-in capital	Warrants reserves	Share-based payments reserves	Convertible debenture reserves	Deficit	Total Equity
Balance as at December 31, 2022	50,844,933	$ 13,271	$ 41,510	$ 183	$ 1,920	$ 65	$ (48,965)	$ 7,984
Share-based compensation	-	-	-	-	195	-	-	195
Exercise of options	50,000	12	-	-	1	-	-	13
Net loss for the period	-	-	-	-	-	-	(856)	(856)
Balance at September 30, 2023	50,894,933	$ 13,283	$ 41,510	$ 183	$ 2,116	$ 65	$ (49,821)	$ 7,336
Balance at December 31, 2023	**50,894,933**	**$ 13,290**	**$ 41,510**	**$ 183**	**$ 2,069**	**$ 65**	**$ (49,981)**	**$ 7,136**
Share-based compensation	**-**	**-**	**-**	**-**	**195**	**-**	**-**	**195**
Net loss for the period	**-**	**-**	**-**	**-**	**-**	**-**	**(385)**	**(385)**
Balance at September 30, 2024	**50,894,933**	**$ 13,290**	**$ 41,510**	**$ 183**	**$ 2,264**	**$ 65**	**$ (50,366)**	**$ 6,946**

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

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

		Nine months ended September 30,		
($000's)		**2024**		2023
OPERATING ACTIVITIES				
Net loss	**$**	**(385)**	$	(856)
Items not affecting cash				
Unrealized (gain) loss from investments		**(174)**		382
Unrealized foreign exchange loss		**-**		1
Share-based compensation		**195**		195
		(364)		(278)
Changes in non-cash working capital				
Amounts receivable and prepaids		**10**		(8)
Accounts payable and accruals		**(17)**		(93)
Cash used in operating activities		**(371)**		(379)
FINANCING ACTIVITIES				
Proceeds from exercise of options		**-**		12
Cash provided by financing activities		**-**		12
INVESTING ACTIVITIES				
Mineral properties expenditures		**(223)**		(408)
Additions to investments		**(25)**		-
Proceeds from mineral option agreements		**-**		1,005
Cash provided by (used in) investing activities		**(248)**		597
Increase in cash and cash equivalents		**(619)**		230
Cash - beginning of year		**1,328**		1,145
Cash - end of period	**$**	**709**	$	1,375

-- The accompanying notes form an integral part of these consolidated financial statements --

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

1) Nature of operations and going concern

Gunpoint Exploration Ltd. ("Gunpoint" or the "Company") was incorporated under the laws of British Columbia on October 27, 1989. Gunpoint is focused on the acquisition and exploration of precious metals located in the United States and Guatemala.

Gunpoint is domiciled in Vancouver, British Columbia, Canada and its common shares are listed on the TSX Venture Exchange under the trading symbol "GUN:TSXV". The Company is controlled by Chesapeake Gold Corp. ("Chesapeake") which owns 67% of the Company's common shares. The Company's registered office is at Suite 201 - 1512 Yew Street, Vancouver, BC, Canada, V6K 3E4.

These interim condensed consolidated financial statements (the "Financial Statements") have been prepared on the basis of the accounting principles applicable to a going concern, which assumes the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. To date, the Company has not generated operating revenue from its mineral properties. The ability of the Company to continue as a going concern is dependent upon obtaining additional equity and/or debt financing for the exploration and development of its mineral properties. These conditions indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

($000's)		September 30, 2024		December 31, 2023
Working capital surplus	$	1,364	$	1,778
Deficit	$	(50,366)	$	(49,981)

These 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 thus 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 Financial Statements; these adjustments could be material.

2) Basis of presentation - Statement of Compliance

These Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Accounting Standards 34, "Interim Financial Reporting" ("IAS34") as issued by the International Accounting Standards Board ("IASB"), and interpretations of the IFRS Interpretations Committee ("IFRIC"). These Financial Statements are prepared in accordance with the same accounting policies, critical estimates and methods described in the Company's audited financial statements. Given that certain information and note disclosures, which are included in the audited financial statements, have been condensed or excluded in accordance with IAS 34, these Financial Statements should be read in conjunction with the audited financial statements as at and for the year ended December 31, 2023, including the accompanying notes thereto, which are available on SEDAR+ at www.sedarplus.ca.

The Financial Statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The Financial Statements are presented in Canadian dollars.

The policies set out below were consistently applied to all periods presented.

These Financial Statements were approved and authorized by the Board of Directors on November 8, 2024.

3) Use of estimates and judgments

The preparation of these 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 Financial Statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These Financial Statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the 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.

Critical Judgments

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the Financial Statements:

i. Management is required to assess the functional currency of each entity of the Company. The Company determined the Canadian dollar to be its functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions;
ii. Management is required to assess impairment in respect of its investment in mineral properties. The triggering events are defined in IFRS 6. In making the assessment, management is required to make judgments on the status of each project and the future plans towards finding commercial reserves. The nature of exploration and evaluation activity is such that only a small proportion of projects are ultimately successful and some assets are likely to become impaired in future periods. Management has determined that there were no triggering events present as defined in IFRS 6 for the other properties and as such, no impairment loss was recorded for the nine months ended September 30, 2024 and 2023.
iii. Although, the Company takes steps to verify title to exploration and evaluation assets in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects;
iv. Management is required to assess the present value of asset retirement obligations with respect to its mineral properties. Judgment has been applied with respect to the Company's annual discount rate and for the expected time period when those future retirement obligations are expected to be incurred; and
v. Factors used in the application of the going concern assumption which requires management to consider all available information about the future, which is at least but not limited to 12 months from the end of the reporting period.

Accounting Estimates and Assumptions

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year:

i. Provisions for income taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were originally recorded, such differences will affect the tax provisions in the period in which such determination is made;
ii. Management estimates the fair values of share-based payment arrangements using the Black-Scholes option pricing model; and
iii. Other significant accounting estimates including the carrying value of investment.

4) Summary of significant accounting policies

The accounting policies and methods of computation followed in preparing these Financial Statements are consistent with those applied and disclosed in the most recent audited annual consolidated financial statements. For a complete summary of significant accounting policies, please refer to the Company's audited consolidated financial statements for the year ended December 31, 2023.

5) Management of capital

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue the development of its resource properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

In the management of capital, the Company includes the components of shareholders' equity as well as cash and investments. In order to maximize ongoing development efforts, the Company does not pay out dividends.

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 its capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and investments. There were no changes in the Company's approach to capital management during the periods ended September 30, 2024 and 2023. The Company is not subject to externally imposed capital requirements.

6) Financial instruments and risk management

a) Financial instrument classification and measurement

The Company classifies the fair value of these transactions according to the following hierarchy:

- Level 1 – quoted prices in active markets for identical financial instruments.
- Level 2 – quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets.
- Level 3 – valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

The following table sets forth the Company's assets and liabilities measured at fair value on a recurring basis by level within the fair value hierarchy. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

September 30, 2024	**Level 1**	**Level 2**	**Level 3**	**Total**
Investments ($000's)	$ 664	$ -	$ -	$ 664
December 31, 2023				
Investments ($000's)	$ 465	$ -	$ -	$ 465

The fair value of other financial instruments, including cash and accounts payable and accrued liabilities, approximate their carrying values due to the relatively short-term maturity of these instruments. The Company's policy for determining when a transfer occurs between levels in the fair value hierarchy is to assess the impact at the date of the event or the change in circumstances that could result in a transfer.

There were no transfers between the levels during the period ended September 30, 2024 or the year ended December 31, 2023.

The fair values of financial instruments are summarized as follows:

	September 30, 2024		December 31, 2023	
($000's)	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Cash	$ 709	$ 709	$ 1,328	$ 1,328
Accounts receivable and prepaids	$ 26	$ 26	$ 36	$ 36
Investments	$ 664	$ 664	$ 465	$ 465
Financial liabilities				
Accounts payable and accrued liabilities	$ 35	$ 35	$ 51	$ 51

b) Credit risk

The Company's credit risk is primarily attributable to cash. Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company has no significant concentration of credit risk arising from operations. Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash. The Company's cash is held through large Canadian financial institutions. As at September 30, 2024, management considers the Company's exposure to credit risk is minimal.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages liquidity risk through the management of its capital structure as described in Note 5. The accounts payable and accrued liabilities are due within the current operating period. As at September 30, 2024, the Company had a cash balance of $709,000 (December 31, 2023 – $1,328,000) to settle current liabilities of $35,000 (December 31, 2023 - $51,000). The Company is not profitable and relies on the issuance of equity securities for cash, primarily through private placements and from related and other parties. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

d) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company's financial instruments include investments which are publicly traded and therefore subject to the risks related to the fluctuation in the equity markets. The Company closely monitors market values to determine the most appropriate course of action.

e) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows from a financial instrument will fluctuate because of changes to market interest rates. The Company is exposed from time to time to interest rate risk as a result of holding fixed income cash equivalents and investments, of varying maturities. A 1% change in market interest rates would result in no significant change in value of cash. The risk that the Company will realize a loss as a result of a decline in the fair value of these assets is limited as they are generally held to maturity.

f) Currency risk

Currency risk is the risk of a loss due to the fluctuation of foreign exchange rates and the effects of those fluctuations on the Company's foreign currency denominated monetary assets and liabilities. The Company currently operates in the United States, Mexico, and Guatemala. Certain costs and expenses are incurred in US dollars, Mexican pesos, and Guatemalan quetzal. The Company attempts to mitigate currency risk through the preparation of short and long term expenditure budgets in the foreign currencies and planning for the conversion of Canadian dollars into foreign currencies whenever exchange rates are favourable.

g) Price risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to find exploration and development activities is subject to risk associated with fluctuations in the market price of commodities.

7) Mineral properties

($000's)		Talapoosa
Balance as at December 31, 2022	$	6,021
Licence, dues and fees		323
Geological and engineering		183
Recoveries from option agreement		(1,181)
Balance as at December 31, 2023	$	5,346
Licence, dues and fees		223
Balance as at September 30, 2024	$	5,569

a) Talapoosa

Talapoosa – Appaloosa (Nevada, USA)
The Company has a 100% interest in the Talapoosa gold property ("Talapoosa') located in Lyon County, Nevada. Talapoosa consists of 535 unpatented lode mining claims, including 509 claims owned by the Company and 26 claims subject to a lease agreement with a third party (the "Unpatented Leased Land"). There are 6 additional leased fee land sections (the "Leased Fee Lands") and a portion of one additional fee land section owned by one of the Company's US subsidiaries.

Appaloosa
The Appaloosa property ("Appaloosa") lies within the Talapoosa land package located 1 kilometre northeast of the Talapoosa trend. On September 27, 2022, the Company signed a farm-in agreement with Newcrest Resources Inc. ("Newcrest") to explore Appaloosa ("Newcrest Agreement"). Newcrest had the right to acquire, in multiple stages, up to a 75% interest in Appaloosa for cumulative exploration and development expenditures of US$35 million, cash payments totalling US$5 million to Gunpoint and completing a minimum indicated level mineral resource estimate of 1 million gold ounces.

Upon signing the agreement, Newcrest paid the Company $335,000 (US$250,000). In January 2023, Newcrest elected to enter into the Option Phase of the farm-out agreement by providing a $1,005,000 (US$750,000) cash payment and undertaking a minimum US$2 million in exploration expenditures over the following 18 months. At the end of minimum commitment in the Option Phase, on March 27, 2024, Newcrest provided the Company formal notice to not proceed with the Earn-In option under the Newcrest Agreement.

b) El Escorpion (Guatemala)

The Company acquired a 100% interest in El Escorpion by issuing 500,000 common shares to Chesapeake and assuming the remaining property payments to the prior concession owner. To date, the concession owner has received US$331,000 of the US$351,000 purchase price.

The El Escorpion property is located 85 kilometres southeast of Guatemala City, Guatemala. El Escorpion is situated 7 kilometres southwest of Pan American Silver Corp.'s world class Escobal silver deposit. The Escobal land package surrounds El Escorpion. If Chesapeake elects to purchase the existing 1.0% NSR from the concession owner, Chesapeake will be granted a 0.5% NSR royalty from Gunpoint.

On August 19, 2015, the Ministry of Energy and Mines granted title for the El Escorpion concessions. In late 2016, the Constitutional Court of Guatemala temporarily suspended permits for several mineral concessions in the country including El Escorpion. The Constitutional Court is seeking a review of the stakeholder engagement process. Gunpoint has initiated a follow up consultation with the local community to support the cancellation of the suspension. The prior concession owner has agreed to an extension of the final payment of US$20,000 to purchase El Escorpion until the exploration suspension is lifted.

8) Investments

		($000's)
Fair value as at December 31, 2022	$	890
Unrealized loss		(425)
Fair value as at December 31, 2023	$	465
Additions		25
Unrealized gain		174
Fair value as at September 30, 2024	$	664

Investments are designated as fair value through profit and loss and carried at market value. Unrealized gains and losses are classified as part of the calculation of net income or loss. During the nine months ended September 30, 2024, the unrealized gain recorded in investments is $174,000 (September 30, 2023 -unrealized loss $382,000).

9) Related party transactions

During the nine months ended September 30, 2024, there were no management fees incurred. In 2023, management fees of $35,000 were paid to *the* Company's former Chief Financial Officer ("CFO") and were included in professional fees.

During the nine months ended September 30, 2024, the Company recognized share-based compensation expense of $195,000 (September 30, 2023 - $195,000) for stock options issued in prior years to employees, officers, and directors of the Company.

amount expressed in Canadian Dollars, unless otherwise noted

10) Share capital

a) Authorized:

The Company's authorized share capital consists of an unlimited number of common shares without par value and 50,000,000 preferred shares without par value.

b) Issued:

On January 5, 2023, the Company issued 50,000 common shares based on the exercise of stock options at an exercise price of $0.25 per share for proceeds of $12,500.

c) Summary of stock option activity

The Company has a share option plan which provides for equity participation in the Company by its directors, officers, employees and consultants, and consultant through the acquisition of common shares pursuant to the grant of options to purchase shares. The option plan is administered by the Board of Directors. Options may be granted on such terms as the Board may determine within the limitations of the option plan and subject to the rules and policies of applicable regulatory authorities. The maximum aggregate number of shares reserved for issuance for options granted under the option plan is 10% of the issued and outstanding common shares as at the date of grant. The options will be exercisable for 5 years from the grant date with vesting terms to be determined at the time by the Board of Directors.

Share-based compensation expense is determined using Black-Scholes option pricing model. On November 10, 2022, the Company granted 200,000 incentive stock options to a director under its stock option plan, at an exercise price of $0.60 per share for a term of five years. The options will vest and be exercisable on the basis of 25% annually commencing November 10, 2023, the first anniversary of the date of the grant. The fair value of the stock options granted was determined using the Black-Scholes option pricing model assuming volatility of 49%, risk-free rate of 1.32%, expected life of 5 years, and no expected dividends or forfeitures.

During the nine months ended September 30, 2024, the Company recognized total share-based compensation expense of $195,000 (September 30, 2023 – $195,000).

As at September 30, 2024, the weighted average remaining contractual life of outstanding stock options is 2.70 years (December 31, 2023 - 3.45 years).

Stock option activity during the period ended September 30, 2024 and the year ended December 31, 2023 is as follows:

	September 30, 2024		December 31, 2023	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Beginning balance	1,740,000	$0.60	1,965,000	$0.57
Exercised	-	$0.00	(50,000)	$0.25
Expired/Cancelled	-	$0.00	(175,000)	$0.40
Ending balance	1,740,000	$0.60	1,740,000	$0.60

Details of stock options outstanding as at September 30, 2024 and December 31, 2023 are as follows:

		September 30, 2024		December 31, 2023	
Expiry Date	Exercise Price	Number of Options	Number of Options Vested	Number of Options	Number of Options Vested
November 23, 2026	$0.60	1,540,000	770,000	1,540,000	770,000
November 10, 2027	$0.60	200,000	50,000	200,000	50,000
		1,740,000	820,000	1,740,000	820,000

d) Warrants

The fair value of the warrants granted was determined using the Black-Scholes option pricing model assuming volatility of 54%, risk-free rate of 1.44%, expected life of 2 years, and no expected dividends or forfeitures. Warrant pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate.

During the nine months ended September 30, 2024, 1,500,000 warrants with an exercise price of $0.75 per share, expired unexercised.

Warrant activity during the period ended September 30, 2024 and the year ended December 31, 2023 are as follows:

	September 30, 2024		December 31, 2023	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Beginning balance	1,500,000	$0.75	1,500,000	$0.75
Expired	(1,500,000)	$0.75	-	$0.00
Ending balance	-	$0.00	1,500,000	$0.75

Details of warrants outstanding as at September 30, 2024 and December 31, 2023 are as follows:

		September 30, 2024	December 31, 2023
Expiry Date	Exercise Price	Number of Warrants	Number of Warrants
February 28, 2024	$0.75	-	1,500,000

11) Segment disclosures

The Company's assets and operations are primarily located in Canada and USA.

($000's)	Canada	USA	Total
September 30, 2024			
Non-current assets			
Investment in mineral properties	$ -	$ 5,569	$ 5,569
Reclamation deposits	$ -	$ 329	$ 329
December 31, 2023			
Non-current assets			
Investment in mineral properties	$ -	$ 5,346	$ 5,346
Reclamation deposits	$ -	$ 322	$ 322