

CANTER RESOURCES CORP.

Condensed Interim Financial Statements
For the nine months ended March 31, 2022 and 2021

Expressed in Canadian Dollars

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), 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 financial statements of Canter Resources Corp. (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 standards established by the Chartered Professional Accountants of Canada for a review of the interim financial statements by an entity's auditor.

CANTER RESOURCES CORP.

Condensed Interim Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	March 31, 2022	June 30, 2021
Assets		
Current assets		
Cash	\$ 303,073	\$ 204,591
GST receivable	6,771	-
	309,844	204,591
Exploration and evaluation assets (Note 3)	57,049	-
Total assets	\$ 366,893	\$ 204,591
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued liabilities (Note 4)	\$ 4,615	\$ 13,976
Loan payable (Note 5)	-	10,000
	4,615	23,976
Shareholders' Equity		
Share capital (Note 7)	593,427	278,427
Deficit	(231,149)	(97,812)
Total Shareholders' Equity	362,278	180,615
Total Liabilities and Shareholders' Equity	\$ 366,893	\$ 204,591

Nature of Operations (Note 1)

Approved on behalf of the Board effective May 30, 2022:

/s/ Hani Zabaneh
Hani Zabaneh, Director

/s/ Brian Goss
Brian Goss, Director

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

CANTER RESOURCES CORP.

Condensed Interim Statements of Loss and Comprehensive Loss

(Unaudited - Expressed in Canadian Dollars)

	Three months ended		Nine months ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Expenses				
General and administrative	\$ 8,028	\$ 95	\$ 23,149	\$ 106
Transfer agent and filing fees	3,951	315	31,371	961
Consulting fees (Note 6)	9,000	3,649	37,839	4,279
Professional fees	431	-	40,978	95
Net and comprehensive loss	\$ 21,410	\$ 4,059	\$ 133,337	\$ 5,441
Basic and diluted loss per share	\$ 0.00	\$ 0.00	\$ 0.01	\$ 0.00
Weighted average shares outstanding	11,722,000	5,472,000	11,071,270	5,472,000

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

CANTER RESOURCES CORP.Condensed Interim Statements of Changes in Shareholders' Equity
(Unaudited - Expressed in Canadian Dollars)

	Number of shares	Amount	Deficit	Shareholders' Equity
Balance, June 30, 2020	5,472,000	\$ 126,641	\$ (68,335)	\$ 58,306
Share issuance costs (Note 7)	-	(714)	-	(714)
Net and comprehensive loss	-	-	(5,441)	(5,441)
Balance, March 31, 2021	5,472,000	\$ 125,927	\$ (73,776)	\$ 52,151
Balance, June 30, 2021	8,522,000	\$ 278,427	\$ (97,812)	\$ 180,615
Private placement shares issued, net of share issuance costs (Note 7)	3,050,000	300,000	-	300,000
Shares issued for exploration and evaluation asset (Notes 3 and 7)	150,000	15,000	-	15,000
Net and comprehensive loss	-	-	(133,337)	(133,337)
Balance, March 31, 2022	11,722,000	\$ 593,427	\$ (231,149)	\$ 362,278

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

CANTER RESOURCES CORP.

Condensed Interim Statements of Cash Flows

(Unaudited - Expressed in Canadian Dollars)

	For the Nine months ended March 31, 2022	For the nine months ended March 31, 2021
Cash used in (provided by) operating activities		
Net Loss	\$ (133,337)	\$ (5,441)
Changes in non-cash working capital balances		
Amounts receivable	(6,771)	-
Accounts payable and accrued liabilities	(9,361)	(1,995)
Net operating cash flows	(149,469)	(7,436)
Cash used in investing activities		
Exploration and evaluation assets	(42,049)	-
Net financing cash flows	(42,049)	-
Cash provided by financing activities		
Proceeds from issuance of common shares, net of issuance costs	300,000	(714)
Repayment of loan payable	(10,000)	-
Net financing cash flows	290,000	(714)
Increase (decrease) in cash	98,482	(8,150)
Cash, beginning of the period	204,591	60,301
Cash, end period	\$ 303,073	\$ 52,151
Fair value of shares issued for exploration and evaluation assets	\$ 15,000	-

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

CANTER RESOURCES CORP.

Notes to Condensed Interim Financial Statements

For the Nine Months Ended March 31, 2022

(Unaudited - Expressed in Canadian Dollars)

1. Nature of Operations

Canter Resources Corp. (the “Company”) was incorporated under the British Columbia Business Corporations Act on March 7, 2018. On November 15, 2021, the Company changed its name from Canter Capital Corp. to Canter Resources Corp. The Company is engaged in the exploration and evaluation of resource properties in Canada. On July 21, 2021, the Company signed an option agreement with Eagle Plains Resources Ltd. (“Eagle Plains”) to acquire an undivided 60% interest in a mineral property located in Saskatchewan. The head office of the Company is located at Suite 918 – 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3 and the registered and records office of the Company is located at Suite 400 – 725 Granville Street, Vancouver, British Columbia, V7Y 1G5.

The Company is in the exploration stage and its principal business activity is the sourcing and exploration of exploration and evaluation assets in British Columbia. The Company is in the process of exploring and evaluating its exploration and evaluation assets and has not yet determined whether these assets contain ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production or proceeds from the disposition thereof.

These interim financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The Company has incurred losses since its inception and has an accumulated deficit of \$231,149 at March 31, 2022, which has been funded primarily by issuance of shares. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors and generating profitable operations in the future. The Company has been successful in the past in raising funds for operations by issuing shares but there is a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. If the Company is unable to raise the necessary capital and generate sufficient cash flows to meet obligations as they come due, the Company may have to reduce or curtail its activities or obtain financing at unfavorable terms. Furthermore, failure to continue as a going concern would require the Company's assets and liabilities be restated on a liquidation basis which would differ significantly from the going concern basis. These interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern.

2. Basis of Presentation and Significant Accounting Policies

These interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) have been omitted or condensed, and therefore these interim financial statements should be read in conjunction with the Company's June 30, 2021 and 2020 audited annual financial statements and the notes to such financial statements.

These interim financial statements were authorized for issuance by the Company's Board of Directors, and follow the same accounting policies and methods of computation as the most recent annual financial statements.

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Notes to Condensed Interim Financial Statements

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3. Exploration and Evaluation (“E&E”) Asset

On May 11, 2021, the Company signed a letter of intent (the “LOI”) with Eagles Plains whereby the Company has the option to acquire a 60% interest in twelve mineral claims located approximately 40 km northwest of Creighton, Saskatchewan (the “Project”). On July 21, 2021, the Company signed a definitive option agreement (the “Agreement”) with respect to the Project. The Agreement required aggregate cash consideration of \$500,000, the issuance of 1,000,000 common shares of the Company and a minimum of \$5,000,000 in exploration expenditures, to be incurred over a period of four years, according to the following schedule:

Cash payments:

- (i) \$10,000 upon signing of the LOI, which was expensed (paid – see note 5);
- (ii) \$20,000 upon listing on a national Canadian stock exchange (paid);
- (iii) \$35,000 on or before July 31, 2022;
- (iv) \$50,000 on or before December 31, 2022;
- (v) \$75,000 on or before December 31, 2023;
- (vi) \$120,000 on or before December 31, 2024; and
- (vii) \$200,000 on or before December 31, 2025.

Share issuances:

- (i) 150,000 common shares upon listing on a national Canadian stock exchange and obtaining all necessary regulatory approvals (issued with a fair value of \$15,000 – see note 7);
- (ii) 150,000 common shares on or before July 30, 2022;
- (iii) 150,000 common shares on or before December 31, 2022;
- (iv) 150,000 common shares on or before December 31, 2023;
- (v) 200,000 common shares on or before December 31, 2024; and
- (vi) 200,000 common shares on or before December 31, 2025.

Exploration expenditures:

- (i) \$100,000 on or before July 31, 2022;
- (ii) \$500,000 on or before December 31, 2022;
- (iii) \$800,000 on or before December 31, 2023;
- (iv) \$1,600,000 on or before December 31, 2024; and
- (v) \$2,000,000 on or before December 31, 2025.

4. Accounts Payable and Accrued Liabilities

As at March 31, 2022 and June 30, 2021, the Company’s accounts payable and accrued liabilities are composed of the following:

	March 31, 2022	June 30, 2021
Accounts payable	\$ 3,938	\$ 3,976
Accrued liabilities	677	10,000
Total	\$ 4,615	\$ 13,976

As at March 31, 2022, the Company owed \$3,150 (2021 - \$Nil) to related parties (Note 6), which is included in accounts payable and accrued liabilities. The amounts are non-interest bearing, unsecured and due on demand.

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5. Loan payable

A shareholder of the Company advanced \$10,000 to Eagle Plains upon execution of the LOI on behalf of the Company (Note 3). The loan bears interest at 10%, is unsecured and has no fixed terms of repayment.

On September 22, 2021, the loan was repaid in full.

6. Related Parties

The Company's related parties consist of its key management personnel, including its directors and officers.

During the normal course of business, the Company enters into transactions with its related parties that are considered to be arm's length transactions and made at normal market prices and on normal commercial terms.

- (a) Key management compensation for the six months ended March 31, 2022 and 2021 were as follows:

	March 31, 2022	March 31, 2021
Consulting fees	\$ 22,839	\$ 630

As at March 31, 2022, the Company owed \$3,150 (2021 - \$Nil) to related parties (Note 4), which is included in accounts payable and accrued liabilities. The amounts are non-interest bearing, unsecured and due on demand.

7. Share Capital

- (a) *Authorized*

The Company has authorized an unlimited number of common shares with no par value.

- (b) *Issued*

On August 20, 2021, the Company completed a private placement by issuing 3,050,000 common shares of the Company at a price of \$0.10 per common share for aggregate gross proceeds of \$305,000. During the nine months ended March 31, 2022, the Company incurred cash share issuance costs of \$5,000 (2021 - \$714).

On December 21, 2021, the Company issued 150,000 common shares with a fair value of \$15,000 to Eagle Plains as a share payment pursuant to the definitive option agreement (Note 3).

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8. Management of Capital

The Company's capital structure consists of cash and share capital.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

In order to carry out the planned activities and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management since incorporation. The Company is not subject to external capital requirements.

9. Financial Instruments

(a) Categories of Financial Instruments and Fair Value Measurements

	March 31, 2022	June 30, 2021
Financial Assets		
Cash	\$ 303,073	\$ 204,591
Receivable	6,771	-
Financial Liabilities		
Accounts payable	(3,938)	(3,976)
Loan payable	-	(10,000)
Net financial assets	\$ 305,906	\$ 190,615

The Company considers that the carrying amount of all its financial assets and liabilities recognized at fair value through profit and loss and amortized cost in the financial statements approximates their fair value due to the demand nature or short-term maturity of these instruments.

(b) Management of Financial Risks

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk

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's primary exposure to credit risk is on its cash. The Company manages its credit risk relating to cash through the use of a major financial institution which has a high credit quality as determined by rating agencies. The Company assessed credit risk as low.

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9. Financial Instruments (continued)

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered. The Company has no source of revenue and has obligations to meet its administrative overheads and to settle amounts payable to its creditors. The Company has been successful in raising equity financing; however, there is no assurance that it will be able to do so in the future. The Company assesses liquidity risk as high.

Foreign Exchange Risk

Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. The Company has assets or liabilities denominated in foreign currencies. The Company assesses foreign exchange risk as low.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk.