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**CANADIAN SILVER HUNTER INC.**  
**CONDENSED INTERIM**  
**FINANCIAL STATEMENTS**  
**FOR THREE MONTHS ENDED**  
**MARCH 31, 2021**  
**(EXPRESSED IN CANADIAN DOLLARS)**  
**(UNAUDITED)**

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### **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 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 CPA Canada for a review of interim financial statements by an entity's auditor.

May 19, 2020

"Jeffrey Hunter"  
President and CFO

# Canadian Silver Hunter Inc.

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

	March 31, 2021	December 31, 2020
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	157,258	228,456
Prepaid expenses	-	5,000
Sales Tax Receivable	3,354	7,012
<b>Total current assets</b>	<b>160,612</b>	<b>240,468</b>
<b>Non-current assets</b>		
Restricted cash equivalent (note 5)	5,000	5,000
Equipment (note 6)	1,047	1,132
Interest in exploration property and exploration and evaluation expenditures (note 7)	119,245	66,440
<b>Total non-current assets</b>	<b>125,292</b>	<b>72,572</b>
<b>Total assets</b>	<b>285,904</b>	<b>313,040</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	22,064	57,213
<b>Total liabilities</b>	<b>22,064</b>	<b>57,213</b>
<b>Shareholders' equity</b>		
Issued capital (note 8)	2,445,937	2,400,937
Reserves	46,206	46,206
Warrants (note 10)	9,771	9,771
Deficit	(2,238,074)	(2,201,087)
<b>Total shareholders' equity</b>	<b>263,840</b>	<b>255,827</b>
<b>Total shareholders' equity and liabilities</b>	<b>285,904</b>	<b>313,040</b>

Nature of operations and going concern (note 1)  
Commitments and contingencies (notes 7 and 13)

Approved by the Board of Directors:

"Jeffrey Hunter" \_\_\_\_\_ Director

"Tim Towers" \_\_\_\_\_ Director

## Canadian Silver Hunter Inc.

### Condensed Interim Statements of Loss and Comprehensive Loss (Expressed in Canadian Dollars) (Unaudited)

Three Months Ended March 31	2021	2020
<b>General and administrative expenses</b>		
Management and consulting fees (note 12)	15,000	30,000
Professional fees	2,202	5,140
Amortization (note 6)	85	120
Office and general administrative	19,804	8,072
Recapture of GST expenses	-	(20,978)
Interest income	(104)	(625)
<b>Net loss and comprehensive loss</b>	<b>36,987</b>	<b>21,729</b>
<b>Basic and diluted net loss per share (note 11)</b>	<b>0.00</b>	<b>0.00</b>
<b>Weighted average number of common shares outstanding - basic and diluted</b>	<b>22,443,867</b>	<b>18,234,500</b>

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

**Canadian Silver Hunter Inc.**  
**Condensed Interim Statements of Cash Flows**  
**(Expressed in Canadian Dollars)**  
**(Unaudited)**

<b>Three Months Ended March 31</b>	<b>2021</b>	<b>2020</b>
<b>Operating activities</b>		
Net loss for the year	<b>(36,987)</b>	(21,729)
Adjustment for:		
Amortization	<b>85</b>	120
Non-cash working capital items		
Amounts receivable	<b>3,658</b>	(2,744)
Prepaid expenses	<b>5,000</b>	(908)
Trade and other payables	<b>(35,149)</b>	8,687
<b>Net cash used in operating activities</b>	<b>(63,393)</b>	(16,574)
<b>Investing activities</b>		
Additions to interest in exploration property and exploration and evaluation expenditures	<b>(7,805)</b>	-
Sale of interest in exploration property	-	-
<b>Net cash provided by investing activities</b>	<b>(7,805)</b>	-
<b>Net change in cash</b>	<b>(71,198)</b>	(16,574)
<b>Cash, beginning of period</b>	<b>228,456</b>	327,685
<b>Cash, end of period</b>	<b>157,258</b>	311,111
<b>Supplementary Information</b>		
<b>Shares issued for property</b>	<b>\$ 45,000</b>	-

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

## Canadian Silver Hunter Inc.

### Condensed Statements of Changes in Shareholders' Equity (Expressed in Canadian Dollars) (Unaudited)

	Number of common shares	Issued Capital	Equity-settled share- based Reserves payments	Warrants	Deficit	Total
Balance, December 31, 2019	18,234,500	2,114,529	34,817	-	(2,024,063)	125,283
Net loss and comprehensive loss	-	-	-		(21,729)	(21,729)
<b>Balance at March 31,2020</b>	<b>18,234,500</b>	<b>2,114,529</b>	<b>34,817</b>	<b>-</b>	<b>(1,869,683)</b>	<b>103,554</b>
Balance at December 31, 2020	22,277,200	2,400,937	46,206	9,771	(2,201,087)	255,827
Net loss and comprehensive loss					(36,987)	(36,987)
Shares for property (note 7)	500,000	45,000				45,000
<b>Balance at March 31,2021</b>	<b>22,777,200</b>	<b>2,445,937</b>	<b>46,206</b>	<b>9,771</b>	<b>(2,238,074)</b>	<b>263,840</b>

The notes to the financial statements are an integral part of these unaudited condensed interim statements.

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# Canadian Silver Hunter Inc.

Notes to the Condensed Interim Financial Statements  
For the three month period ended March 31, 2021  
(Unaudited, Expressed in Canadian Dollars)

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## 1. Nature of operations and going concern

Canadian Silver Hunter Inc. (the "Company") is an exploration stage business enterprise incorporated under the laws of the Business Corporations Act (Ontario) on April 7, 2006 and is principally engaged in the business of exploring and developing base and precious metal mineral properties. Substantially all of the efforts of the Company are devoted to these business activities and to date the Company has not earned significant revenues. The registered head office of the Company is located at 65 Harbour Square # 904 Toronto, Ontario, M5J 2L4.

These financial statements were approved and authorized by the Board of Directors on May 19, 2021.

These unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they become due. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those presented in these financial statements. The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration properties and the Company's continued existence is dependent upon the preservation of its interests in the underlying properties, the discovery of economically recoverable reserves and the achievement of the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, and renegotiation of contracts.

At March 31, 2021, the Company had a working capital surplus of \$138,548 (December 31, 2020 – \$183,255), had not yet achieved profitable operations, had accumulated losses of \$2,238,074 (December 31, 2020 - \$2,201,087) and expects to incur further losses in the exploration of its mineral property interests. Accordingly, management believes it has sufficient working capital to support operations for the ensuing twelve months.

While the Company has been successful in securing financing in the past, there is no assurance that it will be able to do so in the future. The Company will require additional financing in order to conduct its planned work programs on exploration properties, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. Accordingly, these financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used, then the adjustments required to report the Company's assets and liabilities on a liquidation basis could be material to these financial statements. The Company's operations could be significantly adversely affected by the effects of the widespread global outbreak of contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. Although the outbreak of COVID-19 on the Company has been minimal at this time, the Company cannot accurately predict the COVID-19 impact on its future operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus and the severity of the disease. The Company also cannot predict the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, the significant outbreak of contagious disease

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## **Canadian Silver Hunter Inc.**

**Notes to the Condensed Interim Financial Statements**

**For the three month period ended March 31, 2021**

**(Unaudited, Expressed in Canadian Dollars)**

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in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets in many countries, resulting in an economic downturn that could further affect the Company and ability to finance operations.



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# Canadian Silver Hunter Inc.

Notes to the Condensed Interim Financial Statements  
For the three month period ended March 31, 2021  
(Unaudited, Expressed in Canadian Dollars)

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## 1. Significant accounting policies

### Statement of compliance

The Company's condensed interim financial statements have been prepared in accordance with IAS 34, "Interim Financial Reporting". These condensed interim financial statements do not include all notes of the type normally included within the annual financial report and should be read in conjunction with the audited financial statements of the Company for the year ended December 31, 2020, which has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

### Basis of presentation

The unaudited condensed interim financial statements have been prepared on the historical cost basis except for restricted cash equivalent which is measured at fair value as set out in the accounting policies below. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

### Presentation and functional currency

These unaudited condensed interim financial statements are presented in Canadian dollars, the currency of the primary economic environment in which the Company operates. The Company's functional currency is the Canadian dollar.

### Change in accounting policy

Effective January 1, 2019, the Company adopted IFRS 16 – Leases. The standard was issued by the IASB on January 13, 2016, and will replace IAS 17, "Leases". IFRS 16 will bring most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and financing leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. The Company assessed that the new standard has no impact on the Company's financial statements.

## 2. Capital risk management

The Company manages its capital to ensure that funds are available or are scheduled to be raised to provide adequate funds to carry out the Company's defined exploration programs and to meet its ongoing administrative costs. The Company considers its capital to be equity, which comprises issued capital, reserves and deficit, which at March 31, 2021 totaled \$263,840 (December 31, 2020 - \$ 255,827).

This capital management is achieved by the Board of Directors' review and acceptance of exploration budgets that are achievable within existing resources and the timely matching and release of the next stage of expenditures with the resources made available from private placements or other fundraising.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate. There were no changes in the Company's approach to capital management during the three month period ended March 31, 2021.

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# Canadian Silver Hunter Inc.

Notes to the Condensed Interim Financial Statements  
For the three month period ended March 31, 2021  
(Unaudited, Expressed in Canadian Dollars)

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## 3. Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate, and commodity price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management. There have been no changes in the risks, objectives, policies and procedures from the previous period.

### Credit risk

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. The Company has no significant concentration of credit risk arising from its operations. Cash and restricted cash equivalent are held at select Canadian financial institutions, from which management believes the risk of loss to be remote. Financial assets included in amounts receivable as at March 31, 2021 includes interest receivable on the Company's restricted cash balances.

### Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient working capital to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at March 31, 2021 the Company had a current asset balance of \$160,612 (December 31, 2020 - \$240,468) to settle current liabilities of \$22,064 (December 31, 2020 - \$57,213).

All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity. The Company has no other contractual obligations other than trade and other payables and compensation commitments.

### Market risk

#### (a) Interest rate risk

The Company has cash and cash equivalent balances and no interest-bearing debt. The Company's current policy is to invest excess cash in guaranteed investment certificates or interest bearing accounts of select major Canadian chartered banks. The Company regularly monitors compliance to its cash management policy.

#### (b) Foreign currency risk

The Company's functional and reporting currency is the Canadian dollar and all expenditures are transacted in Canadian dollars. As a result, the Company's exposure to foreign currency risk is minimal.

#### (c) Commodity price risk

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# Canadian Silver Hunter Inc.

## Notes to the Condensed Interim Financial Statements

For the three month period ended March 31, 2021

(Unaudited, Expressed in Canadian Dollars)

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The Company is exposed to price risk with respect to silver and cobalt prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to silver and cobalt price movements and volatilities. The Company closely monitors silver prices to determine the appropriate course of action to be taken by the Company.

### 4. Financial risk management (continued)

#### Sensitivity analysis

As of March 31, 2021 and December 31, 2020, both the carrying and fair value amounts of the Company's financial instruments are approximately equivalent due to their short-term nature.

Based on management's knowledge and experience of the financial markets, the Company believes that there would be no material movements for the period ended March 31, 2021 as a result of changes in interest and foreign exchange rates.

Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price of silver and cobalt. Silver and cobalt prices have fluctuated significantly in recent years. There is no assurance that, even as commercial quantities of silver or cobalt may be produced in the future, a profitable market will exist for them. As of March 31, 2021, the Company was not a silver or cobalt producer. Silver and cobalt price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

### 5. Restricted cash equivalents

The Company has a corporate credit card with a major financial institution with an aggregate credit limit of \$5,000. As at March 31, 2021 the financial institution holds \$5,000 in a cashable Guaranteed Investment Certificate (December 31, 2020 - \$5,000) as collateral on the credit amount as long as the credit card is active. The restricted cash amount would change if there was any change in the credit limit on the card.

## Canadian Silver Hunter Inc.

Notes to the Condensed Interim Financial Statements  
For the three month period ended March 31, 2021  
(Unaudited, Expressed in Canadian Dollars)

### 6. Equipment

	Exploration equipment	Computer equipment	Furniture and fixtures	Total
Balance, March 31, 2021, March 31, 2020 December 31, 2018 and 2019	6,000	9,753	969	16,722
<b>Accumulated amortization</b>				
Balance, December 31, 2018	4,774	8,709	927	14,411
Amortization during the year	368	313	13	694
Balance, December 31, 2019	5,142	9,022	940	15,105
Amortization during the year	258	219	9	485
Balance, December 31, 2020	5,400	9,241	949	15,590
Amortization during the period	45	39	1	85
Balance, March 31, 2021	5,445	9,280	950	15,675
<b>Carrying value</b>				
Net carrying value, December 31, 2019	857	731	29	1,617
Net carrying value, December 31, 2020	600	512	20	1,132
Net carrying value, March 31, 2021	555	473	19	1,047

### 7. Interest in exploration property and exploration and evaluation expenditures

The Company holds a 100% interest in certain mineral exploration interests and all technical information and data related thereto (the "South Lorrain Project"). The South Lorrain Project is located in South Lorrain Township, Larder Lake Mining Division, Ontario and is comprised of the past producing Keeley and Frontier silver-cobalt mines, the Veinlode Silver Mines mining leases, the Montreal River Extension claims and the Tooth Lake claim.

In January 2017, the Company entered into a binding option agreement with Cobalt Projects International Corp. ("Cobalt"), whereby Cobalt may earn up to a 100% interest in the South Lorrain Project in exchange for the following consideration:

- First Option - Pay an aggregate of \$850,000 and incur total cumulative expenditures of \$1,750,000 on the property over a period of three years to earn an initial 50% interest.
- Second Option - Pay an aggregate of \$200,000 within 60 days of having exercised the first option and producing a NI 43-101 report on or before the fourth anniversary date of the option agreement, to earn an

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## Canadian Silver Hunter Inc.

### Notes to the Condensed Interim Financial Statements

For the three month period ended March 31, 2021

(Unaudited, Expressed in Canadian Dollars)

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additional 1% interest.

- Third option - Pay an aggregate of \$750,000 and incur expenditures of \$1,250,000 on or before the fifth anniversary date of the option agreement to earn the final 49% interest.
- During 2017, the Company received a cash payment of \$300,000. A second cash payment of \$300,000 was received in January 2018. A third cash payment of \$200,000 was received in January 2019. The second and third options expired.
- In January 2020 Cobalt has failed to incur sufficient expenditures on the property to qualify for the earned interest of 50 %. As a result the Company maintains an unencumbered 100 % interest in the property.
- In 2020 the Company has acquired additional mining claims by staking in Quebec and Ontario. The Ontario claims are in the area of the Keeley Frontier Mines in South Lorraine Township in Cobalt Ontario. The Quebec claims are in the Windfall Lake area of Osisko Mining's discovery, Lebel sur Quevillion, Quebec. The total cost to acquire the claims for staking was \$10,406.
- On October 23, 2020 the Company entered into an Agreement with Timothy D. Towers, a director of the Company, for the exclusive right and option to acquire a 100% interest in "The Lost Dog Property" in Denton Township, West Timmins Ontario. To earn a 100 % interest the Company must :
  - Pay \$ 5,000 cash and issue 250,000 common shares of the Company upon signing the Agreement. The shares and cash were issued in 2020 and the shares were valued at \$ .095 being quoted market price at issuance. See Note 8.
  - Incur \$ 25,000 in expenditures on the Property before August 4, 2021
  - Pay \$ 10,000 and issue 250,000 common shares before October 1, 2021
  - Incur exploration expenditures of \$ 50,000 before August 4, 2022
  - Pay \$ 50,000 and issue 500,000 common shares before October 1, 2022
  - Incur \$ 50,000 in exploration expenditures before August 4, 2023
  - The TSX Venture has required the Company to have the shareholders ratify the terms of the Agreement at the next Annual Meeting (AGM) before the 2021 and 2022 commitments can be made.

On January 5, 2021 the Company added to it's Quebec properties by incurring staking costs for additional claims in the Windfall Area of Quebec.

On January 20, 2021 the Company added certain claims in the Carscallen Township area of West Timmins Ontario for 100,000 common shares for a 100 % interest.

On January 21, 2021 the Company added the Dark Horse Property in West Timmins, Ontario. The acquisition cost of the property from arms length vendors was 400,000 common shares of the Company for 100 % interest.

# Canadian Silver Hunter Inc.

## Notes to the Condensed Interim Financial Statements For the three month period ended March 31, 2021 (Unaudited, Expressed in Canadian Dollars)

A continuity of changes in interest in exploration property and exploration and evaluation expenditures is as follows:

	Acquisition costs	Exploration and evaluation expenditures	Total
Balance, December 31, 2018	\$ 66,600	\$ 138,884	\$ 205,484
Additions (disposals)	(66,600)	(133,400)	(200,000)
Balance, December 31, 2019	\$ -	\$ 5,484	\$ 5,484
Additions	39,156	21,800	60,956
Balance, December 31, 2020	\$ 39,156	\$ 27,284	\$ 66,440
Additions	45,000	7,805	52,805
Balance, March 31, 2021	\$ 84,156	\$ 35,089	\$ 119,245

### 8. Issued capital

#### a) Authorized share capital

At March 31, 2021, 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

	Number of common shares	Amount
Balance, March 31, 2020, December 31, 2019 and 2018	18,234,500	\$ 2,114,529
Common shares for debt settlement	3,092,700	\$ 216,497
Common shares for Lost Dog Property (note 7)	250,000	\$ 23,750
Common shares issued in private placement	700,000	\$ 46,229
Balance, December 31, 2020	22,277,200	\$ 2,400,937
Common shares issued Carscallen Property (note 7)	100,000	\$ 7,000
Common shares issued Dark Horse Property (note 7)	400,000	\$ 38,000
Balance, March 31, 2021	22,777,200	\$ 2,445,937

# Canadian Silver Hunter Inc.

Notes to the Condensed Interim Financial Statements  
For the three month period ended March 31, 2021  
(Unaudited, Expressed in Canadian Dollars)

## 9. Stock options

The Company has adopted a stock option plan dated May 18, 2011 (the "Plan") for senior officers, directors, employees and consultants of the Company (collectively, "Optionees"). The Plan is intended to advance the interests of the Company by providing additional performance incentives for Optionees, encouraging common share ownership by Optionees and increasing their proprietary interests in the Company, encouraging Optionees to remain with the Company, and attracting new personnel to join the Company. The Plan provides for the issuance of stock options to acquire up to 10% of the Company's issued and outstanding share capital as at the date of grant. This is a "rolling plan" as the number of common shares reserved for issuance pursuant to the grant of stock options will increase as the Company's issued and outstanding share capital increases. If a stock option expires, is exercised or otherwise terminates for any reason, the number of common shares in respect of that expired, exercised or terminated stock option shall again be available for grant under the Plan. The exercise price and vesting schedule of an option shall be determined by the Board of Directors at the time each option is granted, provided that such exercise price shall not be less than the last closing price of the common shares. There are limits on the number of options that may be granted to insiders and any one individual under the Plan.

The Company's stock option at March 31, 2021 are as follows:

	Number of stock options	Weighted average exercise price	Estimated grant date fair value
Balance, December 31, 2019	1,150,000	\$ 0.05	\$ 34,817
Expired	(150,000)	0.05	(3,250)
Granted	350,000	0.10	14,639
Balance March 31, 2021, December 31, 2020,	1,350,000	\$ 0.06	\$ 46,206

On August 13, 2020 the Company granted options to purchase 350,000 common shares of the Company to a consultant. The options are exercisable at a price of \$0.10 per share and expire on August 13, 2021. The options vested immediately. The fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 173 %; risk-free interest rate of .21 %; and an expected average life of one years. The estimated grant date fair value of the options was determined to be \$14,639, which was reflected as an expense for the year ended December 31, 2020.

The following table reflects the stock options issued and outstanding as of March 31, 2021:

Expiry date	Exercise price	Weighted average remaining contractual life (years)	Number of options outstanding	Estimated grant date fair value	Number of options vested (exercisable)
December 2, 2021	\$0.05	.92	700,000	\$ 15,167	700,000
July 6, 2023	\$0.05	2.51	300,000	\$ 16,400	300,000
August 13, 2021	\$0.10	0.40	350,000		350,000
	\$0.06	2.09	1,350,000	\$ 46,286	1,350,000

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# Canadian Silver Hunter Inc.

## Notes to the Condensed Interim Financial Statements For the three month period ended March 31, 2021 (Unaudited, Expressed in Canadian Dollars)

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### 10. Warrants

As part of a private placement closed on October 26, 2020 (See Note 8) 350,000 warrants were issued by the Company at an exercise price of \$0.12 per warrant with an expiry date of October 26, 2021. The fair value of the warrants on issuance has been estimated using the Black Scholes method with following assumptions: expected dividend yield 0 %, expected volatility of 153 %, risk free interest rate of 0.18 %, share value of \$0.066 and expected life of 1 year. Expected volatility is based on the historic volatility of comparable companies.

As at March 31, 2021 the 350,000 warrants remain outstanding. The Company had no outstanding warrants as of December 31, 2020.

### 11. Net loss per share

The calculation of basic and diluted loss per share for the period ended March 31, 2021 was based on the loss attributable to common shareholders of \$36,987 (2020 – \$21,729) and the weighted average number of common shares outstanding of 22,443,867 (2020 – 18,234,500). Diluted loss per share for the period ended March 31, 2021 did not include the effect of 1,350,000 stock options (2020 – 1,350,000 stock options) as they are anti-dilutive.

### 12. Related party balances and transactions

Related parties include management, the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

The Company entered into the following transactions with related parties:

In accordance with IAS 24, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. The remuneration of directors and key management of the Company for the periods ended March 31, 2021 and 2020 was as follows:

	2021	2020
Jeffrey Hunter, CEO <sup>(1)</sup>	\$ 15,000	\$ 30,000
Tim Towers, Director	2,575	5,000
Total	\$ 17,575	\$ 35,000

<sup>(1)</sup> The Company has entered into an agreement with Jeffrey Hunter (the "Agreement") to provide services to the Company in the general capacity of President and CEO and to undertake the duties and exercise the powers associated with this role. Under the terms of the Agreement, the CEO is contracted by the Company for an indefinite term, commencing as of January 1, 2012. The Company will pay the CEO \$120,000 per annum. The Agreement requires additional contingent payments equal to 30 months of salary upon the occurrence of a change of control or termination without cause. As a triggering event has not taken place, the contingent payments have not been reflected in these financial statements. As at March 31, 2021 \$Nil (December 31, 2020 - \$Nil) was included in accounts payable and accrued liabilities as owing to this individual. A director performed accounting services for the company in the normal course of business in the amount of \$ 2,575 (2020- \$5,000).



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# Canadian Silver Hunter Inc.

Notes to the Condensed Interim Financial Statements  
For the three month period ended March 31, 2021  
(Unaudited, Expressed in Canadian Dollars)

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## 12. Related party balances and transactions (continued)

<sup>(2)</sup> The Board of Directors do not have employment or service contracts with the Company and did not receive any remuneration for their services and neither are they entitled to any termination benefits. None of the directors are entitled to pension benefits.

<sup>(3)</sup> The Company is controlled by Jeffrey Hunter, (President and CEO of the Company). As of March 31, 2021, 8,493,700 shares were held by Jeffrey Hunter and his immediate family. Jeffrey Hunter and his immediate family owned 31.5%. The remaining 68.5% of the shares were widely held.

## 13. Commitments and contingencies

The Company's exploration and evaluation activities are subject to various federal, and provincial laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

The Company has indemnified the subscribers of current and previous flow-through share offerings against any tax related amounts that may become payable by the subscribers as a result of the Company not meeting this expenditure commitment.

See Note 7 regarding agreement with Timothy D. Towers and see Note 12 regarding employment agreement with Jeffrey Hunter.

## 14. Segmented information

The Company operates in one business segment, the exploration for gold, silver and cobalt. All of the Company's exploration activities relate to the South Lorrain Project in Cobalt, West Timmins Gold Projects and North Western Quebec as discussed in Note 7.

## 15. Subsequent Events

### Private Placement

On April 9, 2021 the Company has completed a financing for gross proceeds of \$444,000 by the sale of 2,782,500 units at a price of \$ 0.08 per unit, and 2,230,000 flow through units at a price of \$0.10 per unit. Each unit is comprised of one common shares of the Company and one common share purchase warrant at a price of \$ 0.11 per warrant, which entitles the investor to acquire one common share for the period of one year from closing date of the financing. Each flo-through share unit is comprised of one common share issued on a flo-through basis and warrant issued on a non-flo-through basis, having the same terms as the warrants in the non-flo through units.

Finders were paid a cash commission in the amount of \$ 29,440 and issued an aggregate of 335,400 non-transferable Finder Warrants. Each Finder Warrant entitles the holder to acquire one common share at a price of \$0.11 until April 9, 2022.