SOLSTICE GOLD CORP.
FINANCIAL STATEMENTS

For the period from incorporation on June 8, 2017 to June 30, 2017
(Expressed in Canadian Dollars)

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Independent Auditor's Report

To the shareholder and directors of Solstice Gold Corp.

We have audited the accompanying financial statements of Solstice Gold Corp., which comprise the statement of financial position as at June 30, 2017 and the statements of comprehensive loss, cash flows and changes in equity for the period from incorporation on June 8, 2017 to June 30, 2017 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Solstice Gold Corp. as at June 30, 2017 and its financial performance and its cash flows for the period from incorporation on June 8, 2017 to June 30, 2017 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements, which indicates that the Company had no source of operating revenues, had not yet achieved profitable operations, expects to incur further losses in the development of its business and has no assurance that it will be able to complete the plan of arrangement, all of which indicate the existence of material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern.

(signed) "BDO CANADA LLP"

Chartered Professional Accountants

Vancouver, British Columbia
November 24, 2017

SOLSTICE GOLD CORP.
Statement of Financial Position
As at June 30, 2017
(Expressed in Canadian Dollars)

June 30,		2017
ASSET		
Cash	$	1
Total Asset	$	1
LIABILITIES		
Accounts payable and accrued liabilities	$	1,063
SHAREHOLDER'S EQUITY		
Share capital (Note 6)		1
Deficit		(1,063)
		(1,062)
Total Liabilities and Shareholder's Equity	$	1

Approved and authorized by the Board on November 24, 2017

"David Adamson" Director
David Adamson

"Chris Taylor" Director
Chris Taylor

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

SOLSTICE GOLD CORP.
Statement of Comprehensive Loss
For the period of incorporation of June 8, 2017 to June 30, 2017
(Expressed in Canadian Dollars)

		For the period from incorporation on June 8, 2017 to June 30, 2017
EXPENSES		
Incorporation fees	$	1,063
Net loss and comprehensive loss for the period	$	1,063
Basic and diluted loss per share	$	(1,063)
Weighted average number of shares outstanding - basic and diluted		1

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

SOLSTICE GOLD CORP.
Statement of Cash Flows
For the period of incorporation of June 8, 2017 to June 30, 2017
(Expressed in Canadian Dollars)

		For the period from incorporation on June 8, 2017 to June 30, 2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	$	(1,063)
Net changes in non-cash working capital items		
Accounts payable and accrued liabilities		1,063
		-
CASH FLOWS FROM FINANCING ACTIVITY		
Issuance of common shares		1
Change in cash during the period		1
Cash, beginning of period		-
Cash, end of period	$	1

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

SOLSTICE GOLD CORP.
Statement of Changes in Equity
For the period of incorporation of June 8, 2017 to June 30, 2017
(Expressed in Canadian Dollars)

	Share Capital			
	Number	Amount	Deficit	Total
Balance at June 8, 2017	-	$ -	$ -	$ -
Shares issued on incorporation	1	1	-	1
Net loss for the period	-	-	(1,063)	(1,063)
Balance at June 30, 2017	1	$ 1	$ (1,063)	$ (1,062)

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Dunnedin Gold Inc., (“Solstice” or the “Company”) was incorporated in the Province of British Columbia on June 8, 2017 and the Company’s registered and records office is located at 1020 – 800 West Pender Street, Vancouver, BC V6C 2V6. On September 18, 2017, the Company changed its name to Solstice Gold Corp. The Company is pursuing opportunities relating to exploration of mineral resource properties primarily in Nunavut.

The Company was incorporated pursuant to a proposed plan of arrangement (the ‘Arrangement”) with Dunnedin Ventures Inc. (“DVI”). As part of the Arrangement, certain mineral claims and rights to all minerals, including metalloids, but excluding diamonds, gemstones and all minerals found within kimberlitic rocks on the Kahuna property will be transferred into the Company, together with $1,000,000 in cash, in exchange for the Company’s shares, which DVI plans to distribute to its shareholders.

Under the Arrangement, each DVI shareholder will receive one common share in Solstice for every three DVI shares held. Holders of outstanding DVI options will also receive one fully vested option of Solstice for every three options held in DVI (vested or unvested). The options will be exercisable at a valuation factor multiple above the exercise price of a DVI option immediately before the transaction effective date or court approval date. Holders of outstanding DVI warrants will also receive one fully vested warrant of Solstice for every three warrants held in DVI (vested or unvested). The warrants will be exercisable at a valuation factor multiple above the exercise price of a DVI warrant immediately before the transaction effective date or court approval date.

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to a going concern, which assumes that the Company will be able to meet its obligations and trade on the TSX Venture Exchange. The implementation of the Arrangement will be subject to, among other things, shareholder approval and the ability to continue its operations for its next twelve months. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. At June 30, 2017, the Company had no source of operating revenues, had not yet achieved profitable operations, expects to incur further losses in the development of its business and has no assurance that it will be able to complete the Arrangement as described above, all of which casts significant doubt about the Company’s ability to continue as a going concern. The Company’s ability to continue as a going concern is dependent upon its ability to complete the Arrangement.

2. BASIS OF PREPARATION

Statement of compliance

These financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

2. BASIS OF PREPARATION *(continued)*

Statement of compliance *(continued)*

These are the Company's first financial statements and IFRS has been applied since incorporation on June 8, 2017, as such, there is no opening financial position presented.

The financial statements of the Company for the period from incorporation on June 8, 2017 to June 30, 2017 have been prepared by management, reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on November 24, 2017.

Basis of measurement

These financial statements have been prepared on a historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. The presentation and functional currency of the Company is the Canadian dollar.

Significant accounting judgments, estimates, and assumptions

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 the reported expenses during the year. Actual results could differ from these estimates.

Critical judgments

The preparation of these financial statements requires management to make judgments regarding the going concern of the Company as discussed in Note 1.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below are expected to be adopted for the Company's fiscal year-end and have been applied consistently throughout the period.

Loss per share

Loss per share is computed by dividing net loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting or taxable loss, nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the date of the consolidated statement of the financial position.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets and liabilities are classified into one of the following categories based on the purpose for which they were acquired:

- Financial asset or financial liability at fair value through profit or loss;
- Held-to-maturity investments;
- Loans and receivables;
- Available-for-sale financial assets; and
- Other financial liabilities

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

The classification is determined at initial recognition and depends on the nature and purpose of the financial asset and liability. All transactions related to financial instruments are recorded on a trade date basis.

The Company has classified accounts payable and accrued liabilities as other liabilities. Subsequent to initial recognition, other liabilities are recorded at amortized cost.

Fair Value

All financial instruments measured at fair value are categorized into one of three hierarchy levels, described below, for disclosure purposes. Each level is based on the transparency of the inputs used to measure the fair values of assets and liabilities:

Level 1 – fair values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities;

Level 2 – fair values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability; and

Level 3 – fair values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

The Company does not have any financial instruments measured at fair value as at the reporting date. The carrying values of accounts payable and accrued liabilities approximate their fair values due to the short term to maturity of such instruments.

Effective interest method

The effective interest method calculates the amortized cost of a financial asset or a financial liability and allocates interest income or interest expense over the corresponding period. The effective interest rate is the rate that discounts estimated future cash payments or receipts over the expected life of the financial instrument or, where appropriate, to the net carrying amount of the financial asset or financial liability.

Impairment of financial assets

Financial assets, other than financial assets at fair value are assessed for indicators of impairment at each period end. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Impairment of financial assets (continued)

Objective evidence of impairment could include the following:

- significant financial difficulty of the issuer or counterparty;
- default or delinquency in interest or principal payments; or
- it has become probable that the borrower will enter bankruptcy or financial reorganization.

The carrying amount of all financial assets is directly reduced by the impairment loss. The carrying amount of trade receivables is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

Derecognition of financial assets

A financial asset is derecognized when:

- the contractual right to the asset's cash flows expire; or
- if the Company transfers the financial asset and substantially all risks and rewards of ownership to another entity.

The Company derecognizes a financial liability when its obligations are discharged, cancelled or expired.

Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

New standards and interpretations not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for future accounting periods. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

New standards and interpretations not yet adopted *(continued)*

IFRS 9 Financial Instruments

IFRS 9 reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted.

IFRS 16 Leases

The new standard will replace IAS 17 Leases and eliminates the classification of leases as either operating or finance leases by the leasee. The treatment of leases by the leasee will require capitalization of all leases resulting accounting treatment similar to finance leases under IAS 17 Leases. The new standard will result in an increase in lease assets and liabilities for the leasee. Under the new standard, the treatment of all lease expense is aligned in the statement of earnings with depreciation, and an interest component recognized for each lease, in line with finance lease accounting under IAS 17 Leases. IFRS 16 will be applied prospectively for annual periods beginning on January 1, 2019.

4. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration and evaluation assets. The capital structure of the Company consists of equity, comprising issued capital, and deficit. 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.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not exposed to externally imposed capital requirements.

5. FINANCIAL INSTRUMENTS

The fair value of the Company’s accounts payable approximate carrying value, which is the amount recorded on the consolidated statements of financial position. The Company’s other financial instrument, cash, under the fair value hierarchy, is based on level one quoted prices in active markets for identical assets or liabilities.

As at the reporting date the Company’s financial instruments are exposed to certain financial risks, including currency risk, credit risk, and liquidity risk.

5. FINANCIAL INSTRUMENTS *(continued)*

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations to the Company. The Company's cash is held in petty cash. The Company believes it has no significant credit risk.

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 plans to have sufficient capital in order to meet short term business requirements, after taking into account cash flows from operations, the Company's holdings of cash which will include an influx of $1 million as at the effective date of the Arrangement, reliance on DVI, and the planned future capital raise.

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates, and commodity and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing return. As at June 30, 2017, the Company is exposed to minimum market risk.

6. SHARE CAPITAL

The Company is authorized to issue an unlimited number of common shares. At June 30, 2017, there is 1 common share outstanding for a share capital amount of $1.

Accumulated deficit is used to record the Company's change in deficit from earning from period to period.

7. INCOME TAXES

No provision has been made for current income taxes, as the Company has no taxable income.

As future profits of the Company are uncertain, no deferred tax asset has been recognized in respect to the loss incurred in the period. As at June 30, 2017 the Company has accumulated non-capital losses of approximately $1,063 that are available to carry forward and offset future years' taxable income. The non-capital losses expire by 2037.

8. RELATED PARTY TRANSACTIONS

During the period, a related party, Dunnedin Ventures Inc., incurred incorporation fees on behalf of the Company. There were no other transactions, including management compensation, with related parties, or balances owed to/from related parties during the period.

9. SEGMENTED INFORMATION

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker, or decision making group, in deciding how to allocate resources and in assessing performance. All of the Company's operations are within the mineral exploration sector in Canada. The Company operates in a single reportable operating segment.

10. SUBSEQUENT EVENTS

Letter Agreement between Dunnedin Ventures Inc. and Solstice Gold Corp.

Subsequent to period end, DVI and Solstice entered into the Kahuna Property Land Transfer and Rights Agreement (the "Agreement") which sets out the terms to which DVI will transfer mineral claims located in Nunavut to Solstice.

Upon execution of the Agreement, DVI transferred to Solstice:

a) 100% title and rights to the Transferred Claims (specifically identified in the Agreement);

b) A 50% undivided interest in and to certain Border Claims (specifically identified in the Agreement); and

c) Ownership of all technical, economic, geological, and other information and data concerning the transferred claims, and the portion of each of the Border Claims over which Solstice has Primary Development Rights (as defined in the Agreement).

In each case, the Agreement is free and clear of any and all mortgages, charges, pledges, liens, licences, privileges, security interests, royalties, encumbrances, claims or rights or interest attaching to or affecting property, whether recorded or unrecorded, and whether arising by agreement, statute or otherwise under applicable laws (each an "Encumbrance"), apart from the gross overriding royalties (GORs) and the net smelter return royalties (NSRs).

In consideration for the Transferred Claims, Solstice will issue approximately (103,256,767/3) 34,418,922 common shares to DVI.

10. SUBSEQUENT EVENTS *(continued)*

Upon execution of the Agreement, DVI granted to Solstice Primary Development Rights ("PDR") in respect of the Transferred Claims and Secondary Development Rights ("SDR") in respect of the Remaining Claims (other than Transferred or Border Claims) and Solstice grants PDR's in respect of the Remaining Claims and SDR's in respect of the Transferred Claims. Border claims are also split into PDR and SDR depending on geographic location.

Letter Agreement between Dunnedin Ventures Inc. and Solstice Gold Corp. *(continued)*

PDR means the rights of the holder of a mineral claim or other mining right, to amongst other things, conduct exploration, development, and mining on such mineral claims. SDR means having the right to access the mineral claims for the purpose of inspecting the mineral claims and existing work being undertaken on the claims and to propose work to the PDR holder which work may proceed only with the consent of the PDR holder. SDR's terminate on a claim or claims when a PDR holder commences a feasibility study, completes a feasibility study or commences commercial production on the claim or claims.

In all cases of the Agreement, mining rights of DVI shall be limited to diamonds, gemstones and all minerals found within kimberlitic rocks and mining rights of the Company shall be limited to all other minerals and metalloids. Mineral claims & rights under the Agreement may be transferred to third parties provided they are bound by the Agreement.

Management and Consulting Agreements

On October 1, 2017, the Company entered into consulting agreement with key management and consultants. Pursuant to which, in the event of a change of control, each of the key managers and consultants would be entitled to up to twenty-four months' worth of compensation plus applicable bonuses and benefits, if such employee/consultant is terminated without just cause (as defined therein) or resigns for Good Reason (as defined therein).