



President's Letter

Gold has shined brightly in 2024 surging to multiple new record highs. Since the beginning of the year, gold has risen 30% compared to the DOW, S&P and NASDAQ gaining 16%, 24% and 14%, respectively. Persistent demand from central banks has underpinned the strength in gold.

Geopolitical tensions, weakening economic concerns and the recalibration of the Federal Reserve's shift in monetary policy are key factors attracting investors to gold as a safe-haven asset. Moreover, over the past year gold seems to have decoupled from the traditional historical influencers such as interest rates, inflation and the US dollar. With the US Stock Indices trading upwards into unprecedented levels and gold's record rally, a sharp correction could trigger a liquidity event placing downward pressure on gold. However, many analysts remain bullish on gold's future outlook as a reliable store of value in times of economic uncertainty and geopolitical strife.

Despite gold's stellar performance this year, generalist investors, with few exceptions, continue to largely sidestep the mining sector. Senior mining companies' poor history of accumulating massive debt levels followed by impairment of overvalued acquisitions have kept mining investors cautious. That said, improved financial discipline and stronger earnings growth being realized from higher gold prices should attract generalist investors. Bull markets begin with major producers and royalty companies gaining momentum followed by intermediates and eventually junior development and exploration equities.

During 2024, Newcrest elected not to proceed with the Earn-In agreement on the Appaloosa trend inside the Talapoosa land package. Newcrest spent over US\$5 million providing extensive geological data and field work on Appaloosa and Talapoosa. Reconnaissance work on Talapoosa indicated potential extensions of the existing deposit in multiple directions. Follow-up evaluation mapping and site sampling has generated drill targets. Permitting is underway for a step-out drill program which could lead to a significant upside of Talapoosa's existing gold resource of 1.2 million ounces.

As gold prices remain high, we are excited about Talapoosa's future developments and other potential strategic opportunities that lie ahead to build shareholder value.

GUNPOINT EXPLORATION LTD.

A handwritten signature in dark ink, appearing to read "P. Randy Reifel".

P. Randy Reifel
President

November 4, 2024