POWER METALS CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

FEBRUARY 28, 2023

NOTICED 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 the Chartered Professional Accountants for a review of interim financial statements by an entity's auditor.

POWER METALS CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	February 28 2023	November 30, 2022
ASSETS		
Current assets		
Cash	$ 1,151,698	$ 626,983
Receivables	57,219	47,031
Assets held for sale (Notes 4)	400,000	1,750,000
Marketable securities (Note 6)	570,785	-
Prepaids (Note 10)	77,438	74,194
Total current assets	2,257,140	2,498,208
Non-current assets		
Advances (Note 10)	168,422	185,988
Exploration and evaluation assets (Notes 4 and 10)	5,690,510	5,654,769
Total non-current assets	5,858,932	5,840,757
Total assets	$ 8,116,072	$ 8,338,965
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Notes 5 and 10)	$ 815,171	$ 804,010
Total liabilities	815,171	804,010
Equity		
Share capital (Note 8)	42,100,451	41,991,542
Share subscription receivable	(100,000)	(100,000)
Reserves (Note 8)	1,636,767	2,597,561
Deficit	(36,336,317)	(36,954,148)
Total equity	7,300,901	7,534,955
Total liabilities and equity	$ 8,116,072	$ 8,338,965

Nature, continuance of operations, and going concern (Note 1)
Subsequent Event (Note 14)

Approved and authorized on April 26, 2023 on behalf of the Board:

"Johnathan More", Director — Johnathan More

"Brent Butler", Director — Brent Butler

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

POWER METALS CORP.
CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)
FOR THE THREE MONTHS ENDED FEBRUARY 28,

	2023	2022
EXPENSES		
Consulting	$ 31,120	$ 18,664
Depreciation	-	5,902
Filing fees	12,150	23,129
Investor relation	-	5,158
Management fees (Note 10)	89,338	65,925
Marketing, promotion and communication	27,870	4,380
Office and miscellaneous (recovery) (Note 10)	27,156	(2,519)
Professional fees (Note 10)	36,208	22,958
Travel	36,997	4,128
	(260,839)	(147,725)
OTHER ITEMS		
Loss on settlement of debt (Notes 5 and 10)	-	(153,804)
Unrealized loss on marketable securities (Notes 6)	(29,215)	-
Write-off of accounts payable and accrued liabilities (Notes 5 and 10)	-	260,744
Write-off of exploration and evaluation assets (Notes 4)	(4,000)	-
Net loss and comprehensive loss for the period	$ (294,054)	$ (40,785)
Basic and diluted loss per common share	$ (0.00)	$ (0.00)
Weighted average number of common shares outstanding – basic and diluted	133,269,677	119,659,519

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

POWER METALS CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)
FOR THE THREE MONTHS ENDED FEBRUARY 28,

	2023	2022
CASH FLOW FROM OPERATING ACTIVITIES		
Net loss for the period	$ (294,054)	$ (40,785)
Items not affecting cash:		
Depreciation	-	5,902
Loss on settlement of debt	-	153,804
Unrealized loss on marketable securities	29,215	-
Write-off of accounts payable and accrued liabilities	-	(260,744)
Write-off of exploration and evaluation assets	4,000	-
Changes in non-cash working capital items:		
Receivables	(10,188)	(5,298)
Prepaids	(3,244)	-
Accounts payable and accrued liabilities	25,646	47,624
Net cash used in operating activities	(248,625)	(99,497)
CASH FLOW FROM INVESTING ACTIVITIES		
Exploration and evaluation advance	17,566	-
Exploration and evaluation expenditures	(54,226)	(26,753)
Exploration and evaluation option payments received	750,000	-
Net cash provided by (used in) investing activities	713,340	(26,753)
CASH FLOW FROM FINANCING ACTIVITIES		
Shares issued for cash	-	1,300,000
Proceeds from option exercise	60,000	-
Share issuance costs	-	(19,800)
Net cash provided by financing activities	60,000	1,280,200
Change in cash for the period	524,715	1,153,950
Cash, beginning of period	626,983	13,216
Cash, end of period	$ 1,151,698	$ 1,167,166

Supplementary cash flow information (Note 13)

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

POWER METALS CORP.
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Share Capital						
	Common Shares	Amount	Shares to be issued	Share subscription receivable	Reserves	Deficit	Total Equity
Balance, November 30, 2021	116,110,455	$ 38,473,027	$ 30,000	$ (100,000)	$ 3,014,106	$ (34,567,641)	$ 6,849,492
Shares issued for private placement	7,500,000	1,500,000	-	-	-	-	1,500,000
Share issuance cost	-	(19,800)	-	-	-	-	(19,800)
Shares for debt	1,922,555	538,315	-	-	-	-	538,315
Net loss and comprehensive loss for the period	-	-	-	-	-	(40,785)	(40,785)
Balance, February 28, 2022	125,533,010	40,491,542	30,000	(100,000)	3,014,106	(34,608,426)	8,827,222
Shares issued for private placement	7,500,000	1,500,000	-	-	-	-	1,500,000
Expiry of options	-	-	-	-	(919,756)	919,756	-
Share-based compensation	-	-	-	-	503,211	-	503,211
Reversal of shares to be issued	-	-	(30,000)	-	-	30,000	-
Net loss and comprehensive loss for the period	-	-	-	-	-	(3,295,478)	(3,295,478)
Balance, November 30, 2022	133,033,010	41,991,542	-	(100,000)	2,597,561	(36,954,148)	7,534,955
Shares issued for option exercise	300,000	108,909	-	-	(48,909)	-	60,000
Expiry of options	-	-	-	-	(911,885)	911,885	-
Net loss and comprehensive loss for the period	-	-	-	-	-	(294,054)	(294,054)
Balance, February 28, 2023	133,333,010	$ 42,100,451	$ -	$ (100,000)	$ 1,636,767	$ (36,336,317)	$ 7,300,901

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

1. NATURE, CONTINUANCE OF OPERATIONS, AND GOING CONCERN

Power Metals Corp. ("Power Metals" or "the Company") is incorporated under the British Columbia Business Corporations Act and its common shares are listed on the TSX Venture Exchange ("the Exchange") under the symbol "PWM". The principal business of the Company is the acquisition, exploration and evaluation of resource properties.

On July 6, 2022, the Company began trading on the OTCQB Venture Market in the United States under the symbol PWRMF.

The Company's registered office is PO Box 10026 Pacific Centre 25th Floor, 700 West Georgia Street, Vancouver, British Columbia, Canada, V7Y 1J7 and the head office, principal address and records office is PO Box 10026 Pacific Centre 25th Floor, 700 West Georgia Street, Vancouver, British Columbia, Canada, V7Y 1J7.

The Company is considered to be in the exploration stage with respect to its interests in exploration and evaluation assets. The recoverability of the amounts comprising exploration and evaluation assets is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete their exploration and development and upon future profitable production.

These condensed interim financial statements are prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at February 28, 2023, the Company had an accumulated deficit of $36,336,317 (November 30, 2022 – $36,954,148) and has incurred losses since inception. These material uncertainties may raise substantial doubt about the Company's ability to continue as a going concern. The continuing operations of the Company are dependent upon obtaining necessary financing to meet the Company's commitments as they come due and to finance future exploration and development of potential business acquisitions, economically recoverable reserves, securing and maintaining title and beneficial interest in the properties and upon future profitable production. Failure to continue as a going concern would require that assets and liabilities be recorded at their liquidation values, which might differ significantly from their carrying values.

In March 2020, there was a global outbreak of coronavirus (COVID-19). The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and specifically, the regional economies in which the Company operates. The pandemic could continue to have a negative impact on the stock market, including trading prices of the Company's shares and its ability to raise new capital. These factors, among others, could have a significant impact on the Company's operations.

The Company's business financial condition and results of operations may be further negatively affected by economic and other consequences from Russia's military action against Ukraine and the sanctions imposed in response to that action in late February 2022. While the Company expects any direct impacts, of the pandemic and the war in the Ukraine, to the business to be limited, the indirect impacts on the economy and on the mining industry and other industries in general could negatively affect the business and may make it more difficult for it to raise equity or debt financing. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about on its business, results of operations, financial position and cash flows in the future.

2. BASIS OF PRESENTATION

Statement of compliance

These unaudited condensed interim financial statements 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 IFRS Interpretation Committee ("IFRIC"). These condensed interim financial statements have been prepared on the basis of IFRS standards that are effective for the Company's reporting year ended November 30, 2022.

Basis of presentation

The condensed interim financial statements have been prepared on historical cost basis. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information. The functional and presentation currency are both Canadian dollars.

2. BASIS OF PRESENTATION (cont'd…)

Significant accounting judgments and critical accounting estimates

The preparation of these condensed interim financial statements in conformity with IFRS requires estimates and assumptions that affect the amounts reported in these condensed interim financial statements.

Significant accounting judgments

Significant accounting 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 condensed interim financial statements include, but are not limited to, the going concern assumption, recoverability of the carrying value of the Company's exploration and evaluation assets, and classification of assets held for sale.

Ability to continue as a going-concern

Management assesses the Company's ability to continue as a going concern at each reporting date, using all quantitative and qualitative information available. This assessment, by its nature, relies on estimates of future cash flows and other future events (as discussed in Note 1), whose subsequent changes could materially impact the validity of such an assessment.

Recoverability of the carrying value of exploration and evaluation assets

Assets or cash-generating units ("CGUs") are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's exploration and evaluation assets.

Significant judgment is required when determining whether facts and circumstances suggest that the carrying amount of exploration and evaluation assets may exceed its recoverable amount. The retention of regulatory permits and licenses, the Company's ability to obtain financing for exploration and development activities and its future plans on the exploration and evaluation assets, current and future metal prices, and market sentiment are all factors considered by the Company.

In respect of the carrying value of exploration and evaluation assets recorded on the statements of financial position, management has determined that it continues to be appropriately recorded, as there are no indications that the value of the assets have declined more than its carrying amount.

Assets held for sale

The Company uses its judgment to determine whether an asset or disposal group is available for immediate sale in its present condition and whether its sale is highly probable and therefore should be classified as held for sale at the statements of financial position date.

Critical accounting estimates

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 include, but are not limited to, the following:

Shares issued to acquire exploration and evaluation assets

From time to time, the Company issues common shares in the course of acquiring exploration and evaluation assets. When shares are issued without cash consideration, the transaction is recognized at the fair value of the assets received. In the event that the fair value of the assets cannot be reliably determined, the Company will recognize the transaction at the fair value of the shares issued. These estimates impact the value of share capital and exploration and evaluation assets.

Valuation of flow-through premium and penalties

The determination of the valuation of flow-through premium and any related penalties is subject to significant judgment and estimates. The flow-through premium is valued as the estimated premium that investors pay for the flow-through feature, being the portion in excess of the market value of shares without the flow-through feature issued in concurrent private placement financing. The penalties are estimated based on tax authorities' prescribed amounts and calculations.

3. SIGNIFICANT ACCOUNTING POLICIES

Furniture and equipment

Furniture and equipment is carried at cost, less accumulated depreciation and accumulated impairment losses. Depreciation is recognized using the declining balance method at the following annual rates.

Furniture and equipment	20%

Equipment that is withdrawn from use, or has no reasonable prospect of being recovered through use or sale, is regularly identified and written off.

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Subsequent expenditure relating to an item of furniture and equipment is capitalized when it is probable that future economic benefits from the use of the assets will be increased. All other subsequent expenditures are recognized as repairs and maintenance.

Exploration and evaluation assets

The Company may hold interests in mineral property interests in various forms, including prospecting licenses, exploration and exploitation concessions, mineral leases and surface rights, and property options. Option payments are recorded as property costs or recoveries when the payments are made or received. The Company capitalizes all acquisition costs and direct exploration expenditures on mineral properties in which it has a continuing interest. Mineral property interest acquisition costs are recorded at historical cost. Exploration and evaluation expenditures incurred on properties prior to obtaining legal rights to explore the specific area are charged to operations as incurred.

Proceeds received on the sale of interests in exploration and evaluation assets are credited to the carrying value of exploration and evaluation assets, with any excess included in operations. Write-downs due to impairment in value are charged to profit or loss.

Management periodically reviews the carrying values of its investments in exploration and evaluation assets and will recognize impairment in value based upon current exploration results, the prospect of further work being carried out by the Company and the assessment of future probability of revenues from the property or from the sale of the property. A decision to abandon, reduce or expand activity on a specific property is based upon many factors including general and specific assessments of mineral resources, anticipated future mineral prices, anticipated costs of developing and operating a producing mine, the expiration date of mineral property leases and the availability of financing. The Company does not set a pre-determined holding period for properties with unproven resources. However, properties which have not demonstrated suitable prospects at the conclusion of each phase of an exploration program are re-evaluated to determine if future exploration is warranted and that carrying values are appropriate.

If a mineral property is abandoned or it is determined that its carrying value cannot be supported by future production or sale, the related costs are charged against profit or loss in the period of abandonment or determination of impairment of value.

The Company may occasionally enter into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the farmee to meet certain exploration and evaluation expenditures which would have otherwise been undertaken by the Company. The Company does not record any expenditures made by the farmee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted for as a gain on disposal.

The amounts recorded as mineral claims represent unamortized costs to date and do not necessarily reflect present or future values. Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mines under construction." Exploration and evaluation assets are tested for impairment before the assets are transferred to development properties. The accumulated costs of mineral properties that are developed to the stage of commercial production will be amortized to operations using the unit of production depletion method.

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties is in good standing unless otherwise noted.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Assets held for sale

Non-current assets and disposal groups are classified as assets held for sale if it is highly probable that the value of these assets will be recovered primarily through sale rather than through continuing use. They are recorded at the lower of carrying amount and fair value less cost to sell. Impairment losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in profit or loss. The assets and liabilities are presented as held for sale in the statements of financial position when the sale is highly probable, the asset or disposal group is available for immediate sale in its present condition and management is committed to the sale, which should be expected to be completed within one year from the date of classification. When a disposal group is classified as held for sale, assets and liabilities are aggregated and presented as separate line items, respectively, on the statements of financial position.

Impairment of long-lived assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than it carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Flow-through shares

Under Canadian income tax legislation, a company is permitted to issue flow through shares whereby the Company agrees to incur qualifying expenditures and renounce the related income tax deductions to the investors. The Company allocates the proceeds from the issuance of these shares between the offering of shares and the sale of tax benefits. The allocation is made based on the difference between the quoted price of the shares and the amount the investor pays for the shares. A deferred flow-through premium liability is recognized for the difference. The liability is reversed when the expenditures are made and is recorded in other income. The spending also gives rise to a deferred tax timing difference between the carrying value and tax value of the qualifying expenditure.

Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to mining assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as mining assets.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period.

As at February 28, 2023 and November 30, 2022, the Company has determined that it does not have any decommissioning obligations.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Financial instruments

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

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

Measurement

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise.

Debt investments at FVOCI
These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income ("OCI"). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI
These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Financial instruments (cont'd…)

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expired. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

The Company's financial assets and liabilities are recorded and measured as follows:

Financial Asset or liability	Classification and measurement
Cash	Amortized cost
Marketable securities	FVTPL
Accounts payable and accrued liabilities	Amortized cost

The Company determines the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

Loss per share

The Company recognizes the dilutive effect on loss per share based on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. For the periods presented, this calculation proved to be anti-dilutive. Basic loss per share is calculated using the weighted average number of common shares outstanding during the period.

Share capital

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate resource properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants (Warrants). Depending on the terms and conditions of each equity financing agreement (Agreement), the Warrants are exercisable into additional common shares prior to expiry at a price stipulated by the Agreement. Warrants that are part of units are valued using residual value method which involves comparing the selling price of the units to the Company's share price on the announcement date of the financing. The market value is then applied to the common share, and any residual amount is assigned to the Warrants. Warrants that are issued as payment for agency fee or other transaction costs are accounted for as share-based payments and are recognized in equity. When Warrants are forfeited or are not exercised at the expiry date the amount previously recognized in equity is transferred from reserves to deficit.

In situations where share capital is issued, or received, as non-monetary consideration and the fair value of the asset received, or given up is not readily determinable, the fair market value (as defined) of the shares is used to record the transaction. The fair market value of the shares issued, or received, is based on the trading price of those shares on the appropriate Exchange on the date the shares are issued.

Share issuance costs

Share issue costs are deferred and charged directly to share capital on completion of the related equity financing. If the financing is not completed, share issue costs are charged to profit or loss. Costs directly identifiable with the raising of capital will be charged against the related share capital.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is expensed over the vesting terms. The expected price volatility is based on the historical volatility. All equity-settled share-based payments are reflected in reserves until exercised. Consideration paid for the shares on the exercise of stock options is credited to capital stock. When vested options are forfeited or are not exercised at the expiry date the amount previously recognized in share-based compensation is transferred from reserves to deficit.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the Company as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

Income taxes

Income tax on the profit or loss for the periods presented 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, in which case it is recognized in equity. Current tax expense is the expected tax payable on the 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. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; and 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 reporting date.

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. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it does not recognize the asset.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Foreign currency translation

Transactions in foreign currencies are translated to the presentation currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the presentation currency at the exchange rate at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognized in profit or loss.

New accounting standards issued but not yet effective

Classification of Liabilities as Current or Non-current (Amendments to IAS 1) – The amendments to IAS1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. These amendments are effective for reporting periods beginning on or after January 1, 2023.

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS

During the period ended February 28, 2023, the following exploration expenses were incurred on the exploration and evaluation assets:

	Case Lake Property	Gullwing Extension Property	Total
Acquisition costs			
Balance, November 30, 2022	$ 3,862,191	$ -	$ 3,862,191
Cash paid	5,600	-	5,600
Balance February 28, 2023	3,867,791	-	3,867,791
Exploration costs			
Balance, November 30, 2022	1,792,578	-	1,792,578
Assay	983	-	983
Field work	940	-	940
Supplies	1,738	-	1,738
Geological consulting	26,480	4,000	30,480
Balance, February 28, 2023	1,822,719	4,000	1,826,719
Write-off	-	(4,000)	(4,000)
Total balance, February 28, 2023	$ 5,690,510	$ -	$ 5,690,510

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS (cont'd…)

During the year ended November 30, 2022, the following exploration expenses were incurred on the exploration and evaluation assets:

	Case Lake Property	Paterson Lake and Gullwing Tot	Gullwing Extension Property	Total
Acquisition costs				
Balance, November 30, 2021 and 2022	$ 3,862,191	$ 639,000	$ 2,802,500	$ 7,303,691
Exploration costs				
Balance, November 30, 2021	688,609	261,976	-	950,585
Assay	56,531	-	-	56,531
Drilling	443,397	-	-	443,397
Field work	114,092	5,290	-	119,382
Supplies	28,210	-	-	28,210
Geological consulting	330,466	1,634	4,826	336,926
Travel	131,273	-	-	131,273
Recovery	-	(50,000)	-	(50,000)
Balance, November 30, 2022	1,792,578	218,900	4,826	2,016,304
Reclassified as assets held for sale	-	(550,000)	(1,200,000)	(1,750,000)
Write-off	-	(307,900)	(1,607,326)	(1,915,226)
Total balance, November 30, 2022	$ 5,654,769	$ -	$ -	$ 5,654,769

4. EXPLORATION AND EVALUATION ASSETS (cont'd…)

The Company entered into an agreement (the "Sinomine Agreement") with Sinomine (Hong Kong) Rare Metals Resources Co Limited ("Sinomine") on December 15, 2021 (the "Closing Date") which provides for an equity financing and an agreement to negotiate an offtake agreement with Sinomine. As a result of the agreement, the Company issued to Sinomine 7,500,000 units at $0.20 per unit for gross proceeds of $1,500,000. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to purchase one common share for a period of three years at a price of $0.40.

The Company entered into the formal off-take agreement with Sinomine on all lithium, cesium and tantalum produced from the Company's Case Lake Property. Sinomine will pay the Company for all lithium and tantalum at 95% of the market value of such resources and pay for all cesium in accordance with an agreed upon grade scale schedule established between the two parties. The agreement remains in effect for a period of three years from closing date and continues thereafter as long as Sinomine holds not less than 2.5% of the Company's shares on a non-diluted basis. Sinomine is also provided with an option to participate in future financings and share issuances to retain its minimum 2.5% share holdings. In the event of default under the agreement by either party, such party will be liable for a total of $8,000,000.

During the year ended November 30, 2022, the Company has been advised that the Canadian Federal Government, by Order in Council, has ordered that Sinomine divest itself of its past and ongoing investments in the Company.

During the period ended February 28, 2023, Winsome Resource Limited acquired shares in the Company currently owned by Sinomine. Winsome has also agreed to acquire Sinomine's offtake rights for the lithium, cesium and tantalum from the Case Lake Project.

Under the terms of the agreement, for a total cash consideration of CAD$2,000,000 (AUD$2,120,000) (CAD $0.27 per share of the Company) Winsome acquired Sinomine's total interests in the Company and the Case Lake Project, including:

- 7,500,000 common shares; and
- 7,500,000 share purchase warrants, which can be converted into shares on a one-for-one basis at $0.40 per share, expiring on March 16, 2025.

Winsome has also agreed to assume all of Sinomine's rights and obligations under the offtake agreement.

Case Lake Property

During the year ended November 30, 2016, the Company entered into an agreement to acquire 100% interest in the Case Lake Property located in Ontario. To earn the interest, the Company made the following payments:

i) paid $260,000;

ii) paid $100,000 for the underlying option agreement;

iii) incurred an aggregate of $200,000 of property expenditures over 36 months;

iv) issued 11,000,000 common shares of the Company (valued at $990,000).

The property is subject to a 2% NSR.

The Company also issued 913,235 common shares valued at $82,191 as finders' fees.

During the year ended November 30, 2017, the Company further acquired a 100% interest in additional claim units in consideration of 3,000,000 shares (issued and valued at $2,430,000).

Paterson Lake and Gullwing-Tot

During the year ended November 30, 2017, the Company entered into an agreement, amended on October 30, 2020, to acquire 100% interest in the Paterson Lake and Gullwing-Tot properties. Pursuant to the agreement, the Company made the following payments:

i) paid $140,000 in cash;
ii) issued 1,230,336 shares with a value of $497,815 (171,875 shares with a value of $55,000 issued in fiscal 2017; 138,461 shares issued with a value of $88,615 issued in fiscal 2018; 920,000 shares with a value of $354,200 issued in last year);
iii) incurred $250,000 of exploration expenditures ($268,900 incurred).

4. EXPLORATION AND EVALUATION ASSETS (cont'd…)

In addition, upon a feasibility study being completed on the properties, the Company will make a payment for each of the Paterson Lake project and Gullwing-Tot property of $450,000 up to a maximum $900,000 in cash.

The properties will be subjected to a 0.5% NSR royalty on commercial production from the Gullwing-Tot property and a 2% NSR on commercial production from the Paterson Lake property, with the Company retaining the right to purchase 1% on either property for $650,000 cash.

During the period ended February 28, 2023, the Company entered into two binding purchase and sale agreements to sell the Company's Gullwing-Tot Lakes property and Paterson Lake property.

Binding Purchase and Sale Agreement with Critical Resources Limited (ASX:CRR) to sell the Company's Gullwing-Tot Lakes property.

To acquire a 100% interest in the mining claims, the total consideration to be provided to the Company from Critical Resources Limited is:

- Cash payment of $600,000 made to the Company (received);
- Issue of $600,000 in Critical Resources Limited's securities to the Company (12,494,339 shares received); and
- Grant the Company a 1% Gross Margin Royalty for mineral production within the mining claims acquired by Critical Resources Limited.

Binding Option Agreement with Fleur De Lys Exploration and Infini Resources Pty Ltd. ("Infini") to acquire the Paterson Lake property.

To acquire a 100% interest in the mining claims of Paterson Lake, the total consideration to be provided to the Company from Infini is:

- Cash payment of $150,000 made to the Company within 30 days of the execution date (received);
- Cash payment of $250,000 to the Company within 20 days following Infini's admission to the Official List of the Australian Securities Exchange ("ASX"), or prior to the expiry date (March 31, 2023), whichever comes first (received subsequently);
- Issue of $150,000 in Infini's securities to the Company; and
- Grant the Company a 1% Gross Margin Royalty for mineral production within the mining claims acquired by Infini.

As a result, the Company reclassified the carrying values of the Gullwing-Tot Lakes property and Paterson Lake property totaling $1,750,000 as assets held for sale resulting in write-off of exploration and evaluation assets of $1,915,226.

The community of Grassy Narrows in North Western Ontario has filed a statement of claim in the Ontario Superior Court of Justice, asserting the province should have first consulted with the Grassy Narrows Community before issuing nine permits to mining companies, which were approved by the Province of Ontario between 2018 and 2021. The Grassy Narrows community is requesting that until such time the conflict between the Province of Ontario and Grassy Narrows is resolved with respect to land use, to the satisfaction of both parties, no further mining or exploration permits will be issued.

<u>Gullwing Extension Property</u>

During the year ended November 30, 2021, the Company acquired a 100% interest in the Gullwing Extension Property in Dryden, northwestern Ontario. Pursuant to the agreement, the Company issued 9,500,000 (valued at $2,802,500) common shares and granted a 2% NSR.

The Company has the option to buy back 1% NSR in consideration of cash payment of $1,000,000.

During the year ended November 30, 2022, the Company signed a Term Sheet to sell the Gullwing-Tot and Paterson properties.

During the period ended February 28, 2023, the Company entered into two binding purchase and sale agreements to sell the Company's Gullwing-Tot Lakes property and Paterson Lake property (Note 15). As it is highly probable that the value of these assets will be recovered primarily through sale rather than through continuing use, and management has committed to a plan to sell the assets as at November 30, 2022, the Company reclassified the carrying values of the Gullwing-Tot Lakes property and Paterson Lake property totaling $1,750,000 as assets held for sale resulting in write-off of exploration and evaluation assets of $1,915,226. The carrying value reported represents the lower of the net book value and fair value less costs to sell.

(Expressed in Canadian Dollars)

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities are as follows:

		February 28, 2023		November 30, 2022
Trade payables	$	118,353	$	111,284
Accrued liabilities		611,508		598,508
Due to related parties (Note 10)		85,310		94,218
Total	$	815,171	$	804,010

During the year ended November 30, 2022, the Company issued 1,744,580 common shares of the Company at a price of $0.28 per common shares to two non-arm's length creditors and 177,975 units of the Company at a price of $0.28 per unit to one arm's length creditor to settle an aggregate total of $384,511 in accounts payable and loans payable resulting in a loss of $153,804 on the settlement of debt. In addition, the Company wrote off accounts payable and accrued liabilities of $260,744 as the creditors have agreed to forgive the amounts owing.

6. MARKETABLE SECURITIES

During the period ended February 28, 2023, the Company received 12,494,339 shares (valued at $600,000) of Critical Resources Limited pursuant to sale of Gullwing-Tot Lakes property (Note 4). At February 28, 2023, the Company valued the shares at $570,785 and recorded an unrealized loss of $29,215.

7. LOANS PAYABLE

During the year ended November 30, 2021, the Company received a non-interest bearing loan of $65,000 with no-specific term of repayment from a director of the Company. The loan was settled by share issuance of 325,000 common shares at a price of $0.28 per common share during the year ended November 30, 2022.

8. SHARE CAPITAL AND RESERVES

a) Authorized share capital as at February 28, 2023:

Unlimited number of voting common shares without par value.
Unlimited number of preferred shares with no par value.

b) Issued share capital

During the period ended February 28, 2023, the Company issued 300,000 common shares upon exercise of options for gross proceeds of $60,000, and accordingly, the Company reallocated $48,909 of its share-based payment reserve to share capital.

During the year ended November 30, 2022, the Company

- closed a non-brokered private placement of 7,500,000 units at $0.20 per unit for gross proceeds of $1,500,000. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to purchase one common share for a period of three years at a price of $0.40. The Company paid $19,800 in finders' fees.

- entered into agreements to settle some of accounts payable and accrued liabilities, and loans payable of the Company for an aggregate total of $384,511 through conversion of such debt into common shares of the Company. Pursuant to the shares for debt transactions, the Company issued 1,744,580 common shares of the Company at a price of $0.28 per common share to two non-arm's length creditors and 177,975 units of the Company at a price of $0.28 per unit to one arm's length creditor resulting in a loss of $153,804 on the settlement of debt. Each unit consists of one common share and one share purchase warrant of the Company. Each warrant will entitle the holder to acquire one additional common share of the Company exercisable at a price of $0.40 per share for a period of three years.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL AND RESERVES (cont'd…)

b) Issued share capital (cont'd…)

- issued 7,500,000 units at $0.20 per unit to Sinomine for gross proceeds of $1,500,000. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to purchase one common share for a period of three years at a price of $0.40.

- recorded a reversal of shares to be issued for $30,000, which was an inducement to granting loans payable to non-arm's length parties in 2015. The loans payable have since been repaid and the non-arm's length parties have agreed to waive the obligation to issue shares valued at $30,000.

c) Stock options

The Company has a stock option plan in place under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option equals the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of 10 years and vest as determined by the Board of Directors.

During the period ended February 28, 2023, the Company didn't grant stock options.

During the year ended November 30, 2022, the Company

i) granted stock options of 2,000,000 to officers, directors, employees and consultants of the Company. The options are valued at $405,394 exercisable at a price of $0.29 per share, expiring on March 23, 2027. The options were fully vested on the grant date.

ii) granted stock options of 600,000 to consultants of the Company. The options are valued at $97,817 exercisable at a price of $0.20 per share, expiring on May 30, 2027. The options were fully vested on the grant date.

Stock option transactions and the number of share options outstanding are summarized as follows:

	Number Of Options Outstanding		Weighted Average Exercise Price
Balance, November 30, 2021	11,426,045	$	0.32
Granted	2,600,000		0.27
Expired/Cancelled	(3,750,000)		0.29
Balance, November 30, 2022	10,276,045		0.32
Exercised	(300,000)		0.20
Expired/Cancelled	(1,300,000)		0.81
Balance, February 28, 2023	8,676,045	$	0.25
Number of options currently exercisable	8,676,045	$	0.25

(Expressed in Canadian Dollars)

8. SHARE CAPITAL AND RESERVES (cont'd…)

c) Stock options (cont'd…)

As at February 28, 2023, the following stock options were outstanding:

Number of options	Exercise Price	Expiry Date
2,876,045	$0.30	August 25, 2023
1,000,000	$0.10	February 5, 2025
2,500,000	$0.22	August 18, 2026
2,000,000	$0.29	March 23, 2027
300,000	$0.20	May 30, 2027
8,676,045		

The weighted average remaining contractual life of options was 2.47 years (November 30, 2022 – 2.44 years). The average share price on the date of options exercised was $0.34 (November 30, 2022 – N/A).

The following weighted average assumptions were used for the Black-Scholes option pricing model valuation of options granted for the period ended February 28, 2023 and year ended November 30, 2022:

	Period ended February 28, 2023	Year ended November 30, 2022
Risk-free interest rate	-	2.37%
Expected life of options	-	5.00 years
Expected annualized volatility	-	98.57%
Exercise price	-	$0.27
Expected dividend rate	-	0%

The volatility is based on historical observations of the Company. The risk-free interest rate assumption is based on yield curves on Canadian government zero-coupon bonds with a remaining term equal to the stock options' expected life. The Company uses historical data to estimate option exercise, forfeiture and employee termination within the valuation model. The Company has not paid and does not anticipate paying dividends on its common stock. Companies are required to utilize an estimated forfeiture rate when calculating the expense for the reporting period. Based on the best estimate, management applied the estimated forfeiture rate of nil% in determining the expense recorded.

d) Warrants

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, November 30, 2021	-	$ -
Granted	15,177,975	0.40
Balance, November 30, 2022 and February 28, 2023	15,177,975	$ 0.40

(Expressed in Canadian Dollars)

8. SHARE CAPITAL AND RESERVES (cont'd…)

d) Warrants (cont'd…)

As at February 28, 2023, the following warrants outstanding.

Number of warrants	Exercise Price	Expiry Date
7,500,000	$0.40	January 20, 2025
177,975	$0.40	February 14, 2025
7,500,000	$0.40	March 16, 2025
15,177,975		

9. FINANCIAL INSTRUMENTS AND RISK

Fair values

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy based on the degree to which the inputs used to determine the fair value are observable. The three levels of the fair value hierarchy are:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying value of its financial assets and liabilities approximates their fair value as at February 28, 2023 due to their short term maturity except for investments in marketable securities which are carried at fair value and measured at Level 1 inputs of the fair value hierarchy.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

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 exposure to credit risk is in its cash and receivables. Cash is held with major banks in Canada, which are high credit quality financial institutions as determined by rating agencies. As at February 28, 2023, the Company had $57,219 (November 30, 2022 – $47,031) receivable from government authorities in Canada. The Company believes it has no significant credit risk.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at February 28, 2023, the Company had a cash balance of $1,151,698 (November 30, 2022 – $626,983) to settle accounts payable and accrued liabilities of $815,171 (November 30, 2022 – $804,010). The Company will require financing from lenders, shareholders and other investors to generate sufficient capital to meet its short term business requirements. All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

9. FINANCIAL INSTRUMENTS AND RISK (cont'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, commodity and equity prices.

a) Interest rate risk

The Company has cash balances which bear interest. The Company is satisfied with the credit ratings of its banks. As of February 28, 2023, the Company did not hold any investments. The Company believes it has no significant interest rate risk.

b) Foreign currency risk

As at February 28, 2023, the Company has a minimal balance of cash in US dollars and does not believe that the foreign currency risk related to the balance is significant.

c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations may be significant. Much of this is out of the control of management and will be dealt with based on circumstances at any given time.

10. RELATED PARTY BALANCES AND TRANSACTIONS

Transactions with related parties and key management personnel are as follows:

	Nature of transactions	February 28, 2023	February 28, 2022
Key management personnel:			
Chairman and Director	Management fees	$ 63,838	$ 50,925
Chairman and Director	Rent	15,623	-
A company controlled by CFO and Director	Management fees	25,500	15,000
A company controlled by CFO and Director	Professional fees	18,400	9,450
VP Exploration and a company controlled by VP Exploration	Geological and consulting (i)	33,240	15,200
Total		$ 156,601	$ 90,575

i) Capitalized in exploration and evaluation assets.

During the year ended November 30, 2021, the Company received a non-interest bearing loan of $65,000 with no-specific terms of repayment from a director of the Company. The loan was repaid by issuance of 325,000 common shares at a price of $0.28 per common share during the year ended November 30, 2022.

(Expressed in Canadian Dollars)

10. RELATED PARTY BALANCES AND TRANSACTIONS (cont'd…)

The amounts due to other related parties and key management personnel included in accounts payable and accrued liabilities are as follows:

		February 28, 2023		November 30, 2022
Due to a company controlled by the CFO and Director	$	84,328	$	78,751
Due to VP Exploration and a company controlled by VP Exploration		982		15,467
	$	85,310	$	94,218

The amounts due to related parties are unsecured non-interest bearing and are due on demand.

The amounts due from related parties and key management personnel included in prepaids and advances for exploration costs and management fees are as follows:

		February 28, 2023		November 30, 2022
Due from the Chairman and Director	$	44,677	$	49,804
Due from VP Exploration and a company controlled by VP Exploration		8,422		35,000
	$	53,099	$	84,804

During the year ended November 30, 2022, the Company issued 1,744,580 common shares of the Company at a price of $0.28 per common shares to two non-arm's length creditors to settle an aggregate total of $348,916 in accounts payable and loans payable resulting in a loss of $139,566 on the settlement of debt. In addition, the Company wrote off accounts payable and accrued liabilities of $262,829 as the non-arm's length creditors have agreed to forgive the amounts owing.

11. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern.

In the management of capital, the Company monitors its adjusted capital which comprises all components of equity (i.e. share capital, reserves and deficit).

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue common shares through private placements. The Company is not exposed to any externally imposed capital requirements.

No changes were made to capital management during the period ended February 28, 2023.

12. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration, and development of mineral properties.

(Expressed in Canadian Dollars)

13. SUPPLEMENTARY CASH FLOW INFORMATION

		February 28, 2023		February 28, 2022
Non-cash investing and financing activities				
Fair value reclassified from reserves to share capital for exercise of options	$	48,909	$	-
Accounts payable and accrued liabilities for exploration and evaluation assets	$	982	$	-
Shares received for exploration and evaluation assets	$	600,000	$	-
Shares issued for debt settlement	$	-	$	538,315
Fair value reclassified from reserves to deficit for expiry of options	$	911,885	$	-
Subscriptions receivable	$	-	$	200,000

During the period ended February 28, 2023 and 2022, the Company did not have any interest or income taxes paid in cash.

14. SUBSEQUENT EVENT

Subsequent to period ended February 28, 2023, the Company closed a brokered private placement of 11,325,000 flow-through shares at $0.57 per flow-through share for gross proceeds of $6,455,250. The Company paid $230,285 in finder's fees and issued 226,500 broker warrants. Each broker warrant entitles the holder to purchase one common share at a price of $0.40 until September 27, 2024.