



RECHARGE RESOURCES LTD.

Condensed Consolidated Interim Financial Statements

Periods Ended March 31, 2024 and 2023

(Expressed in Canadian dollars)

NOTICE OF NON AUDITOR'S REVIEW OF CONDENSED CONSOLIDATED 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 condensed interim consolidated financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed interim consolidated financial statements for Recharge Resources Ltd. (the "Company") have been prepared by and are the responsibility of the Company's management. The Company's independent auditor, Saturna Group Chartered Professional Accountants LLP, has not performed an audit of these condensed interim consolidated financial statements.

RECHARGE RESOURCES LTD.

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

	Notes	March 31, 2024 \$	December 31, 2023 \$
Assets			
Current assets			
Cash		275,110	364,631
GST receivable		16,181	228,957
Prepaid expenses and deposits	3	14,804	159,961
Total current assets		306,095	753,549
Non-current assets			
Exploration and evaluation assets	4	6,809,753	6,799,037
Investment	4	45,925	-
Reclamation deposit		10,000	10,000
Total non-current assets		6,865,678	6,809,037
Total assets		7,171,773	7,562,586
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable and accrued liabilities	6,7	277,386	303,319
Flow-through share premium liability	5	36,384	36,384
Total current liabilities		313,770	339,703
Non-current liabilities			
Long term loans		1,509	-
Total non-current liabilities		1,509	-
Total liabilities		315,279	339,703
Shareholder's equity			
Share capital	8	29,318,056	27,858,056
Share-based payment reserve	8,9	1,007,935	997,425
Obligation to issue shares	7,8	5,438	12,750
Warrants reserve	8,10	5,287,341	5,287,341
Shares issuable	11	42,750	1,460,000
Deficit		(28,805,026)	(28,392,689)
Total shareholders' equity		6,856,494	7,222,883
Total liabilities and shareholders' equity		7,171,773	7,562,586

Nature and continuance of operations (Note 1)

Approved and authorized for issuance by the Board of Directors on May 29, 2024:

/s/ "David Greenway"

David Greenway, Director

/s/ "Andrew Mugridge"

Andrew Mugridge, Director

(The accompanying notes are an integral part of these condensed consolidated Interim financial statements)

RECHARGE RESOURCES LTD.Condensed Consolidated Interim Statements of Operations and Comprehensive Loss
(Unaudited - Expressed in Canadian dollars)

		For three months ended March 31,	
		2024	2023
	Notes	\$	\$
Expenses			
Consulting fees		61,960	167,189
General and administrative		8,672	4,358
Market awareness		180,118	2,342,131
Management fees	7	70,000	95,000
Professional fees		44,958	24,111
Share-based compensation	8,9,11	53,260	1,752,568
Transfer agent and filing fees		6,530	19,356
Travel		-	21,797
Total expenses		425,498	4,426,510
Loss before other expense		(425,498)	(4,426,510)
Other income (expense)			
Foreign exchange gain (loss)		(2,215)	405
Interest expense		(151)	-
Flow-through share premium		-	(2,105)
Gain on revaluation of share obligation		7,312	-
Other income		8,215	-
Total other income (expense)		13,161	(1,700)
Net loss and comprehensive loss		(412,337)	(4,428,210)
Basic and diluted loss per share		(0.01)	(0.15)
Weighted average shares outstanding		50,736,562	29,411,651

(The accompanying notes are an integral part of these condensed consolidated Interim financial statements)

RECHARGE RESOURCES LTD.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Unaudited - Expressed in Canadian dollars)

	Share Capital		Share-based payment reserve	Warrants reserve	Share subscription receivable	Shares issuable	Obligation to issue shares	Deficit	Total shareholder's equity
	Number of shares	Amount \$							
Balance December 31, 2022	52,062,323	19,563,220	810,689	4,891,679	(165,000)	317,750		(18,436,612)	6,981,726
Share issued for cash	-	-	-	-	165,000	-	-	-	165,000
Shares issued for exploration and evaluation	2,708,926	1,186,455	-	-	-	-	-	-	1,186,455
Fair value of stock options granted	-	-	106,118	-	-	-	-	-	106,118
Shares issued for option exercised	250,000	148,652	(53,652)	-	-	-	-	-	95,000
Shares issuable for restricted share units vested	1,157,500	461,950	-	-	-	1,184,500	-	-	1,646,450
Shares issued for warrants exercised	10,589,033	2,574,427	-	(581,265)	-	-	-	-	1,993,162
Net loss for the period	-	-	-	-	-	-	-	(4,428,211)	(4,428,211)
Balance, March 31, 2023	66,767,782	23,934,704	863,155	4,310,414	-	1,502,250	-	(22,864,823)	7,745,700
Balance December 31, 2023	47,257,441	27,858,056	997,425	5,287,341	-	1,460,000	12,750	(28,392,689)	7,222,883
Fair value of stock options granted	-	-	10,510	-	-	-	-	-	10,510
Shares issued for restricted share units	3,600,000	1,460,000	-	-	-	(1,460,000)	-	-	-
Restricted share units granted	-	-	-	-	-	42,750	-	-	42,750
Obligation to issue shares	-	-	-	-	-	-	(7,312)	-	(7,312)
Net loss for the period	-	-	-	-	-	-	-	(412,337)	(412,337)
Balance, March 31, 2024	50,857,441	29,318,056	1,007,935	5,287,341	-	42,750	5,438	(28,805,026)	6,856,494

(The accompanying notes are an integral part of these condensed consolidated Interim financial statements)

RECHARGE RESOURCES LTD.Condensed Consolidated Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian dollars)

	For the period ended March 31, 2024	For the year ended March 31, 2023
	\$	\$
Operating activities		
Net loss	(412,337)	(4,428,210)
Items not involving cash:		
Foreign exchange	1,404	-
Gain on revaluation of share obligation	(7,312)	-
Share-based compensation	53,260	1,752,568
Changes in non-cash working capital items:		
GST receivable	212,776	(10,156)
Prepaid expenses and deposits	145,157	86,064
Account payable and accrued liabilities	(27,337)	(341,037)
Net cash used in operating activities	(34,389)	(2,940,771)
Investing activities		
Exploration and evaluation asset expenditures	(56,641)	(814,995)
Net cash used in investing activities	(56,641)	(814,995)
Financing activities		
Subscriptions received	-	165,000
Proceeds from loans payable	1,509	-
Proceeds from stock options exercised	-	95,000
Proceeds from warrants exercised	-	1,993,162
Net cash provided by financing activities	1,509	2,253,162
Change in cash	(89,521)	(1,502,604)
Cash, beginning of period	364,631	2,280,254
Cash, end of period	275,110	777,650
Non-cash investing and financing activities:		
Fair value of stock options exercised	-	53,652
Obligation to issue shares	5,438	-
Shares issued pursuant to exploration and evaluation assets	-	1,186,455
Shares issuable for restricted share units transferred from reserve	1,460,000	-
Fair value of warrants issued	-	581,265
Shares received from optionee for option-out - Pinchi Lake	45,925	-

(The accompanying notes are an integral part of these condensed consolidated interim financial statements)

RECHARGE RESOURCES LTD.

Notes to the Condensed Consolidated Interim Financial Statements
Three Months Ended March 31, 2024 and 2023
(Unaudited - Expressed in Canadian dollars)

1. Nature and Continuance of Operations

Recharge Resources Ltd. (the “Company”) was incorporated in the province of British Columbia on March 9, 2010 as Signal Exploration Inc. The Company changed its name to Southern Lithium Corp. in October 2016, to Le Mare Gold Corp. in February 2018, and to Recharge Resources Ltd. in July 2021. The Company is a resource exploration company that is in the business of acquiring and exploring mineral properties. The Company’s registered address is Suite 1500, 1055 West Georgia Street, Vancouver, BC, V6E 4N7.

These condensed consolidated interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. For the three months ended March 31, 2024, the Company has not generated any revenue and incurred negative cash flow from operations. As at March 31, 2024, the Company has an accumulated deficit of \$28,805,026. The Company’s continuation as a going concern is dependent on its ability to generate future cash flows and/or obtain additional financing. Management intends to finance operating costs over the next twelve months with cash on hand, loans from directors and companies controlled by directors, and/or private placements of common shares. There is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These factors indicate the existence of a material uncertainty that may cast significant doubt on the ability of the Company to continue as a going concern. These condensed consolidated interim financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern. Such adjustments could be material.

2. Material accounting policy information

(a) Statement of Compliance and Basis of Preparation

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting. These condensed interim consolidated financial statements of the Company should be read in conjunction with the Company’s annual audited financial statements for the year ended December 31, 2023, which were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IASB”).

(b) Basis of Presentation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly owned subsidiaries; Recharge Resources Argentina SAU (incorporated on March 23, 2023), Battmetals Resources Ltd., and Nextcharge Battery Metals Corp. (incorporated on November 17, 2022). All significant inter-company balances and transactions have been eliminated on consolidation.

These condensed consolidated interim financial statements have been prepared on a historical cost basis and are presented in Canadian dollars, which is also the Company and its subsidiaries’ functional currency.

(c) Accounting Standards Issued But Not Yet Effective

A number of new standards, and amendments to standards and interpretations, are not yet effective for the three months ended March 31, 2024, and have not been early adopted in preparing these condensed interim consolidated financial statements. These new standards, and amendments to standards and interpretations are either not applicable or are not expected to have a significant impact on the Company’s condensed interim consolidated financial statements.

RECHARGE RESOURCES LTD.

Notes to the Condensed Consolidated Interim Financial Statements
Three Months Ended March 31, 2024 and 2023
(Unaudited - Expressed in Canadian dollars)

3. Prepaid Expenses and Deposits

	March 31, 2024	December 31, 2023
	\$	\$
Market awareness	5,969	140,712
Retainer payment for services	-	10,000
Other	8,835	9,249
	<u>14,804</u>	<u>159,961</u>

4. Exploration and Evaluation Assets

	Brussels Creek	Murray Ridge	Pinchi Lake	Georgia Lake	Pocitos 1	Pocitos 2	Total
	\$	\$	\$	\$	\$	\$	\$
Acquisition costs:							
Balance, December 31, 2023	596,500	83,061	739,648	-	2,634,823	406,525	4,460,557
Additions	-	-	-	-	-	33,731	33,731.00
Balance, March 31, 2024	<u>596,500</u>	<u>83,061</u>	<u>739,648</u>	<u>-</u>	<u>2,634,823</u>	<u>440,256</u>	<u>4,494,288</u>
Exploration costs:							
Balance, December 31, 2023	548,395	-	62,596	76,796	1,621,598	29,095	2,338,480
Additions	-	-	-	-	22,910	-	22,910
Option-out	-	-	(45,925)	-	-	-	(45,925)
Balance, March 31, 2024	<u>548,395</u>	<u>-</u>	<u>16,671</u>	<u>76,796</u>	<u>1,644,508</u>	<u>29,095</u>	<u>2,315,465</u>
Carrying amounts:							
Balance, March 31, 2024	<u>1,144,895</u>	<u>83,061</u>	<u>756,319</u>	<u>76,796</u>	<u>4,279,331</u>	<u>469,351</u>	<u>6,809,753</u>

	Brussels Creek	Murray Ridge	Pinchi Lake	Georgia Lake	Pocitos 1	Pocitos 2	Total
	\$	\$	\$	\$	\$	\$	\$
Acquisition costs:							
Balance, December 31, 2022	596,500	83,061	739,648	-	1,053,974	-	2,473,183
Additions	-	-	-	-	1,580,849	406,525	1,987,374
Balance, December 31, 2023	<u>596,500</u>	<u>83,061</u>	<u>739,648</u>	<u>-</u>	<u>2,634,823</u>	<u>406,525</u>	<u>4,460,557</u>
Exploration costs:							
Balance, December 31, 2022	547,757	-	53,914	51,378	848,184	-	1,501,233
Additions	638	-	8,682	25,418	773,414	29,095	837,247
Balance, December 31, 2023	<u>548,395</u>	<u>-</u>	<u>62,596</u>	<u>76,796</u>	<u>1,621,598</u>	<u>29,095</u>	<u>2,338,480</u>
Carrying amounts:							
Balance, December 31, 2023	<u>1,144,895</u>	<u>83,061</u>	<u>802,244</u>	<u>76,796</u>	<u>4,256,421</u>	<u>435,620</u>	<u>6,799,037</u>

RECHARGE RESOURCES LTD.

Notes to the Condensed Consolidated Interim Financial Statements
Three Months Ended March 31, 2024 and 2023
(Unaudited - Expressed in Canadian dollars)

4. Exploration and Evaluation Assets (continued)

Brussels Creek Property

On February 3, 2021, the Company entered into a mineral property option assignment agreement whereby the Company has been assigned the right to acquire up to a 100% interest in the Brussels Creek property located in the Kamloops Mining District, British Columbia. The assignor assigned all of its right, title, and interest in and to the option agreement dated February 25, 2020, that it is a party to for \$157,500 (paid) and 40,000 common shares of the Company (issued). The Company agreed to assume the obligations of the assignor under the option agreement subject to the optionor agreeing to accept 100,000 common shares of the Company in substitution for shares of the assignor otherwise due to be issued to the optionor under the option agreement.

On March 18, 2022, the Company entered into a mineral property acquisition agreement, replacing the option assignment agreement, whereby the Company shall acquire 100% right, title and interest in the property in consideration of Recharge paying the sum of \$75,000 (paid) and issuing 125,000 common shares of the Company (issued).

The interest earned is subject to a 2% Net Smelter Royalty ("NSR") payable to the optionor. One half of the NSR may be purchased for \$1,000,000, exercisable anytime on or before the expiration of one year from the commencement of commercial production.

Murray Ridge Property

The Company has a 100% interest in 2 mineral claims located in the Omineca Mining Division, British Columbia.

Pinchi Lake Property

The Company has a 100% interest in 3 mineral claims located in the Omineca Mining Division, British Columbia.

On November 20, 2023, the Company entered into an agreement with Rancho Gold Corp. ("Rancho") whereby Rancho can earn a 100% interest in the Pinchi Lake Nickel Project.

Terms of the transaction:

- The Company receiving 835,000 common shares in the capital of Rancho within five business days of Rancho obtaining the approval of the TSX Venture Exchange to the Agreement (received, March 12, 2024);
- making cash payments to the Company of \$25,000 by the first anniversary date of the agreement; \$2,000,000 by the second anniversary of the agreement; and \$3,000,000 by the third anniversary date of the agreement; and
- funding exploration and development work on the Pinchi Lake property of a total of \$1,200,000 before November 30, 2026, of which at least \$40,000 is required before June 30, 2024; a further \$60,000 is required before November 30, 2024; and a further \$100,000 is required before November 30, 2025.

As of March 31, 2024 the Company had recorded the Rancho shares as an investment with a fair market value of \$45,925.

RECHARGE RESOURCES LTD.

Notes to the Condensed Consolidated Interim Financial Statements
Three Months Ended March 31, 2024 and 2023
(Unaudited - Expressed in Canadian dollars)

4. Exploration and Evaluation Assets (continued)

Georgia Lake West and North Lithium Properties

The Company has a 100% interest in certain claims located in the Thunder Bay Mining Division, Ontario.

Pocitos 1 Property (with Spey Resources Corp.)

On March 21, 2022, the Company entered into a mineral property option agreement with Spey Resources Corp. ("Spey") whereby the Company may acquire up to 100% undivided interest in the Pocitos 1 project located just outside of Salta, Argentina.

To earn an 80% undivided interest in the property, the Company must pay to Spey cash and share payments totalling US\$1,750,000 per the following commitments:

- (i) Cash payments to be made:
 - US\$350,000 upon execution of the agreement (paid); and
 - US\$500,000 on or before March 21, 2023 (paid)
- (ii) Shares to be issued:
 - US\$400,000 upon execution of the agreement (issued 502,840 common shares); and
 - US\$500,000 on or before March 21, 2023 (issued 891,500 common shares).
- (iii) Exploration expenditures to be incurred:
 - US\$250,000 on or before March 21, 2023 (met)

The Company may earn an additional 20% undivided interest in the project, for a total of 100% interest, by paying Spey an additional US\$6,000,000 on or before the fifth anniversary of the option agreement. A royalty of 7.5% of the FOB price of lithium carbonated or other lithium compounds sold shall remain payable pursuant to an underlying agreement.

On August 10, 2023, the Company and Spey entered into a full and final mutual release and terminated their mineral property option agreement on the Pocitos 1 and 2 projects, Spey returned a total of US\$850,000 and 1,250,000 common shares to the Company.

RECHARGE RESOURCES LTD.

Notes to the Condensed Consolidated Interim Financial Statements
Three Months Ended March 31, 2024 and 2023
(Unaudited - Expressed in Canadian dollars)

4. Exploration and Evaluation Assets (continued)

Pocitos 1 Property (with Ekeko S.A.)

In August 2023, the Company entered into a purchase agreement with property owner Ekeko S.A. ("Ekeko") to acquire 100% undivided interest in the Pocitos 1 project located within the Salar de Pocitos in Salta province, Argentina.

Terms of the transaction:

Under the terms of the Agreement, Recharge acquired a 100% ownership interest in 800-hectare Pocitos 1 Project located within the Salar de Pocitos in Salta Province, Argentina by fulfilling the following conditions:

The agreed price of US\$1,200,000 (the "Price"), to be made as follows:

- i. The sum of US\$850,000 that will be paid on the agreement signing date. Due within 5 days after signing of the agreement (paid).
- ii. The sum of US\$350,000 to be placed in trust within the 30 days of the agreement signing date that will be payable at the time of issuance of the certificate of title to Pocitos 1 Project (paid); and
- iii. The Company has agreed to pay for taxes payable as part of the transaction due in April 2024.
- iv. There are no royalties associated with Pocitos 1 Project.

During the three months ended March 31, 2024, the Company recorded exploration expenditures of \$22,910.

Pocitos 2 Property

On February 21, 2023, the Company entered into a mineral property option agreement with Spey whereby the Company may acquire up to a 100% undivided interest in the Pocitos 2 project located just outside of Salta, Argentina.

To earn a 100% undivided interest in the property, the Company must pay to Spey \$500,000 payable in common shares of the Company within 7 days of the agreement and US\$744,800 on or before June 30, 2023. The Company issued 462,963 common shares with a fair value of \$500,000 in connection with this transaction.

A royalty of 7.5% of the FOB price of lithium carbonated or other lithium compounds sold shall remain payable pursuant to an underlying agreement.

RECHARGE RESOURCES LTD.

Notes to the Condensed Consolidated Interim Financial Statements
Three Months Ended March 31, 2024 and 2023
(Unaudited - Expressed in Canadian dollars)

4. Exploration and Evaluation Assets (continued)

Pocitos 2 Property (continued)

On August 10, 2023, the Company and Spey have entered in to a full and final mutual release and terminated their mineral property option agreement on the Pocitos 1 and 2 projects, Spey returned a total of US\$850,000 and 1,250,000 common shares to the Company.

On December 19, 2023, the Company entered into a agreement to acquire the adjacent concession with property owner Ekeko to acquire 100% undivided interest in the Pocitos 2 project located within the Salar de Pocitos in Salta province, Argentina.

Terms of the transaction:

- US\$25,000 cash payable to Ekeko on February 1, 2024 (paid); and
- US\$75,000 cash payable to Ekeko after three months from the date of the purchase agreement (extended); and
- US\$700,000 cash payable to Ekeko after six months from the date of the purchase agreement. (the Company has offered the vendor to pay in lieu of cash, 20% (US\$140,000) in common shares of the Company at the vendor's discretion at a 10% volume-weighted average price ("VWAP") discount subject to a four-month restricted hold from the date of issuance.

On February 16, 2024, the Company paid the US\$25,000 Pocitos 2 mineral property option payment.

5. Flow-Through Shares

During September 2023, the Company closed a non-brokered private placement by issuing common shares on a flow-through basis. The Company issued 454,800 flow-through shares at a price of \$0.33 for proceeds of \$150,084.

During the three months ended March 31, 2024 and 2023, the Company incurred a total of \$Nil qualifying flow-through expenditures on Georgia Lake and Pinchi Lake properties.

As at March 31, 2024, the Company is committed to spending approximately \$118,426 of qualifying expenditures in connections with its flow-through offering (December 31, 2023 - \$118,426).

6. Accounts payable and accrued liabilities

	March 31, 2024	December 31, 2023
	\$	\$
Accounts payable	137,544	156,579
Amounts due to related parties (Note 7)	120,302	128,465
Accrued liabilities	19,540	18,275
Total accounts payable and accrued liabilities	277,386	303,319

RECHARGE RESOURCES LTD.

Notes to the Condensed Consolidated Interim Financial Statements
Three Months Ended March 31, 2024 and 2023
(Unaudited - Expressed in Canadian dollars)

7. Related Party Transactions

Balances

As at March 31, 2024, \$120,302 (December 31, 2023 - \$128,465) due to officers and directors of the Company and companies controlled by them is included in accounts payable and accrued liabilities (Note 6).

As at March 31, 2024, the Company recorded \$5,438 obligation to issue shares due to an officer of the Company (December 31, 2023 - \$12,750) (Note 8). These amounts are unsecured, non-interest bearing, and due on demand.

Transactions

The Company has identified the CEO and President, CFO, Corporate Secretary, the COO, and the Company's directors as its key management personnel. During the three months ended March 31, 2024 and 2023, the following amounts were incurred with directors and officers of the Company:

	Three Months ended March 31,	
	2024	2023
	\$	\$
Management fees to companies controlled by the CEO	60,000	60,000
Management fees to a company controlled by the former CFO	10,000	30,000
Management fees to a company controlled by the Corporate Secretary	-	5,000
Share-based compensation - RSU	42,750	-
Share-based compensation - stock options	10,510	-
Total	123,260	95,000

8. Share Capital

Authorized: Unlimited common shares without par value.

Issued share capital

As at March 31, 2024, there were 50,857,441 (December 31, 2023 - 47,257,441) issued and fully paid common shares outstanding.

Share transactions for the three months ended March 31, 2024:

- In January 2024, the Company issued 3,600,000 common shares with a fair market value of \$1,460,000 pursuant to the settlement of restricted share units.
- As at March 31, 2024, the Company has an obligation to issue 37,500 shares to an officer of the Company with a fair market value of \$5,438 (December 31, 2023 - \$12,750) (Note 7). These amounts are unsecured, non-interest bearing, and due on demand.

RECHARGE RESOURCES LTD.

Notes to the Condensed Consolidated Interim Financial Statements
Three Months Ended March 31, 2024 and 2023
(Unaudited - Expressed in Canadian dollars)

9. Stock Options

The following table summarizes the continuity of the Company's stock options;

	Number of options	Weighted average exercise price \$
Balance, December 31, 2023	725,000	0.53
Granted	100,000	0.40
Balance, March 31, 2024	825,000	0.51

Additional information regarding stock options outstanding as at March 31, 2024 is as follows:

Number of Options Outstanding	Number of Options Exercisable	Exercise Price (\$)	Expiry Date
600,000	600,000	0.385	October 12, 2024
100,000	100,000	0.40	January 16, 2025
125,000	125,000	1.20	February 7, 2025
825,000	825,000		

Outstanding and exercisable

Exercise price \$	Number of options	Weighted average remaining contractual life (years)	Weighted average exercise price \$
0.385 to 1.20	825,000	0.61	0.51

On January 16, 2024, the Company granted 100,000 stock options exercisable at \$0.40 per common share expiring on January 16, 2025, to an officer of the Company.

During the three months ended March 31, 2024, the Company recorded share-based compensation of \$10,510 (three months ended March 31, 2023 - \$106,118). The weighted average grant date fair value of stock options granted during the three months ended March 31, 2024 was \$0.105 (three months ended March 31, 2023 - \$0.60) per option.

The fair values for stock options granted have been estimated using the Black-Scholes option-pricing model assuming no expected dividends, no forfeitures, and the following weighted average assumptions:

	March 31, 2024	March 31, 2023
Risk-free interest rate	4.78%	4.76%
Expected life	1 year	1 year
Estimated volatility	118.90%	264.47%
Dividend rate	N/A	N/A

RECHARGE RESOURCES LTD.

Notes to the Condensed Consolidated Interim Financial Statements
Three Months Ended March 31, 2024 and 2023
(Unaudited - Expressed in Canadian dollars)

10. Share Purchase Warrants

The following table summarizes the continuity of share purchase warrants:

	Number of warrants	Weighted average exercise price \$
Balance, March 31, 2024 and December 31, 2023	17,467,299	0.45

As at March 31, 2024, the following share purchase warrants were outstanding:

Number of warrants outstanding	Exercise price \$	Date of expiry
7,890,000	0.33	September 1, 2024
454,800	0.35	September 19, 2024
3,510,000	0.33	September 19, 2024
5,612,499	0.70	December 29, 2024
17,467,299		

11. Restricted Share Units

- On January 16, 2024, the Company issued 150,000 restricted share units.

The following table summarizes the continuity of Restricted Share Units ("RSU's"):

	Number of RSUs	Weighted average price \$
Balance, December 31, 2023	3,600,000	0.41
Issued	150,000	0.285
Settled	(3,600,000)	0.41
Balance, March 31, 2024	150,000	0.285

During the three months ended March 31, 2024, the Company issued 150,000 RSUs with a fair value of \$42,750 (March 31, 2023 - \$1,646,450). Of this amount, \$42,750 was related to officers and directors of the Company (March 31, 2023 - \$Nil). The Company will issue one common share for each RSU upon vesting. As at March 31, 2024, the Company had 150,000 shares issuable for 150,000 RSUs vested with a fair value of \$42,750.

RECHARGE RESOURCES LTD.

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12. Financial Instruments and Risk Management

(a) Fair Values

Fair value measurements are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The fair values of financial instruments, which include cash, accounts payable and accrued liabilities, and long-term loans approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is in its cash. The risk in cash is managed through the use of a major financial institution which has a high credit quality as determined by rating agencies. The carrying amount of financial assets represents the maximum credit exposure.

(c) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk as it does not have any assets or liabilities that are affected by changes in interest rates.

(d) Foreign Exchange Rate Risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities are denominated in a foreign currency.

The Company's has certain monetary financial instruments denominated in U.S. dollars, Australian dollars, and Argentina pesos. The Company has not entered into foreign exchange rate contracts to mitigate this risk.

The following table indicates the impact of foreign currency exchange risk on net working capital as at March 31, 2024. The table below also provides a sensitivity analysis of a 10% strengthening of the foreign currency against functional currencies identified which would have increased (decreased) the Company's net loss by the amounts shown in the table below. A 10% weakening of the foreign currency against the functional currencies would have had the equal but opposite effect as at March 31, 2024.

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12. Financial Instruments and Risk Management (continued)

(d) Foreign Exchange Rate Risk (continued)

	March 31, 2024			December 31, 2023		
	AUD	ARS\$	US\$	AUD	ARS\$	US\$
Cash	-	1,289	2,403	-	18,663	3,840
Accounts payable and accrued liabilities	(73,224)	(4,669)	-	(74,620)	(6,185)	(6,911)
Total foreign currency financial assets and liabilities	(73,224)	(3,380)	2,403	(74,620)	12,478	(3,071)
Impact of a 10% strengthening or weakening of foreign exchange rate			(7,420)		(6,521)	

As at March 31, 2024, a 10% change in exchange rates between US dollars ("US\$"), Australia dollars (AUD), and Argentina peso ("ARS"), and Canadian dollar would impact the Company's net income (loss) by \$7,420 (December 31, 2023 – \$6,521)

(a) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company requires funds to finance its business development activities. In addition, the Company needs to raise equity financing to carry out its exploration programs. There is no assurance that financing will be available or, if available, that such financing will be on terms acceptable to the Company.

(b) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

13. Capital Management

The Company's capital structure consists of cash and equity. 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 and exploration of mineral properties. 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. The properties in which the Company currently has interests in the exploration stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management since inception. The Company is not subject to externally imposed capital requirements.

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14. Segmented Information

The Company has one operating segment, mineral exploration. Geographic information for non-current assets is as follows:

As at March 31, 2024	Canada	Argentina	Total
	\$	\$	\$
Exploration and evaluation assets	2,061,071	4,748,682	6,809,753
Reclamation deposit	10,000	-	10,000
As at March 31, 2024	2,071,071	4,748,682	6,819,753

As at December 31, 2023	Canada	Argentina	Total
	\$	\$	\$
Exploration and evaluation assets	2,106,996	4,692,041	6,799,037
Reclamation deposit	10,000	-	10,000
As at December 31, 2023	2,116,996	4,692,041	6,809,037