

**TISDALE CLEAN ENERGY CORP.**  
(Formerly Tisdale Resources Corp.)

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED JUNE 30, 2023**

(Unaudited - Expressed in Canadian Dollars)

**Notice of No Auditor Review**

These unaudited consolidated interim financial statements of Tisdale Clean Energy Corp. (formerly Tisdale Resources Corp.) (the "Company") have not been reviewed by the auditors of the Company. This notice is being provided in accordance with Section 4.3 (3) (a) of National Instrument 51-102 - Continuous Disclosure Obligations.

# TISDALE CLEAN ENERGY CORP.

(Formerly Tisdale Resources Corp.)

## CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

(Unaudited - Expressed in Canadian Dollars)

	June 30 2023	December 31 2022
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 166,087	\$ 1,292,332
Short term investment (note 5)	1,500,000	-
Amounts receivable	20,332	2,584
Prepaid expenses	8,753	40,229
	1,695,172	1,335,145
<b>Exploration and evaluation assets</b> (note 6)	949,420	101,811
	\$ 2,644,592	\$ 1,436,956
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables (note 7)	\$ 93,023	\$ 23,283
	93,023	23,283
<b>Convertible debentures</b> (note 8)	997,794	900,362
	1,090,817	923,645
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (note 9)	15,989,304	14,523,893
Share subscriptions advanced	-	5,000
Reserves (note 10)	700,774	659,989
Deficit	(15,136,303)	(14,675,571)
	1,553,775	513,311
	\$ 2,644,592	\$ 1,436,956

Nature and continuance of operations (note 1)

Approved on behalf of the Board:

Director           "Alex Klenman"            
Alex Klenman

Director           "Mark Ferguson"            
Mark Ferguson

*The accompanying notes are an integral part of these consolidated interim financial statements*

# TISDALE CLEAN ENERGY CORP.

(Formerly Tisdale Resources Corp.)

## CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS

(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended June 30		Six Months Ended June 30	
	2023	2022	2023	2022
<b>General and administrative expenses</b>				
Consulting fees	\$ -	\$ 30,000	\$ 50,000	\$ 56,117
Corporate communications	123,716	-	145,962	-
Filing and transfer agent fees	26,799	20,447	75,923	71,471
Geological consulting (note 11)	1,200	1,200	2,400	2,400
Interest and accretion (note 8)	50,498	62,816	97,432	62,816
Management fees (note 11)	19,200	19,200	38,400	33,400
Office	452	41	840	132
Professional fees	35,757	33,033	64,241	67,147
Share-based compensation (notes 9 & 11)	-	-	-	325,942
<b>Loss from operations</b>	<b>(257,622)</b>	<b>(166,737)</b>	<b>(475,198)</b>	<b>(619,425)</b>
<b>Other item</b>				
Interest income	14,466	-	14,466	-
<b>Net loss and comprehensive loss</b>	<b>\$ (243,156)</b>	<b>\$ (166,737)</b>	<b>\$ (460,732)</b>	<b>\$ (619,425)</b>
<b>Basic and diluted loss per share</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>	<b>\$ (0.03)</b>	<b>\$ (0.05)</b>
<b>Weighted average number of common shares outstanding</b>	<b>16,467,806</b>	<b>12,449,195</b>	<b>15,256,228</b>	<b>12,364,112</b>

*The accompanying notes are an integral part of these consolidated interim financial statements*

## TISDALE CLEAN ENERGY CORP.

(Formerly Tisdale Resources Corp.)

### CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Unaudited - Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Share Subscriptions Advanced	Reserves			Total
				Warrants	Share-based Payments	Deficit	
<b>Balance at January 1, 2022</b>	12,249,195	\$ 14,268,266	\$ -	\$ 76,727	\$ 250,442	\$ (13,795,976)	\$ 799,459
Stock options exercised (note 9)	200,000	88,380	-	-	(48,380)	-	40,000
Share-based payments (note 9)	-	-	-	-	325,942	-	325,942
Convertible debentures - equity portion (note 8)	-	167,247	-	-	-	-	167,247
Net loss	-	-	-	-	-	(619,425)	(619,425)
<b>Balance at June 30, 2022</b>	12,449,195	14,523,893	-	76,727	528,004	(14,415,401)	713,223
<b>Balance at January 1, 2023</b>	12,449,195	14,523,893	5,000	76,727	583,262	(14,675,571)	513,311
Shares issued in private placement (note 9)	2,507,500	1,003,000	(5,000)	-	-	-	998,000
Shares issued for property interest (notes 6 & 9)	1,111,111	455,555	-	-	-	-	455,555
Share issue costs (note 9)	-	(65,144)	-	40,785	-	-	(24,359)
Share warrants exercised (note 9)	400,000	72,000	-	-	-	-	72,000
Net loss	-	-	-	-	-	(460,732)	(460,732)
<b>Balance at June 30, 2023</b>	16,467,806	\$ 15,989,304	\$ -	\$ 117,512	\$ 583,262	\$ (15,136,303)	\$ 1,553,775

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# TISDALE CLEAN ENERGY CORP.

(Formerly Tisdale Resources Corp.)

## CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

(Unaudited - Expressed in Canadian Dollars)

	Six Months Ended June 30	
	2023	2022
<b>Cash provided by (used in):</b>		
<b>Operating activities</b>		
Net loss	\$ (460,732)	\$ (619,425)
Items not affecting cash:		
Share-based compensation	-	325,942
Interest and accretion	97,432	62,816
Change in non-cash working capital items:		
Amounts receivable	(17,748)	3
Prepaid expenses	31,476	(60,000)
Trade and other payables	69,740	51,893
<b>Net cash flows used in operating activities</b>	<b>(279,832)</b>	<b>(238,771)</b>
<b>Investing activities</b>		
Purchase of short term investment	(1,500,000)	-
Mineral property exploration (expenditures) recovery	(392,053)	1,300
<b>Net cash flows (used in) provided by investing activities</b>	<b>(1,892,053)</b>	<b>1,300</b>
<b>Financing activities</b>		
Proceeds from private placement	998,000	-
Share issue costs	(24,360)	-
Proceeds from exercise of warrants	72,000	-
Proceeds from exercise of stock options	-	40,000
Convertible debentures issued	-	1,000,000
<b>Net cash flows provided by financing activities</b>	<b>1,045,640</b>	<b>1,040,000</b>
<b>Change in cash during the period</b>	<b>(1,126,245)</b>	<b>802,529</b>
<b>Cash, beginning of the period</b>	<b>1,292,332</b>	<b>732,073</b>
<b>Cash, end of the period</b>	<b>\$ 166,087</b>	<b>\$ 1,534,602</b>
<b>Supplemental disclosure of cash flow information:</b>		
Interest and taxes paid	\$ -	\$ -

*The accompanying notes are an integral part of these consolidated interim financial statements*

## **TISDALE CLEAN ENERGY CORP.**

(Formerly Tisdale Resources Corp.)

Notes to the Consolidated Interim Financial Statements

For the six months ended June 30, 2023 and 2022

(Unaudited – Expressed in Canadian Dollars)

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### **1. Nature and Continuance of Operations**

Tisdale Clean Energy Corp. (formerly Tisdale Resources Corp.) (the “Company”) is a corporation continued under the laws of the Province of British Columbia with its principal, registered and records office located at 2200 – 885 West Georgia Street, Vancouver, BC V6C 3E8. On June 8, 2022, the Company changed its name to Tisdale Clean Energy Corp.

After the close of trading on June 1, 2023, the Company’s common shares were delisted from the TSX Venture Exchange and, effective at the open of markets on June 2, 2023, the common shares were listed for trading on the Canadian Securities Exchange (“CSE”) under the symbol “TCEC”. The Company is also listed on the OTC PINK under the symbol “SNRAF”, and on the Frankfurt Exchange under the symbol “T1KC”.

The Company is a junior exploration company engaged in the business of identification, acquisition and exploration of mineral interests in North America. At the date of the consolidated financial statements, the Company has not identified a known body of commercial grade minerals on any of its properties. The ability of the Company to realize the costs it has incurred to date on these properties is dependent upon the Company identifying a commercial mineral body, to finance its development costs and to resolve any environmental, regulatory or other constraints which may hinder the successful development of the property. To date, the Company has not earned any revenues and is considered to be in the exploration stage.

Management is targeting sources of additional financing through alliances with financial, exploration and mining entities, and other business and financial transactions which would assure continuation of the Company’s operations and exploration programs. In addition, management closely monitors commodity prices of precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company if favourable or adverse market conditions occur.

These consolidated interim financial statements have been prepared on a going concern basis which presumes the realization of assets and settlement of liabilities in the normal course of operations in the foreseeable future. The Company continues to incur operating losses and at June 30, 2023 had a cumulative deficit of \$15,136,303. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

These consolidated interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. The aforementioned factors indicate the existence of a material uncertainty which may cast significant doubt about the Company’s ability to continue as a going concern. Further discussion of liquidity risk is included in notes 3 and 4.

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### **1. Nature and Continuance of Operations, continued**

The Company's business, financial condition and results of operations may be further negatively affected by economic and other consequences from the conflict in the Ukraine and the sanctions imposed in response to that action in late February 2022. While the Company expects any direct impacts of the conflict in Ukraine to the business to be limited, the indirect impacts on the economy and on the 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.

These consolidated interim financial statements were authorized for issue on August 8, 2023 by the directors of the Company.

### **2. Significant Accounting Policies and Basis of Preparation**

#### **(a) Statement of compliance and basis of preparation**

These consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standards ("IAS") 34, Interim Financial Reporting. These consolidated interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the year ended December 31, 2022, which have been prepared in accordance with IFRS.

The consolidated interim financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The presentation and functional currency of the Company is the Canadian dollar.

#### **(b) Consolidation**

The consolidated interim financial statements include the accounts of the Company and its controlled subsidiaries, after the elimination of all material intercompany balances and transactions. Control is achieved when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

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Notes to the Consolidated Interim Financial Statements

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(Unaudited – Expressed in Canadian Dollars)

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### 2. Significant Accounting Policies and Basis of Preparation, continued

The Company's controlled subsidiaries included in these consolidated interim financial statements are:

Name	Country of Incorporation	Ownership	
		2023	2022
Gunnar Minerals Corp.	Canada	100%	100%
Keefe Lake Projects Inc.	Canada	100%	100%

Gunnar Minerals Corp. had no commercial activities during the current or previous year.

On November 24, 2017, the Company acquired Keefe Lake Projects Inc. which held the right to acquire a 100% interest in the Keefe Lake uranium project.

#### (c) Significant judgments and estimates

The preparation of consolidated financial statements in accordance with IFRS requires the Company to make judgments and estimates, in applying accounting policies. The most significant judgments and estimates applying to the Company's consolidated interim financial statements include:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty;
- modification versus extinguishment of financial liability;
- the classification/allocation of expenditures as exploration and evaluation expenditures or operating expenses;
- the classification of financial instruments;
- fair value of share options and warrants; and
- inputs related to income tax calculations.

#### (d) Recent accounting pronouncements

##### *New accounting standards issued but not yet effective*

The Company has performed an assessment of new standards issued by the IASB that are not yet effective and has determined that any new standards that have been issued would have no or very minimal impact on the Company's consolidated interim financial statements.



## **TISDALE CLEAN ENERGY CORP.**

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Notes to the Consolidated Interim Financial Statements

For the six months ended June 30, 2023 and 2022

(Unaudited – Expressed in Canadian Dollars)

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### **3. Capital Management**

The Company's objectives for the management of capital are to safeguard the Company's ability to continue as a going concern, including the preservation of capital, and to achieve reasonable returns on invested cash after satisfying the objective of preserving capital.

The Company considers its capital to be the accounts within shareholders' equity. The Company's policy is to maintain sufficient cash balances to cover operating and exploration costs over a reasonable future period. The Company accesses capital markets as necessary and may also acquire additional funds where advantageous circumstances arise.

The Company currently has no externally imposed capital requirements. There have been no changes in the Company's approach to capital management during the period.

### **4. Financial Instruments and Risk Management**

As at June 30, 2023, the Company's financial instruments consist of cash, short term investment, convertible debentures and trade and other payables. In management's opinion, the Company's carrying values of cash, short term investment and trade and other payables approximate their fair values due to the immediate or short-term maturity of these instruments. The convertible debentures are classified as other financial liabilities, which are measured at amortized cost.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 – inputs to valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement.

As at June 30, 2023, cash is assessed to be a Level 1 instrument.

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For the six months ended June 30, 2023 and 2022

(Unaudited – Expressed in Canadian Dollars)

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**4. Financial Instruments and Risk Management, continued**

The Company's financial instruments are exposed to the following risks:

*Credit Risk*

Currently the Company does not have any material exposure to credit risk. As the Company's policy is to limit cash holdings to instruments issued by major Canadian banks, or investments of equivalent or better quality, the credit risk is considered by management to be negligible.

*Liquidity Risk*

Liquidity risk is the risk that the Company will not be able to pay financial liabilities as they come due. The Company's only liquidity risk from financial instruments is its need to meet trade and other payables requirements. The ability to do this relies on the Company maintaining sufficient cash on hand through debt or equity financing. Liquidity risk is assessed as low.

*Price Risk*

The Company is not exposed to price risk.

*Currency Risk*

As at June 30, 2023, the Company's expenditures are predominantly in Canadian dollars, and any future equity raised is expected to be predominantly in Canadian dollars. As a result, the Company does not believe it is exposed to any significant currency risk.

*Interest Rate Risk*

The Company is exposed to interest rate risk arising from the cash and short term investment maintained at Canadian financial institutions and lawyers' trust accounts. The interest rate risk on cash and short term investment is not considered significant due to its short-term nature and maturity.

**5. Short term investment**

Short term investment represents GIC deposits with a Canadian financial institution with a maturity of more than 30 days when purchased.

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**6. Exploration and Evaluation Properties**

A summary of the capitalized acquisition and exploration expenditures for the six months ended June 30, 2023 and the year ended December 31, 2022 are as follows:

	<b>South Falcon East</b>	<b>Keefe Lake</b>	<b>Total</b>
<b>Balance at December 31, 2021</b>	\$ -	\$ -	\$ -
Exploration costs			
Site expenses	-	18,500	18,500
Surveys	-	83,311	83,311
<b>Balance at December 31, 2022</b>	<b>\$ -</b>	<b>\$ 101,811</b>	<b>\$ 101,811</b>
Acquisition costs	805,556	-	805,556
Exploration costs			
Site expenses	-	-	-
Surveys	37,374	4,679	42,053
<b>Balance at June 30, 2023</b>	<b>\$ 842,930</b>	<b>\$ 106,490</b>	<b>\$ 949,420</b>

As at June 30, 2023, the Company owned or had royalty interests or lease options on the following mineral property interests:

**Keefe Lake Projects, North-eastern Saskatchewan**

On November 24, 2017, the Company acquired 100% of the shares of Keefe Lake Projects Inc. Subject to a 2% Gross Overriding Royalty (“GORR”), Keefe Lake Projects Inc. holds a 100-per-cent interest in the Keefe Lake uranium project, an advanced exploration project that covers an area of approximately 15,400 hectares, on the eastern side of the Athabasca basin, in northeastern Saskatchewan, Canada.

**South Falcon East, Northern Saskatchewan**

On January 3, 2023, the TSXV gave conditional acceptance for an option agreement entered into on October 19, 2022 in which the Company was granted the right to acquire up to a 75% interest in the South Falcon East uranium property (“the Property”). Initially, the Company can acquire a 51% interest in the Property by completing a series of payments and incurring exploration expenditures over a period of three years. On January 23, 2023, the Company made a cash payment of \$350,000 and issued 1,111,111 common shares (note 9).

**TISDALE CLEAN ENERGY CORP.**

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Notes to the Consolidated Interim Financial Statements

For the six months ended June 30, 2023 and 2022

(Unaudited – Expressed in Canadian Dollars)

**7. Trade and Other Payables**

	<b>June 30, 2023</b>	<b>December 31, 2022</b>
Trade	\$ 93,023	\$ 283
Other payables	-	23,000
	<b>\$ 93,023</b>	<b>\$ 23,283</b>

**8. Convertible Debentures**

On March 14, 2022, the Company closed its non-brokered private placement of convertible debentures (“Debentures”) for gross proceeds of \$1,000,000. The Debentures mature on March 14, 2025 and bear interest at a rate of 12% per annum payable on maturity. Each debenture is convertible into units (“Conversion units”) of the Company at the option of the holder at a rate of one Conversion unit for every \$0.25 of outstanding indebtedness. Each Conversion unit consists of one common share of the Company and one common share purchase warrant exercisable at a price of \$0.25 until March 14, 2025.

Using a risk adjusted discount rate of 25%, the equity portion was determined to include an effective interest rate of 21% for a total of \$229,105. The deferred income tax liability on initial recognition was determined to be \$61,858 and the net amount of \$167,247 was recognized as the equity portion of convertible debentures.

A summary of the convertible debentures for the six months ended June 30, 2023 and the year ended December 31, 2022 is as follows:

	<b>Liability Component</b>	<b>Equity Component</b>
<b>Balance, December 31, 2021</b>	\$ -	\$ -
Proceeds received	770,895	229,105
Deferred income tax liability	-	(61,858)
Accretion and interest	129,467	-
<b>Balance, December 31, 2022</b>	<b>900,362</b>	<b>167,247</b>
Accretion and interest	97,432	-
<b>Balance at June 30, 2023</b>	<b>\$ 997,794</b>	<b>\$ 167,247</b>

## **TISDALE CLEAN ENERGY CORP.**

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Notes to the Consolidated Interim Financial Statements

For the six months ended June 30, 2023 and 2022

(Unaudited – Expressed in Canadian Dollars)

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### **9. Share Capital**

(a) Authorized:

Unlimited number of common shares without par value

Unlimited number of special shares issuable in series without par value

(b) Common shares issued:

***Six months to June 30, 2023***

On March 13, 2023, the Company completed a private placement of 2,507,500 equity units at \$0.40 per unit for gross proceeds of \$1,003,000. Each unit consists of one common share and one half of one share purchase warrant. Each whole share purchase warrant will be exercisable at a price of \$0.75 until March 13, 2026, subject to accelerated expiry in the event the closing price of the common shares of the Company exceeds \$1.25 for five consecutive trading days. There is no value attributed to the warrants using the residual method.

In connection with the private placement, the Company paid finders fees of \$24,360 and issued 60,900 finders warrants which were valued at \$40,785. The fair value of the finders warrants was determined using the Black-Scholes Option Pricing Model with the following assumptions: risk-free interest rate of 3.31%; expected dividend yield of 0%; share price volatility of 251%; and expected life of 3 years.

On February 1 and 3 2023, the Company issued 400,000 common shares pursuant to the exercise of share purchase warrants for gross proceeds of \$72,000.

On January 23, 2023, the Company issued 1,111,111 common shares as partial consideration to acquire the South Falcon East property (note 6).

***Year ended December 31, 2022***

On March 7, 2022, the Company granted 1,200,000 incentive stock options to certain directors and consultants of the Company. These options are exercisable at a price of \$0.20 until March 7, 2027 and vest immediately. On March 18, 2022, the Company issued 200,000 common shares pursuant to the exercise of these share options for gross proceeds of \$40,000.

On February 8, 2022, the Company undertook a forward share split in which two additional common shares were issued for every one common share outstanding on that date. Following completion of the forward share split, the Company had 12,249,195 common shares outstanding. All appropriate figures in these consolidated financial statements have been updated to reflect the forward share split.

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Notes to the Consolidated Interim Financial Statements

For the six months ended June 30, 2023 and 2022

(Unaudited – Expressed in Canadian Dollars)

**9. Share Capital, continued**

## (c) Warrants

Warrant activity for the periods ended June 30, 2023 and year ended December 31, 2022 is presented below:

	Six Months Ended June 30 2023		Year ended December 31 2022	
	Number of Warrants	Weighted average exercise price	Number of Warrants	Weighted average exercise price
Outstanding - beginning of period	8,843,181	\$ 0.19	8,843,181	\$ 0.19
Issued in private placement	1,314,650	0.75	-	-
Exercised	(400,000)	0.18	-	-
Outstanding - end of period	9,757,831	\$ 0.26	8,843,181	\$ 0.19

As at June 30, 2023, the following warrants were outstanding:

Number of Warrants	Weighted Average Exercise Price	Expiry date	Remaining Life (years)
2,220,000	\$ 0.20	January 27, 2024	0.58
1,314,650	\$ 0.75	March 13, 2026	2.70
5,150,000	\$ 0.18	August 17, 2026	3.13
1,073,181	\$ 0.18	August 30, 2026	3.17
9,757,831	\$ 0.26		2.50

## (d) Stock options

The Company has a rolling incentive stock option plan that can reserve a maximum of 10% of the issued shares of the Company at the time of the stock option grant with no vesting provisions, but including the following terms:

- Each incentive share purchase option is personal to the grantee and may be neither assigned nor transferred to anyone else;
- Individual incentive share purchase options will have no more than a maximum term of five (5) years from the date of their grant;
- Incentive share purchase options granted to any one individual in any 12 month period cannot exceed 5% of the issued and outstanding shares of the Company;

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**9. Share Capital, continued**

## (d) Stock options, continued

- Individual incentive share purchase options granted to any one consultant in any 12 month period shall not exceed 2% of the issued and outstanding shares of the Company; and
- Individual incentive share purchase option agreements granted to an employee or consultant conducting investor relations activities will not exceed an aggregate of 2% of the issued and outstanding shares of the Company in any twelve-month period.

The following table summarizes activity related to stock options for the six months ended June 30, 2023 and the year ended December 31, 2022:

	Six Months Ended June 30 2023		Year ended December 31 2022	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding - beginning of period	1,200,000	\$ 0.22	-	\$ -
Granted	-	-	1,200,000	0.20
Granted	-	-	200,000	0.34
Exercised	-	-	(200,000)	0.20
Outstanding - end of period	1,200,000	\$ 0.22	1,200,000	\$ 0.22

As at June 30, 2023, the following options were outstanding:

Expiry Date	Number of Options Outstanding	Number of Options Vested	Number of Options Unvested	Weighted Average Exercise Price	Remaining Life (years)
March 7, 2027	1,000,000	1,000,000	-	\$ 0.20	3.69
March 23, 2027	200,000	200,000	-	\$ 0.34	3.73
	1,200,000	1,200,000	-	\$ 0.22	3.69

During the year ended December 31, 2022, the Company recorded share-based compensation of \$381,200 related to the issuance of stock options. The weighted average fair value at grant date of options granted during the year ended December 31, 2022 ranged from \$0.2419 to \$0.3563 per option. The fair value was determined using the Black-Scholes option-pricing model using the following assumptions:

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**9. Share Capital, continued**

(d) Stock options, continued

	<u>2022</u>
Expected stock price volatility	235 to 236%
Risk-free interest rate	1.50 to 2.20%
Dividend yield	0%
Expected life of options	5 years
Stock price on date of grant	\$0.253 to \$0.387
Forfeiture rate	0%

**10. Reserves**

(a) Warrants reserve

This reserve records the incremental increase in the fair value of previously outstanding warrants resulting from a re-pricing.

(b) Share-based payments reserve

This reserve records items recognized as share-based compensation expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital. If the options expire unexercised, the amounts recorded could potentially be transferred to deficit but the Company has elected to maintain them in the share-based payments reserve account.

**11. Related Party Transactions**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management personnel comprise the Company's Board of Directors and executive officers.

During the six months ended June 30, 2023 and 2022 no remuneration was paid to key management personnel other than as noted below:

	<u>2023</u>	<u>2022</u>
Management fees	\$ 38,400	\$ 33,400
Geological consulting fees	2,400	2,400
Share-based compensation	-	153,350
<b>Total</b>	<b>\$ 40,800</b>	<b>\$ 189,150</b>



**TISDALE CLEAN ENERGY CORP.**

(Formerly Tisdale Resources Corp.)

Notes to the Consolidated Interim Financial Statements

For the six months ended June 30, 2023 and 2022

(Unaudited – Expressed in Canadian Dollars)

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**12. Operating Segment**

The Company's operations are limited to a single industry segment being the acquisition, exploration and development of mineral properties. The Company has mineral properties located in North America (Saskatchewan).