

**SPEARMINT RESOURCES INC.**

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

April 30, 2023

## **NOTICE OF NO AUDITOR REVIEW**

The condensed consolidated interim financial statements, and accompanying notes thereto, for the periods ended April 30, 2023 and 2022 have not been reviewed by the Company's external auditor.

**SPEARMINT RESOURCES INC.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**  
(Expressed in Canadian Dollars)

<u><b>ASSETS</b></u>	April 30, <u>2023</u>	January 31, <u>2023</u>
<b>Current assets</b>		
Cash and cash equivalents – Note 3	\$ 850,760	\$ 933,079
Receivables	2,988	4,566
Prepaid expenses	-	810
<b>Total current assets</b>	853,748	938,455
<b>Non-current assets</b>		
Security deposits – Note 4	16,121	16,121
Exploration and evaluation assets – Note 4	3,361,844	3,361,210
<b>Total assets</b>	\$ 4,231,713	\$ 4,315,786
<u><b>LIABILITIES</b></u>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities – Notes 5 and 9	\$ 52,050	\$ 61,764
Flow-through share premium liability – Note 6	4,049	4,049
<b>Total current liabilities</b>	56,099	65,813
<u><b>SHAREHOLDERS' EQUITY</b></u>		
Share capital – Note 7	10,382,511	10,382,511
Reserves – Note 7	2,173,084	2,103,022
Accumulated deficit	(8,379,981)	(8,235,560)
<b>Total shareholders' equity</b>	4,175,614	4,249,973
<b>Total liabilities and shareholders' equity</b>	\$ 4,231,713	\$ 4,315,786

Nature and Continuance of Operations – Note 1  
Subsequent Events – Note 12

APPROVED BY THE DIRECTORS:

“James Nelson”                      Director  
James Nelson

“Dennis Aalderink”                      Director  
Dennis Aalderink

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

**SPEARMINT RESOURCES INC.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS & COMPREHENSIVE LOSS**  
(Expressed in Canadian Dollars)

	Three months ended April 30,	
	<u>2023</u>	<u>2022</u>
<b>Operating expenses</b>		
Consulting fees	\$ 16,500	\$ 16,500
Corporate branding	3,445	25,296
Management fees – Note 9	15,000	15,000
Office and miscellaneous	23,701	18,761
Professional fees – Note 9	15,349	16,297
Share-based payments – Notes 7 and 9	70,062	-
Shareholder information	50	3,538
Transfer agent and filing fees	6,520	7,176
Travel	213	7,356
	<u>(150,840)</u>	<u>(109,924)</u>
Interest income	<u>6,419</u>	<u>1,656</u>
<b>Loss and comprehensive loss for the period</b>	<u>\$ (144,421)</u>	<u>\$ (108,268)</u>
Loss per share - basic and diluted - Note 8	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
Weighted average number of shares outstanding - basic and diluted - Note 8	<u>261,043,583</u>	<u>256,140,662</u>

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

**SPEARMINT RESOURCES INC.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**  
(Expressed in Canadian Dollars)

	Three months ended April 30,	
	<u>2023</u>	<u>2022</u>
<b>Operating Activities</b>		
Loss for the period	\$ (144,421)	\$ (108,268)
Adjustments for non-cash items:		
Share-based payments	70,062	-
Changes in non-cash working capital items:		
Receivables	1,578	30,754
Prepaid expenses	810	3,628
Accounts payable and accrued liabilities	(9,714)	(121,633)
<b>Cash used in operating activities</b>	<u>(81,685)</u>	<u>(195,519)</u>
<b>Investing Activities</b>		
Exploration and evaluation assets	(634)	(645,831)
<b>Cash used in investing activities</b>	<u>(634)</u>	<u>(645,831)</u>
<b>Financing Activities</b>		
Proceeds from issuance of share capital	-	72,500
<b>Cash provided by financing activities</b>	<u>-</u>	<u>72,500</u>
Decrease in cash and cash equivalents during the period	(82,319)	(768,850)
Cash and cash equivalents, beginning of the period	933,079	2,330,214
<b>Cash and cash equivalents, end of the period</b>	<u>\$ 850,760</u>	<u>\$ 1,561,364</u>

Supplemental Disclosure with Respect to Cash Flows (Note 11)

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

**SPEARMINT RESOURCES INC.**  
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
(Expressed in Canadian Dollars)

	No. of shares	Amounts	Reserves	Accumulated deficit	Total
<b>Balance, January 31, 2022</b>	254,953,583	\$ 9,990,999	\$ 1,593,616	\$ (6,823,235)	\$ 4,761,380
Share purchase warrants exercised	1,200,000	60,000	-	-	60,000
Stock options exercised	250,000	12,500	-	-	12,500
Transfer of reserve on options exercised	-	7,012	(7,012)	-	-
For exploration and evaluation assets	1,000,000	120,000	-	-	120,000
Loss for the period	-	-	-	(108,268)	(108,268)
<b>Balance, April 30, 2022</b>	257,403,583	10,190,511	1,586,604	(6,931,503)	4,845,612
Shares issued for restricted share units	2,640,000	132,000	(132,000)	-	-
For exploration and evaluation assets	1,000,000	60,000	-	-	60,000
Share-based payments	-	-	648,418	-	648,418
Loss for the period	-	-	-	(1,304,057)	(1,304,057)
<b>Balance, January 31, 2023</b>	261,043,583	10,382,511	2,103,022	(8,235,560)	4,249,973
Share-based payments	-	-	70,062	-	70,062
Loss for the period	-	-	-	(144,421)	(144,421)
<b>Balance, April 30, 2023</b>	261,043,583	\$10,382,511	\$ 2,173,084	\$ (8,379,981)	\$ 4,175,614

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

**SPEARMINT RESOURCES INC.**

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

April 30, 2023

**1. NATURE AND CONTINUANCE OF OPERATIONS**

Spearmint Resources Inc. (the “Company”) was incorporated under the Business Corporations Act of British Columbia, Canada on September 23, 2009. The Company is an exploration stage public company and is listed on the Canadian Securities Exchange (the “CSE”) under the symbol “SPMT”. The Company’s principal business activities include acquiring and exploring exploration and evaluation assets. At April 30, 2023, the Company had exploration and evaluation assets located in Canada and the United States.

The Company’s head office and principal business address is located at 2905 – 700 West Georgia Street, Vancouver, British Columbia, V7Y 1K8. The Company’s registered and records office is located at 900 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3H1.

These condensed consolidated interim financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realization of assets and discharge of liabilities in the normal course of business. At April 30, 2023, the Company had not yet achieved profitable operations, incurred a loss of \$144,421 during the three months ended April 30, 2023 and has an accumulated deficit of \$8,379,981 since its inception. The Company expects to incur further losses in the development of its business. These material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern. The Company may require additional financing in order to conduct the planned work programs on its exploration and evaluation assets, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. Accordingly, these condensed consolidated interim financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used, then the adjustments required to report the Company’s assets and liabilities on a liquidation basis could be material to these condensed consolidated interim financial statements.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or results of operations at this time.

## 2. BASIS OF PREPARATION

### a) Statement of Compliance

These condensed interim consolidated financial statements of the Company have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS34”) as issued by the International Accounting Standards Board (“IASB”). Therefore, these condensed interim consolidated 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 most recently issued audited financial statements for the year ended January 31, 2023, which includes information necessary or useful to understanding the Company’s business and financial statement presentation. In particular, the Company’s significant accounting policies, use of judgements and estimates were presented in Note 2 and Note 3 of these audited financial statements, and have been consistently applied in the preparation of these condensed interim consolidated financial statement.

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on June 14, 2023.

### b) Basis of Consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiaries. All inter-company balances, transactions, income and expenses have been eliminated upon consolidation.

### c) Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has power over an investee, when the Company is exposed, or has rights, to variable returns from the investee and when the Company has the ability to affect those returns through its power over the investee. Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition up to the effective date of disposition or loss of control. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

The principal subsidiaries of the Company as of April 30, 2023 are as follows:

<b>Name of subsidiary</b>	<b>Place of Incorporation</b>	<b>Ownership Interest April 30, 2023</b>	<b>Ownership Interest January 31, 2023</b>
1177905 B.C. Ltd.	Canada	100%	100%
Mathers Lithium Corp.	U.S.A.	100%	100%



**3. CASH AND CASH EQUIVALENTS**

The Company's cash and cash equivalents are denominated in Canadian Dollars and include the following components:

	April 30, <u>2023</u>	January 31, <u>2023</u>
Cash at bank	\$ 816,260	\$ 898,579
Short-term deposits	34,500	34,500
	<hr/>	<hr/>
	\$ 850,760	\$ 933,079
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SPEARMINT RESOURCES INC.  
Notes to the Condensed Consolidated Interim Financial Statements  
(Expressed in Canadian Dollars)  
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**4. EXPLORATION AND EVALUATION ASSETS**

	NL Goose Gold Propert	ON Escape Lake North PGM Prospect	QC Chibougama Vanadium Prospects	QC Perron E.Gold Prospect	NV Elon and McGee Lithium Properties	NV Green Clay Lithium	Total
Balance, January 31, 2022	\$ 179,689	\$ 19,681	\$ 93,082	\$ 895,407	\$ 1,683,784	\$ 282,205	\$3,153,848
Acquisition costs							
Staking costs & Share issuance	-	-	-	-	16,490	210,000	226,490
Deferred exploration expenditures							
Assay	13,903	-	-	-	25,896	-	39,799
Claim maintenance fees	-	-	-	-	38,306	23,000	61,306
Drilling	215,689	-	-	-	14,569	-	230,258
Geological consulting	-	-	-	-	2,259	1,124	3,383
Geological report	-	421	-	-	46,863	-	47,284
Reclamation	-	-	-	-	12,080	-	12,080
Travel	-	-	-	-	13,362	2,783	16,145
Write-down of exploration & evaluation assets	(409,281)	(20,102)	-	-	-	-	(429,383)
Balance, January 31, 2023	-	-	93,082	895,407	1,853,609	519,112	3,361,210
Deferred exploration expenditures							
Travel	-	-	-	-	634	-	634
Balance, April 30, 2023	\$ -	\$ -	\$ 93,082	\$ 895,407	\$ 1,854,243	\$ 519,112	\$3,361,844

**4. EXPLORATION AND EVALUATION ASSETS (continued)**

QC Chibougamau Vanadium Prospects - Staking

In December 2018 and January 2019, the Company acquired a 100% interest in certain mineral claims (the “Chibougamau Vanadium Prospects”), all located in the direct vicinity of Lac Chibougamau, Quebec, for aggregate staking costs of \$3,031. In February 2019, the Company acquired a 100% interest in certain mineral claims to increase the acreage in the Chibougamau Vanadium district in Quebec for staking costs of \$457.

QC Perron-East Gold Prospects - Staking

In September 2019, the Company acquired a 100% interest in certain mineral claims (the “Perron-East Gold Prospects”), all located in the Abitibi greenstone belt of northwestern Quebec for staking costs of \$1,372.

In February and June 2020, the Company acquired a 100% interest in certain mineral claims in Quebec to increase the holdings in its Perron East Gold Prospects for staking costs of \$4,543.

Nevada Elon and McGee Properties - Purchase Agreement

On July 12, 2016, the Company entered into a share purchase agreement with five arm’s length vendors to purchase 100% of the issued and outstanding common shares of 1074942 B.C. Ltd., which through its wholly-owned subsidiary Mathers Lithium Corp. (a Nevada corporation) holds a 100% interest in certain lithium mineral claims (the “Elon claims” and the “McGee claims”) in Nevada. In consideration for the net assets acquired, the Company issued 12,700,000 common shares at a value of \$444,500. The Company issued 912,000 common shares at a value of \$31,920 as a finder’s fee and paid \$20,000 for land acquisition and \$3,903 in filing fees in connection with this transaction. The above acquisition costs were allocated to the Elon Property and the McGee Property proportionately, being \$175,113 and \$325,210, respectively.

On June 14, 2017, the Company assumed an additional US\$30,000 payment owed to the vendors for the McGee claims as follows: US\$10,000 by September 1, 2017 (paid) and US\$20,000 by December 31, 2017 (paid). The vendors retain an NSR of 3.75% on the McGee claims.

During the years ended January 31, 2018, 2020, 2021 and 2022, the Company provided a security deposit of \$11,098, \$631, \$938 and \$3,454, respectively, in relation to its McGee Property.

During the year ended January 31, 2023, the Company incurred a total of \$16,490 in staking costs to secure the placer and lode claims on the McGee Property.

**4. EXPLORATION AND EVALUATION ASSETS (continued)**

Nevada Green Clay Lithium Project - Option Agreement

On August 31, 2021, the Company entered into an option agreement (the “Green Clay Agreement”) with an arm’s length vendor (the “Seller”), whereby the Seller granted an option to the Company to acquire a 100% interest in certain mineral claims (the “Green Clay Lithium Project”) located in the Clayton Valley of Nevada, USA. In consideration, the Company is required to the following:

- Pay \$30,000 and issue 2,000,000 common shares (paid & issued at a value of \$230,000) to the Seller on signing the Green Clay Agreement;
- Pay \$30,000 and issue 1,000,000 common shares (paid & issued at a value of \$120,000) to the Seller within six months of signing; and
- Issue 1,000,000 common shares (issued at a value of \$60,000) to the Seller within the first anniversary of signing.

The Seller will retain a 1.5% NSR Royalty on this property. The Company will have the right to purchase 0.75% of the NSR Royalty for \$500,000 at any time up to the commencement of production.

**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

Accounts payable and accrued liabilities recognized in the statements of financial position consist of the following:

	April 30, <u>2023</u>	January 31, <u>2023</u>
Trade payables	\$ 29,650	\$ 39,364
Accrued liabilities	22,400	22,400
Total payables	<u>\$ 52,050</u>	<u>\$ 61,764</u>

All amounts are short-term.

**6. FLOW-THROUGH SHARE PREMIUM LIABILITY**

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Balance at January 31, 2022	\$ 61,476
Liability derecognized due to exploration expenditures renounced to shareholders	<u>(57,427)</u>
Balance at January 31, 2023 and April 30, 2023	<u>\$ 4,049</u>

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During the year ended January 31, 2023, the Company renounced and incurred the exploration expenditures. Accordingly, the Company derecognized the flow-through share premium liability of \$57,427 and recognized it as other income.

## 7. SHARE CAPITAL AND RESERVES

**Authorized:** Unlimited common shares, without par value

Issued and outstanding as at April 30, 2023 – 261,043,583 (January 31, 2023: 261,043,583)

### Private placement

During the three months ended April 30, 2023 and 2022, the Company did not close any private placements.

### Share purchase warrants

The following is a summary of changes in share purchase warrants from January 31, 2022 to April 30, 2023:

	Number of Warrants	Weighted Average Exercise Price
Balance, January 31, 2022	9,227,318	\$0.12
Exercised	(1,200,000)	\$0.05
Balance, January 31, 2023 and April 30, 2023	<u>8,027,318</u>	<u>\$0.13</u>

As of April 30, 2023, the Company had 8,027,318 share purchase warrants outstanding. Each warrant entitles the holder the right to purchase one common share as follows:

<u>Number</u>	<u>Exercise Price</u>	<u>Expiry Date</u>	
2,500,000	\$0.30	May 12, 2023	(Note 12)
<u>5,527,318</u>	\$0.05	July 29, 2025	
<u>8,027,318</u>			

### Share-based payments

The Company has an Equity Plan effective December 2022, which superseded a previous stock option plan. The Equity Plan provides the grant of stock options, RSUs, DSUs, and PSUs. Under the Equity Plan, the maximum number of equity-based awards issued cannot exceed 20% of the Company's issued and outstanding common shares, as at the date of grant.

#### Stock options

In accordance with the Equity Plan, the exercise price of each option granted shall not be less than the market price of the Company's stock. Options may be granted for a maximum term of ten years and vesting periods are determined by the Board of Directors.

**7. SHARE CAPITAL AND RESERVES (continued)**

**Share-based payments (continued)**

*Stock options (continued)*

The following is a summary of changes in share purchase options from January 31, 2022 to April 30, 2023:

	Number of Options	Weighted Average Exercise Price
Balance, January 31, 2022	15,550,000	\$0.15
Granted	18,550,000	\$0.08
Exercised	(250,000)	\$0.05
Expired	(15,300,000)	\$0.16
Balance, January 31, 2023 and April 30	18,550,000	\$0.08

As of April 30, 2023, 18,550,000 share purchase options were outstanding entitling the holders thereof the right to purchase one common share of the Company for each option held as follows:

Number Outstanding and Exercisable	Exercise Price	Expiry Date
17,500,000	\$0.08	July 22, 2023
1,050,000	\$0.05	October 31, 2023
18,550,000		

During the three months ended April 30, 2023, Nil stock options were exercised (three months ended April 30, 2022: 250,000 stock options were exercised at a price of \$0.05 per share for total proceeds of \$12,500). The previously recognized share-based payment expense relating to these stock options were reclassified from share-based payment reserve to share capital in the amount of \$Nil (three months ended April 30, 2022: \$7,012).

During the three months ended April 30, 2023 and 2022, the Company did not grant any stock options.

RSUs

In accordance with the Equity Plan, the Company may grant RSUs to any participant in respect of services rendered by the applicable participant in a taxation year (the “**RSU Service Year**”). The number of RSUs awarded and underlying vesting terms are determined by the board of directors in its discretion.

**7. SHARE CAPITAL AND RESERVES (continued)**

**Share-based payments (continued)**

*RSUs (continued)*

Upon settlement, participants will redeem each vested RSU for the following at the election of such participant but subject to the approval of the board of directors: (a) one fully paid and non-assessable share in respect of each vested RSU, (b) a cash payment or (c) a combination of shares and cash. Any such cash payments made by the Company shall be calculated by multiplying the number of RSUs to be redeemed for cash by the market price per share as at the settlement date. Subject to the provisions of the Equity Plan and except as otherwise provided in an award agreement, no settlement date for any RSU shall occur, and no share shall be issued or cash payment shall be made in respect of any RSU any later than the final business day of the third calendar year following the applicable RSU Service Year.

The following is a summary of changes in RSUs from January 31, 2022 to April 30, 2023:

	<u>Number</u>
Outstanding, January 31, 2022	-
Granted	6,600,000
Vested	<u>(2,640,000)</u>
Outstanding January 31, 2023	3,960,000
Vested	<u>(1,320,000)</u>
Outstanding April 30, 2023	<u><u>2,640,000</u></u>

During the year ended January 31, 2023, the Company granted 6,600,000 RSUs to its officers, directors and consultants, whereby 40% (2,640,000) of the RSUs vest on January 31, 2023, 20% (1,320,000) vest on April 30, 2023, 20% (1,320,000) vest on July 31, 2023 and 20% (1,320,000) vest on October 31, 2023.

The RSUs are valued at the fair market value of the Company's stocks on the date of grant. Accordingly, 6,600,000 RSUs were granted at a value of \$0.05 each for a total value of \$330,000 which is being recognized as share-based payments over the vesting periods.

Total expenses arising from share-based payment transactions recognized during the three months ended April 30, 2023 were \$70,062 (three months ended April 30, 2022: \$Nil), of which \$70,062 (three months ended April 30, 2022: \$Nil) was attributable to vesting of RSUs during the period with the remaining portion of share-based payment expense being attributable to the vesting of stock options, as described above.

**8. LOSS PER SHARE**

The calculation of basic and diluted loss per share was based on the following data:

	Three months ended April 30,	
	<u>2023</u>	<u>2022</u>
Net loss	\$ (144,421)	\$ (108,268)
Weighted average number of common shares for the purpose of basic and diluted loss per share	261,043,583	256,140,662

Basic loss per share is computed by dividing loss by the weighted average number of common shares outstanding during the period. Diluted loss per share reflects the potential dilution of common share equivalents, such as stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. All of the stock options and share purchase warrants currently issued (see Note 7) were anti-dilutive for the three months ended April 30, 2023 and 2022.

Basic and diluted loss per share for the three months ended April 30, 2023 was \$(0.00) (three months ended April 30, 2022: \$(0.00)).

**9. RELATED PARTY TRANSACTIONS**

*Key management personnel compensation*

Key management of the Company are directors and officers of the Company and their remuneration includes the following:

	Three months ended April 30,	
	<u>2023</u>	<u>2022</u>
Management fees	\$ 15,000	\$ 15,000
Professional fees	15,000	15,000
Share-based payments*	52,548	-
	<u>\$ 82,548</u>	<u>\$ 30,000</u>

\*Share-based payments are the fair value of stock options/RSUs granted to key management personnel as at the grant date.

*Related party balances*

At April 30, 2023, accounts payable and accrued liabilities include \$12,500 (January 31, 2023: \$12,500) payable to four directors and one former director of the Company for unpaid fees. These amounts are unsecured, non-interest bearing and payable on demand.



**10. SEGMENTAL REPORTING**

The Company operates in one business segment, being the acquisition and exploration of mineral properties. The Company's exploration and evaluation assets are distributed by geographic locations as below:

	April 30, <u>2023</u>	January 31, <u>2023</u>
Canada	\$ 988,489	\$ 988,489
U.S.A.	2,373,355	2,372,721
	<u>\$ 3,361,844</u>	<u>\$ 3,361,210</u>

**11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS**

Investing and financing activities that do not have a direct impact on cash flows are excluded from the statement of cash flows.

*During the three months ended April 30, 2022:*

- Included in accounts payable and accrued liabilities was \$17,089 for exploration and evaluation assets.
- The Company issued 1,000,000 common shares valued at \$120,000 pursuant to the Green Clay Agreement for the acquisition of the Green Clay Lithium Project.

**12. SUBSEQUENT EVENTS**

Subsequent to April 30, 2023, the following occurred:

- The Company issued a total of 1,320,000 common shares to its directors, officers and consultants with respect to the vested RSUs; and
- 2,500,000 share purchase warrants at an exercise price of \$0.30 per share expired unexercised.