

FREE BATTERY METAL LIMITED

**FORM 2A
LISTING STATEMENT**

Dated as at June 7th, 2023

Neither the Canadian Securities Exchange nor any securities regulatory authority has in any way passed upon the merits of the Business Combination described in this Listing Statement.

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1. GLOSSARY OF TERMS

Unless otherwise indicated, the following terms used in this Listing Statement and the Appendices hereto shall have the meanings ascribed to them as set forth below:

“**Amalco**” means the corporation resulting from the Amalgamation, named “Rift Lithium Subco Inc.”;

“**Amalgamation**” means the amalgamation of Rift and Titus Subco to form Amalco pursuant to Section 174 of the OBCA and in accordance with the terms of the Definitive Agreement which resulted in the business combination of Titus and Rift, all as further described in this Listing Statement;

“**ASC**” means the Alberta Securities Commission;

“**Business Day**” means a day, other than a Saturday or Sunday, on which the commercial banks in the City of Toronto are open for the regular transaction of business;

“**BCSC**” means the British Columbia Securities Commission;

“**BCBCA**” means the *Business Corporations Act* (British Columbia), as amended, including all regulations promulgated thereunder;

“**Closing**” means the date of the completion of the Amalgamation;

“**CIM Standards and Definitions**” means the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards for Mineral Resources and Mineral Reserves adopted by the Canadian Institute of Mining Council on May 10, 2014, which are incorporated by reference in NI 43-101;

“**Consolidated Titus Shares**” means the post-Consolidation Titus Shares;

“**Consolidation**” means the consolidation of the Titus Shares on March 16, 2022 on the basis of 1 post-Consolidated Titus Share for every 32.45 pre-Consolidated Titus Shares;

“**CSE**” means the Canadian Securities Exchange;

“**Definitive Agreement**” means the amalgamation agreement dated as of May 26, 2023 among Titus, Titus Subco and Rift governing the terms of the Amalgamation;

“**Escrow Release Conditions**” means the occurrence of each of the following events:

- a) the satisfaction or waiver of all conditions precedent to the completion of the Transaction, including, without limitation, the conditional approval of a designated Canadian stock exchange for the listing of the Resulting Issuer Shares;
- b) the Shell having received requisite shareholder approval for the Transaction, if applicable;
- c) the Corporation having received requisite shareholder approval for the Transaction; and
- d) the Corporation having delivered a direction to the escrow agent confirming that the conditions set forth above have been met or waived;

“**Escrow Release Deadline**” means 5:00 p.m. (Toronto time) on May 31, 2023;

“**Letter of Intent**” means the letter of intent dated December 1, 2021, between Titus and Rift, whereby the parties agreed that Titus will acquire all of the issued and outstanding Rift Shares;

“Listing” means the listing of the Resulting Issuer Shares on the CSE;

“Listing Date” means the date the Resulting Issuer Shares are listed for trading on the CSE;

“Listing Statement” means this Listing Statement including the Appendices hereto;

“MD&A” means Management’s Discussion and Analysis;

“Mound Lake Property” means the material mining claims of Rift located in the townships of Cockeram, Church, McIvor and Adamson in the Thunder Bay District in the province of Ontario;

“Mound Lake Property Technical Report” means the technical report with an effective date of December 17, 2022, entitled *“NI 43-101 Early-Stage Exploration Property Report Mound Lake Property, Thunder Bay District, Ontario, Canada”*, a copy of which is available under the Resulting Issuer’s profile on SEDAR at www.sedar.com;

“NI 43-101” means National Instrument 43-101 — *Standards of Disclosure for Mineral Projects*;

“NI 51-102” means National Instrument 51-102 – *Continuous Disclosure Obligations*;

“NI 52-110” means National Instrument 52-110 — *Audit Committees*;

“NI 58-101” means National Instrument 58-101 — *Disclosure of Corporate Governance Practices*;

“NP 46-201” means National Policy 46-201 — *Escrow for Initial Public Offerings*;

“NP 58-201” means National Policy 58-201 — *Corporate Governance Guidelines*;

“OBCA” means the *Business Corporations Act* (Ontario), as amended, including all regulations promulgated thereunder;

“Options” mean an option to purchase Titus Shares or Consolidated Titus Shares, as the case may be, issued pursuant to the Titus Option Plan;

“reporting issuer” has the meaning ascribed to such term in the *Securities Act* (Ontario);

“Resulting Issuer” means Titus (which was named “Free Battery Metal Limited” as of June 7, 2023) and its subsidiaries, on a consolidated basis, following the completion of the Amalgamation, and, in the case of references to matters undertaken by a predecessor in interest to the Resulting Issuer or its subsidiaries, includes each such predecessor in interest, unless the context otherwise requires after giving effect to the Amalgamation and the Listing;

“Resulting Issuer Board” means the board of directors of the Resulting Issuer;

“Resulting Issuer Options” mean an option to purchase a Resulting Issuer Share issued pursuant to the Resulting Issuer Option Plan;

“Resulting Issuer Option Plan” means the option plan to be adopted by the Resulting Issuer following completion of the Amalgamation attached as Appendix “A” to this Listing Statement;

“Resulting Issuer Shares” mean the common shares in the capital of the Resulting Issuer following the completion of the Amalgamation;

“Resulting Issuer Warrants” mean warrants to purchase Resulting Issuer Shares, including the Titus Warrants;

“**Rift**” means, prior to the Amalgamation, Rift Lithium Inc., a corporation existing pursuant to the laws of the province of Ontario;

“**Rift Board**” means the board of directors of Rift, prior to the Amalgamation;

“**Rift Shares**” means the common shares in the capital of Rift, prior to the Amalgamation;

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval accessible at www.sedar.com;

“**Subscription Receipt**” has the meaning ascribed to it under Section 3.1.3 “*General Development of the Business – Rift*” of this Listing Statement;

“**Subscription Receipt Agent**” means Garfinkle Biderman LLP;

“**Subscription Receipt Agreement**” has the meaning ascribed to it under Section 3.1.3 “*General Development of the Business – Rift*” of this Listing Statement;

“**Subscription Receipt Financing**” has the meaning ascribed to it under Section 3.1.3 “*General Development of the Business – Rift Lithium Inc.*” of this Listing Statement;

“**Subscription Receiptholder**” means a holder of a Subscription Receipt;

“**Titus**” means, prior to the Amalgamation, Titus Energy Corp., a corporation existing pursuant to the laws of the province of British Columbia;

“**Titus Board**” means the board of directors of Titus, prior to the Amalgamation;

“**Titus Debt Unit**” has the meaning ascribed to it under Section 3.1.1 “*General Development of the Business – Titus Energy Corp.*” of this Listing Statement;

“**Titus Option Plan**” means the stock option plan of Titus;

“**Titus Shares**” mean the common shares in the capital of Titus, prior to the Consolidation;

“**Titus Subco**” means 1000545473 Ontario Inc., a corporation incorporated pursuant to the laws of the province of Ontario;

“**Titus Unit**” has the meaning ascribed to it under Section 3.1.1 “*General Development of the Business – Titus Energy Corp.*” of this Listing Statement;

“**Titus Warrant**” has the meaning ascribed to it under Section 3.1.1 “*General Development of the Business – Titus Energy Corp.*” of this Listing Statement;

“**TSXV**” means the TSX Venture Exchange; and

“**United States**” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders.

Unless otherwise specified, all dollar amounts in this Listing Statement and the Appendices, including the symbol “\$”, are expressed in Canadian dollars.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Listing Statement may contain “forward-looking information” within the meaning of applicable Canadian securities legislation and “forward-looking statements” within the meaning of applicable United States securities legislation, together, forward-looking information. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “may”, “will,” “should”, “could”, “anticipate”, “believe”, “expect”, “intend”, “plan”, “potential”, “continue” and similar expressions. The forward-looking information contained in this Listing Statement is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Although the Resulting Issuer believes that the assumptions and expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on forward-looking information because the Resulting Issuer can give no assurance that such expectations will prove to be correct. Forward-looking information involves significant risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking information including, but not limited to, changes in general economic and market conditions and other risks and uncertainties including those discussed within Section 17 “*Risk Factors*” and elsewhere in this Listing Statement. Although the forward-looking information contained herein is based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with such forward looking information. Investors should not place undue reliance on forward-looking information.

Forward-looking information contained in this Listing Statement concerning mineral exploration and management’s general expectations concerning the mineral exploration industry are based on estimates prepared by management using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which management believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While management is not aware of any misstatements regarding any industry data presented herein, mineral exploration involves risks and uncertainties and industry data is subject to change based on various factors.

Forward-looking information included in this Listing Statement include, but is not limited to:

- expectations for the effects of the Amalgamation;
- the potential benefits of the Amalgamation;
- statements relating to the business and future activities of, and developments related to, the Resulting Issuer, its predecessors or any of their subsidiaries after the date of this Listing Statement, including such things as future business strategy, competitive strengths, goals, expansion and growth of the Resulting Issuer’s business, operations and plans;
- the future price of lithium and other metals;
- government regulations;
- the maintenance or renewal of any permits or mineral licences;
- estimates of reclamation obligations that may be assumed;
- requirements for additional capital;
- environmental risks;
- general business and economic conditions;
- information with respect to Rift’s continued exploration programs (including size and budget) and the ability to advance targets and conduct enough drilling to produce mineral resource estimates in accordance with NI 43-101 if applicable, and the timing and results thereof;

- the focus of capital expenditures;
- Rift's goal of creating shareholder value by concentrating on the acquisition and exploration of properties that have the potential to contain economic mineral deposits;
- Rift's proposed exploration programs on the Mound Lake Property and other properties that may be acquired in the future, including without limitation the completion of planned work programs and the ability of Rift to complete such planned work programs in accordance with proposed budgets;
- the ability of Rift to obtain all permitting required with respect to its proposed exploration programs;
- Rift's proposed principal focus of exploring and, if warranted, developing, its projects;
- the timing of the proposed recommended programs;
- management's outlook regarding future trends;
- the purchase, sale or development of exploration properties;
- exploration and acquisition plans;
- Rift's acquisition strategy, the criteria to be considered in connection therewith and the benefits to be derived therefrom;
- the emergence of accretive growth opportunities;
- Rift's ability to benefit from the combination of growth opportunities and the ability to grow through the capital markets;
- treatment under governmental regulatory regimes and tax laws;
- the performance characteristics of Rift's mineral resource properties; and
- realization of the anticipated benefits of acquisitions.

Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, as of the date of this Listing Statement including, without limitation, assumptions about:

- favourable equity and debt capital markets;
- the ability to raise any necessary additional capital on reasonable terms to advance the exploration and development of the Resulting Issuer's properties and assets;
- future prices of gold and other metal prices;
- the timing and results of exploration and development programs;
- the geology of the Mound Lake Property being as described in the Mound Lake Property Technical Report;
- production costs;
- the accuracy of budgeted exploration and development costs and expenditures;
- the price of other commodities such as fuel;
- future currency exchange rates and interest rates;
- operating conditions being favourable such that the Resulting Issuer is able to operate in a safe, efficient and effective manner;
- political and regulatory stability;

- the receipt of governmental, regulatory and third party approvals, licenses and permits on favourable terms;
- obtaining required renewals for existing approvals;
- requirements under applicable laws;
- sustained labour stability;
- stability in financial and capital goods markets;
- availability of equipment;
- positive relations with indigenous and local groups and the Resulting Issuer's ability to meet its obligations under its agreements with such groups;
- the Resulting Issuer's ability to acquire and retain key personnel; and
- the Resulting Issuer's plans regarding social and environmental policies and practices.

While the Resulting Issuer considers these assumptions to be reasonable, the assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies and other factors that could cause actual actions, events, conditions, results, performance or achievements to be materially different from those projected in the forward-looking information. Many assumptions are based on factors and events that are not within the control of the Resulting Issuer and there is no assurance they will prove to be correct.

Some of the risks and other factors, which could cause results to differ materially from those expressed in the forward-looking information contained in this Listing Statement include, but are not limited to:

- market price of Resulting Issuer Shares;
- dilution to Resulting Issuer Shares;
- risks associated with mineral exploration and development operations such as environmental hazards and economic factors as they affect the cost and success of Rift's capital expenditures;
- risks associated with licensing matters;
- the price of lithium and other commodities;
- uninsured risks;
- environmental risks and hazards;
- environmental regulation;
- general economic conditions in Canada and globally;
- infrastructure risks;
- uncertainty in the estimation of mineral resources;
- reliability of resource estimates;
- no operating history;
- land title risk;
- the ability of Rift to obtain and maintain required permits and approvals;
- risks associated with surface rights and access;
- competition for, among other things, capital, acquisition of resources, undeveloped land and skilled personnel;

- discretion in the use of proceeds;
- the ability of Rift to obtain additional capital;
- negative operating cash flow;
- fluctuation in foreign exchange or interest rates;
- continuously evolving governmental regulation of the mineral resource industry, including environmental regulation;
- Coronavirus (COVID-19) and other health crises;
- disruptions created by surrounding communities;
- security risks;
- dividend policy;
- risks associated with labour and employment matters;
- future sales of Resulting Issuer Shares by existing shareholders;
- dependence on key executives, management and other highly skilled personnel;
- conflicts of interest;
- threat of legal proceedings; and
- the other factors outlined in Section 17 "*Risk Factors*" of this Listing Statement.

Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this Listing Statement are expressly qualified by this cautionary statement.

The forward-looking information contained in this Listing Statement is made as of the date of this Listing Statement, and Titus disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required under applicable securities laws.

2. CORPORATE STRUCTURE

2.1 Corporate Name

This Listing Statement has been prepared in connection with the Amalgamation and the Listing.

The full corporate name of the Resulting Issuer is “Free Battery Metal Limited” The registered and principal office of the Resulting Issuer is located at 1 Adelaide Street East, Suite 801, Toronto, Ontario, M5C 2V9.

The Resulting Issuer maintains a mailing office located at 833 Seymour Street, Unit 3606, Vancouver, British Columbia, V6B 0G4.

The financial year end of the Resulting Issuer is December 31.

2.2 Incorporation

Titus Prior to the Amalgamation

Titus was incorporated pursuant to the provisions of the BCBCA on February 17, 2010 under the name “Titus Capital Corp.”. On December 21, 2012, Titus changed its name to its current name, “Titus Energy Corp.” pursuant to the provisions of the BCBCA.

The registered and principal office of Titus is located at 1 Adelaide Street East, Suite 801, Toronto, Ontario, M5C 2V9.

Titus maintains a mailing office located at 833 Seymour Street, Unit 3606, Vancouver, British Columbia, V6B 0G4.

On March 16, 2022, Titus consolidated the issued and outstanding Titus Shares on the basis of 1 post-consolidation Titus Share for every 32.45 pre-consolidation Titus Shares. Prior to the consolidation, Titus had 132,725,000 Titus Shares issued and outstanding. As a result of the consolidation, Titus had approximately 4,090,139 Titus Shares issued and outstanding as of March 16, 2022.

The financial year end of Titus is May 31.

Titus is a reporting issuer in the Provinces of British Columbia and Alberta.

Rift Prior to the Amalgamation

Rift was incorporated pursuant to the OBCA on November 23, 2021 under the name “Rift Lithium Inc.”.

The registered and principal office of Rift is located at 1 Adelaide Street East, Suite 801, Toronto, Ontario, M5C 2V9.

The financial year end of Rift is December 31.

Resulting Issuer Following the Amalgamation

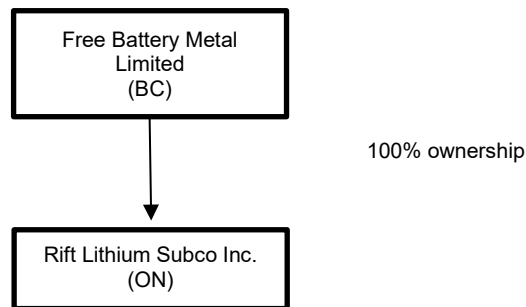
On June 7, 2023, the Amalgamation was completed pursuant to the terms of the Definitive Agreement, at which time Amalco became a wholly-owned subsidiary of the Resulting Issuer. Amalco is an amalgamated corporation existing under the OBCA and is named “Rift Lithium Subco Inc.”.

In connection with the Amalgamation, Titus changed its name from “Titus Energy Corp.” to “Free Battery Metal Limited” effective June 7, 2023 pursuant to the provisions of the BCBCA.

The Resulting Issuer is a reporting issuer in the Provinces of British Columbia and Alberta. Upon the completion of the Amalgamation, the Resulting Issuer Shares and will be posted for trading on the CSE under the symbol "FREE". The Listing is pending final approval by the CSE.

2.3 Inter-corporate Relationships

Set forth below is the organization chart of the Resulting Issuer indicating that the Resulting Issuer owns 100% of the issued and outstanding share capital of Amalco.



3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1 General Development

3.1.1 Titus

Titus was incorporated pursuant to the provisions of the BCBCA on February 17, 2010, and was classified as a "Capital Pool Company" until it completed its "Qualifying Transaction" (as such terms are defined in the policies of the TSXV) on December 20, 2012. Effective December 21, 2012, the Titus Shares commenced trading on the TSXV under the symbol "TIS". Effective December 5, 2014, Titus was voluntarily delisted from the TSXV.

The Titus Shares are not currently listed or posted for trading on any stock exchange in Canada or elsewhere. Titus is a reporting issuer in the provinces of British Columbia and Alberta.

On May 12, 2015, the BCSC issued a cease trade against Titus for failure to file certain continuous disclosure filings required under applicable securities laws.

On August 11, 2015, the ASC issued a cease trade against Titus for failure to file certain continuous disclosure filings required under applicable securities laws.

Titus is authorized to issue an unlimited number of common shares without par value.

On March 12, 2021, Titus completed a non-brokered private placement financing through the issuance of 120,000,000 Titus Shares at a price of \$0.001 per Titus Share for gross proceeds of \$120,000.

On May 4, 2021, Titus changed its auditor from DMCL LLP to Stern & Lovrics LLP.

On May 19, 2021, the cease trade orders of the BCSC and ASC were revoked.

On December 1, 2021, Titus entered into the Letter of Intent.

On March 16, 2022, Titus completed the Consolidation. Prior to the Consolidation, there were 132,725,000 Titus Shares issued and outstanding. As a result of the Consolidation, Titus had 4,090,141 Consolidated

Titus Shares issued and outstanding.

Prior to the Amalgamation, Titus was focused on identifying suitable assets or businesses to acquire or merge with, with a view to maximizing shareholder value.

On September 2, 2022, Titus completed a non-brokered private placement financing through the issuance of 785,184 units (the "**Titus Units**") at a price of \$0.02 per Titus Unit for gross proceeds of \$15,703.68. Each Titus Unit consists of one Titus Share and 0.85 of a Titus Share purchase warrant ("**Titus Warrant**"), entitling the holder thereof to acquire one additional Titus Share at an exercise price of \$0.10 until September 2, 2024. On the same day, Titus entered into debt settlement agreements with certain creditors to settle \$104,741.44 in outstanding liabilities and in connection therewith, issued 5,237,072 Titus Units (the "**Titus Debt Units**") at a deemed price of \$0.02 per Titus Debt Unit.

On June 7, 2023 Titus and Rift completed the Amalgamation and Titus changed its name from "Titus Energy Corp." to "Free Battery Metal Limited" pursuant to the provisions of the BCBCA.

3.1.2 Titus Subco

Titus Subco was incorporated pursuant to the provisions of the OBCA on May 24, 2023, with its head office and registered office located at 1 Adelaide Street East, Suite 801, Toronto, Ontario M5C 2V9. Titus Subco was incorporated solely for the purposes of participating in the Amalgamation pursuant to the Definitive Agreement.

3.1.3 Rift

Rift was incorporated pursuant to the OBCA on November 23, 2021. Rift was a lithium exploration and development company focused on the acquisition, exploration and development of properties prospective for lithium and other minerals. On incorporation, Rift issued 1 Rift Share to its incorporator.

On December 10, 2021, Rift entered into a purchase and sale agreement (the "**Mound Lake Purchase Agreement**") with Adam Mogil (the "**Trustee**") in trust for various vendors (the "**Owners**"), whereby Rift acquired a 100% interest in the Mound Lake Property. Pursuant to the Mound Lake Purchase Agreement, Rift issued 39,999,999 Rift Shares to the Owners as consideration for the purchase of the Mound Lake Property.

On December 21, 2021, Rift issued 20,000,000 subscription receipts (the "**Subscription Receipts**") at a price of \$0.05 per subscription receipt, for aggregate gross proceeds of \$1,000,000 (the "**Subscription Receipt Financing**"). The Subscription Receipts were created and issued pursuant to and are governed by the terms of a subscription receipt agreement dated December 16, 2021 (the "**Subscription Receipt Agreement**") between Rift and the Subscription Receipt Agent. Upon the satisfaction of the escrow release conditions, each Subscription Receipt automatically converted, without additional payment or any further action on the part of the holder thereof, into one Rift Share.

Pursuant to the Subscription Receipt Agreement, Rift has agreed that:

- (a) pending the satisfaction of the Escrow Release Conditions, 75% of the aggregate gross proceeds from the sale of the Subscription Receipts, are to be delivered to and held by the Subscription Receipt Agent as escrow agent hereunder, unless otherwise directed, and invested in the manner set out herein;
- (b) if the Escrow Release Conditions are satisfied at or before the Escrow Release Deadline, the Subscription Receiptholders will be entitled to receive, without payment of additional consideration or the undertaking of any further action on the part of the Subscription Receiptholders, one Underlying Share (subject to adjustment as set out herein) for each Subscription Receipt then held; and

- (c) if the Escrow Release Conditions are not satisfied at or before the Escrow Release Deadline, the Subscription Receiptholders will be entitled to receive an amount equal to (i) the aggregate subscription price for their Subscription Receipts, and (ii) their *pro rata* share of the earned interest thereon, less applicable withholding taxes, if any.

On May 30, 2023, upon the satisfaction of the escrow release conditions, each Subscription Receipt automatically converted, without additional payment or any further action on the part of the holder thereof, into one Rift Share.

Immediately prior to the Amalgamation, the authorized share capital of Rift consisted of an unlimited number of Rift Shares of which 40,000,000 Rift Shares were issued and outstanding. 20,000,000 of these Rift Shares were issued as a result of the conversion of the Subscription Receipts.

On June 7, 2023, Rift and Titus completed the Amalgamation.

Mound Lake Property

Rift's material property was the Mound Lake Property, which is summarized in Section 4.1.3 "*Material Property*" of this Listing Statement, and based on a technical report with an effective date of December 17, 2022 titled "*NI 43-101 Early-Stage Exploration Property Report, Mound Lake Property, Thunder Bay District, Ontario, Canada*" (the "**Technical Report**").

The Mound Lake Property, covering an area of approximately 5200 hectares (ha), comprises 243 unpatented single cell mining claims in the townships of Cockeram, Church, McIvor and Adamson, Thunder Bay District, Ontario.

3.2 Amalgamation

3.2.1 Amalgamation Summary

In December 2021, representatives of Titus and Rift discussed the merits of a potential business combination. Recognizing the potential benefit such a transaction would bring to their respective shareholders, Titus and Rift entered into the Letter of Intent followed by the Definitive Agreement.

Under the Definitive Agreement, a copy of which is available on the Resulting Issuer's profile on SEDAR at www.sedar.com, Titus agreed to acquire Rift via the Amalgamation of Titus Subco and Rift, upon the satisfaction and/or completion of certain conditions precedent, as follows:

- (a) Titus was to complete the Consolidation, which occurred on March 16, 2022;
- (b) Rift was to complete the Subscription Receipt Financing which occurred on December 21, 2021;
- (c) Rift was to then complete the Amalgamation with Titus Subco, forming Amalco, with Titus as the sole shareholder of Amalco;
- (d) Titus was to change its name to "Free Battery Metal Limited";
- (e) each of the issued and outstanding Subscription Receipts were to convert into one Rift Share; and
- (f) holders of Rift Shares (other than dissenting shareholders who do not exchange their Rift Shares for Titus Shares) were to receive one fully paid and non-assessable Resulting Issuer Share for each Rift Share held, following which all such Rift Shares were to be cancelled.

Following the completion of the Amalgamation, Amalco became a wholly-owned subsidiary of the Resulting Issuer. Amalco is an amalgamated corporation existing under the OBCA and is named "Rift Lithium Subco Inc."

Upon the completion of the Amalgamation in accordance with the terms of the Definitive Agreement:

- (a) 60,000,000 Rift Shares were exchanged for 60,000,000 Resulting Issuer Shares, including the 20,000,000 Rift Shares issued pursuant to the exchange of the Subscription Receipts;
- (b) there are 70,112,397 Resulting Issuer Shares, issued and outstanding; and
- (c) the Resulting Issuer began carrying on the business of Rift as described herein.

3.2.2 Amalgamation Terms

In the Definitive Agreement, Titus and Rift provided representations and warranties to one another regarding certain customary commercial matters, including corporate, legal and other matters, relating to their respective affairs.

Under the Definitive Agreement, Titus and Rift each agreed to seek the approval of their respective shareholders for the applicable aspects of the Amalgamation required to be approved by such shareholders. Titus and Rift each also agreed to use their respective commercially reasonable efforts to satisfy the conditions to the Amalgamation set forth in the Definitive Agreement, all in accordance with the terms thereof.

3.2.3 Trends, Commitments, Events or Uncertainties

Following completion of the Amalgamation, the Resulting Issuer began carrying on the business of Rift. Rift was a Toronto-based exploration and development company focused on the acquisition, exploration and development of properties which are prospective for lithium and other metals. The Resulting Issuer's financial success will be dependent upon the extent to which it can discover mineralization and the economic viability of developing its properties. Such development may take years to complete and the resulting income, if any, is difficult to determine with any certainty. As of the date hereof, the Resulting Issuer lacks mineral resources and mineral reserves and to date has not produced any revenues. The sales value of any mineralization discovered by the Resulting Issuer is largely dependent upon factors beyond its control such as the market value of the commodities produced, if any.

There are significant uncertainties regarding the price of lithium and other minerals and the availability of equity financing for the purposes of mineral exploration and development. The Resulting Issuer's future performance is largely tied to the development of its mineral property interest and the overall financial markets. Future volatility of financial markets as well as the stability of the global economy may result in the Resulting Issuer having difficulties raising equity financing for the purposes of mineral exploration and development, particularly without excessively diluting the present shareholders. In this regard, the Resulting Issuer's strategy will be to commence exploration of the lithium and seek out other prospective resource properties to acquire, while monitoring the global markets and seeking out financing if and when available upon terms acceptable to the Resulting Issuer Board. It is believed that this focused strategy will enable the Resulting Issuer to best manage the capital markets while maintaining the momentum on key initiatives. These trends may limit the Resulting Issuer's ability to develop and/or further explore the lithium and/or other property interests acquired in the future.

Apart from these and the risk factors noted under Section 17 "*Risk Factors*" of this Listing Statement, management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Resulting Issuer's business, financial condition or results of operations.

4. NARRATIVE DESCRIPTION OF THE BUSINESS

4.1 General Business of the Resulting Issuer

Upon the completion of the Amalgamation in accordance with the terms of the Definitive Agreement, the Resulting Issuer began carrying on the business of Rift as described herein.

4.1.1 General Description of the Business of Rift

Rift was a Toronto-based exploration and development company focused on the acquisition, exploration and development of properties which are prospective for lithium and other metals. Rift held an interest in mineral concessions in Thunder Bay, Ontario known as the Mound Lake Property and aimed to become the premier junior exploration company in this underexplored district of potential lithium deposits.

4.1.2 Business Objectives and Milestones

Following the completion of the Amalgamation, the Resulting Issuer's next significant milestone is the completion of the Phase I exploration program to be completed in the 12 months.

Phase I will be focused on desktop work and field work. The estimated budget for Phase I is \$162,450.

The Resulting Issuer must obtain permits before any commencement of drilling.

See also the chart with respect to permitting requirements for the Mound Lake Property under Section 4.1.3 "Material Property", Section 4.1.14 "Use of Available Funds", Section 17 "Risk Factors – Additional Capital" and Section 17 "Risk Factors – Licensing Matters" of this Listing Statement.]

4.1.3 Material Property

The Resulting Issuer's material property is the Mound Lake Property, which is summarized below and based on a Mound Lake Property Technical Report with an effective date of December 17, 2022, and as prepared by Mark C. Smyk, P. Geo., registered geologist of 500 Catherine Street, Thunder Bay, Ontario.

The Mound Lake Property Technical Report was prepared by Mark C. Smyk, P. Geo. Mr. Smyk graduated from Lakehead University with an Honours Bachelor of Science (H.B.Sc.) in Geology in 1984 and from Carleton University with a Master of Science (M.Sc.) in Geology in 1987. Mr. Smyk is registered in Ontario with the Professional Geoscientists of Ontario. Mr. Smyk is a "qualified person" within the meaning of NI 43-101, and he has reviewed and approved the scientific and technical disclosure contained in this Listing Statement. Mr. Smyk visited the Mound Lake Property on October 6 and October 23, 2022.

The summary of the Mound Lake Property below is qualified in its entirety by reference to the complete text of the Mound Lake Property Technical Report, which is available under the Resulting Issuer's profile on SEDAR at www.sedar.com.

A summary of the concessions with respect to the Mound Lake Property is included below. The Mound Lake Property Technical Report was prepared for the benefit of Rift.

Mound Lake Property

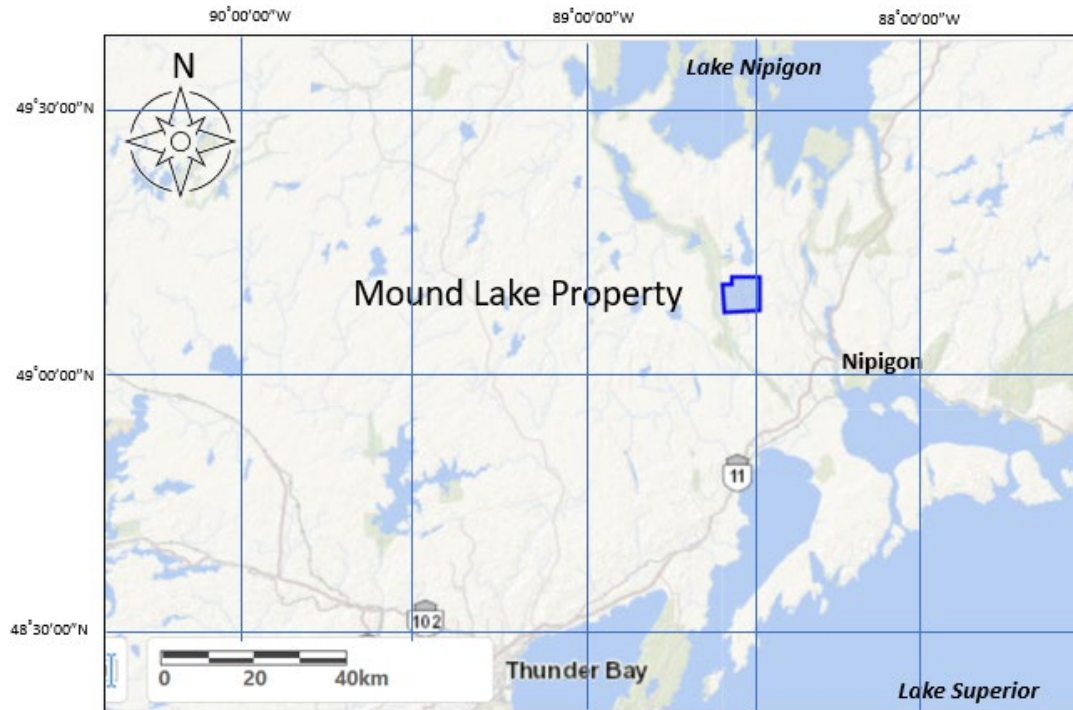
The report on the Mound Lake Property, Thunder Bay District, Ontario was prepared for Rift Lithium Inc. to support the listing of the Resulting Issuer Shares on the Canadian Securities Exchange.

Information contained therein was gleaned from both public domain sources and from field examination during property visits by the Qualified Person on October 6 and 23, 2022. Cited references are provided throughout the text and are listed at the end of the Technical Report. The report uses Canadian English

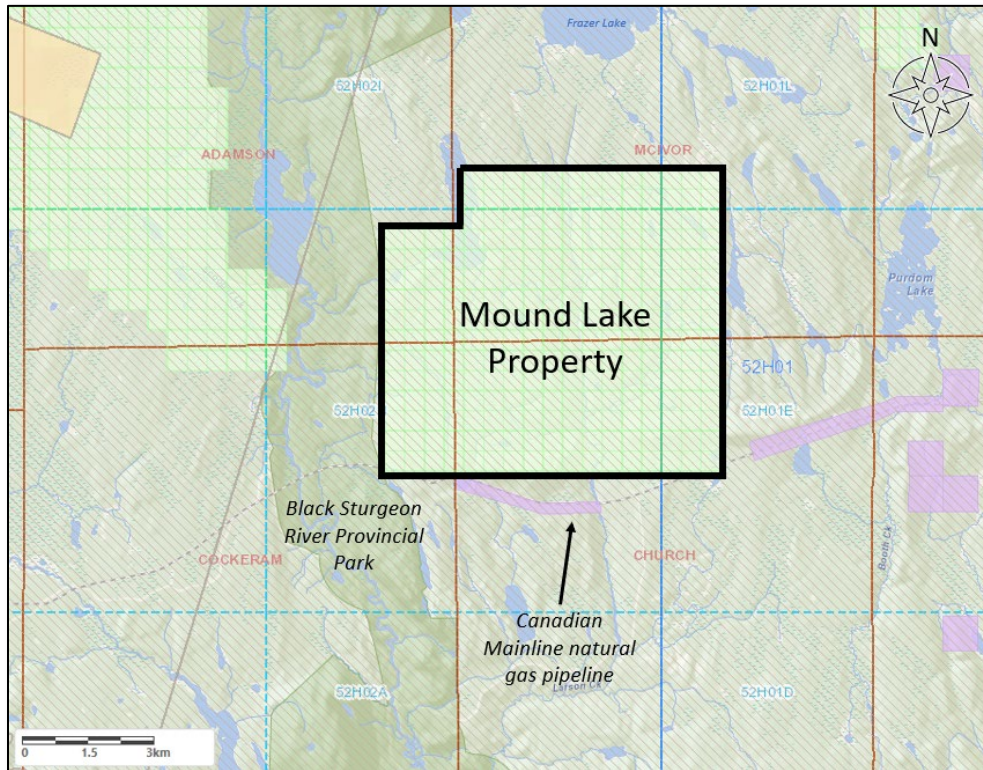
and metric units, unless otherwise indicated.

4.1.4 Project Description, Location and Access

The Mound Lake Property, covering an area of approximately 5200 hectares (ha), comprises 243 unpatented single cell mining claims in the townships of Cockeram, Church, Mclvor and Adamson, Thunder Bay District, Ontario (Figure 1). The claims are numbered 695867 through 696109, inclusive, and registered to Adam Neil Mogil (as of December 17, 2022; Appendix A; Figure 2). The property is situated between latitudes 49°06'43" and 49°10'30" N and longitudes 88°28'45" and 88°35'19" W.



Figures 1a,b: Location of Mound Lake Property. Claim map from <https://www.lioapplications.lrc.gov.on.ca/MLAS/Index.html?viewer=MLAS.MLAS&locale=en-CA> (accessed December, 2022).



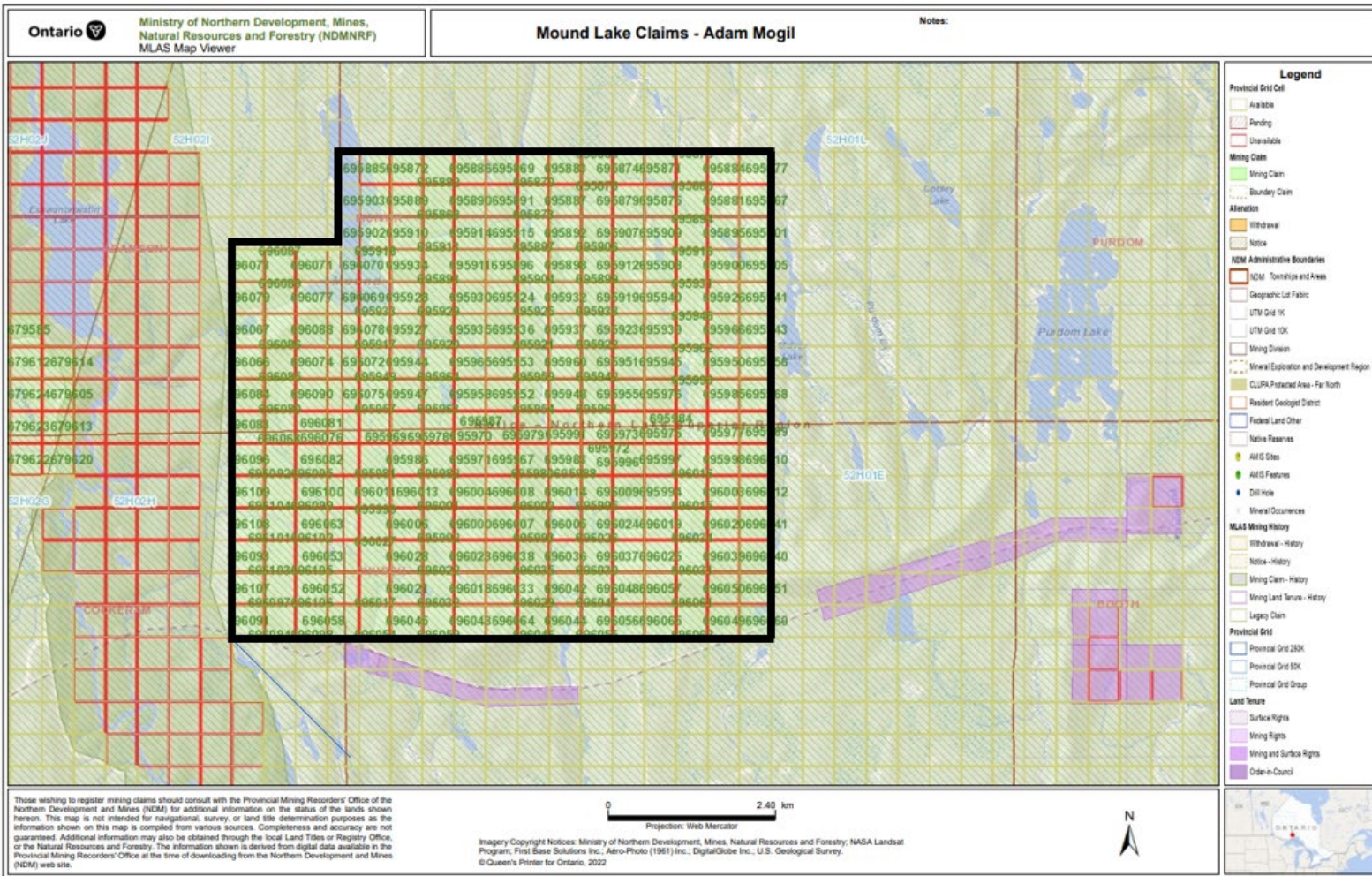


Figure 2. Detailed mining claim map of the Mound Lake Property (black outline), from <https://www.lioapplications.lrc.gov.on.ca/MLAS/Index.html?viewer=MLAS.MLAS&locale=en-CA>; accessed December, 2022.

4.1.1 Accessibility, Climate, Local Resources, Infrastructure and Physiography

Accessibility and Infrastructure

The Mound Lake Property is located approximately 90 km north-northeast of the City of Thunder Bay and 25 km northwest of the Town of Nipigon (Figure 5). The property is accessible via the all-season, gravelled Black Sturgeon Road, approximately 30 km from Highway 11-17, and then via the gravelled Camp 42 / Church Lake and Rollercoaster roads, which cut through the eastern part of the property (Figure 6). Overgrown logging roads extend into other parts of the property and are only accessible via all-terrain vehicle.

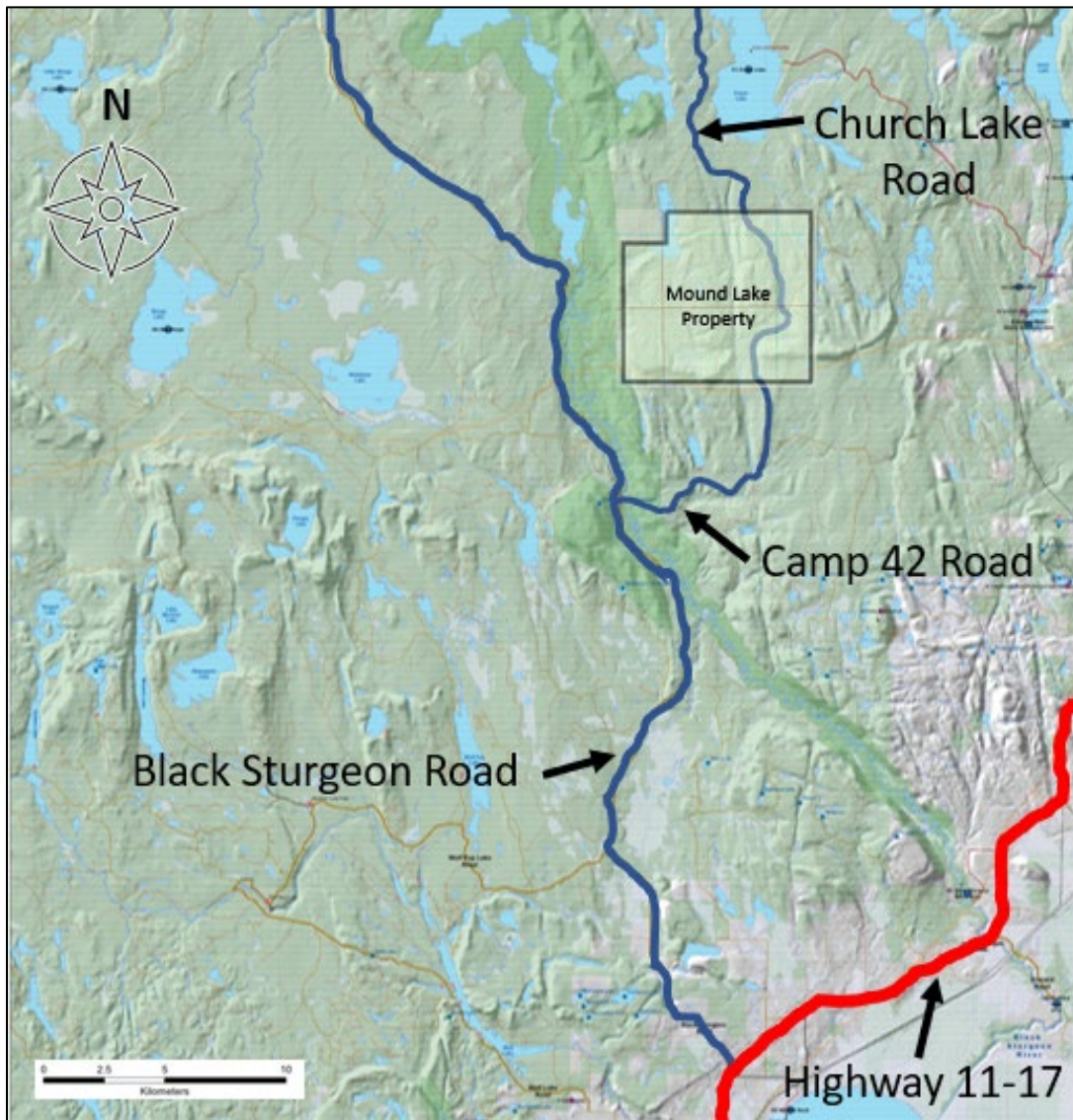


Figure 5. Road access to Mound Lake Property (map from <https://nipigon.com/nipigonmap/>)

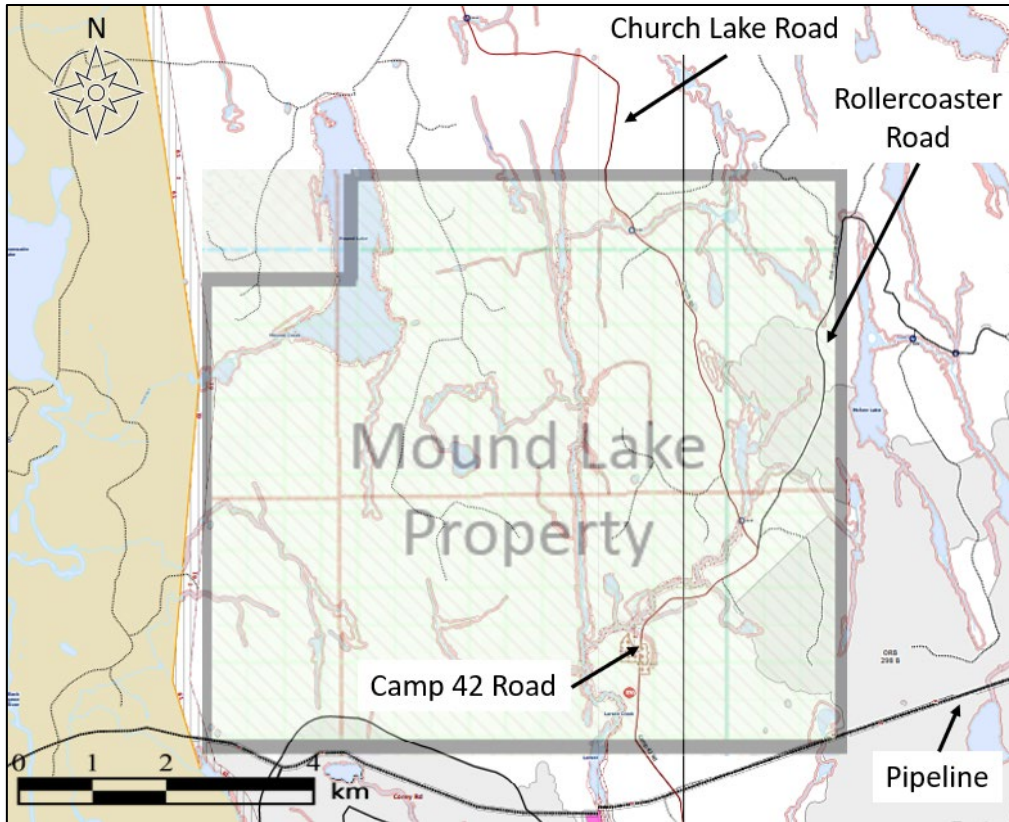


Figure 6. Logging road network, Mound Lake Property area (Map from https://nrp.mnr.gov.on.ca/s/published-submission?language=en_US&recordId=a0z3g000000zTYmAAM)

The Canadian Mainline natural gas pipeline, operated by TC Energy, extends just below the southern border of the property. The Canadian Pacific Railway and electrical transmission corridors parallel Highway 11-17 to the southeast. The property lies within the Black Sturgeon General Use Area (G2683) in Nipigon and Thunder Bay districts of the Ministry of Natural Resources and Forestry. A full range of resource and recreational uses can be permitted within a GUA. Black Sturgeon River Provincial Park (P2250) extends along the western edge of the property. Several private cottaging lots exist on the shoreline of Frazer Lake, a few kilometres north of the property (Crown Land Use Policy Atlas (gov.on.ca)).

Neighbouring Communities

The property is situated within the area covered by the Robinson-Superior Treaty, 1850. Nearby Métis and First Nation (FN) communities include Red Rock Indian Band (Lake Helen 53A, Red Rock 53), Biinjitiwaabik Zaaging Anishinaabek (Rocky Bay FN), Bingwi Neyaashi Anishinaabek (Sand Point FN), Fort William FN and Kiashke Zaaging Anishinaabek (Gull Bay FN).



Figure 7. Location of Mound Lake Property, showing neighbouring First Nation communities.

Climate and Local Resources

The Mound Lake Property is situated within Black Spruce Forest is located in the MNR's Northwest Region (https://nrip.mnr.gov.on.ca/s/fmp-online?language=en_US). For forest management purposes, the Ministry has issued a sustainable forest licence to Resolute FP Canada Inc. Clear-cut logging operations target stands of coniferous softwood (e.g. black spruce, jack pine) and deciduous hardwood (e.g. trembling aspen). Deciduous forest fire cycles range between 70 and 210 years, and fires tend to be variable in intensity. Jack pine forest fire cycles are somewhat shorter, between 50 and 187 years, and fires tend to be stand-replacing. Growing season moisture deficits compounded by shallow substrates result in an intense fire regime characterized by relatively frequent and large fires (<https://files.ontario.ca/mnrf-ecosystemspart1-accessible-july2018-en-2020-01-16.pdf>). A large forest fire occurred in the area approximately 20 years ago, as evidenced by immature stands of jack pine on the property.

In addition to fibre for commercial use, the Forest supports wildlife and ecosystem functions such as carbon sinks and water conservation. There are many productive areas in terms of moose populations. In addition, woodland caribou are known to use the northern and northeastern portions of the Forest, including the shoreline of Lake Nipigon. Through logging, silviculture, and milling activities, the Black Spruce Forest provides employment directly and indirectly to numerous industrial suppliers and contractors and supports widespread commercial and recreational opportunities, including trapping, angling, and hunting and is used extensively by the public (<https://ero.ontario.ca/notice/019-1460>). The area falls within Ontario climatic zone "H", based on its average frost-free period of between 100 and 110 days (<http://www.omafra.gov.on.ca/english/crops/facts/climzoneveg.htm>) and is characterized by brief, hot summers and cold, snowy winters, typical of a moist continental climate. As part of the Lake Nipigon Ecoregion, it is characterized as a Moist Mid-Boreal Ecoclimatic Region (<https://files.ontario.ca/mnrf-ecosystemspart1-accessible-july2018-en-2020-01-16.pdf>).

Physiography

The Mound Lake Property, south of Lake Nipigon, is situated in typical, flat to rolling, Canadian Shield topography, where relief rarely exceeds 60 m. Elevations on the property range from ca. 310 m to 400 m Above Sea Level. Prominent, isolated ridges and mesas, up to 150 m high, reflect the presence of erosion-resistant diabase sills and dykes in the underlying bedrock. The property comprises several small lakes and part of Mound Lake. It is cut by numerous small creeks and ravines. In the vicinity of the property, bedrock is overlain by thin, discontinuous glacial drift. Glaciofluvial outwash deposits of sand and gravel occur along the Black Sturgeon River. Peaty organic deposits occur in swampy, low-lying areas south of Frazer Lake; glaciolacustrine clay deposits occur in the southeastern corner of the property (Barnett et al. 1991; Dyer and Russell 2002; Mollard and Mollard 1981, Figures 3,4). Many of the outcrops on the Mound Lake Property display evidence of glacial scouring and polishing, resulting in many flat, very smooth outcrop surfaces (e.g. frontspiece photo). Glacial striae and other such features indicate that the main ice flow direction in the area was to the southwest.

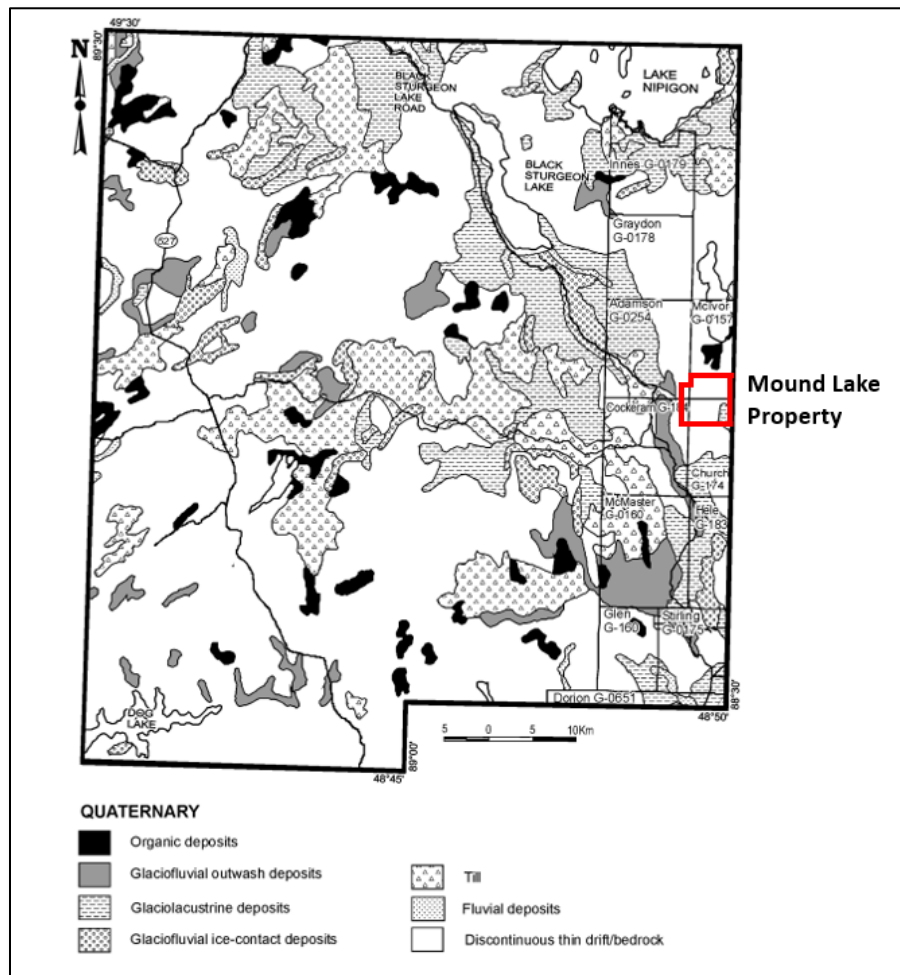


Figure 3. Generalized Quaternary geology of the area south of Lake Nipigon (Barnett et al. 1991; Dyer and Russell 2002).

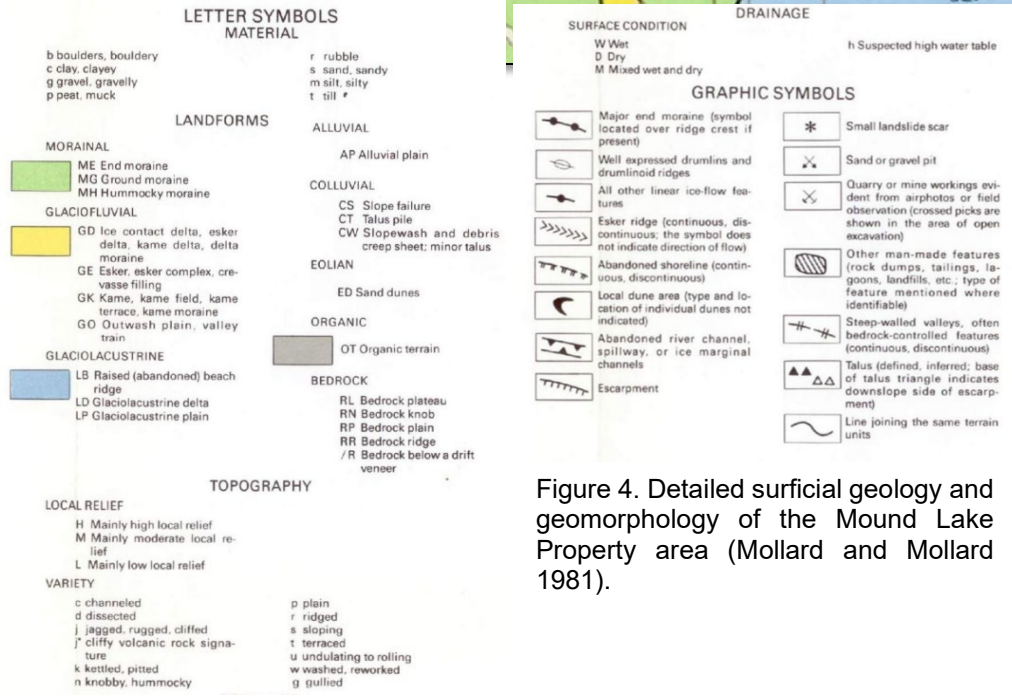
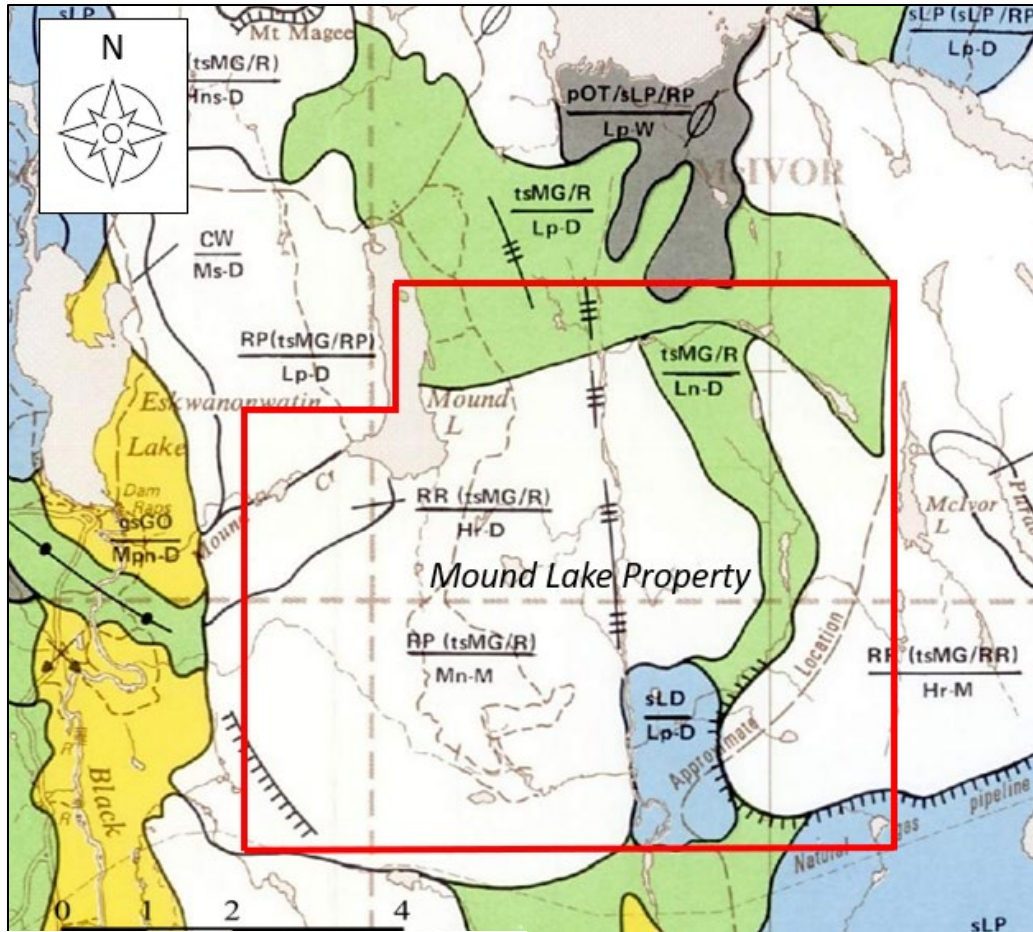


Figure 4. Detailed surficial geology and geomorphology of the Mound Lake Property area (Mollard and Mollard 1981).

4.1.2 History

The Mound Lake Property, registered as 243 Single-Cell Mining Claims by Adam Neil Mogil in October, 2021, has experienced very little staking and exploration activity in the past. The vast majority of the nearby, recorded assessment work was associated with uranium exploration over the past 40 years. No recorded exploration work for lithium/rare metals is known in the vicinity of the property. Table 1, below, provides a summary of this work; Figure 8 depicts the location of the properties on which this work was conducted.

Compilation data were gleaned from .kml files housed the OGS Earth website (<https://www.geologyontario.mndm.gov.on.ca/ogsearth.html>).

File ID	File Type	Primary Township or Area	Secondary Township or Area	NTS	AFRO Number	Resident Geologist Office File Number(s)	Year Work Performed	Work Performed For	Type of Work
52H08SE0004	Approved Assessment	Graydon	Adamson, McIvor, Oskawe , Lake Area, Sprout Lake Area	52H08SE	2.4082	52H01NW-5, 52H02NE-2, 52H08SW-2	1981	Uranium , Exploration and Mining Limited	Airborne Electromagnetic, Airborne Magnetometer
20000002235	Approved Assessment	Adamson	Church, Cockoram , McIvor, North of Purdum Twp. Area, Shillabeer , Lake Area, Sprout Lake Area	52H01NW, 52H01SW, 52H02NE, 52H02SE	2.35313	52H01NW-9, 52H01SW-3, 52H02NE-004ab, 52H02SE-12, W0740.01252	2007	Benton Resources Inc.	Geochemistry; Prospecting
20000008921	Approved Assessment	Oskawe , Lake Area	McIvor	52H01NW	2.54887	52H01NW-11	2012-2014	HTX Minerals Corp.	<u>Diamond Drilling;</u> <u>Geochemistry;</u> Ground Geophysics (Gravity)
52H02SE0004	Approved Assessment	Leckie	Anders Lake Area, Church, Cockoram , Leckie Lake Area, Little Sturge Lake Area, McMaster, Shillabeer , Lake Area, Wolf Lake Area	52H02SE	2.2778	52A15NE-2, 52A15NW-002ab, 52H02SE-1, 52H02SW-1	1978	Asarco Exploration Company of Canada Ltd.	Airborne Magnetometer
52H02SE9196	Approved Assessment	Leckie Lake Area	Cockoram , Hele, Little Sturge Lake Area, McMaster, Shillabeer , Lake Area, Wolf Lake Area	52H02SE	2.2967	52A15NE-2, 52A15NW-002ab, 52H02SE-1, 52H02SW-1	1978	Asarco Exploration Co of Canada Ltd.	Airborne Radiometric
52H02SE0003	Approved Assessment	Cockoram		52H02SE	2.3023	52H02SE-8	1979	Uranium , Exploration and Mining Ltd.	Airborne Radiometric; Airborne Magnetometer
20000002236	Approved Assessment	Anders Lake Area	Cockoram , Glen, Leckie Lake Area, McMaster, Shillabeer , Lake Area, Stirling, Wolf Lake Area	52A15N, 52A15NW, 52H02SE, 52H02SW	2.35295	52A15NE-10, 52A15NW-12, 52H02SE-11, 52H02SW-34	2007	Benton Resources Inc., Tri-Gold Resources Corp.	Airborne Magnetometer; Airborne Electromagnetic
52H01NW9210	Approved Assessment	Purdum	North Of Purdum Twp. Area	52H01NW	2.5090	52H01NW-3	1982	Uranium , Exploration and Mining Ltd.	Geochemical; Geological / <u>Mapping;</u> Ground <u>Radiometric;</u> Ground <u>Magnetometer;</u> Ground VLF-Electromagnetic; Bedrock Trenching; Overburden Stripping
52H07SW0001	Approved Assessment	Mikinak Lake Area	McIvor, North of Purdum Twp. Area, Purdum	52H07SW	63.4151		1982	Uranium , Exploration and Mining Ltd.	Geochemical; Geological Survey / Mapping; Ground VLF-Electromagnetic; Ground Magnetometer Survey; Ground Radiometric; Bedrock Trenching
20000003445	Approved Assessment	McIvor	North Of Purdum Twp. Area, Purdum	52H01NW	2.38719	52H01NW-10	2007	RPT Uranium Corp.	Diamond Drilling; Overburden Stripping

52H01NW2002	Approved Assessment	Burdock		52H01NW	2.20712	52H01NW-8	2000	Kenneth George Fenwick	Diamond Drilling; Geochemistry
52H01NW2001	Approved Assessment	Burdock		52H01NW	2.20008	52H01NW-7	1999 to 2000	East West Resources Corp	Induced Polarization; Magnetometer Survey; Open Cutting

Table 1. Previous exploration work on or near the Mound Lake Property. Data gleaned from <https://www.geologyontario.mndm.gov.on.ca/ogsearth.html>.

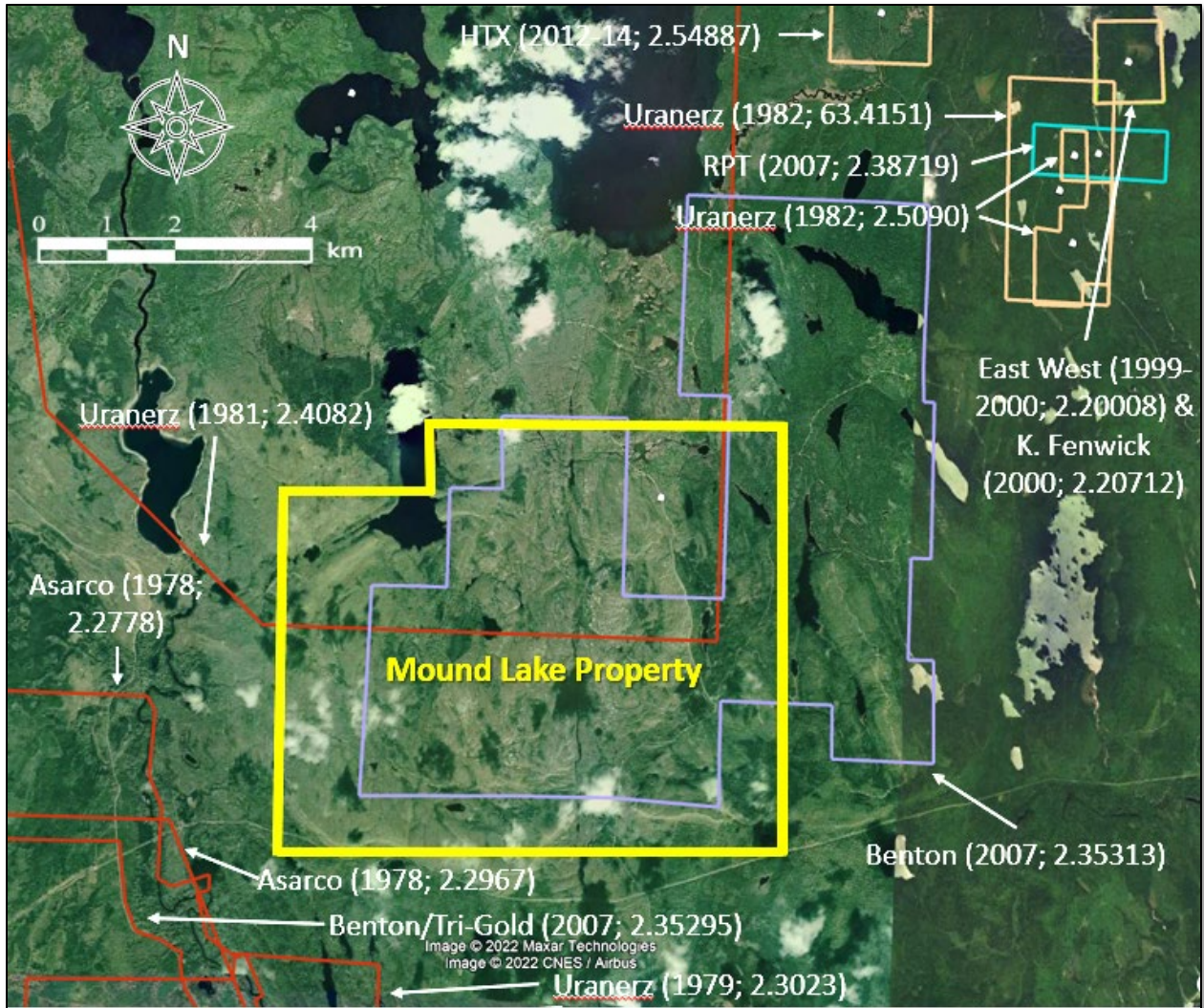


Figure 8. Polygons showing properties on which previous exploration work was filed for assessment credit in the Mound Lake Property area (<https://www.geologyontario.mndm.gov.on.ca/ogsearth.html>). AFRO numbers identify specific properties/activities, as listed in Table 1, above.

Only two properties on which exploration was undertaken overlap onto the current Mound Lake Property: Benton Resources Inc.'s program of geochemistry and prospecting in 2007 and an airborne electromagnetic and magnetometer survey carried out by Uranerz Exploration and Mining Limited in 1981. Prospecting and sampling were conducted in 2007 on Benton Resources', Block B uranium property (Sims 2007). Prospecting was designed to explore regions where uranium content was high, as gleaned from an airborne gamma-ray spectrometer survey performed as part of the Lake Nipigon Regional Geoscience Initiative (Ontario Geological Survey 2004). Prospectors ground-truthed uranium targets using scintillometers and spectrometers. Samples of granitoid rocks were submitted for geochemical analysis and returned up to 8600 ppm uranium (U); lithium (Li) values ranged between 4 ppm and 121 ppm. The highest

lithium value of 121 ppm Li was returned from a sample (#608504; UTM 16U, 387317E/5446486N) described as a “hematite-rich, altered breccia” (Sims 2007). Further work was recommended, but not pursued.

Geophysical Surveys

In October, 2022, a lithogeochemical sampling and reconnaissance geological survey was undertaken on behalf of Rift Lithium Inc. by M.C. Smyk, *P. Geo.* (Smyk 2022). Twenty-five (25), 2-4 kg grab samples of granitic rocks were collected from outcrops along a ~6 km stretch of Church Lake Road for petrographic and geochemical analysis. This constituted a representative transect through what is believed to be the eastern margin of the Mound Lake Pluton where it is in contact with Quetico metasedimentary country rocks. Another six (6) samples were collected along an old logging road, southeast of Mound Lake, near the center of the pluton. A granitic pegmatite dyke in andalusite schist was also sampled on the shore of Frazer Lake, approximately 4 km north of the pluton/current property. Where possible, samples of both medium-grained granite and coarse-grained to pegmatitic granite were collected at the same location for comparative purposes. Efforts were made to collect samples of all of the various granitoid rocks, especially pegmatitic phases in which tourmaline, garnet or coarse muscovite were noted. Representative hand samples were retained for future reference.

Sample location details and descriptions are provided in Table 5. (Smyk 2022).

Mound Lake Lithogeochemical Samples – Church Lake Road Transect					
Sample Number	Location				Description
	Zone	Easting	Northing	Waypoint No.	
ML-22-MS-01	16	389402	5447223	90	medium-grained, equigranular, pink granite; biotite > muscovite ≤ 5%
ML-22-MS-02	16	389402	5447223	90	irregular, patchy pegmatitic pods and dykes in equigranular pink granite (-01); pink K-spar with whitish cores predominate, minor quartz + muscovite
ML-22-MS-03	16	389669	5447094	91	medium-grained, pink-grey, equigranular granite; beige muscovite ≤5%
ML-22-MS-04	16	389669	5447094	91	irregular, patchy pegmatitic pods and dykes in equigranular pink granite (-03); K-spar-dominant, with interstitial quartz and conspicuous, beige muscovite books; small garnet subhedra were noted in some dykes
ML-22-MS-05	16	389767	5447047	93	medium-grained, equigranular, pink muscovite granite, with local aplitic to pegmatitic dykelets; garnet was noted in aplitic rocks
ML-22-MS-06	16	389930	5446720	94	medium-grained, equigranular biotite granite
ML-22-MS-07	16	389930	5446720	94	coarse-grained to pegmatitic patch in -06, K-spar-quartz intergrowths, with conspicuous muscovite books
ML-22-MS-08	16	389976	5446553	95	fine- to medium-grained, pink-grey biotite granite; biotite creates weak PDO/igneous foliation(?)
ML-22-MS-09	16	389976	5446553	95	pink K-spar-dominant pegmatitic patch in -08, with minor interstitial quartz, biotite

ML-22-MS-10	16	390168	5446224	96	fine- to medium-grained, pink granite; interstitial biotite euhedra and local muscovite (sericite-rimmed feldspar?)
ML-22-MS-11	16	390168	5446224	96	pegmatitic patch in -10, K-spar-dominant, with vermicular quartz and muscovite
ML-22-MS-12	16	390124	5446045	97	fine-grained, aplitic, pink biotite granite
ML-22-MS-13	16	390120	5445951	98	coarse-grained to pegmatitic, pink biotite granite; patches of quartz with interstitial dark green-black tourmaline + large muscovite books; rare anhedral of paler green apatite(?); K-spar-megacrystic patches noted nearby
ML-22-MS-14	16	390147	5445771	99	massive, medium-grained, pink, equigranular granite with minor, small biotite subhedra and (secondary?) sericite
ML-22-MS-15	16	390301	5445366	100	pale pink-white, K-spar(?) dominant, 2 m wide, pegmatitic dyke in migmatites; vermicular quartz; sericite/muscovite books and minor biotite
ML-22-MS-16	16	390383	5445145	101	fine- to medium-grained, equigranular pink granite with wispy, intergranular muscovite/sericite and minor biotite; K-spar-megacrystic patches
ML-22-MS-17	16	390418	5445028	102	medium- to coarse-grained, equigranular to pegmatitic, quartz-rich biotite granite; muscovite predominates in pegmatitic sections
ML-22-MS-18	16	390418	5445028	102	pegmatitic patch in -17, K-spar-dominant, with vermicular quartz and biotite
ML-22-MS-19	16	390463	5444931	103	medium-grained, equigranular, pink biotite granite; parallel domains of relatively biotite-rich and -poor granite
ML-22-MS-20	16	390423	5444674	104	pale pink, coarse-grained, equigranular biotite + muscovite granite
ML-22-MS-21	16	390446	5444561	105	greyish-white, medium-grained, equigranular to K-spar megacrystic biotite granite with metasedimentary enclaves (near contact?)
ML-22-MS-22	16	390497	5444272	106	pink, medium-grained, equigranular, biotite granite
ML-22-MS-23	16	390543	5444129	107	coarse-grained to pegmatitic, white biotite granite; biotite blades and books \leq 4 cm
ML-22-MS-24	16	390050	5442911	108	coarse-grained, white, equigranular biotite granite; intergranular biotite books and blades \leq 1cm
ML-22-MS-25	16	389920	5442869	109	coarse-grained, white, equigranular biotite granite

Mound Lake Lithogeochemical Samples – Southeast of Mound Lake; Frazer Lake

ML-22-MS-26	16	387368	5442945	110	medium-grained, pink to grey, equigranular to graphic, K-spar-phyric biotite granite
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ML-22-MS-27	16	387306	5442947	111	similar to ML-26, but containing sprays and packets of coarse muscovite; tourmaline noted in pegmatitic patches nearby
ML-22-MS-28	16	387086	5443222	112	medium-grained, pink, equigranular biotite granite
ML-22-MS-29	16	387047	5443517	113	grey-white, equigranular, biotite leucogranite; local epidotized(?) feldspar
ML-22-MS-30	16	387145	5446034	114	medium-grained, pink, equigranular biotite granite
ML-22-MS-31	16	387375	5446469	115	medium-grained, pink, equigranular biotite granite
ML-22-MS-32	16	388031	5451369	116	075°-striking, 25 cm wide pegmatite dyke in andalusite schist; dominated by intergrown quartz + very coarse-grained (≤ 3 cm), transparent, colourless to beige muscovite; southwestern shore of Frazer Lake

N.B. All samples are non-magnetic and lack phaneritic opaque minerals

Table 5. Sample locations and descriptions, 2022 reconnaissance survey (Smyk 2022).

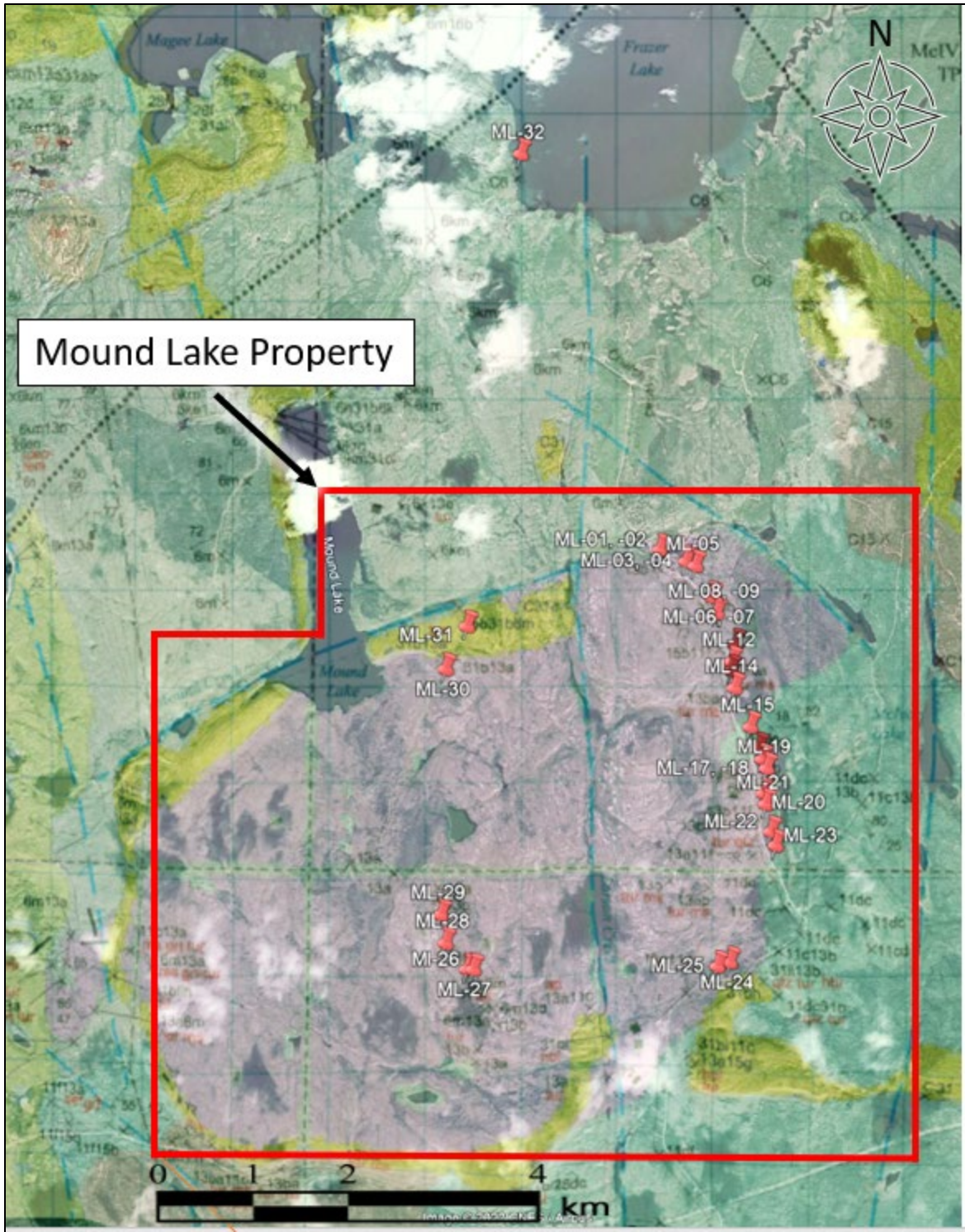


Figure 29. Bedrock sample locations of Smyk (2022), overlain on Google Earth imagery and bedrock geology (Map P.3562, Hart et al. 2005). Sample labels have been abbreviated for clarity.

Geological Setting, Mineralization and Deposit Types

Regional Geology

The Mound Lake Property is underlain by a variety of rocks of both the Neoproterozoic Quetico Subprovince and the Mesoproterozoic Nipigon Embayment of the Superior and Southern provinces, respectively (Figure 9). The property lies within the central Quetico Subprovince in the Superior Province of the Canadian Shield. This ~1100 km-long strip of predominantly metasedimentary and granitoid rocks is flanked to the north and south by the Wabigoon and Wawa subprovinces, respectively (Williams 1991). Some of these granitic rocks (i.e. "S-type granites"), derived from the melting of metasedimentary rocks, consist of two-mica granites that are peraluminous and may be fertile for the generation of lithium-cesium-tantalum (LCT) pegmatites (Breaks et al. 2003).

Metamorphic rocks of the Quetico Subprovince locally consist of upper greenschist- to lower amphibolite facies, biotite and/or andalusite schists, derived largely from clastic metasedimentary rocks, and amphibolites. Locally, these rocks may be a complex mixture of gneisses and leucogranite have been classified as migmatite. These metamorphosed supracrustal rocks are intruded by a variety of granitoid rocks. East of the Black Sturgeon River, there are many coarse-grained to pegmatitic irregular bodies and dikes of the muscovite granite suite (Hart 2005a). Irregular bodies of medium- to coarse-grained rocks of the biotite granite suite intrude amphibolites and may form the leucosome of the migmatitic rocks (ibid).

Widely spaced, weakly deformed and metamorphosed, north-trending diabase dikes intrude the Archean rocks of the Quetico Subprovince (Hart 2005a). A paleomagnetic study by Ernst et al. (2005) of similar dikes located west of the area has interpreted these dikes to be part of the Paleoproterozoic (2121–2101 Ma) Marathon dike swarm.

The Archean basement rocks are unconformably overlain by Mesoproterozoic (ca. 1.4 Ga) sedimentary rocks of the Sibley Group (cf. Rogala et al. 2007). The 950 m thick Sibley Group is a relatively flat-lying assemblage of siliciclastic and chemical sedimentary rocks, locally exposed or in subcrop in an ovoid area ~175 km wide and 400 km long, from the northwest shore of Lake Superior to northwest of Lake Nipigon.

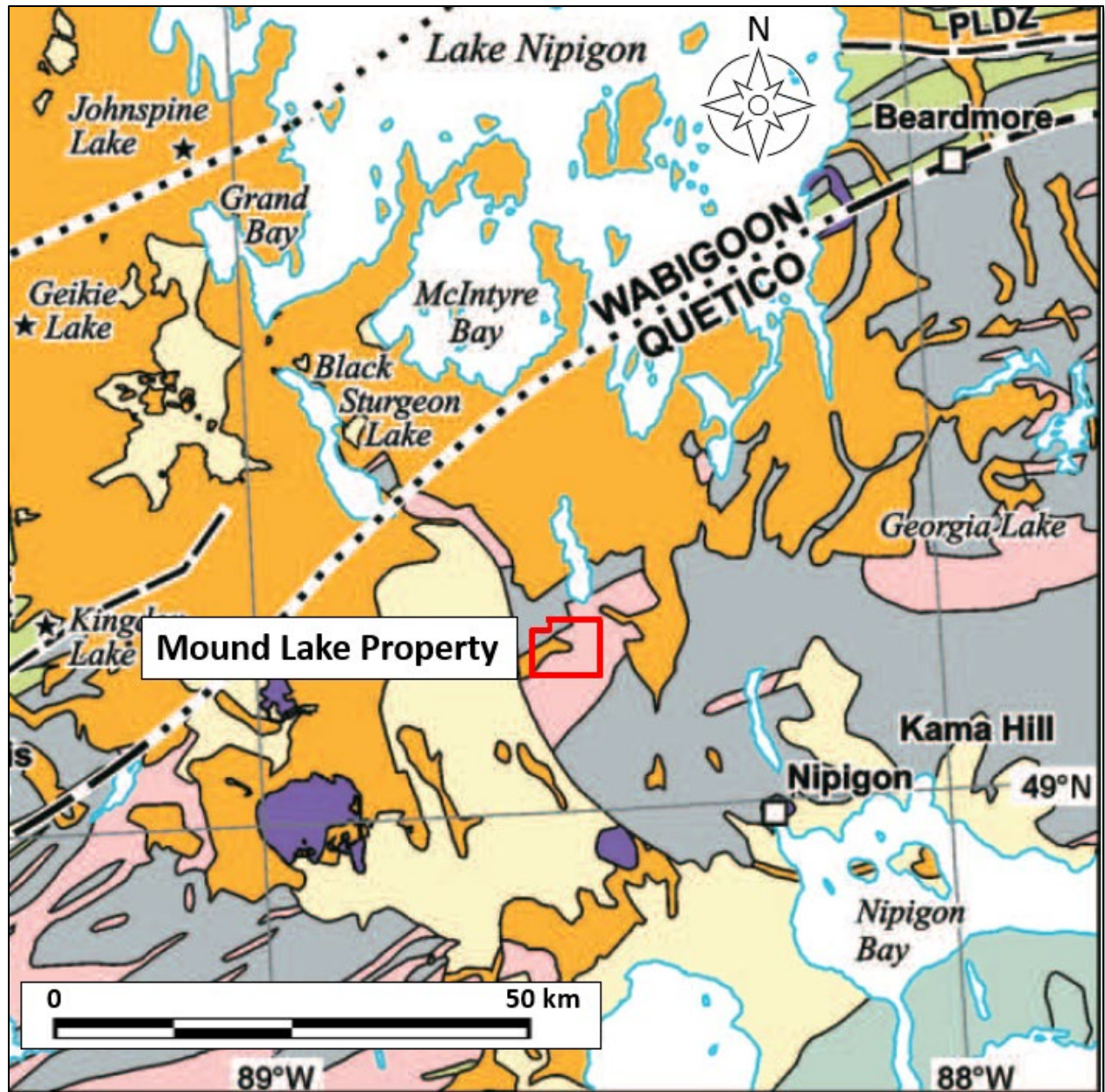


Figure 9. Generalized regional bedrock geology, south of Lake Nipigon (from Hart and MacDonald 2007) All aforementioned rocks are intruded by ~1.1 Ga mafic to ultramafic dykes and sills of the Midcontinent Rift System. These intrusive rocks are predominantly manifested as a series of shallow-dipping diabase

sills that commonly form erosion-resistant, topographic “highs”. The sills range in thickness from less than 5 m to greater than 180 m (Hart 2005a). They are the youngest rocks in the area.

In the vicinity of the property, eroded bedrock is overlain by thin, discontinuous glacial drift. Glaciofluvial outwash deposits of sand and gravel occur along the Black Sturgeon River. Peaty organic deposits occur in swampy, low-lying areas south of Frazer Lake; glaciolacustrine clay deposits occur in the southeastern corner of the property (Barnett et al. 1991; Dyer and Russell 2002; Figures 3,4).

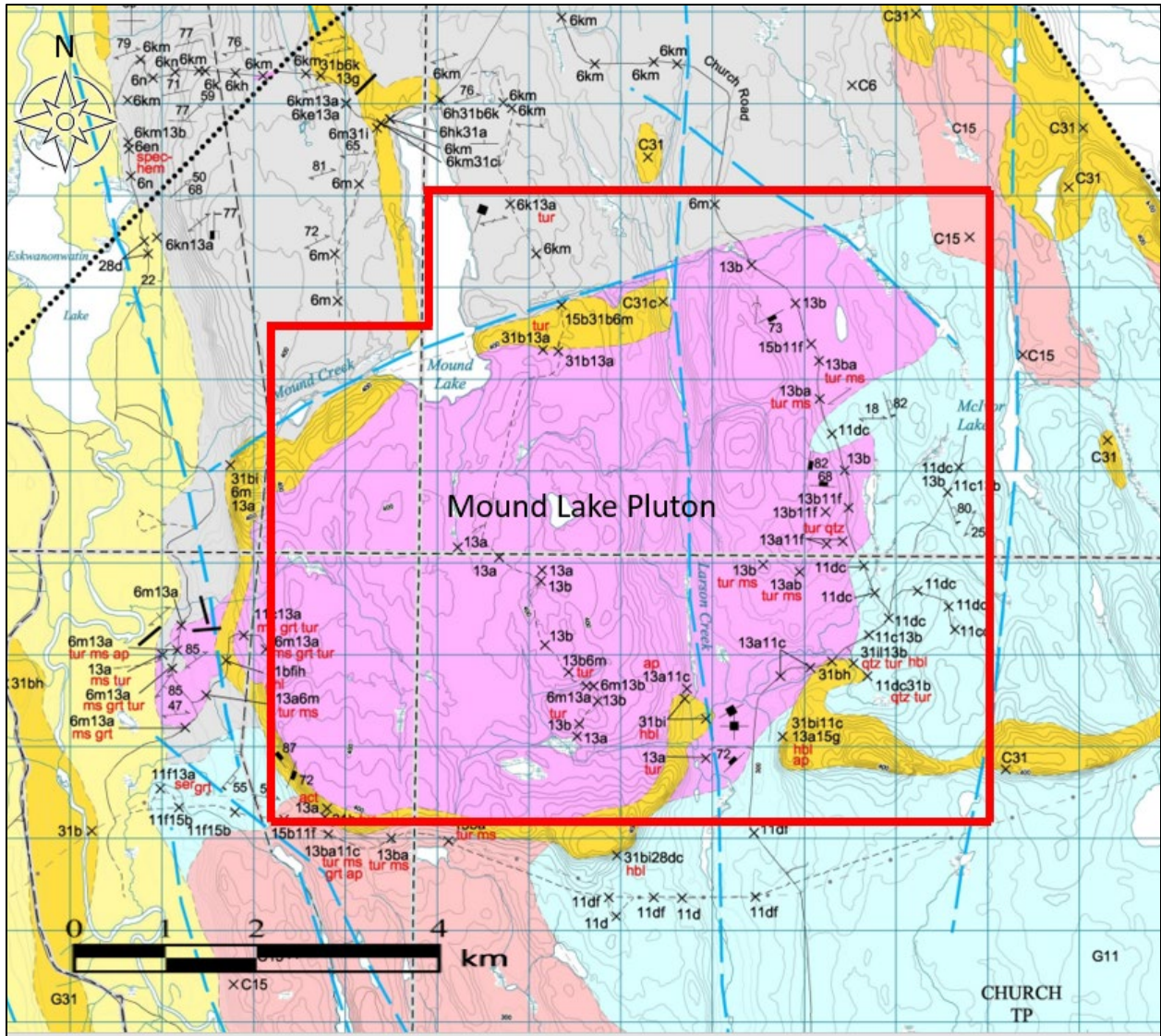
As noted by Hart (2005a), metasedimentary rocks of the Quetico Subprovince have experienced multiple phases of ductile deformation. Schistosity is well developed along the bedding planes and may obscure primary structures. Folding on all scales has accompanied this deformation. North- and northwest-trending regional faults have displaced the Sibley Group sedimentary rocks, and a northeast-trend may only represent minor late movement along older Archean structures. North- and northwest-trending faults define what has been interpreted to be the *en échelon* Black Sturgeon fault zone, resulting in the formation of a block-faulted asymmetric basin or graben (e.g. Coates 1972). Northwest-trending faults display vertical movement with no apparent horizontal displacement and may be traced to the west into the adjacent Wabigoon Subprovince.

The felsic intrusive (i.e. granitoid) rocks in the area have been tentatively subdivided into 2 suites by Hart (2005a): biotite granite and muscovite granite suites, based on their field characteristics. There is the possibility that they may be petrogenetically related. Both suites intrude the metasedimentary and gneissic rocks of the Quetico Subprovince and are intruded by the Nipigon diabase sills.

As described by Hart (2005a) the biotite granite suite occurs as irregular bodies and dikes that are light pinkish grey to light pink, massive, medium- to coarse-grained, with rare very coarse grained to pegmatitic sections, and are composed of quartz and feldspar with typically less than 10% biotite. These rocks intrude, and commonly contain xenoliths of the biotite schists and amphibolites. The xenoliths are commonly a few metres in diameter and, in some locations, the presence of multiple xenoliths in a large-scale, *lit-par-lit* texture suggests intrusion of the granite along the fabric of the pre-existing amphibolites.

The muscovite granite suite suggested by Hart (2005a) occurs as a body located south of Mound Lake and as dikes intruding the metasedimentary and gneissic rocks to the north and south. Hart (2005a) noted:

“The body is light grey, pinkish grey, to white, massive, medium to very coarse-grained with occasional pegmatitic sections, composed of quartz and potassium feldspar, and plagioclase with typically less than 5% muscovite. Irregular to tabular xenoliths of metasedimentary and gneissic rocks up to a few metres in diameter are present throughout but appear to be more common towards the margins of the body. Numerous muscovite granite dikes commonly a few metres wide, but locally up to a few tens of metres wide, intrude the massive body and the surrounding country rocks and may constitute up to 30% of the outcrop. The dikes are composed of pegmatitic quartz, potassium feldspar, and plagioclase and frequently contain graphic intergrowths of quartz and feldspar, black, coarse-grained to pegmatitic, tabular tourmaline usually graphically intergrown with quartz and plumose intergrowths of muscovite-quartz. Trace to 1% fine-grained, disseminated, subhedral, reddish brown garnet, fine-grained light green mica or rosy quartz were identified in a few of the dikes. In the area along the Black Sturgeon River, southwest of Mound Lake, a larger pegmatitic dike or body of granite displays irregular compositional layering and possible igneous foliation of the potassium feldspar crystals. The lower mica content and variation in grain size along the strike length of the dikes hinders differentiation of the leucogranite dikes of the muscovite and biotite [granite] suites.”



<p>PRECAMBRIAN</p> <p>PROTEROZOIC</p> <p>31 Mafic Intrusive Rocks (Nipigon Sills)</p> <p>31a Fine-grained diabase 31b Medium-grained diabase 31c Coarse-grained diabase 31d Very coarse-grained diabase 31f Magnetite-rich coarse-grained diabase, with intergranular magnetite 31h Very coarse-grained amphibole-plagioclase-potassium feldspar 31i Chilled diabase^o 31k Inclusion-rich chilled diabase^h 31l Dike 31p Aplite with very fine-grained to aphanitic felsic rock cutting diabase sill</p> <p>INTRUSIVE CONTACT</p> <p>30 Mafic to Ultramafic Intrusive Rocks</p> <p>30a Peridotite^o 30c Olivine gabbro^o 30f Monzogabbro and/or granophyre^h</p> <p>INTRUSIVE CONTACT</p> <p>28 Sibley Group Sedimentary Rocks</p> <p>Kama Hill Formation</p> <p>28c Shale 28d Siltstone 28m Sandstone</p> <p>Rosspoint Formation</p> <p>28c Mudstone 28d Siltstone 28e Dolomite 28f Sandstone 28h Carbonate breccia 28i Stromatolitic carbonate 28j Intraformational debris flow</p> <p>Pass Lake Formation</p> <p>28b Sandstone</p> <p>UNCONFORMITY</p> <p>21 Diabase Dikes</p> <p>21a Diabase dikes (metamorphosed and weakly deformed)</p> <p>INTRUSIVE CONTACT</p>	<p>ARCHEAN</p> <p>Quetico Subprovince</p> <p>16 Hornblende Suite</p> <p>16b Tonalite to granodiorite</p> <p>INTRUSIVE CONTACT</p> <p>15 Biotite Granite Suite</p> <p>15b Leucocratic granite^o 15c Dikes 15e Feldspar megacrystic granite 15g Massive 15h Pegmatitic granite</p> <p>INTRUSIVE CONTACT</p> <p>13 Muscovite Granite Suite</p> <p>13a Muscovite^o 13b Muscovite and/or biotite 13g Leucocratic granite</p> <p>INTRUSIVE CONTACT</p> <p>12 Biotite Tonalite Suite (leucocratic, may be part of unit 13)</p> <p>12d Dikes 12f Granodiorite to granite</p> <p>INTRUSIVE CONTACT</p> <p>11 Gneissic to Migmatitic Suite</p> <p>11c Mafic^o 11d Leucocratic granite^o 11f Amphibolite^o</p> <p>INTRUSIVE CONTACT</p> <p>6 Clastic Metasedimentary Rocks</p> <p>6e Feldspathic wacke 6h Argillite 6k Andalusite schist^o 6m Quartz-biotite-feldspar schist^o 6n Quartz-plagioclase-biotite-potassium feldspar schist</p> <p>UNCONFORMITY</p> <p>2 Mafic Metavolcanic Rocks</p> <p>2a Massive flow</p>
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Figure 10. Bedrock geology of the Mound Lake Property and surrounding area, Ontario Geological Survey, Preliminary Map P.3562, scale 1:50 000 (Hart et al. 2005).

Local Geology

The observed geology and outcrop locations correlated very well with recently published Ontario Geological Survey sources, namely Map P.3562 (Hart et al. 2005) and Open File Report 6165 (Hart 2005a). The sampled rocks comprise a variety of muscovite- and/or biotite-bearing granites and pegmatite dykes in the Mound Lake Pluton (see Figures 12-19). Limited field time and the complexity of the intrusive/magmatic relationships precludes a definitive, initial assessment of the distribution/zonation of these granitic phases. Medium-grained, massive, grey to pink, locally K-feldspar-phyric, muscovite- and biotite-bearing granite predominates. It commonly contains irregular pegmatitic patches and miarolitic cavities with large, drusy K-feldspar crystals and patches of quartz. Both granite and pegmatitic patches may be crosscut by later granitic pegmatite dykes and finer-grained aplitic dykes. Composite, sheeted/banded, aplitic to pegmatitic dykes are suggestive of multiple generations of melt emplacement. Outcrops of Quetico metasedimentary rocks (Figure 11) and Nipigon diabase were examined but not sampled for the purposes of lithochemistry.

Property Geology

The Mound Lake Property comprises a variety of Archean basement rocks and Mesoproterozoic Nipigon diabase; Sibley Group rocks are not exposed on the property but do occur immediately west of it (Hart et al. 2005a; Figure 10). The property claim block was acquired to fully cover the aforementioned body of muscovite granite that occurs south and east of Mound Lake, as mapped by Hart et al. (2005a). For the purposes of the Technical Report, it will be referred to as the Mound Lake Pluton.

The Mound Lake Pluton is ovoid in plan view, measuring approximately 7 km in diameter. It intrudes Quetico metasedimentary rocks (i.e., andalusite schist, quartz-biotite-feldspar schist, and migmatitic rocks) and an older, gneissic to migmatitic granitoid suite. The Mound Lake Pluton appears to be bounded along its southern, western and northwestern margins by Nipigon diabase, which largely occupies the intrusive contact zone of the pluton with the older country rocks. Bounding faults along the pluton's northern and northeastern margins were suggested by Hart et al. (2005). The pluton was mapped by Hart et al. (2005) as muscovite- and muscovite-and/or biotite-bearing granite. Several occurrences of accessory mineral phases, such as garnet, tourmaline and apatite, were also mapped.

A brief, reconnaissance geological survey carried out by Smyk (2022) supported the mapped interpretation of the property geology by Hart (2005a) and Hart et al. (2005).

Quetico metasedimentary country rocks flank the Mound Lake Pluton to the north and may occur as sheared, migmatitic enclaves of various size in younger granitic rocks along the eastern margin of the pluton where exposed along the Church Lake Road. They are typically quartz-biotite-feldspar schists, locally displaying folded quartzo-feldspathic neosome veins in a recrystallized, fine-grained, mafic matrix. Porphyroblastic andalusite occurs locally in the more aluminous metasedimentary rocks.

The Mound Lake Pluton comprises a variety of granitic rocks with complex compositional and textural variations that suggest a complex magmatic and intrusive history. Medium-grained, massive, grey to pink, locally K-feldspar-phyric, muscovite- and biotite-bearing granite predominates. It commonly contains irregular pegmatitic patches and miarolitic cavities with large, drusy K-feldspar crystals and patches of quartz. Both granite and pegmatitic patches may be crosscut by later granitic pegmatite dykes and finer-grained aplitic dykes. Composite, sheeted/banded, aplitic to pegmatitic dykes are suggestive of multiple generations of melt emplacement. Some pegmatite dykes contain large (≤ 15 cm), conspicuous feldspar megacrysts. Graphic textures, developed in quartz and feldspar, are locally developed. Coarse packets and "sprays" of muscovite were noted in some locations, as were tourmaline, garnet and possibly apatite.

The banded, pegmatitic dykes observed in many of the outcrops of medium-grained granite may, in part, represent unidirectional solidification textures that occur in the uppermost zone of a granitic pluton, typically with oriented quartz +/- feldspar crystals growing downwards into granitic rocks. They are commonly interlayered with aplitic to porphyritic rocks and represent the transition between magmatic and hydrothermal processes (cf. Shannon et al. 1982).



Figure 11. Typical exposure of migmatitic Quetico metasedimentary country rocks, showing folded quartzo-feldspathic neosome veins in a recrystallized, fine-grained, mafic matrix. Metamorphic andalusite occurs locally in the more aluminous metasedimentary rocks (Church Lake Road, north of sample ML-22-MS-01).



Figure 12. Typical exposure of equigranular, medium-grained, pink muscovite granite with pegmatitic patch (under hammer). Where possible, samples of both medium-grained and pegmatitic phases were sampled in the same location (Church Lake Road, near samples ML-22-MS-01, -02).



Figure 13. Exposure of medium-grained granite, hosting irregular, quartz-rich pegmatite patches with large, drusy K-feldspar crystals, and crosscut by pegmatite dykes (Church Lake Road, near sample site ML-22-MS-03, -04).



Figure 14. Pegmatite dyke in medium-grained granite. Small, subhedral garnets occur within the K-feldspar-dominant dyke (Church Lake Road, sample site ML-22-MS-03, -04).



Figure 15. Upper photo: Composite, sheeted/banded, aplitic to pegmatitic dyke in medium-grained granite, suggestive of multiple generations of melt emplacement

Figure 16. Lower photo: Subparallel, banded aplitic dykes in granite, cut by pegmatite dyke

(Both photos, Church Lake Road, near sample ML-22-MS-05).

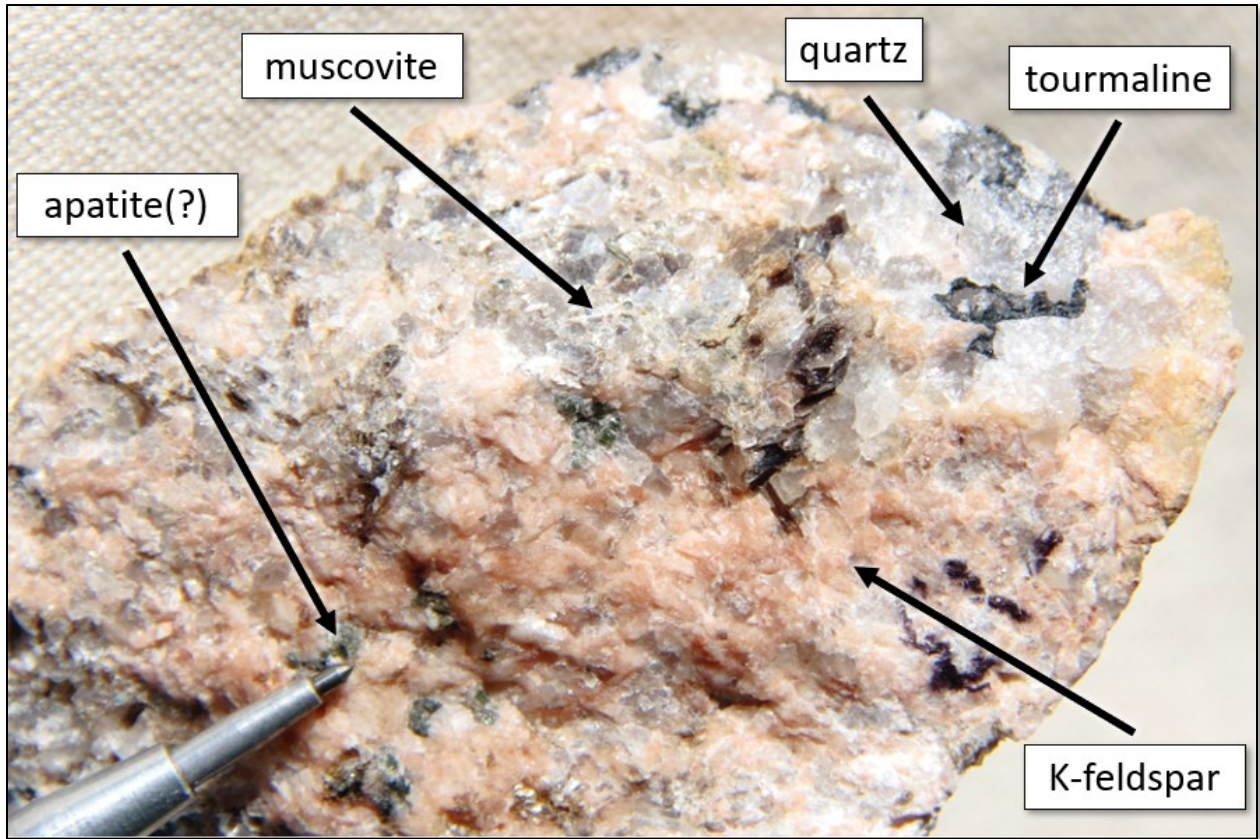


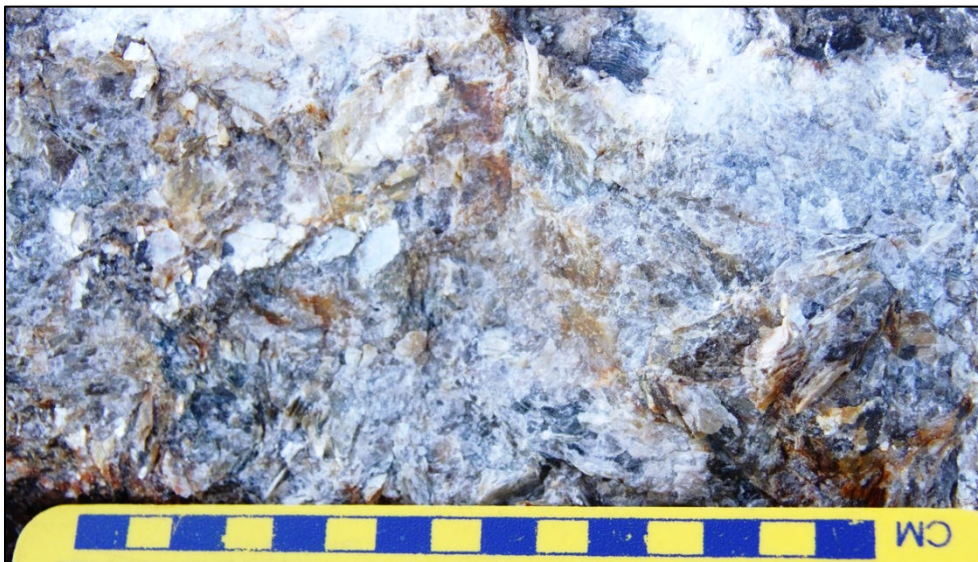
Figure 17. Photograph of pegmatite in hand sample ML-22-MS-13, Church Lake Road. Note intergrowth of tourmaline and quartz and possible subhedra of green apatite. Pen scribe for scale.



Figure 18. Pegmatite dyke in metasedimentary country rock enclave. Note large, white feldspar megacrysts. (Church Lake Road, near sample ML-22-MS-15).



Figure 19. Schlieric migmatite as enclaves of country rock in pink, medium-grained granite, near presumed contact zone of intrusion (Church Lake Road, near sample ML-22-MS-16).



Figures 20 a, b. (Upper photo) Narrow granitic pegmatite dyke in Quetico metasedimentary country rocks (andalusite schist), southwestern shore of Frazer Lake.

(Lower photo) Close-up view of freshly broken face of pegmatite dyke (above), showing prominent, coarse-grained books of muscovite mica (Frazer Lake, sample ML-22-MS-32).

Mineralization

There are no known mineral occurrences on the Mound Lake Property. The Ontario Mineral Inventory (https://www.geologyontario.mndm.gov.on.ca/OMI_description.html; accessed via OGS Earth) lists several mineral occurrences in the vicinity of the property (Figure 21):

Mineral Occurrence	Primary Commodity	Record Number
Roland Lake	Uranium, Thorium	MDI000000001143
Frazer Creek	Uranium	MDI000000001915
Malborne Lake	Uranium	MDI000000003027
Jessie Lake	Uranium	MDI000000001225
Gresky	Marl	MDI52H02SE00002

Figure 21. Mineral occurrences in the vicinity of the Mound Lake Property (<https://www.geologyontario.mndm.gov.on.ca/ogsearth.html>)



The Pine Portage occurrence (MDI52H08SW00003) is the closest, known lithium occurrence, lying approximately 25 km northeast of the Property, near Forgan Lake. At least six spodumene-bearing, near-vertical dykes occur in Quetico metasedimentary rocks, in close spatial association with the fertile Pine Portage pegmatitic granite and are thought to represent the far northwestern margin of the Georgia Lake pegmatite (Osmani et al. 2011; Figure 22).

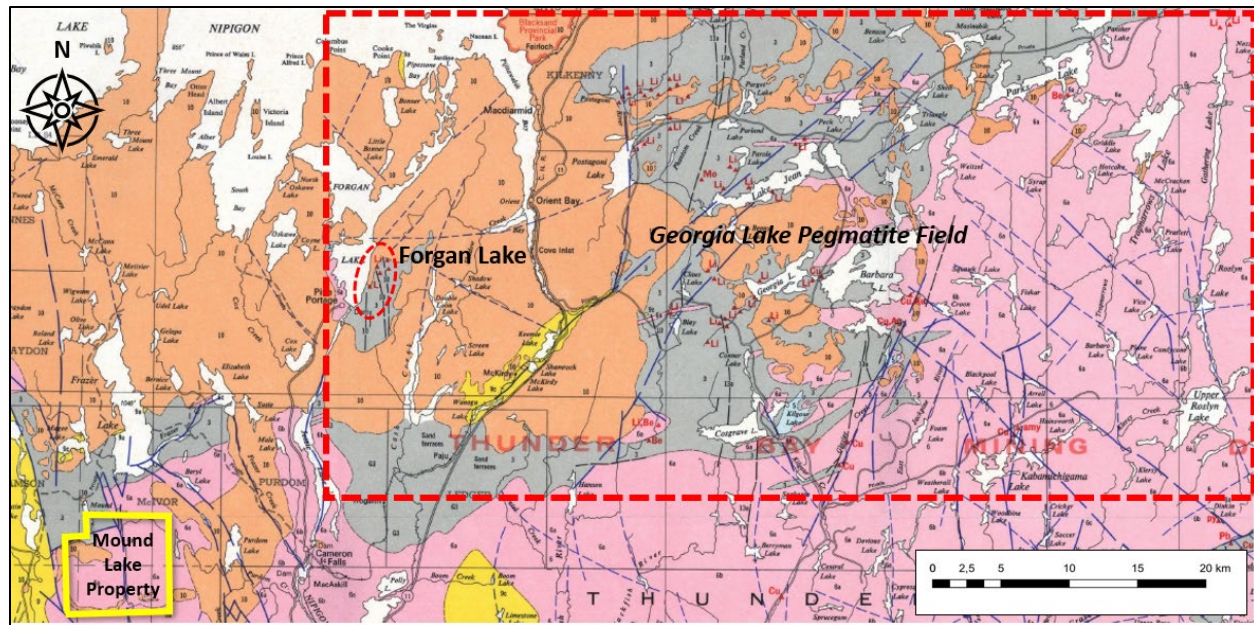


Figure 22. Generalized regional bedrock geology map (M.2232, Carter et al. 1973), showing location of Mound Lake Property relative to the Forgan Lake (Pine Portage) lithium-bearing pegmatites and the broader Georgia Lake Pegmatite Field.

Deposit Types

Overview of LCT Pegmatite Deposits

Lithium-cesium-tantalum (LCT) pegmatite deposits account for approximately one-third of global lithium production, most of the tantalum, and all of the cesium (United States Geological Survey 2011). They may also host significant rubidium (Rb), thallium (Tl), beryllium (Be), niobium (Nb), gallium (Ga) and germanium (Ge). The identification of a parental, fertile granite, from which such pegmatites originate, is critical in assessing an area for LCT pegmatite potential (cf. Selway et al., 2005; Bradley et al. 2017).

The majority of the Mound Lake Property is underlain by a muscovite-bearing granite which had been the basis of a recommendation for lithium and other rare metals by Hart (2005a) and a *Recommendation For Exploration* by staff of the Ontario Ministry of Mines Resident Geologist Program in 2018 (Puumala et al. 2019). Based on the presence of intergrowths of tourmaline and quartz, and muscovite and quartz, it was thought that this granitic body may represent a fertile granite, that is, one capable of hosting and/or spawning rare metal mineralization. This was the basis of the staking of the current property, covering the mapped extent of the granite south and east of Mound Lake. This granite has only been examined, sampled and analyzed to a cursory degree, both by government geologists and industry explorationists up to this point.

Pegmatites are essentially igneous rocks, commonly of granitic composition, that are distinguished by their extremely coarse but variable grain size, or by an abundance of crystals with skeletal, graphic, or other strongly directional growth-habits (London 2008). Bradley and McCauley (2016) have summarized LCT pegmatite characteristics:

“LCT pegmatites are a petrogenetically defined subset of granitic pegmatites that are associated with certain granites. They consist mostly of quartz, potassium feldspar, albite, and muscovite. Common accessory minerals include garnet, tourmaline, and apatite. The major lithium ore minerals are spodumene, petalite, and lepidolite; cesium mainly comes from pollucite; and tantalum mostly comes from columbite-tantalite. The tin ore, cassiterite, and the beryllium ore, beryl, also occur in LCT pegmatites, as do a number of gemstones and high-value museum specimens of rare minerals. Among the gemstones are: the beryl varieties emerald, heliodor, and aquamarine; the

spodumene varieties kunzite and hiddenite; and “watermelon” tourmaline. LCT pegmatites are also mined for ultrapure quartz, potassium feldspar, albite, and muscovite.”

LCT pegmatites represent the most highly differentiated and last-crystallizing components of certain granitic melts (Figure 23). Parental granites are typically peraluminous, S-type granites. LCT pegmatites are enriched in the incompatible elements lithium, cesium, tin, rubidium, and tantalum, and are distinguished from other rare-element pegmatites by this diagnostic suite of elements (Bradley and McCauley 2016).

The whole-rock and trace element geochemical data for the collected rock samples have been analyzed to determine if some or all of the data meet the established criteria for rare metal prospectivity associated with fertile granites (e.g. Selway et al. 2005).

Most critically, it must first be determined that it is a **peraluminous** granite.

$$\text{(i.e. } \text{Al}_2\text{O}_3 \text{ (mol)}/(\text{CaO}+\text{Na}_2\text{O}+\text{K}_2\text{O}) \text{ (mol)} > 1.0)$$

If it is peraluminous, then the next step is to determine if the granite pluton is barren or fertile.

Fertile granites have:

- elevated rare element contents;
- Mg/Li ratios < 10; and
- Nb/Ta ratios < 8;

and commonly contain:

- blocky K-feldspar
- green muscovite.

Key fractionation indicators can also be plotted on a map of the fertile granite pluton to determine the fractionation direction:

- presence of tourmaline, beryl, and ferrocolumbite;
- Mn content in garnet;
- Rb content in bulk K-feldspar; and
- Mg/Li and Nb/Ta ratios in bulk granite samples.

Pegmatite dykes with the most economic potential for lithium-cesium-tantalum (Li-Cs-Ta) deposits may occur the greatest distance (up to 10 km, and perhaps \leq 20 km) from the parent granite. Individual pegmatites have various forms, including tabular dikes, tabular sills, lenticular bodies, and irregular masses. Even the biggest LCT pegmatite bodies are much smaller than typical granitic plutons (Bradley and McCauley 2016).

Most LCT pegmatites intruded metasedimentary rocks, typically at low-pressure amphibolite to upper greenschist facies (Černý, 1992); a few LCT pegmatites are in granite (Černý et al. 2005) or in other igneous rocks. Their location is to some extent structurally controlled, largely depending on the depth of their emplacement. At shallower crustal depths, for example, pegmatites tend to be intruded along anisotropies such as faults, fractures, and foliation/bedding planes (Brisbin 1986). In higher-grade metamorphic host rocks, pegmatites are typically concordant with the regional foliation, and form lenticular, ellipsoidal, or turnip-shaped bodies (Fetherston 2004).

Pegmatites with the highest degree of fractionation (and thus the most economic potential for Li-Cs-Ta) contain:

- blocky K-feldspar with >3000 ppm Rb, $K/Rb < 30$, and >100 ppm Cs; and
- coarse-grained green muscovite with >2000 ppm Li, >10000 ppm Rb, >500 ppm Cs, and >65 ppm Ta (Selway et al. 2005).

Electron microprobe and bulk analyses of fertile peraluminous granites and related rare-element pegmatites from the Superior Province were provided by Tindle et al. (2002).

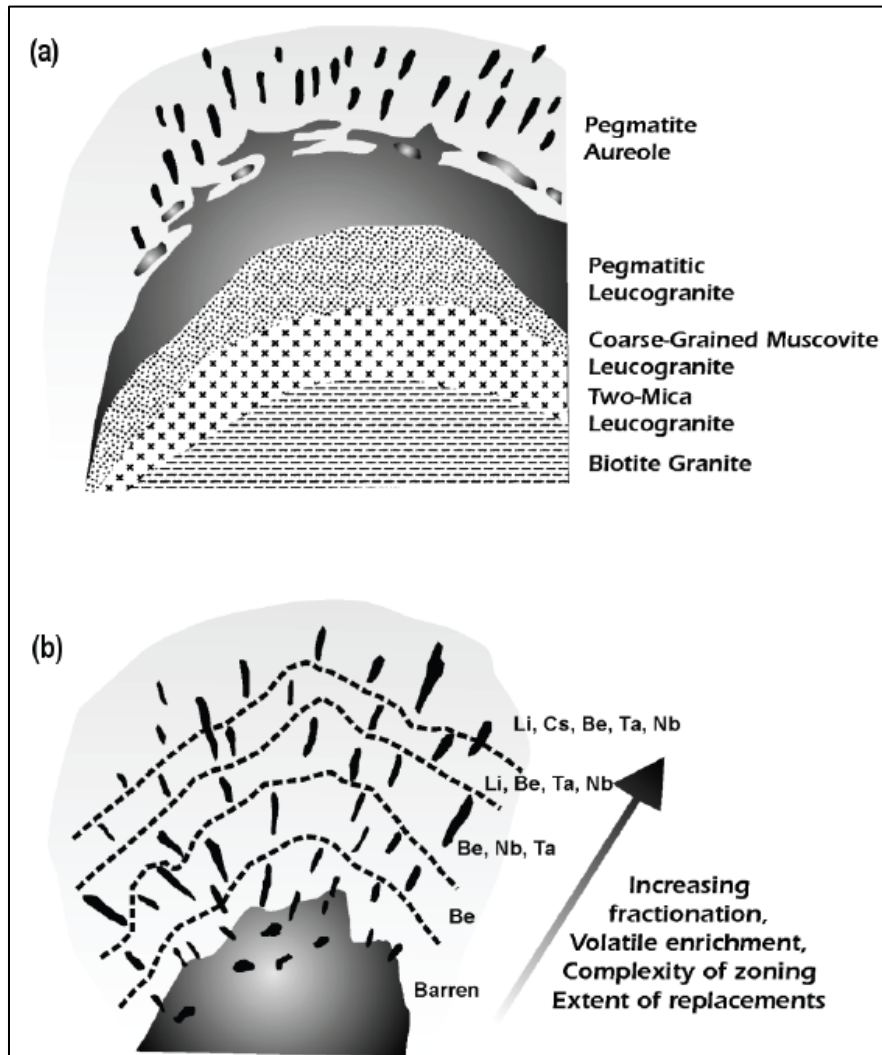


Figure 23. Regional zoning in fertile granites and pegmatites (Selway et al. 2005; modified from Černý 1991)

a) regional zoning of a fertile granite (outward-fractionated) with an aureole of exterior lithium pegmatites;

b) schematic representation of regional zoning in a cogenetic parent granite + pegmatite group. Pegmatites increase in degree of evolution with increasing distance from the parent granite.

LCT Pegmatite Deposits in Ontario

Rare element-bearing pegmatites and chemically evolved, S-type, peraluminous granite / pegmatitic granite in the Superior Province of Ontario are most commonly associated with the boundary zones between high-grade metamorphic, metasedimentary subprovinces (such as the Quetico and English River) and adjoining, greenstone-rich subprovinces (e.g. Uchi, Wabigoon, Abitibi; Breaks et al. 2006). Several deposits in northwestern Ontario currently have known Resources, as listed in the table and map below (both from Ontario Geological Survey 2022).

Location	Name	Resources (Mt = million tonnes; t = tonne)
1	Separation Rapids	Measured & Indicated: 8.40 Mt @ 1.408% Li ₂ O + 3 additional oxides; Inferred: 1.79 Mt @ 1.349% Li ₂ O + 3 additional oxides
2a	Spark pegmatite	Indicated: 14.414 Mt @ 1.40% Li ₂ O; Inferred: 18.118 Mt @ 1.37% Li ₂ O
2b	Pakeagama Lake pegmatite	Measured & Indicated: 5.964 Mt @ 1.81% Li ₂ O + 3 additional oxides; Inferred: 0.68 Mt @ 1.75% Li ₂ O + 3 additional oxides
3	McCombe	Historical: 1.3 Mt @ 1.3% Li ₂ O
4a	Nama	Indicated: 4.18 Mt @ 1.01% Li ₂ O; Inferred: 6.31 Mt @ 1.0% Li ₂ O
4b	Vegan	Historical: 750,000 t @ 1.38% Li ₂ O
4c	Jackpot	Historical: 2 Mt @ 1.09% Li ₂ O
4d	Jean Lake	Historical: 1.689 Mt @ 1.30% Li ₂ O
4e	Aumacho	Historical: 759,475 t @ 1.65% Li ₂ O
5a	North Aubry	Indicated: 2.13 Mt @ 1.29% Li ₂ O + 1 additional oxide; Inferred: 1.7 Mt @ 1.5% Li ₂ O + 1 additional element
5b	South Aubry	Inferred: 1.0 Mt @ 0.8% Li ₂ O

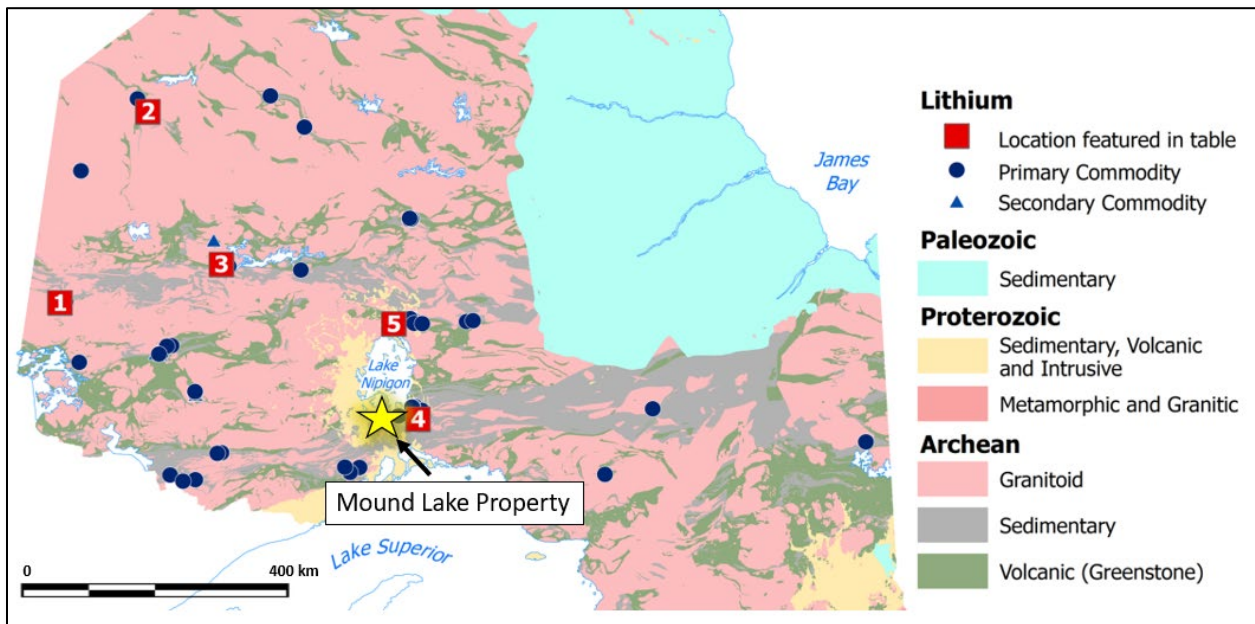


Table 2 and Figure 24. Pegmatite deposits with lithium resources in Ontario (https://www.geologyontario.mndm.gov.on.ca/mines/ogs/rgp/Ontarios_Critical_Minerals_Introduction.pdf).

The Pine Portage occurrence is the closest, known lithium occurrence, lying approximately 25 km northeast of the Mound Lake Property. At least six spodumene-bearing, near-vertical dykes occur in Quetico metasedimentary rocks, in close spatial association with the fertile Pine Portage pegmatitic granite and are thought to represent the far northwestern margin of the Georgia Lake pegmatite field (Osmani et al. 2011). The Georgia Lake field, comprising dozens of rare-element occurrences and several spodumene-bearing pegmatite deposits (e.g. Nama, Vegan, Jackpot, Jean Lake, Aumacho; Table 2), represents the largest concentration of rare-element mineralization in the Superior Province of Ontario (Breaks et al. 2008). The Onion and Walkinshaw lakes area, 60 km southwest of the Mound Lake Property was recommended for follow-up pegmatite exploration by Breaks et al. (2003), based on the presence of chemically evolved pegmatitic rocks. The occurrence of lithium-bearing pegmatites and granites with favourable geochemistry in this part of the Quetico Subprovince support the prospectivity of the Mound Lake Property and environs for LCT pegmatite deposits.

Steiner (2019) provided examples of tools and workflows for grassroots Li–Cs–Ta (LCT) pegmatite

exploration.

4.1.3 Exploration

Aeromagnetic Survey

A helicopter-borne, 619 line-km, triaxial gradiomagnetic survey was carried out for Rift Lithium Inc. over the Mound Lake Property on June 27 and June 28, 2022 (Kouhi 2022; Figure 25). The purpose of the project was to record detailed magnetic data over the property to provide information that could be used in supporting mapped geological interpretations and in identifying geological structures. This was accomplished by using the Multi-Parameter Airborne Survey System (M-PASS) which consisted of three high-sensitivity potassium vapour magnetic sensors mounted on a towed-bird platform (GEM system). All ancillary instrumentation, such as the Global Positioning System (GPS) and the radar altimeter, were mounted directly on the bird for higher accuracy measurements with no variable lag. The survey data were acquired, processed, and compiled by GoldSpot Discoveries Corp. (Kouhi 2022).

Block Name	Traverse Direction	Traverse Spacing	Control Direction	Control Spacing	Total Line Km
Mound Lake	090-270°	100 m	000-180°	1,000 m	619 km

Table 3: Mound Lake block flight path specification (Kouhi 2022)

Two GEM System Overhauser-type ground magnetometers linked to GPS receivers recorded the Earth's total magnetic intensity and GPS time, respectively. The ground-based magnetometers were set up near Nipigon at a magnetic noise-free location, away from moving steel objects, vehicles, and DC electrical power lines. Both base stations operated throughout the airborne data acquisition to ensure continuous monitoring of the magnetic diurnal activity (Kouhi 2022).

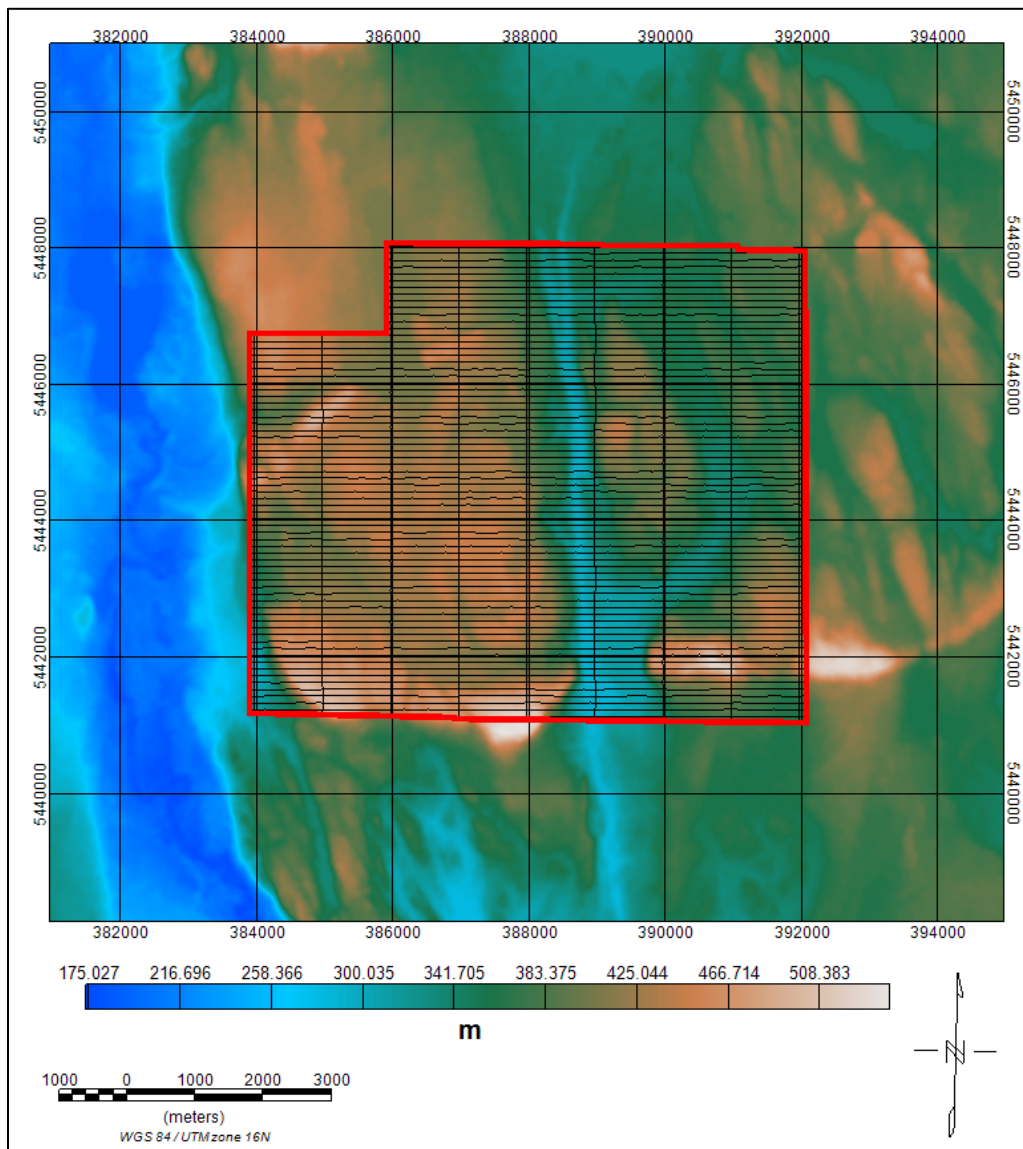


Figure 25. Topography and flight lines over the survey area (Kouhi 2022). Elevation in metres above sea level.

A total of four flights at a 100 m flight line spacing were required to cover the Mound Lake survey area. The speed of the aircraft remained consistently at an average of 30 m/s and the height of the bird was maintained at 53 m above ground clearance. A copy of the base station recordings and flight data were transferred from the field to the processing PC. These were then merged into an OASIS Montaj database on a flight-by-flight basis (Kouhi 2022). This process allows for the creation of maps which can be linked to the data profiles such that the positional and geophysical data can be examined for Quality Control. The field data verification consisted of the following steps:

- Import the base station and survey data into OASIS Montaj database
- Generate survey flight path and compare with the planned flight path.
- Examine the velocities and speed of the GPS data.
- Verify the radar altimeter data to see if flight altitude has been maintained.

- Correct magnetic data for spikes by inspecting the fourth difference trace.
- Apply 0.2 second lag to the magnetic data
- Check for diurnal variation.
- Call for re-flight if the recorded data are out of specification

The noise envelope derived from the fourth difference of the magnetic trace was well within the acceptable limits. The diurnal variation remained relatively quiet during the entire acquisition period.

A variety of products were generated by this airborne survey (Table 4; Kouhi 2022):

Map Archive File Description		
Map File name	Description	Unit
MoundLake_FP.map	Flight Path Map	
MoundLake_TMI.map	Total Magnetic Intensity	nT
MoundLake_RMI_RTP.map	Residual Magnetic Intensity Reduced to the Pole	nT
MoundLake_RMI_RTP_VD1.map	First Vertical Derivative of the Residual Magnetic Intensity Reduced to the Pole	nT/m
MoundLake_RMI_RTP_AS.map	Analytic Signal of the Residual Magnetic Intensity Reduced to the Pole	nT/m
MoundLake_MHG.map	Measured Horizontal Magnetic Gradient	nT/m
MoundLake_MVG.map	Measured Vertical Magnetic Gradient	nT/m

Grid Archive File Description		
Grid File name	Description	Unit
MoundLake_TMI.grd	Total Magnetic Intensity	nT
MoundLake_RMI.grd	Residual Magnetic Intensity	nT
MoundLake_RMI_RTP.grd	Residual Magnetic Intensity Reduced to the Pole	nT
MoundLake_RMI_RTP_VD1.grd	First Vertical Derivative of Residual Magnetic Intensity Reduced to the Pole	nT/m
MoundLake_RMI_RTP_AS.grd	Analytic Signal of Residual Magnetic Intensity Reduced to the Pole	nT/m
MoundLake_MHG.grd	Measured Horizontal Magnetic Gradient	nT/m
MoundLake_MVG.grd	Measured Vertical Magnetic Gradient	nT/m

Table 4. Map and grid products generated by the 2022 aeromagnetic survey (Kouhi 2022)

All grids were delivered in both Geosoft and GeoTIFF formats. The grid cell size is 25 m.

Interpretation of Aeromagnetic Survey

The following figures depict comparative features of the bedrock geology and aeromagnetic response for major lithologic units and structural features.

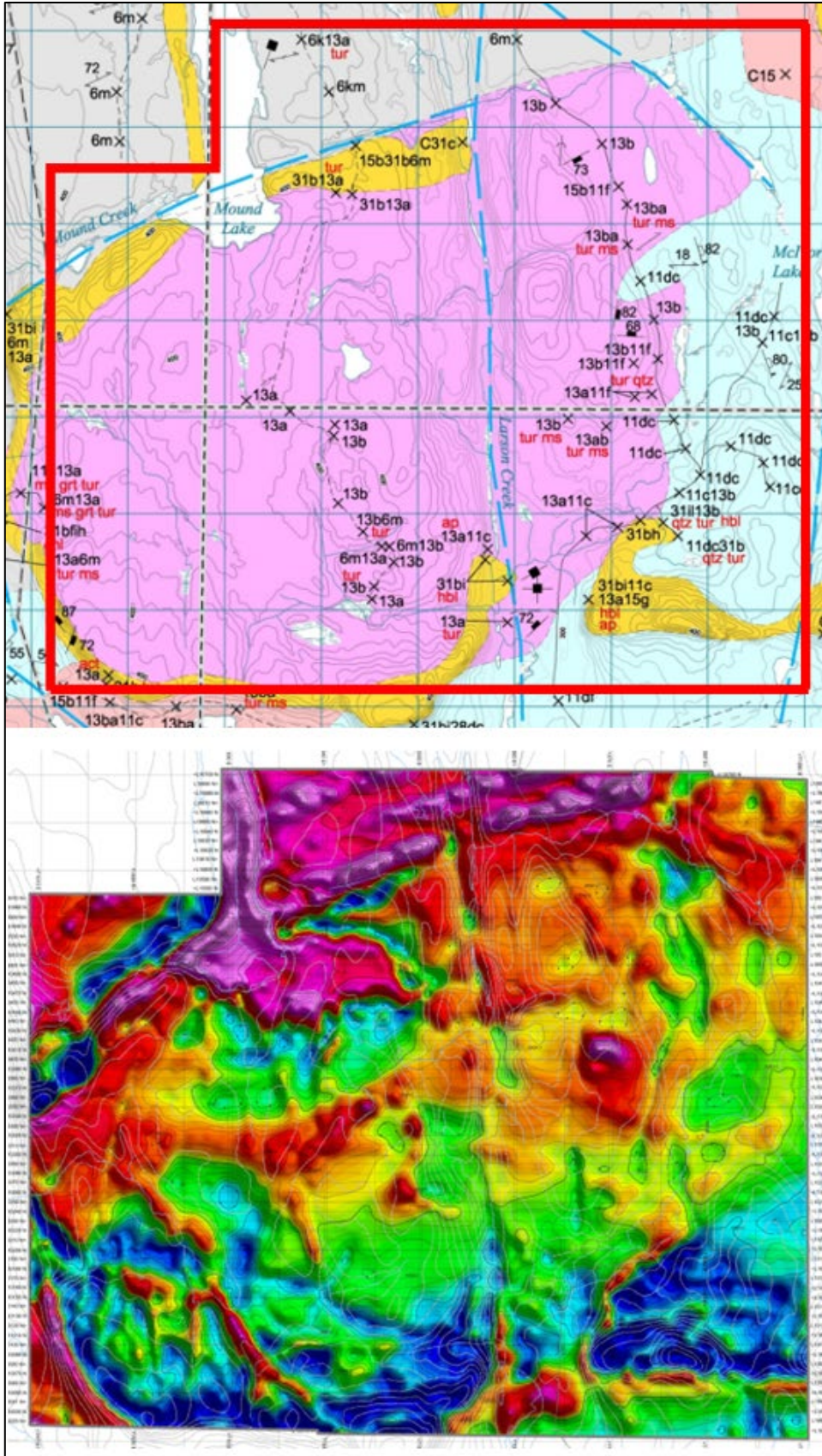
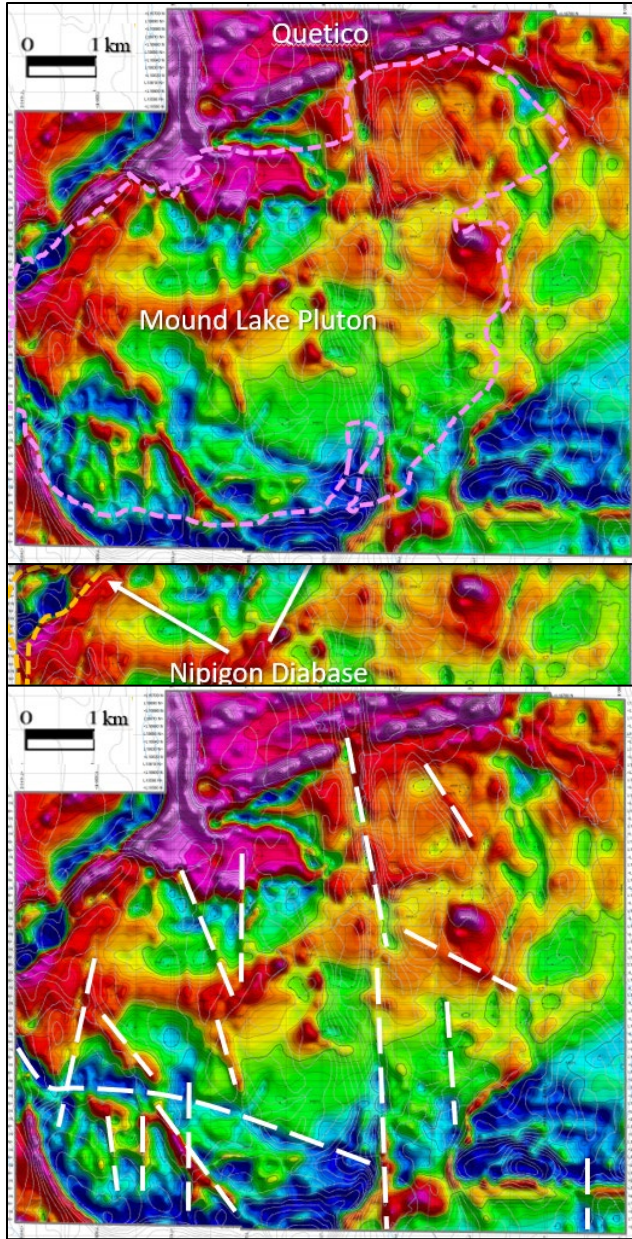


Figure 26. Comparison of bedrock geology (top; Hart et al. 2005) with Total Magnetic Intensity map (Kouhi 2022). Several major, mapped lithologic units can be distinguished, as shown in the following figures.



Figures 27a,b,c. Mapped extents of major lithologic units (Hart et al. 2005), superimposed on Total Magnetic Intensity map (Kouhi 2022). 27a. Mound Lake Pluton, granitic rocks with relatively low magnetic susceptibility, flanked to the north by Quetico metasedimentary country rocks with relatively high magnetic susceptibility. The east-northeast trend of the magnetic “highs” reflects that of the regional structural fabric.

27b. Nipigon diabase sills are typically strongly magnetic but locally produce narrow magnetic “lows” due to the reversed polarity of the sill edges exposed at or near surface. A prominent feature extending along the length of Mound Lake may reflect a feeder/conduit to what is likely a saucer-shaped sill that likely extends to the east of the Mound Lake Property (Figure 28).

27c. A number of variably oriented, linear magnetic anomalies (white dashed lines) that may represent faults/lineaments and/or mafic dykes that occupy them. They are delineated by both contrasts in total magnetic intensity and by offsets in the magnetic response of the rocks that they transect. Prominent, north-trending anomalies may represent Paleoproterozoic Marathon diabase dykes.

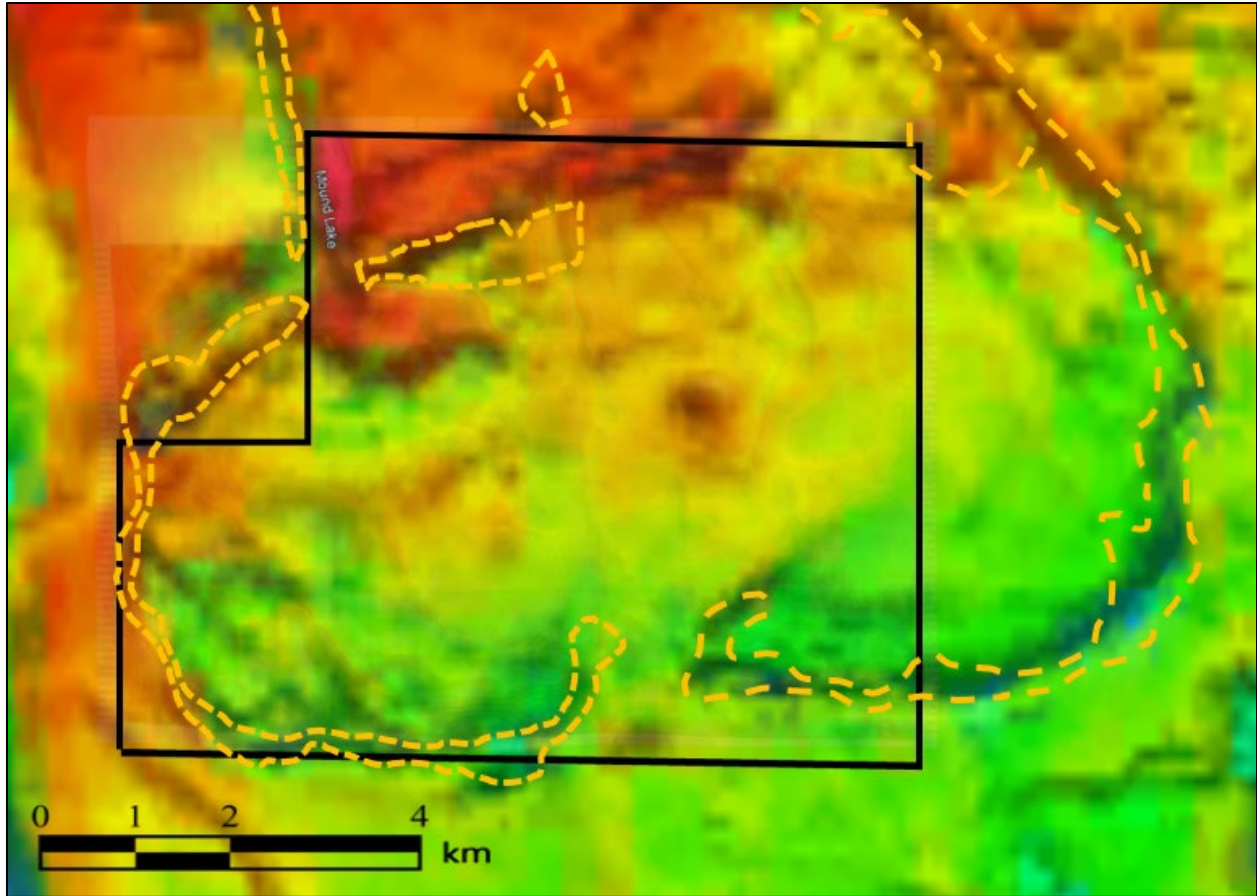


Figure 28. Regional Magnetic Residual Intensity map (<https://www.geologyontario.mndm.gov.on.ca/ogsearth.html>), showing prominent, narrow, ovoid magnetic anomaly, likely produced by a saucer-shaped Nipigon diabase sill. Mapped extent of Nipigon diabase sill (Hart et al. 2005; dashed orange lines) have been superimposed. Mound Lake Property is shown in black polygon.

Exploration Plans and Permits

An **Exploration Plan** is a document provided to the Ontario Ministry of Mines (MOM) by an early exploration proponent indicating the location and dates for prescribed early exploration activities. Exploration plans are used to inform Aboriginal communities, government, surface rights owners and other stakeholders about these activities. In order to undertake certain prescribed exploration activities, an exploration plan must be submitted, and any surface rights owners must be notified. Aboriginal communities potentially affected by the exploration plan activities will be notified by the MOM and have an opportunity to provide feedback before the proposed activities can be carried out (<https://www.ontario.ca/page/mining-sequence>).

Activities that require an Exploration Plan:

- line cutting that is a width of 1.5 m or less
- geophysical surveys on the ground requiring the use of a generator
- mechanized stripping a total surface area of less than 100 m² within a 200-m radius
- excavation of bedrock that removes 1 m³ and up to 3 m³ of material within a 200-m radius
- use of a drill that weighs less than 150 kg.

(<https://www.ontario.ca/page/exploration-plans>)

An **Exploration Permit** allows a proponent to carry out specific early exploration activities at specific times and in specific locations. Exploration Permits include terms and conditions that may be used to mitigate

potential impacts identified through the consultation process. Some prescribed early exploration activities will require an exploration permit. Those activities will only be allowed to take place once the permit has been approved by MOM. Surface rights owners must be notified when applying for a permit. Aboriginal communities potentially affected by the exploration permit activities will be consulted and have an opportunity to provide comments and feedback before a decision is made on the permit. Permit proposals will be posted for comment on the Ontario Ministry of the Environment Environmental Registry for 30 days (<https://www.ontario.ca/page/exploration-permits>).

Activities that require an Exploration Permit:

- line cutting that is a width greater than 1.5 m
- mechanized stripping of a total surface area of greater than 100 m² within a 200-m radius and below Advanced Exploration thresholds
- excavation of bedrock that removes more than 3 m³ of material within a 200-m radius
- use of a drill that weighs more than 150 kg.

(<https://www.ontario.ca/page/exploration-permits>).

There are currently no applications nor approved Exploration Plans or Permits for the Mound Lake Property. Applications for Exploration Plans and/or Permits will be submitted by Rift Lithium Inc. when any prescribed early exploration activities are planned in the future.

Lithogeochemical and Reconnaissance Geological Survey

In October, 2022, a lithogeochemical sampling and reconnaissance geological survey was undertaken on behalf of Rift Lithium Inc. by M.C. Smyk, *P.Geo.* (Smyk 2022). Twenty-five (25), 2-4 kg grab samples of granitic rocks were collected from outcrops along a ~6 km stretch of Church Lake Road for petrographic and geochemical analysis. This constituted a representative transect through what is believed to be the eastern margin of the Mound Lake Pluton where it is in contact with Quetico metasedimentary country rocks. Another six (6) samples were collected along an old logging road, southeast of Mound Lake, near the center of the pluton. A granitic pegmatite dyke in andalusite schist was also sampled on the shore of Frazer Lake, approximately 4 km north of the pluton/current property. Where possible, samples of both medium-grained granite and coarse-grained to pegmatitic granite were collected at the same location for comparative purposes. Efforts were made to collect samples of all of the various granitoid rocks, especially pegmatitic phases in which tourmaline, garnet or coarse muscovite were noted. Representative hand samples were retained for future reference.

Sample location details and descriptions are provided in Table 5. (Smyk 2022).

Mound Lake Lithogeochemical Samples – Church Lake Road Transect					
Sample Number	Location				Description
	Zone	Easting	Northing	Waypoint No.	
ML-22-MS-01	16	389402	5447223	90	medium-grained, equigranular, pink granite; biotite > muscovite ≤ 5%
ML-22-MS-02	16	389402	5447223	90	irregular, patchy pegmatitic pods and dykes in equigranular pink granite (-01); pink K-spar with whitish cores predominate, minor quartz + muscovite
ML-22-MS-03	16	389669	5447094	91	medium-grained, pink-grey, equigranular granite; beige muscovite ≤ 5%

ML-22-MS-04	16	389669	5447094	91	irregular, patchy pegmatitic pods and dykes in equigranular pink granite (-03); K-spar-dominant, with interstitial quartz and conspicuous, beige muscovite books; small garnet subhedra were noted in some dykes
ML-22-MS-05	16	389767	5447047	93	medium-grained, equigranular, pink muscovite granite, with local aplitic to pegmatitic dykelets; garnet was noted in aplitic rocks
ML-22-MS-06	16	389930	5446720	94	medium-grained, equigranular biotite granite
ML-22-MS-07	16	389930	5446720	94	coarse-grained to pegmatitic patch in -06, K-spar-quartz intergrowths, with conspicuous muscovite books
ML-22-MS-08	16	389976	5446553	95	fine- to medium-grained, pink-grey biotite granite; biotite creates weak PDO/igneous foliation(?)
ML-22-MS-09	16	389976	5446553	95	pink K-spar-dominant pegmatitic patch in -08, with minor interstitial quartz, biotite
ML-22-MS-10	16	390168	5446224	96	fine- to medium-grained, pink granite; interstitial biotite euhedra and local muscovite (sericite-rimmed feldspar?)
ML-22-MS-11	16	390168	5446224	96	pegmatitic patch in -10, K-spar-dominant, with vermicular quartz and muscovite
ML-22-MS-12	16	390124	5446045	97	fine-grained, aplitic, pink biotite granite
ML-22-MS-13	16	390120	5445951	98	coarse-grained to pegmatitic, pink biotite granite; patches of quartz with interstitial dark green-black tourmaline + large muscovite books; rare anhedral of paler green apatite(?); K-spar-megacrystic patches noted nearby
ML-22-MS-14	16	390147	5445771	99	massive, medium-grained, pink, equigranular granite with minor, small biotite subhedra and (secondary?) sericite
ML-22-MS-15	16	390301	5445366	100	pale pink-white, K-spar(?) dominant, 2 m wide, pegmatitic dyke in migmatites; vermicular quartz; sericite/muscovite books and minor biotite
ML-22-MS-16	16	390383	5445145	101	fine- to medium-grained, equigranular pink granite with wispy, intergranular muscovite/sericite and minor biotite; K-spar-megacrystic patches
ML-22-MS-17	16	390418	5445028	102	medium- to coarse-grained, equigranular to pegmatitic, quartz-rich biotite granite; muscovite predominates in pegmatitic sections
ML-22-MS-18	16	390418	5445028	102	pegmatitic patch in -17, K-spar-dominant, with vermicular quartz and biotite
ML-22-MS-19	16	390463	5444931	103	medium-grained, equigranular, pink biotite granite; parallel domains of relatively biotite-rich and -poor granite
ML-22-MS-20	16	390423	5444674	104	pale pink, coarse-grained, equigranular biotite + muscovite granite

ML-22-MS-21	16	390446	5444561	105	greyish-white, medium-grained, equigranular to K-spar megacrystic biotite granite with metasedimentary enclaves (near contact?)
ML-22-MS-22	16	390497	5444272	106	pink, medium-grained, equigranular, biotite granite
ML-22-MS-23	16	390543	5444129	107	coarse-grained to pegmatitic, white biotite granite; biotite blades and books ≤ 4 cm
ML-22-MS-24	16	390050	5442911	108	coarse-grained, white, equigranular biotite granite; intergranular biotite books and blades ≤ 1 cm
ML-22-MS-25	16	389920	5442869	109	coarse-grained, white, equigranular biotite granite

Mound Lake Lithochemical Samples – Southeast of Mound Lake; Frazer Lake					
ML-22-MS-26	16	387368	5442945	110	medium-grained, pink to grey, equigranular to graphic, K-spar-phyric biotite granite
ML-22-MS-27	16	387306	5442947	111	similar to ML-26, but containing sprays and packets of coarse muscovite; tourmaline noted in pegmatitic patches nearby
ML-22-MS-28	16	387086	5443222	112	medium-grained, pink, equigranular biotite granite
ML-22-MS-29	16	387047	5443517	113	grey-white, equigranular, biotite leucogranite; local epidotized(?) feldspar
ML-22-MS-30	16	387145	5446034	114	medium-grained, pink, equigranular biotite granite
ML-22-MS-31	16	387375	5446469	115	medium-grained, pink, equigranular biotite granite
ML-22-MS-32	16	388031	5451369	116	075°-striking, 25 cm wide pegmatite dyke in andalusite schist; dominated by intergrown quartz + very coarse-grained (≤ 3 cm), transparent, colourless to beige muscovite; southwestern shore of Frazer Lake

N.B. All samples are non-magnetic and lack phaneritic opaque minerals

Table 5. Sample locations and descriptions, 2022 reconnaissance survey (Smyk 2022).

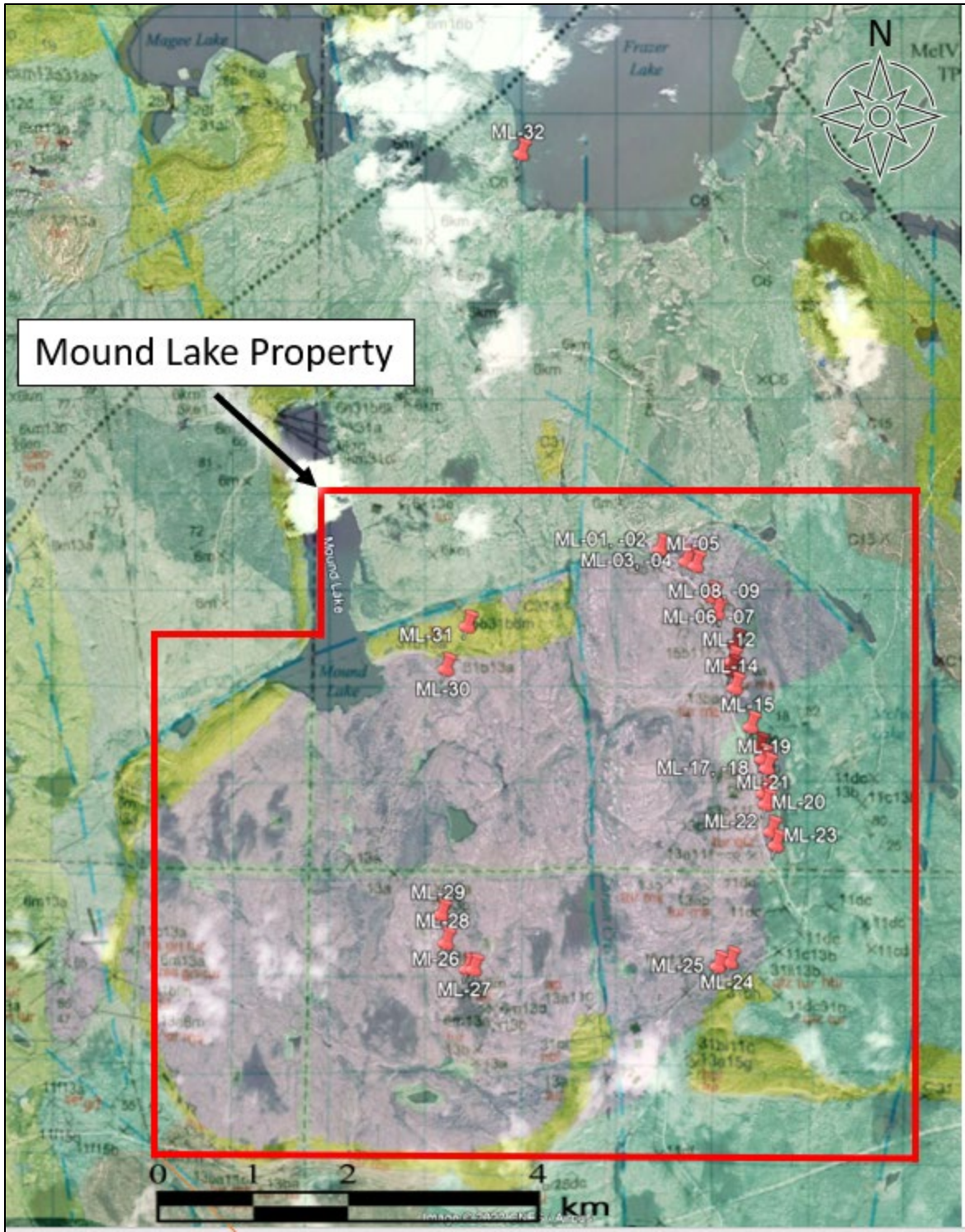


Figure 29. Bedrock sample locations of Smyk (2022), overlain on Google Earth imagery and bedrock geology (Map P.3562, Hart et al. 2005). Sample labels have been abbreviated for clarity.

4.1.4 Drilling

No drilling has yet been completed on the Mound Lake Property.

4.1.5 Sampling, Analysis and Data Verification

Sample Preparation Methods and Quality Control Measures

Thirty-two (32) 2-4 kg hand samples of granitic rocks were collected by Smyk (2022). Sample locations were recorded in field notebook and stored as waypoints in a Garmin GPSMAP® 78s. Samples were immediately bagged and double-labelled in the field. Prior to submission for analysis, samples were washed to remove soil and other contaminants and placed in new, clean sample bags. Representative samples were retained for future reference.

Samples were delivered in two batches (i.e. ML-22-MS-01 to -25, inclusive; and ML-22-MS-26 to -32, inclusive) to ALS Canada Ltd., 645 Norah Crescent, Thunder Bay, Ontario. Initial sample preparation there consisted of:

SAMPLE PREPARATION	
ALS CODE	DESCRIPTION
WEI-21	Received Sample Weight
LOG-22	Sample login – Rcd w/o BarCode
CRU-31	Fine crushing – 70% <2mm
CRU-QC	Crushing QC Test
PUL-QC	Pulverizing QC Test
SPL-21	Split sample – riffle splitter
PUL-31	Pulverize up to 250g 85% <75 um

Crushed and pulverized samples were shipped to ALS Canada Ltd.'s laboratory in North Vancouver, British Columbia for analysis. Analysis in the North Vancouver laboratory included:

ANALYTICAL PROCEDURES		
ALS CODE	DESCRIPTION	INSTRUMENT
ME-MS81	Lithium Borate Fusion ICP-MS	ICP-MS
ME-MS42	Up to 34 elements by ICP-MS	ICP-MS
OA-GRA05	Loss on Ignition at 1000C	WST-SEQ
TOT-ICP06	Total Calculation for ICP06	
ME-4ACD81	Base Metals by 4-acid dig.	ICP-AES
ME-ICP06	Whole Rock Package – ICP-AES	ICP-AES
C-IR07	Total Carbon (IR Spectroscopy)	LECO
S-IR08	Total Sulphur (IR Spectroscopy)	LECO

The Quality Control Certificates of Analysis can be found in Appendix C. ALS' global quality program includes inter-laboratory test programs and regularly scheduled internal audits that meet all requirements of ISO/IEC 17025:2017 and ISO 9001:2015. All ALS Geochemistry hub and many multi-purpose laboratories are accredited to ISO/IEC 17025:2017 for specific analytical procedures. The physical sample preparation involving accredited test methods as listed on an analytical laboratory's ISO/IEC 17025:2017 Scope of Accreditation may be performed at that location, or at off-site sample preparation laboratories that are monitored regularly for quality control and quality assurance practices. In certain instances, an ISO/IEC accreditation body may allow for these off-site sample preparation facilities to be listed on the laboratory's Scope.

The author(s) of this Report are satisfied that all sample preparation and analytical methods have adhered to all security, Quality Control and Quality Assurance measures.

Litho geochemistry

Rock samples were submitted to ALS for Complete Characterization Package geochemical analysis, yielding both major and trace element chemistry (Table 6, below). Analytical results are provided in Appendix B.

4.1.6 Data Verification

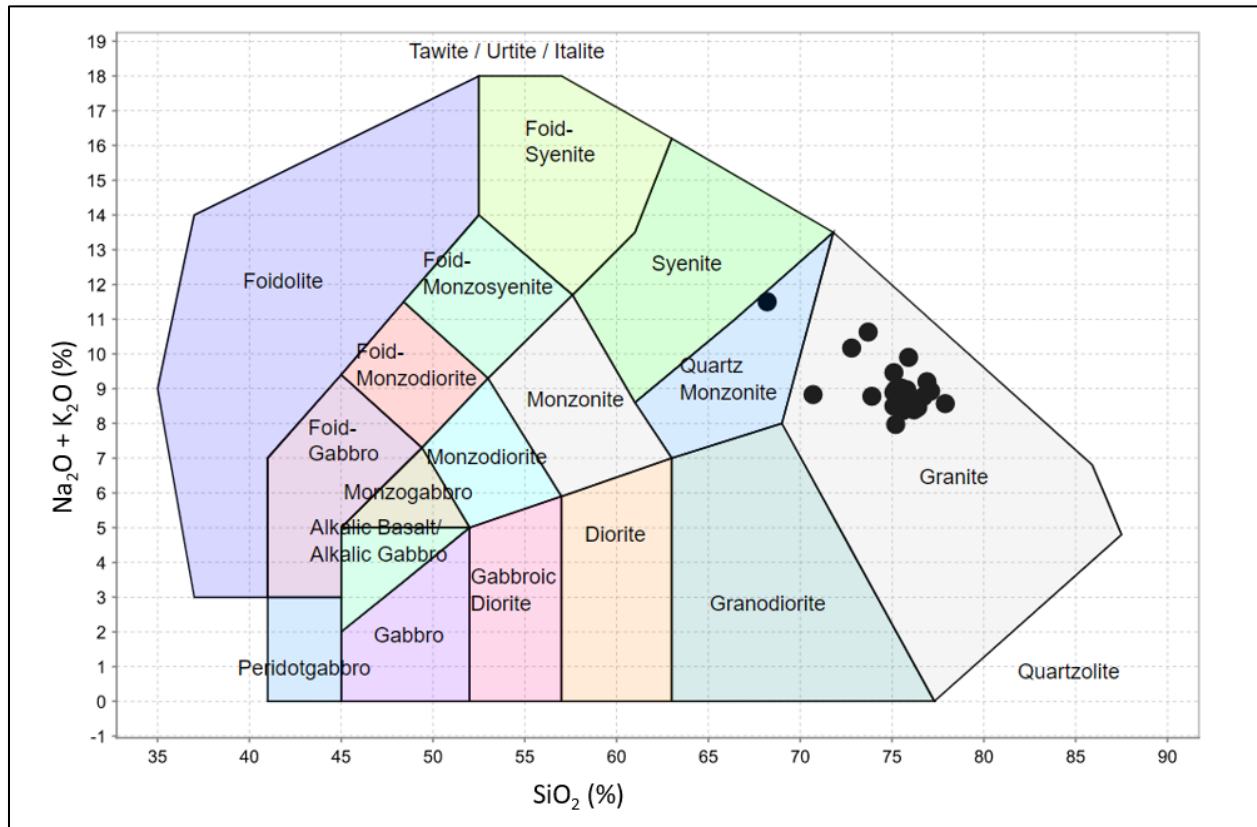
The Qualified Persons have verified, wherever possible, data and information included in the Technical Report. Sources of data and information have been (re)visited and referenced as required. Websites, including those maintained by the Ontario Ministry of Mines, have been referenced and accessed in December, 2022. The collection of all field information/data was overseen and conducted by the Qualified Person. No external data verification was required.

CODE	ANALYTES AND RANGES (ppm)							
ME-ICP06	SiO ₂	0.01-100%	MgO	0.01-100%	TiO ₂	0.01-100%	BaO	0.01-100%
	Al ₂ O ₃	0.01-100%	Na ₂ O	0.01-100%	MnO	0.01-100%	LOI	0.01-100%
	Fe ₂ O ₃	0.01-100%	K ₂ O	0.01-100%	P ₂ O ₅	0.01-100%		
	CaO	0.01-100%	Cr ₂ O ₃	0.002-100%	SrO	0.01-100%		
ME-IR08	C	0.01-50%	S	0.01-50%				
ME-MS81™	Ba	0.5-10,000	Gd	0.05-1,000	Sm	0.03-1,000	W	0.5-10,000
	Ce	0.1-10,000	Hf	0.05-10,000	Sn	0.5-10,000	Y	0.1-10,000
	Cr	5-10,000	Ho	0.01-1,000	Sr	0.1-10,000	Yb	0.03-1,000
	Cs	0.01-10,000	La	0.1-10,000	Ta	0.1-2,500	Zr	1-10,000
	Dy	0.05-1,000	Lu	0.01-1,000	Tb	0.01-1,000		
	Er	0.03-1,000	Nb	0.05-2,500	Th	0.05-1,000		
	Eu	0.02-1,000	Nd	0.1-10,000	Tm	0.01-1,000		
	Ga	0.1-1,000	Pr	0.02-1,000	U	0.05-1,000		
	Ge	5-1,000	Rb	0.2-10,000	V	5-10,000		
	ME-MS42™*	As	0.1-250	In	0.005-250	Se	0.2-250	
Bi		0.01-250	Re	0.001-250	Te	0.01-250		
Hg		0.005-25	Sb	0.05-250	Tl	0.02-250		
ME-4ACD81	Ag	0.5-100	Cu	1-10,000	Ni	1-10,000	Zn	2-10,000
	Cd	0.5-1,000	Li	10-10,000	Pb	2-10,000		
	Co	1-10,000	Mo	1-10,000	Sc	1-10,000		

Table 6. List of analytes, ranges and analytical methods (ALS Geochemistry, Schedule of Fees and

Analyses of the major elements (i.e. Na, K, Ca, Si) confirms that the sampled felsic intrusive rocks are granites, a007As is shown on the total alkali-silica (TAS) diagram (Figure 30). Silica (SiO_2) values range from 68.2 to 77.9%, averaging 74.8%. Alumina (Al_2O_3) values range from 12.55 to 17.3%, averaging 14.1%. Average values for other major element oxides include 0.48% CaO, 3.28% Na_2O and 5.62% K_2O . Similar major element values were noted in a granite from the Church Road area by Hart (2005b).

Figure 30. Total alkali-silica (TAS) diagram (Middlemost 1994), showing that Mound Lake samples fall predominantly in the granite field.



As shown in the Alumina Saturation Index diagram (Figure 31), the Mound Lake samples are all weakly to strongly peraluminous.

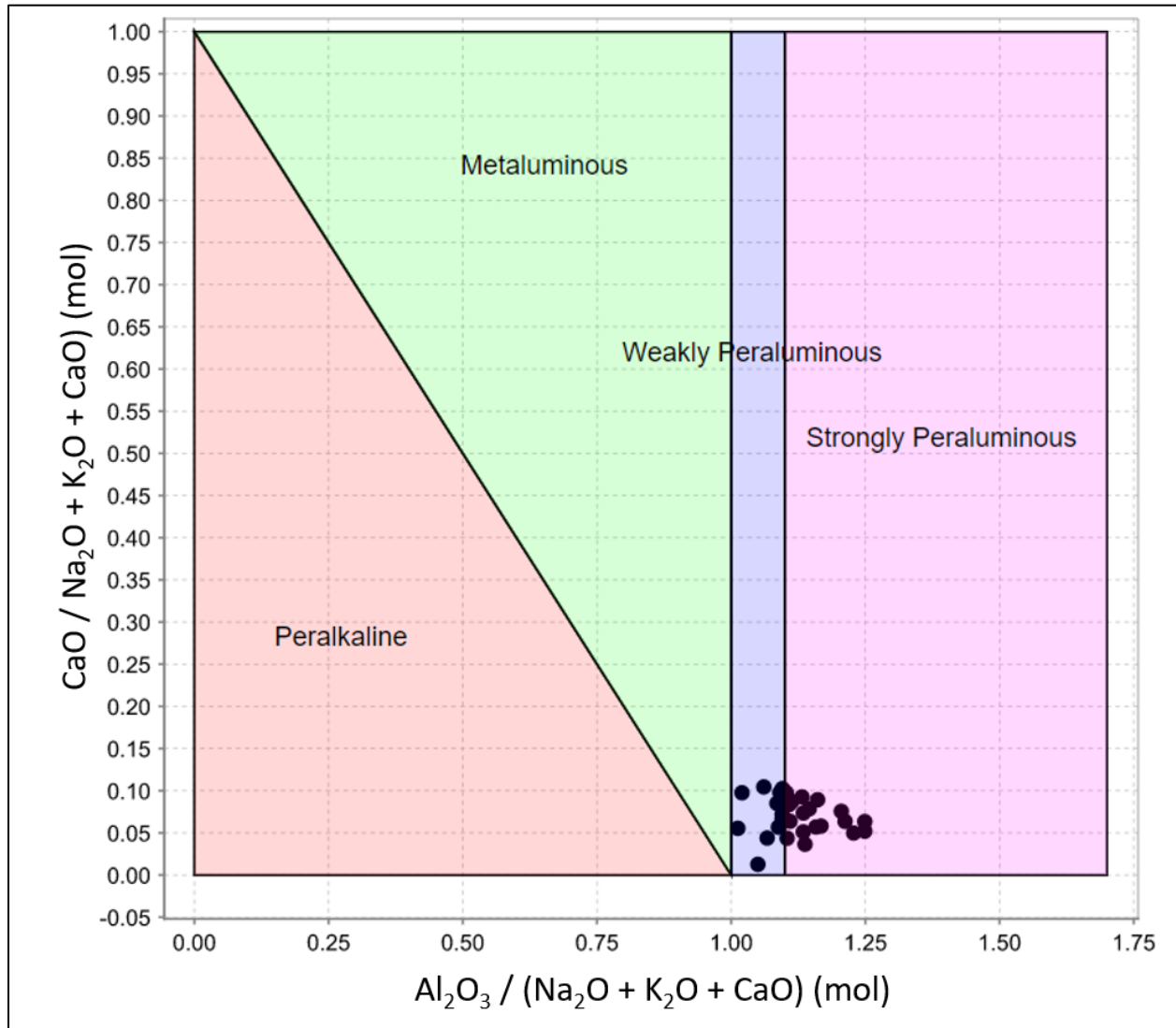


Figure 31. Aluminous Saturation Index (Barton and Young 2002), showing that the Mound Lake samples range from weakly to strongly peraluminous.

Nb/Ta ratios, which ideally should be less than 8 for fertile granites, range in the Mound Lake samples from 3.54 to 22.7, averaging 10.4. The majority of the Nb/Ta values <8 were returned from medium-grained granite samples, rather than cross-cutting pegmatites. However, the pegmatite dyke sampled on the shore of Frazer Lake, north of the Mound Lake Property, returned the lowest Nb/Ta value (0.28) and 110.5 ppm Nb and 395 ppm Ta.

Lithium values in the Mound Lake samples ranged up to 70 ppm.

4.1.7 Summary

The Mound Lake Property is an Early-Stage Exploration property located approximately 90 km northeast of Thunder Bay, Ontario. It comprises 243 unpatented single cell mining claims in the townships of Cockeram, Church, McIvor and Adamson, Thunder Bay District, currently registered to Adam Mogil. An airborne magnetometer survey was conducted over the Property in June, 2022. A reconnaissance geological and geochemical sampling program was undertaken on the Property in October, 2022. New field data support the previous geological interpretation that the Property is underlain by granitic rocks with mineralogical and geochemical attributes similar to those that characterize 'fertile' granites (i.e., those that have the potential to give rise to lithium-cesium-tantalum (LCT) pegmatites and related mineralization. The

Mound Lake Pluton (i.e., much of the current Property) and its environs represent a good, early-stage exploration target for LCT pegmatite and associated rare metal deposits. Further work in assessing its rare metal potential is warranted.

4.1.8 Mineral Processing and Metallurgical Testing

This is an early-stage exploration project. No mineral processing or metallurgical testing has been carried out by the Resulting Issuer or its predecessors as at the issue date of the Mound Lake Property Technical Report.

4.1.9 Mineral Resource Estimates

No mineral processing nor metallurgical testing analyses have been carried out on the Mound Lake Property.

4.1.10 Mineral Reserve Estimates

This is an early-stage exploration project. No mineral reserve estimates that conform to current NI 43-101 criteria or to CIM Standards and Definitions have been determined by the Resulting Issuer and its predecessors, nor any previous owners, on mineralization underlying the Mound Lake Property.

Mining Methods

This is an early-stage exploration project. Mining methods are not relevant to the Mound Lake Property at this time.

Recovery Methods

This is an early-stage exploration project. Recovery methods are not relevant to the Mound Lake Property at this time.

Project Infrastructure

This is an early-stage exploration project. Project infrastructure is not relevant to the Mound Lake Property at this time.

Market Studies and Contracts

This is an early-stage exploration project. Market studies and contracts are not relevant to the Mound Lake Property at this time.

Environmental Studies, Permitting and Social or Community Impact

This is an early-stage exploration project. Environmental studies, permitting and social or community impact are not relevant to the Mound Lake Property at this time.

Capital and Operating Costs

This is an early-stage exploration project. Capital and operating costs are not relevant to the Mound Lake Property at this time.

Economic Analysis

This is an early-stage exploration project. Economic analysis is not relevant to the Mound Lake Property at this time.

Adjacent Properties

The technical report does not rely on any information or data from any property adjacent to the Mound Lake Property.

4.1.11 Other Relevant Data and Information

No other additional information or explanation is deemed necessary to make the Technical Report understandable and not misleading.

4.1.12 Interpretation and Conclusions

Information used in assessing the early-stage exploration potential of the Mound Lake Property has been gleaned from three main sources:

- 1) Published sources, including
 - a. Previous work undertaken by explorationists
 - b. Federal and provincial government geological, geophysical and geochemical surveys
 - c. Scientific literature;
- 2) An aeromagnetic survey conducted over the Mound Lake Property for Rift Lithium Inc. in June, 2022 (Kouhi 2022); and
- 3) A reconnaissance geological and geochemical sampling program carried out on and around the Mound Lake Property for Rift Lithium Inc. in October, 2022 (Smyk 2022).

Interpretation of the aforementioned data has led to the following conclusions:

- 1) The Mound Lake Property is underlain by a granite that displays many of the features of a 'fertile' granite that is capable of producing lithium-cesium-tantalum (LCT) pegmatites and rare metal mineralization, namely:
 - a. Consistent, weakly to strongly peraluminous bulk-rock geochemistry
 - b. Elevated rare element contents and low Nb/Ta values
 - c. Locally blocky K-feldspar and coarse muscovite.
- 2) The general geology of the Property is consistent with the previous interpretation of Hart (2005a) and Hart et al. (2005). This interpretation is supported by new aeromagnetic data (Kouhi 2022) that also delineate cross-cutting lineaments that may be key structures in pegmatite dyke emplacement, both within the Mound Lake Pluton and in surrounding country rocks.
- 3) The Mound Lake Pluton (i.e. much of the current Property) and its environs represent a good, early-stage exploration target for LCT pegmatite and associated rare metal deposits. Further work in assessing its rare metal potential is warranted.

4.1.13 Recommendations

Based on the scarcity of pre-existing data and a limited amount of new data, further work is recommended to assess the rare metal potential of the Mound Lake Property and its environs.

Desktop Studies

Follow-up, detailed studies of the sampled rocks should be undertaken to further characterize and subdivide prospective areas within Mound Lake granitic rocks. Key elemental ratios and fractionation indicators could be determined and then plotted on a map to determine the fractionation direction. Discrimination criteria include:

- presence of tourmaline, beryl, and ferrocolumbite;

- Mn content in garnet;
- Rb content in bulk K-feldspar; and
- Mg/Li and Nb/Ta ratios in bulk granite samples.

Petrographic and mineralogic analyses to determine the aforementioned criteria may comprise:

- scanning electron microscope, electron microprobe and/or x-ray diffraction analyses of specific minerals (e.g. garnet, K-feldspar, micas); and
- detailed petrographic description of samples via microscopic thin section analysis to determine their mineralogy and textural characteristics.

Field Work

Desktop analysis, research, modelling and subsequent assessment may prompt the consideration of follow-up field work, which may include:

- additional claim acquisition in the country rocks surrounding the current property up to several kilometres from the Mound Lake granite (i.e., current Property);
- property- to larger-scale prospecting and additional/in-fill rock sampling to both add to existing database and look for pegmatitic rocks and dykes. The discovery of a rare element-enriched pegmatite dyke north of the current Property by Smyk (2022) underscores the value of such prospecting, which may be accompanied by:
 - geological mapping
 - structural/lineament analysis
 - litho-geochemical sampling to determine Li, Rb, Cs, and B contents in country rocks to identify possible pegmatite-related metasomatism; and/or
- other surficial geochemical surveys (e.g. 'B' or 'C' horizon soils; stream sediment).

Activity Type	Activity	Details	Total (\$)
Desktop	Database Creation	Compilation, digitization and geo-referencing of existing geological data; literature review	4,000.00
	Analysis of Geochemical Data	Review of existing whole rock geochemical data and calculation of prospectivity indices (e.g. Mg/Li and Nb/Ta ratios in bulk granite samples); geo-referencing	800.00
	Petrographic Analysis	Preparation and petrographic analysis of 10 thin sections	3,000.00
	Electron Microprobe Analysis	Electron microprobe analysis of K-feldspar, muscovite, garnet, etc.	1,750.00
	Structural Analysis	Compilation, digitization and geo-referencing of structural data (e.g. regional fabrics, faults, lineaments)	800.00
Field Work	Prospecting	Road-supported prospecting traverses and sampling	6,000.00
		Helicopter-supported traverses and sampling	1,600.00

		Helicopter support for prospecting (@ \$2000/hour)	16,000.00
		Road travel (250 km round-trip @\$1.00/km)	3,750.00
		Geochemical analyses (whole rock samples)	9,000.00
	Surficial Geochemical Survey	'B' or 'C' horizon soils and/or stream sediment sampling	2,000.00
		Geochemical analysis of soil/alluvium samples	3,750.00
		Helicopter support for surficial geochemical survey (@ \$2000/hour)	16,000.00
	Geological Survey	Detailed geological mapping and whole rock sampling (Geologist + Field Assistant)	18,000.00
		Geochemical analyses (whole rock samples)	9,000.00
		Helicopter support for geological survey	16,000.00
		Road travel (250 km round-trip @\$1.00/km)	3,750.00
	Mechanized Stripping	Float (mob/demob from Thunder Bay @\$750/hour)	3,000.00
		Backhoe (@ \$200/hour)	8,000.00
		Stripping and channel sampling equipment rental (@ \$150/day)	2,250.00
		Stripping, washing and channel cutting	6,000.00
		Geologist + Field Assistant (trench/strip mapping and sampling)	6,000.00
		Geochemical analyses (whole rock samples)	9,000.00
		Road travel (250 km round-trip @\$1.00/km)	5,000.00
Desktop	Report	Compilation of field and geochemical data and report preparation	8,000.00
TOTAL:			\$162,450.00

4.1.14 Use of Available Funds

The Resulting Issuer has the following funds available as a result of the working capital of Titus and Rift at the time of the Amalgamation:

Source of Funds	Funds Available
Consolidated working capital of Titus and Rift as at February 28, 2023 ⁽¹⁾	\$(211,698)
Proceeds from the exchange of the Subscription Receipts for Rift Shares	\$750,000
Total Funds Available (unaudited)⁽²⁾	\$538,302

Notes:

(1) Excludes legal accruals of \$50,000 that are payable as part of the Use of Available Funds below.

(2) the Resulting Issuer expects that it will be able to continue planned operations with its current non-contingent financial resources for 12 months from the completion of the Amalgamation, including the completion of Phase I of the Mound Lake Property.

The Resulting Issuer intends, subject to discretion to change such allocation after the date of this Listing Statement, to use the total funds available to it for the purposes described below:

Use of Available Funds	Funds Available
Exploration - Phase I recommended program on the Mound Lake Property	\$162,450
General corporate expenses	\$227,000
General & Administrative	\$40,000
Consulting Fees	\$72,000
Audits	\$15,000
Legal and Regulatory Filings Fees	\$100,000
Unallocated Working Capital	\$148,852
TOTAL	\$538,302

The Resulting Issuer intends to spend the funds available to it as stated in this Listing Statement. The actual use of the net proceeds, however, may vary depending on the Resulting Issuer's operating and capital needs from time to time. There may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary, and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors. See Section 17 "Risk Factors" of this Listing Statement.

4.1.15 Impact of Environmental Protection Requirements

The Resulting Issuer will be subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Resulting Issuer's operations.

Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing

operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. The Resulting Issuer may be required to compensate those suffering loss or damage due to its operations and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. See Section 17 “*Risk Factors*” of this Listing Statement.

4.1.16 Number of Employees

The Resulting Issuer has no full-time employees. All services are provided to the Resulting Issuer by consultants, including management.

4.1.17 Related Parties

Under applicable corporate law, the Resulting Issuer Board is required to act honestly and in good faith with a view to the best interests of the Resulting Issuer and to disclose any interests, which they may have in any project or opportunity of the Resulting Issuer. If a conflict arises, any director in a conflict will disclose his interest and abstain from voting on such matter at a meeting of the Resulting Issuer Board. The directors and officers of the Resulting Issuer are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosure by directors of conflicts of interest and the Resulting Issuer will rely upon such laws in respect of any directors’ and officers’ conflicts of interest or in respect of any breaches of duty to any of its directors and officers.

4.1.18 Dependence on Management

The Resulting Issuer is dependent upon the personal efforts and commitment of its management, which is responsible for the operation and development of its business. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Resulting Issuer could result, and other persons would be required to manage and operate the Resulting Issuer.

4.1.19 Use and Reliance on Experts

The Resulting Issuer also relies on the oversight of qualified persons (as such term is defined in NI 43-101), who have completed a review of the Mound Lake Property Technical Report and through consultants who are engaged by the Resulting Issuer from time to time in connection with the Resulting Issuer’s permitting, licensing and regulatory approval application process, and to confirm it has all material permits, business licenses and other regulatory approvals needed to carry on business in Ontario. The Resulting Issuer also consults with legal advisors to confirm that all applicable permitting requirements for its operations have been obtained and, from time to time, may retain local legal advisors to provide title opinions, as appropriate.

4.1.20 Oversight of External Auditor

The Audit Committee is responsible for the oversight of the Resulting Issuer’s auditor. See the disclosure contained in this Listing Statement under the heading “*Audit Committee*” under Section 13.1 to 13.5 “*Directors, Officers and Management of the Resulting Issuer*” for further details.

4.1.21 Competitive Landscape

The mineral exploration business is competitive in all phases. The Resulting Issuer will compete with a number of other entities in the search for and the acquisition of productive mineral properties. In particular, there will be a high degree of competition faced by the Resulting Issuer in Canada and elsewhere for desirable mineral exploration property interests, suitable prospects for drilling operations and necessary equipment, and many of these companies have greater financial resources, operational experience and/or more advanced properties than the Resulting Issuer. As a result of this competition, the Resulting Issuer may be unable to acquire attractive properties in the future on terms it considers acceptable or at all.

The ability of the Resulting Issuer to acquire and explore additional properties depends on its success in exploring and developing its existing property interests and on its ability to select, acquire and bring to

production suitable properties or prospects for mineral exploration and development. Factors beyond the control of the Resulting Issuer may affect the marketability of any minerals mined or discovered by the Resulting Issuer. See Section 17 “Risk Factors” of this Listing Statement.

4.1.22 Asset Backed Securities

Neither the Resulting Issuer, or any of its predecessors, have any asset-backed securities. The Resulting Issuer does not intend to have any asset-backed securities in the future.

4.1.23 Companies with Mineral Projects

For further details on the Mound Lake Property, which is the Resulting Issuer’s sole material property, please see the disclosure contained in this Listing Statement under Section 4.1.3 “Material Property” for further detail.

5. SELECTED FINANCIAL INFORMATION

5.1 Financial Information

5.1.1 Titus

The following selected financial information has been derived from and is qualified in its entirety by the audited financial statements of Titus for the years ended May 31, 2022 and May 31, 2021, attached as Appendix “B” to this Listing Statement, and the unaudited financial statements as at and for the nine months ended February 28, 2023, attached as Appendix “B” to this Listing Statement, and should be read in conjunction with such financial statements and the related notes thereto, along with the related MD&As thereto attached as Appendix “E” to this Listing Statement. All financial statements of Titus are prepared in accordance with International Financial Reporting Standards.

	As at and for the nine months ended February 28, 2023⁽¹⁾ (unaudited) (CAD\$)	As at and for the year ended May 31, 2022⁽¹⁾ (audited) (CAD\$)	As at and for the year ended May 31, 2021⁽¹⁾ (audited) (CAD\$)	As at and for the year ended May 31, 2020⁽¹⁾ (audited) (CAD\$)
Statement of operations				
Total revenue	Nil	Nil	Nil	Nil
Net income (loss)	143,009	71,865	40,323	8,500
Net income (loss) per share (basic and diluted)	0.02	0.02	Nil	Nil
Statement of financial position				
Total assets	Nil	58,246	96,510	Nil
Total liabilities	23,252	58,934	25,333	8,500
Cash dividends declared per share	Nil	Nil	Nil	Nil

Note:

(1) See Appendix “B” – Titus financial statements as at and for the nine months ended February 28, 2023, for the years ended May 31, 2022 and May 31, 2021.

5.1.2 Rift

The following selected financial information has been derived from and is qualified in its entirety by the audited financial statements of Rift as at and for the period from incorporation (November 23, 2021) to November 30, 2022 attached as Appendix "C" to this Listing Statement and the unaudited financial statements of Rift as at and for the three months ended March 31, 2023 attached as Appendix "G" to this Listing Statement and should be read in conjunction with such financial statements and the related notes thereto, along with the related MD&As thereto attached as Appendix "F" and Appendix "H" to this Listing Statement. All financial statements of Rift are prepared in accordance with International Financial Reporting Standards.

	As at and for the three months ended March 31, 2023 (audited) (CAD\$)	As at and for the year ended December 31, 2022 (audited) (CAD\$)	As at and for the period from incorporation on November 23, 2021 and ended December 31, 2021 (audited) (CAD\$)
Statement of operations			
Total revenue	-	-	-
Net income (loss)	(64,808)	(222,215)	(812,629)
Net income (loss) per share (basic and diluted)	(0.00)	(0.01)	(0.02)
Statement of financial position			
Total assets	813,678	820,598	1,001,668
Total liabilities	1,113,329	1,055,441	1,014,296
Cash dividends declared per share	Nil	Nil	Nil

5.2 Quarterly Information

5.2.1 Titus

The following table sets out selected historical financial information of Titus for each of the eight most recently completed quarters ending at February 28, 2023:

	February 28, 2023 (CAD)	November 30, 2022 (CAD)	August 31, 2022 (CAD)	May 31, 2022 (CAD)	February 28, 2022 (CAD)	November 30, 2021 (CAD)	August 31, 2021 (CAD)	May 31, 2021 (CAD)
Total revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net income (loss)	\$(9,208)	\$(121,941)	\$(11,860)	\$(51,107)	\$(7,385)	\$(2,892)	\$(10,481)	\$(17,876)
Net income (loss) per	\$(0.00)	\$(0.01)	\$(0.00)	\$(0.00)	\$(0.00)	\$(0.00)	\$(0.00)	\$(0.00)

	February 28, 2023 (CAD)	November 30, 2022 (CAD)	August 31, 2022 (CAD)	May 31, 2022 (CAD)	February 28, 2022 (CAD)	November 30, 2021 (CAD)	August 31, 2021 (CAD)	May 31, 2021 (CAD)
share (basic and diluted)								

5.2.2 Rift

Rift has only completed its first full financial year and therefore has no quarterly financial information to disclose.

5.3 Dividends

There are no restrictions in the Resulting Issuer's, Titus' or Rift's articles or by-laws or pursuant to any agreement or understanding which could prevent them from paying dividends. Neither the Resulting Issuer or its predecessors have declared or paid any dividends on any class of securities. It is expected that the Resulting Issuer will retain future earnings, if any, to fund the development and growth of its business and does not intend to pay any cash dividends on the Resulting Issuer Shares for the foreseeable future. Any decision to pay dividends on the Resulting Issuer Shares in the future will be made by the Resulting Issuer Board on the basis of earnings, financial requirements and other conditions existing at the time.

5.4 Foreign GAAP

This is not applicable to the Resulting Issuer.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

Titus' management's discussion and analysis and for the nine months ended February 28, 2023, and for the years ended May 31, 2022 and May 31, 2021, are attached as Appendix "E" hereto.

Rift's management's discussion and analysis for the period from incorporation (November 23, 2021) to November 30, 2022, are attached as Appendix "F" hereto.

Rift's management's discussion and analysis for the three months ended March 31, 2023, are attached as Appendix "H" hereto.

7. MARKET FOR SECURITIES

From December 21, 2012, until December 5, 2014, the Titus Shares were listed on the TSXV under the symbol "TIS". Effective December 5, 2014, Titus was voluntarily delisted from the TSXV.

The Resulting Issuer Shares will be posted for trading on the CSE under the symbol "FREE".

8. CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Resulting Issuer following the Amalgamation. See Section 10.7 "Prior Sales" of this Listing Statement.

Designation	As at the date of this Listing Statement
Resulting Issuer Shares	70,112,397
Resulting Issuer Options	Nil

Resulting Issuer Warrants	6,022,256 ⁽¹⁾
Total	75,231,313

Note:

- (1) Each Resulting Issuer Warrant is exercisable to acquire 0.85 of a Resulting Issuer Share at a price of \$0.10 until September 2, 2024, for a total of 5,118,916 Resulting Issuer Shares.

9. OPTIONS TO PURCHASE SECURITIES

9.1 Outstanding Resulting Issuer Options

Currently, there are nil Resulting Issuer Options outstanding.

A brief summary of the Resulting Issuer Option Plan is set out under Section 9.1.1 “*Options to Purchase Securities – “Summary of Resulting Issuer Option Plan”*” of this Listing Statement.

9.1.1 Summary of Resulting Issuer Option Plan

The Resulting Issuer has an incentive stock option plan (the “**Resulting Issuer Option Plan**”) The purpose of the Resulting Issuer Option Plan is to attract, retain and motivate directors, officers, employees and other service providers by providing them with the opportunity, through share options, to acquire a proprietary interest in the Resulting Issuer and benefit from its growth. The options are non-assignable and may be granted for a term not exceeding five years.

Resulting Issuer Options may be granted under the Resulting Issuer Option Plan only to directors, officers, employees and other service providers subject to the rules and regulations of applicable regulatory authorities and any Canadian stock exchange upon which the Resulting Issuer Shares may be listed or may trade from time to time. The total number of Resulting Issuer Shares which may be issued or reserved for issuance to any one individual under the Resulting Issuer Option Plan within any one year period shall not exceed 5% of the outstanding issue. The maximum number of Resulting Issuer Shares which may be reserved for issuance to insiders under the Resulting Issuer Option Plan, any other employer stock option plans or options for services, shall be 10% of the Resulting Issuer Shares issued and outstanding at the time of the grant (on a non-diluted basis). The maximum number of Resulting Issuer Shares which may be issued to insiders under the Resulting Issuer Option Plan, together with any other previously established or proposed share compensation arrangements, within any one year period shall be 10% of the outstanding issue.

The maximum number of stock options which may be granted to any one consultant under the Resulting Issuer Option Plan, any other employer stock options plans or options for services, within any 12 month period, must not exceed 2% of the Resulting Issuer Shares issued and outstanding at the time of the grant (on a non-diluted basis). The maximum number of stock options which may be granted to any persons performing investor relations services under the Resulting Issuer Option Plan, any other employer stock options plans or options for services, within any 12 month period must not exceed, in the aggregate, 2% of the Resulting Issuer Shares issued and outstanding at the time of the grant (on a non-diluted basis).

The exercise price of options issued may not be less than the fair market value of the Resulting Issuer Shares at the time the option is granted, less any allowable discounts.

A copy of the Resulting Issuer Option Plan is attached to this Listing Statement at Appendix “A” and a summary thereof is included above. The summary, however, is qualified in its entirety by the terms of the Resulting Issuer Option Plan.

The Resulting Issuer Option Plan was last approved by shareholders on August 17, 2021, and contains provisions for adjustment in the number of shares issuable thereunder in the event of a subdivision, consolidation, reclassification or change in the common shares, a merger or other relevant changes in the Resulting Issuer’s capitalization. The Resulting Issuer Board may from time to time amend or reverse the terms of the Resulting Issuer Option Plan or may terminate the Resulting Issuer Option Plan at any time.

Currently, there are nil Resulting Issuer Options outstanding. No other Awards are outstanding.

10. DESCRIPTION OF SECURITIES

10.1 General

10.1.1 Resulting Issuer Shares

The Resulting Issuer is authorized to issue an unlimited number of Resulting Issuer Shares. Holders of Resulting Issuer Shares are entitled to receive notice of any meetings of shareholders of the Resulting Issuer, and to attend and to cast one vote per Resulting Issuer Share at all such meetings. Holders of Resulting Issuer Shares do not have cumulative voting rights with respect to the election of directors and, accordingly, holders of a majority of the Resulting Issuer Shares entitled to vote in any election of directors may elect all directors standing for election. Holders of Resulting Issuer Shares are entitled to receive on a *pro rata* basis such dividends on the Resulting Issuer Shares, if any, as and when declared by the Resulting Issuer Board at its discretion from funds legally available therefor, and, upon the liquidation, dissolution or winding up of the Resulting Issuer, will be entitled to receive on a *pro rata* basis the net assets of the Resulting Issuer after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranking senior in priority to or on a *pro rata* basis with the holders of Resulting Issuer Shares with respect to dividends or liquidation. The Resulting Issuer Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

The Resulting Issuer has 70,112,397 issued and outstanding Resulting Issuer Shares on an undiluted basis. Approximately 14.42% of those Resulting Issuer Shares are held by former shareholders of Titus, 85.58% are held by former shareholders of Rift, of which 57.05% are held by former holders of Subscription Receipts which were exchanged into Rift Shares immediately prior to the Amalgamation.

10.1.2 Resulting Issuer Options

Currently, there are nil Resulting Issuer Options outstanding.

10.1.3 Resulting Issuer Warrants

Currently, there are 6,022,256 Resulting Issuer Warrants outstanding. Each Resulting Issuer Warrant is exercisable to acquire 0.85 of a Resulting Issuer Share at a price of \$0.10 Until September 2, 2024, for a total of 5,118,916 Resulting Issuer Shares.

10.1.4 Miscellaneous Securities Provisions

The Resulting Issuer is not listing any debt securities.

None of the matters set out in sections 10.2 to 10.6 of CSE Form 2A are applicable to the share structure of the Resulting Issuer.

10.7 Prior Sales

10.7.1 Titus

Date of Issuance	Class	Number of Securities Sold	Issue Price Per Security (\$)	Details of Consideration
Prior to 2015	Titus Shares	12,725,000 ⁽¹⁾	N/A	N/A
March 12, 2021	Titus Shares	120,000,000 ⁽²⁾	\$0.001 ⁽²⁾	Private placement financing
September 2, 2022	Consolidated	785,184 ⁽³⁾	\$0.02	Private placement financing

	Titus Shares ⁽³⁾			
September 2, 2022	Titus Warrant ⁽³⁾	667,406 ⁽³⁾	N/A	N/A
September 2, 2022	Consolidated Titus Shares ⁽⁴⁾	5,237,072 ⁽⁴⁾	\$0.02	Debt settlement for \$104,741.44 of indebtedness
September 2, 2022	Titus Warrant ⁽⁴⁾	4,451,510 ⁽⁴⁾	N/A	N/A
June 7, 2023	Consolidated Titus Shares	60,000,000	N/A	Issued in connection with the completion of the Amalgamation

Notes:

- (1) Reflects Titus Shares on a pre-Consolidation basis. The corresponding number of Consolidated Titus Shares is 392,144.
- (2) Reflects Titus Shares on a pre-Consolidation basis. The corresponding number of Consolidated Titus Shares is 3,697,997 priced at approximately \$0.03 each.
- (3) This issuance pertains to the issuance of Titus Units. Each Titus Warrant is exercisable to acquire 0.85 of a Resulting Issuer Share at a price of \$0.10 until September 2, 2024.
- (4) This issuance pertains to the issuance of Titus Debt Units. Each Titus Warrant is exercisable to acquire 0.85 of a Resulting Issuer Share at a price of \$0.10 until September 2, 2024.

10.7.2 Rift

The following table summarizes the issuances of securities of Rift within the previous 12 months before the date of the Listing Statement:

Date of Issuance	Class	Number of Rift Securities Sold	Issue Price Per Security (\$)	Details of Consideration
November 23, 2021	Rift Shares	1	\$0.02	Initial subscription
December 10, 2021	Rift Shares	39,999,999	\$0.02	Rift Shares issued in consideration for the purchase of the Mound Lake Property.
December 21, 2021	Subscription Receipts	20,000,000	\$0.05	Subscription Receipts issued in the Subscription Receipt Financing
May 30, 2023	Rift Shares	20,000,000	\$0.05	Issued as a result of the conversion of the Subscription Receipts

Notes:

- (1) Immediately prior to the completion of the Amalgamation, each Subscription Receipt converted into one Rift Share.

10.8 Stock Exchange Price

None of the securities of the Resulting Issuer or Titus are currently posted for trading on any stock exchange.

11. ESCROWED SECURITIES

11.1 Escrowed Securities

Upon the completion of the Amalgamation and the Listing, the Resulting Issuer anticipates that it will be classified as an “emerging issuer”, as defined under National Policy 46-201 — *Escrow for Initial Public*

Offerings (“NP 46-201”) upon Listing.

Bennett Kurtz, Kyle Appleby, Binyomin Posen, David Shisel, Hiransh Shah and Yazeed Esnan would fall within the definition of “principal” of an emerging issuer under NP 46-201. However, only Bennett Kurtz will hold securities of the Resulting Issuer and will therefore be the only principal subject to escrow requirements. In accordance with applicable securities rules, Bennett Kurtz will execute an escrow agreement with Resulting Issuer and the Escrow Agent substantially in the form attached as an Appendix to NP 46-201 (Form 46-201F1) (the “**Escrow Agreement**”) in respect of an aggregate of 700,000 Resulting Issuer Shares.

Pursuant to the terms of the Escrow Agreement, Bennett Kurtz agrees that until three years from the Listing Date, he will not transfer or otherwise dispose of his Resulting Issuer Shares during the term of the Escrow Agreement, except that, the following automatic timed releases will apply to such Resulting Issuer Shares:

Date of Automatic Timed Release	Amount of Escrowed Securities Released
On the date of Listing	1/10 of the remaining escrowed securities
6 months after the Listing Date	1/6 of the remaining escrowed securities
12 months after the Listing Date	1/5 of the remaining escrowed securities
18 months after the Listing Date	1/4 of the remaining escrowed securities
24 months after the Listing Date	1/3 of the remaining escrowed securities
30 months after the Listing Date	1/2 of the remaining escrowed securities
36 months after the Listing Date	The remaining escrowed securities

The following table sets out information on the number of Resulting Issuer Shares which are to be subject to the terms of the Escrow Agreement among the Resulting Issuer, the Escrow Agent and Bennett Kurtz.

Name	Designation of Class	Number of Securities Held in Escrow	Percentage of Class after giving effect to the Amalgamation
Bennett Kurtz (Chief Executive Officer of the Resulting Issuer)	Resulting Issuer Shares	700,000 ⁽¹⁾	1.00%

Note:

(1) These Resulting Issuer Shares are held by 582284 Ontario Limited of which Mr. Kurtz is the sole owner.

12. PRINCIPAL SHAREHOLDERS

To the best of the knowledge of Titus and Rift and based on existing information, as of the completion of the Amalgamation there will be no persons who own, directly or indirectly, or exercise control or direction over, more than 10% of the outstanding securities of the Resulting Issuer.

13. DIRECTORS AND OFFICERS

13.1 to 13.5. Directors, Officers and Management of the Resulting Issuer

The following table sets forth the name, province and country of residence, position or offices of the directors and officers of the Resulting Issuer, date appointed or elected, principal occupation and the number of Resulting Issuer Shares that each of the directors and executive officers own, of record or beneficially,

directly or indirectly, or over which they exercise control or direction, as of the date of this Listing Statement.

Name and Province/State and Country of Residence⁽³⁾	Position or Office(s) held with the Resulting Issuer and Date Appointed/Elected	Principal Occupation During Five Preceding Years	Number of Resulting Issuer Shares Owned/ Controlled/ Directed
Bennett Kurtz Toronto, ON	Chief Executive Officer and Promoter	President and Managing Director of Kurtz Financial Group (April 2007 to present) CFO of RDARS Inc. (March 2022 to present.) CFO of First Phosphate Corp. (2021 to present.)	700,000 ⁽³⁾ (1.00%)
Kyle Appleby Toronto, ON	Chief Financial Officer	Mr. Appleby, has been or is currently the senior Officer of various public enterprises (including Nuinsco Resources Limited, Cadillac Ventures Inc., Nurcapital Corporation Ltd., and DigiCrypts Blockchain Solutions Inc.) and Director of Captor Capital Corp.	Nil
Ryan Versloot Toronto, ON	Vice President of Exploration	Mr. Versloot is a Project Manager at Longford Exploration Services.	Nil
Binyomin Posen ⁽¹⁾⁽²⁾ Toronto, ON	Director	Mr. Posen CEO of Cumberland Resources Nickel Corp. Was also a Senior Analyst at Plaza Capital,	Nil
David Shisel Tel Aviv, Israel ⁽²⁾	Director	Mr. Shisel is the Chief Operating Officer at Psyched Wellness Ltd.	Nil
Hiransh Shah Toronto, ON ⁽¹⁾	Director	Mr. Shah is an Analyst at Plaza Capital.	Nil
Yazeed Esnan Toronto, ON ⁽¹⁾	Director	Mr. Esnan has been an associate at First Republic Capital Corp.	Nil

Notes:

- (1) Audit Committee member.
- (2) Agent for service shall be Garfinkle Biderman LLP, at 1 Adelaide St E, Toronto, ON M5C 2V9.
- (3) These Resulting Issuer Shares are held by 582284 Ontario Limited of which Mr. Kurtz is the sole owner.

Bennett Kurtz the Chief Executive Officer of the Resulting Issuer, has been retained as an independent contractor by Rift. 30% of his time will be devoted to the Resulting Issuer. Kyle Appleby, the Chief Financial Officer of the Resulting Issuer, has been retained as an independent contractor by Rift, and is expected to devote 15% of his time to the Resulting Issuer for recurring issuer compliance obligations and on an on-call basis for financial and non-financial services requested from the Chief Executive Officer and the Resulting Issuer Board.

The term of office of the directors expires annually at the time of the Resulting Issuer's annual general meeting. The term of office of the executive officers expires in accordance with the consulting agreements entered into between the Resulting Issuer and the executive officers.

The directors and executive officers of the Resulting Issuer, as a group, beneficially own, directly or indirectly, or exercise control or direction over 700,000 Resulting Issuer Shares, representing approximately 1.00% of the issued and outstanding Resulting Issuer Shares on an un-diluted basis. The statement as to the number of Resulting Issuer Shares beneficially owned, directly or indirectly, or over which control or direction will be exercised by the directors and executive officers of the Resulting Issuer as a group is based upon information furnished by the directors and executive officers.

Audit Committee

The Resulting Issuer will have one board committee, being its Audit Committee.

The Audit Committee will be responsible for monitoring the Resulting Issuer's systems and procedures for financial reporting and internal controls, compliance with legal and regulatory requirements relevant to the financial statements and financial reporting, ensuring an appropriate standard of corporate conduct for

senior financial personnel and employees, reviewing certain public disclosure documents and monitoring the performance and independence of the Resulting Issuer's external auditors. The committee will also be responsible for reviewing the Resulting Issuer's annual audited financial statements, unaudited quarterly financial statements and management's discussion and analysis of financial results of operations for both annual and interim financial statements and review of related operations prior to their approval by the Resulting Issuer Board.

The Resulting Issuer's Audit Committee is currently comprised of three directors, Binyomin Posen (Chair), Hiranish Shah and Yazeed Esnan. All members of the Audit Committee are independent and financially literate as required by NI 52-110. All independent members of the Audit Committee must meet an additional "independence" test under NI 52-110 in that their directors' fees are the only compensation they, or their firms, receive from the Resulting Issuer and that they are not affiliated with the Resulting Issuer.

The Resulting Issuer will not rely on exemptions with respect to the composition of its Audit Committee in accordance with NI 52-110.

13.6 to 13.8 Penalties and Sanctions

Other than as disclosed below, no director, officer, promoter of the Resulting Issuer, or a security holder anticipated to hold sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, is, or within the past ten years, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any penalties or sanctions by a court or regulatory body that would likely be considered important to a reasonable security holder making a decision about the Amalgamation.

Corporate Cease Trade Orders or Bankruptcies

Kyle Appleby, the Chief Financial Officer of the Resulting Issuer, was a director of Captor Capital Corp. when it was issued cease-trade orders by the Ontario Securities Commission, BCSC and ASC on August 6, 2019, for failure to file its financial statements and management's discussion and analysis for the financial year ended March 31, 2019. Captor Capital Corp. received revocation orders for the aforementioned cease-trade orders on November 5, 2019.

Mr. Appleby is the Chief Financial Officer of Tantalex Resources Corp. which was issued a cease-trade order by the Ontario Securities Commission on August 19, 2020, for failure to file its financial statements and management's discussion and analysis for the financial year ended February 29, 2020. The cease-trade order was revoked by the Ontario Securities Commission on November 13, 2020.

Mr. Appleby is the Chief Financial Officer of Cadillac Ventures Inc. which was issued a cease-trade order by the Ontario Securities Commission on October 4, 2021, for failure to file its financial statements and management's discussion and analysis for the financial year ended May 31, 2021. As of the date of this listing statement, the cease-trade order remains outstanding.

Mr. Posen was a director of Nuran Wireless Inc. ("**Nuran**") when it was subject to a cease trade order issued by the BCSC on May 19, 2022 (the "**Nuran CTO**") for Nuran having filed annual audited financial statements for the year ended December 31, 2021 accompanied by an auditor's report that expresses a modified audit opinion. The cease trade order was revoked on June 29, 2022 after Nuran filed the annual audited financial statements for the year ended December 31, 2021, accompanied by an auditor's report that expresses an unmodified opinion. Mr. Posen was a director of Nuran at the time of the Nuran CTO and remains a director as of the date hereof.

Mr. Posen was a director of i3 Interactive Inc. ("**i3**") when it was subject to a cease trade order issued by the BCSC on September 13, 2022, for failure to file its interim financial report, audited annual financial statements and related management's discussion and analysis for the year ended February 28, 2022 and corresponding certifications of the foregoing within the time prescribed under NI 51-102. Mr. Posen was a director of i3 at the time of the i3 CTO and remains a director as of the date hereof. The i3 CTO remains in

effect as of the date hereof.

Mr. Posen was a director of Ryah Group Inc. (“**Ryah**”) when on July 5, 2022, the Ontario Securities Commission (the “**OSC**”) issued a cease trade order (the “**Ryah CTO**”) against Ryah, to replace the management cease trade order issued by the OSC on May 5, 2022 (the “**Ryah MCTO**”), for failure to file its (i) audited annual financial statements and related management’s discussion and analysis for the year ended December 31, 2021 and corresponding certifications of the foregoing; and (ii) interim financial statements and related management’s discussion and analysis for the interim period ended March 31, 2022 and corresponding certifications of the foregoing the time prescribed under NI 51-102. Mr. Posen was a director of Ryah at the time of the Ryah CTO and Ryah MCTO and remains a director as of the date hereof. The Ryah CTO remains in effect as of the date hereof.

13.9 Bankruptcies

No director, officer, promoter of the Resulting Issuer, or to the knowledge of management of the Resulting Issuer, a security holder anticipated to hold sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, or a personal holding company of any such person has, within the past ten years, been declared bankrupt or made a voluntary assignment into bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold their assets.

13.10 Conflicts of Interest

There are potential conflicts of interest to which the directors, officers and promoters of the Resulting Issuer will be subject with respect to the operations of the Resulting Issuer. Certain of the directors, and/or officers serve as directors and/or officers of other companies or have significant shareholdings in other companies. Situations may arise where such directors, officers and promoters of the Resulting Issuer will be engaged in direct competition with the Resulting Issuer. Any conflicts of interest will be subject to and governed by the law applicable to directors’ and officers’ conflicts of interest, including the procedures prescribed by the BCBCA. The BCBCA requires that directors and officers of the Resulting Issuer, who are also directors or officers of a party which enters into a material contract with the Resulting Issuer or otherwise have a material interest in a material contract entered into by the Resulting Issuer, must disclose their interest and, in certain instances, refrain from voting on any resolution of the Resulting Issuer’s directors to approve the contract.

To the knowledge of the Resulting Issuer, other than as disclosed in Section 20 “*Interest of Management and Others in Material Transactions*”, there will not be any known existing or potential conflicts of interest among the Resulting Issuer and its promoters, directors, officers or other members of management, as a result of their outside business interests except that certain of the directors, officers, promoters and other members of management serve as directors, officers, promotes and members of management of other public companies, and therefore it is possible that a conflict may arise between their duties as a director, officer, promoter or member of management of such other companies.

13.11 Management

The following biographies provide certain selected information in respect of persons who will be serving as directors and/or officers of the Resulting Issuer as well as their roles:

Bennett Kurtz – Chief Executive Officer and Promoter (Age 62)

Mr. Kurtz is principal of Kurtz Financial Group. He has experience in financing public companies and taking private companies public. Bennett has multi-faceted business experience in finance, management, sales, marketing and administrative functions including business analysis, public business unit segmentation, internal and external analytics. Mr. Kurtz graduated with a Bachelor of Arts from York University in 1983.

Mr. Kurtz will devote such time as may from time be necessary in order to perform the work required in connection with acting in his capacity as Chief Executive Officer of the Resulting Issuer, which currently is

estimated to be approximately 30% of his time.

Kyle Appleby – Chief Financial Officer (Age 47)

Mr. Appleby is a Chartered Professional Accountant with extensive finance, accounting, audit and compliance experience in diverse industries, including, among others, the technology, telecom, bitcoin mining, junior mining, investment funds, and food industries. Mr. Appleby has a marked ability to improve operations, impact growth, maximize profits and meet tight deadlines. He has experience in management, working with board of directors, banks, lawyers, auditors and various regulatory bodies and has worked with over twenty (20) public companies across a variety of exchanges, including the TSXV, the CSE, the Alternative Investment Market (a sub-market of the London Stock Exchange) and the OTC Markets. Mr. Appleby graduated from York University with a Bachelor of Arts in Economics and obtained his accounting designation in 2001.

Mr. Appleby will devote such time as may from time be necessary in order to perform the work required in connection with acting in his capacity as Chief Financial Officer of the Resulting Issuer, which currently is estimated to be approximately 15% of his time.

Ryan Versloot – Vice – President of Exploration (Age 38)

Ryan is an exploration geologist with over 15 years of experience spanning a number of jurisdictions and commodities with a focus on grassroots and early stage projects. As a Project Manager for Longford Exploration Services over the last 5 years, he has focussed on Ni-Cu-PGE and Ag-Pb-Zn deposits in the Yukon as well as gold, graphite and lithium projects in Quebec. Mr. Versloot attended the University of Waterloo and the University of British Columbia and is registered as a Geoscientist in Training in British Columbia & Quebec.

Binyomin Posen – Director (Age 31)

Mr. Posen is the CEO of Cumberland Resources Nickel Corp. and previously a Senior Analyst at Plaza Capital, where he focused on corporate finance, capital markets and helping companies go public. After three and a half years of studies overseas, he returned to complete his baccalaureate degree in Judaic Law. Upon graduating (on the Dean's List) he began his career as an analyst at a Toronto boutique investment bank where his role consisted of raising funds for IPOs and RTOs, business development for portfolio companies and client relations.

Yazeed Esnan – Director (Age 28)

Mr. Esnan is a designated Chartered Financial Analyst and currently works as an analyst at Whether Growth LP, a venture capital fund focused on early-stage companies. Previously, Mr. Esnan worked as an associate at First Republic Capital Corp. after graduating from Dalhousie University with a Bachelor of Commerce in Finance in 2017. Mr. Esnan has acquired ample experience in equity financings and RTO transactions to take companies public. Mr. Esnan also previously worked with several private and public companies through the Cooperative Education program at Dalhousie University.

David Shisel – Director (Age 34)

Mr. Shisel's principal occupations during the past five years included senior management positions with various companies in the Israeli-based medical cannabis companies with a focus on Israel and Europe, as well as a cannabis-focused legal practice. Mr. Shisel was CEO of HolyCanna Ltd., an Israel-based company with a cannabis nursery and cultivation license, from February 2018 to September 2019. Mr. Shisel was CEO of CannabiSendak Ltd., an Israeli-based company that operates clinics for cannabis use consultations for medical cannabis patients, from April 2018 to March 2020. Mr. Shisel was strategic and regulatory advisor to Cannabis Labs & Technology Ltd. and GMA Cannabis Research & Development, medical cannabis companies that operate in Israel, Greece and Germany, from August 2019 to January 2020. Mr. Shisel was strategic and regulatory advisor to the head of cannabis department at Weinstock Zehavi & Co Law Firm, a Tel-Aviv based cannabis expert law firm in Israel from November 2017 to January 2019. Mr. Shisel was CEO and founder of Yavne Bar and Hostel 51, bars & restaurants in Tel Aviv Israel, from June

2015 to October 2017. Mr. Shisel holds a law degree from Tel Aviv University. To the best of Mr. Shisel's knowledge, (i) at the time of his involvement with his previous roles, none of such companies were affiliates of the Company, and (ii) as of the date hereof, all of such companies are still carrying on their respective businesses.

Hiransh Shah – Director (Age 24)

Mr. Shah is an Analyst at Plaza Capital, where he helps research potential investments and assists with the due diligence process. Hiransh graduated from the University of Toronto with a Bachelor of Science (Honours), completing a double-major in Economics (with a Focus in Data Analytics) and Statistics.

14. CAPITALIZATION

14.1 Pro Forma Capitalization

There are 70,112,397 Resulting Issuer Shares issued and outstanding.

The following tables set forth the pro forma consolidated capitalization of the Resulting Issuer as at the date of this Listing Statement.

	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
<u>Public Float</u>				
Total outstanding (A)	70,112,397	75,231,313	100%	100%
Held by Related Persons or employees of the Resulting Issuer or Related Person of the Resulting Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Resulting Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Resulting Issuer upon exercise or conversion of other securities held) (B)	35,647,929	35,647,929	50.84%	47.38%
Total Public Float (A-B)	34,464,468	39,583,384	49.16%	52.62%
<u>Freely-Tradeable Float</u>				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	630,000	630,000	0.90%	0.84%
Total Tradeable Float (A-C)	69,482,397	74,601,313	99.10%	99.16%

Public Securityholders (Registered)

Size of Holding	Number of holders	Total number of securities
1 – 99 securities	-	-
100 – 499 securities	-	-
500 – 999 securities	-	-
1,000 – 1,999 securities	-	-
2,000 – 2,999 securities	-	-
3,000 – 3,999 securities	2	7,704
4,000 – 4,999 securities	-	-
5,000 or more securities	50	34,456,764
Total:	52	34,464,468

Public Securityholders (Beneficial)

Size of Holding	Number of holders	Total number of securities
1 – 99 securities	1	6
100 – 499 securities	52	16,016
500 – 999 securities	6	3,850
1,000 – 1,999 securities	3	4,312
2,000 – 2,999 securities	-	-
3,000 – 3,999 securities	8	29,273
4,000 – 4,999 securities	7	29,891
5,000 or more securities	157	34,377,701
Unable to confirm	Unable to confirm ⁽¹⁾	3,419
Total:	234	34,464,468

Note:
(1) Shares are held by an unknown number of participants (intermediaries) through CDS & Co., the Canadian depository for securities.

Non-Public Securityholders (Registered)

Size of Holding	Number of holders	Total number of securities
1 – 99 securities	-	-
100 – 499 securities	-	-
500 – 999 securities	-	-
1,000 – 1,999 securities	-	-
2,000 – 2,999 securities	-	-
3,000 – 3,999 securities	-	-
4,000 – 4,999 securities	-	-
5,000 or more securities	8	35,647,929
Total:	8	35,647,929

14.2 Securities Convertible or Exchangeable for Resulting Issuer Shares

The following tables set forth the securities convertible or exchangeable for Resulting Issuer Shares following the completion of the Amalgamation and the Rift Financings.

Description of Security (include conversion / exercise)	Number of convertible / exchangeable securities	Number of listed securities issuable upon conversion /
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terms, including conversion / exercise price)	outstanding	exercise
Resulting Issuer Warrants (\$0.10 exercise price which expire September 2, 2024)	6,022,256	5,118,916 ⁽¹⁾

Note:

(1) Each Resulting Issuer Warrant is exercisable to acquire 0.85 of a Resulting Issuer Share at a price of \$0.10 until September 2, 2024.

15. EXECUTIVE COMPENSATION

15.1 General

On the Listing Date, the Resulting Issuer will still be in its early stages of development. The Resulting Issuer will not immediately have a compensation committee but intends to establish one in the near term. Initially, the compensation program for the Resulting Issuer will only provide for a base amount of cash compensation, with no formal long-term equity plan or bonus program in place other than for the Resulting Issuer Option Plan. The compensation program of the Resulting Issuer, however, will provide for certain benefits on behalf of the Named Executive Officers (as such term is defined in NI 51-102) (each an “NEO”).

Other than as described above, the Resulting Issuer does not intend to provide the NEOs with any additional personal benefits, nor does the Resulting Issuer intend to provide any additional compensation to its NEOs for serving as directors.

The Resulting Issuer Board as a whole determines the level of compensation in respect of the Resulting Issuer’s senior executives. There are no long-term incentive award plans other than for the Resulting Issuer Option Plan. There are no pension plan benefits in place for the named executives and other than as described in this Listing Statement, none of the NEOs, senior officers or directors are indebted to the Resulting Issuer. In addition, there are no plans in place with respect to the NEOs for termination of employment or change in responsibilities.

Base Salaries

To set base compensation levels, the Resulting Issuer will give consideration to objective factors such as level of responsibility, experience and expertise and subjective factors such as leadership, commitment and attitude.

Bonus Plan

If and when any bonus awards are determined to be issuable, they will be determined by reference to the Resulting Issuer’s actual performance relative to objectives and individual contributions toward such performance. All awards made to executive officers will be subject to the review and approval of the Resulting Issuer Board and will be examined in absolute terms as well as in relation to peer company performance.

Stock Option Plan

The Resulting Issuer Board and executive officers are eligible to receive Resulting Issuer Options pursuant to the Resulting Issuer Option Plan. The Resulting Issuer Board may decide to grant new Resulting Issuer Options in the future. For a full description of the Resulting Issuer Option Plan, please see Section 9 - “Options to Purchase Securities”.

Summary Compensation Table

The following table sets out all anticipated annual compensation to be paid by the Resulting Issuer during the twelve-month period following the Amalgamation.

Name and Position	Year	Salary (\$) ⁽¹⁾	Share-base awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other Compensation (\$)	Total Compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Bennett Kurtz, CEO	2023	36,000	Nil	Nil	Nil	Nil	Nil	Nil	36,000
Kyle Appleby, CFO	2023	36,000	Nil	Nil	Nil	Nil	Nil	Nil	36,000

Note:

(1) Gross salary in Canadian dollars, per annum, before local income taxes and withholdings.

Retirement Plans

The Resulting Issuer does not intend to implement, any retirement plans, pension plans or other forms of funded or unfunded retirement compensation for its employees.

Employment Contracts

As of the date of this Listing Statement, the Resulting Issuer does not have any employees.

Termination, Change of Control and Benefits

As of the date of this Listing Statement, the Resulting Issuer does not have any agreements that contain termination or change of control provisions. Agreements that contain change of control or other termination provisions may be entered into with NEOs in the future.

Director Compensation

The Resulting Issuer does not intend to implement any pension plan or other arrangement for non-cash compensation for its directors who are not NEOs, except incentive stock options. In the 12 months following the completion of the Amalgamation, the Resulting Issuer may issue stock options to directors, officers, employees and other service providers from time to time.

Other than as set forth in the foregoing, no director of the Resulting Issuer who is not an NEO has received compensation pursuant to:

- (d) any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments;
- (e) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors; or
- (f) any arrangement for the compensation of directors for services as consultants or experts.

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current, proposed or former directors, executive officers or employees of the Resulting Issuer, its predecessors or any of their subsidiaries are or were indebted to the Resulting Issuer or its predecessors and no current or proposed director or executive officer or any associate of the foregoing is or was indebted

to the Resulting Issuer, its predecessors or any of their subsidiaries or has any indebtedness to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Resulting Issuer, its predecessors or any of its subsidiaries.

None of the persons who are directors, employees or executive officers of the Resulting Issuer, and none of the associates of such persons, is or has been indebted to the Resulting Issuer, its predecessors or any of their subsidiaries at any time during the most recently completed financial year of each of Titus and Rift, respectively, or will be indebted to the Resulting Issuer. Furthermore, none of such persons were indebted to a third party during such period where their indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Resulting Issuer, its predecessors or any of their subsidiaries.

17. RISK FACTORS

The following are certain factors relating to the business of the Resulting Issuer, its predecessors or any of their subsidiaries. These risks and uncertainties are not the only ones facing the Resulting Issuer. Additional risks and uncertainties not presently known to the Resulting Issuer or currently deemed immaterial by the Resulting Issuer, may also impair the operations of the Resulting Issuer. If any such risks actually occur, shareholders of the Resulting Issuer could lose all or part of their investment and the business, financial condition, liquidity, results of operations and prospects of the Resulting Issuer could be materially adversely affected and the ability of the Resulting Issuer to implement its growth plans could be adversely affected.

Risks Associated with the Resulting Issuer

Exploration, Development and Operating Risks

Mineral exploration operations generally involve a high degree of risk. The Resulting Issuer's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of lithium and other minerals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, mining operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas which may result in environmental pollution and consequent liability.

The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Resulting Issuer will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Resulting Issuer not receiving an adequate return on invested capital.

There is no certainty that the expenditures made by the Resulting Issuer towards the search and evaluation of mineral deposits will result in discoveries of commercial quantities of ore.

Licensing Matters

The Resulting Issuer's operations are subject to receiving and maintaining permits, licenses and concessions from appropriate governmental authorities. There can be no assurance that delays will not

occur in connection with obtaining all such necessary permits, licenses and concessions or renewals thereof, or in connection with the renewal and/or conversion of existing permits, licenses and concessions or any additional permits, licenses and concessions which may be required for future operations. There can be no assurance that the Resulting Issuer will continue to hold all permits, licenses and concessions necessary to develop or continue operating at any particular property, or that any such permits, licenses or concessions awarded will not be cancelled pursuant to applicable legislation or to unexpected acts by government authorities. See also Section 17 “*Risk Factors – Exploration, Development and Operating Risks*” of this Listing Statement.

Commodity Prices

The price of the Resulting Issuer Shares, as a result of the Resulting Issuer’s financial results and exploration, development and mining activities, may in the future be significantly adversely affected by declines in the price of lithium and other metals. Lithium and other mineral prices fluctuate widely and are affected by numerous factors beyond the Resulting Issuer’s control such as the sale or purchase of lithium by manufacturers, inflation or deflation, fluctuation in the value of the U.S. dollar and foreign currencies, global and regional supply and demand and the political and economic conditions of major lithium producing countries throughout the world. The price of lithium has fluctuated widely in recent years, and future serious price declines could cause continued development of the Resulting Issuer’s properties to be impossible. In addition, any future production from the Resulting Issuer’s properties, if any, would be dependent on lithium prices that are adequate to make these properties economically viable.

In addition to adversely affecting any future resource estimates, if any, and the Resulting Issuer’s financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Insurance and Uninsured Risks

The Resulting Issuer’s business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Resulting Issuer’s properties or the properties of others, delays in mining, monetary losses and possible legal liability.

The Resulting Issuer does not currently maintain any insurance and any insurance obtained in the future may not cover the potential risks associated with operating a mineral exploration company. The Resulting Issuer may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Resulting Issuer or to other companies in the mineral exploration industry on acceptable terms. The Resulting Issuer might also become subject to liability for pollution or other hazards which may not be insured against or which the Resulting Issuer may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Resulting Issuer to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Operating Hazards and Risks

Exploration for natural resources involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Resulting Issuer has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of resources, any of which could result in work stoppages, damage to persons or property and possible environmental damage. Although the Resulting Issuer has or will obtain liability insurance in

an amount which it considers adequate, the nature of these risks is such that liabilities might exceed policy limits, the liabilities and hazards might not be insurable against, or the Resulting Issuer might not elect to insure itself against such liabilities due to high premium costs or other reasons, in which event the Resulting Issuer could incur significant costs that could have a material adverse effect upon its financial condition.

Environmental Risks and Hazards

All phases of the Resulting Issuer's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Resulting Issuer's operations. Environmental hazards may exist on the properties on which the Resulting Issuer holds interests which are unknown to the Resulting Issuer at present, and which have been caused by previous owners or operators of the properties that may be conducting mining, logging, or some other activity. Government approvals and permits are currently and may in the future be required in connection with the Resulting Issuer's operations. To the extent such approvals are required and not obtained, the Resulting Issuer may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Resulting Issuer and cause increases in exploration expenses or capital expenditures or require abandonment or delays in development of new exploration properties.

Environmental Protection

The Resulting Issuer's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mineral resource industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Resulting Issuer intends to comply fully with all environmental regulations.

The current or future operations of the Resulting Issuer, including exploration activities on its properties, require permits from various federal, provincial or territorial and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters.

Such operations and exploration activities are also subject to substantial regulation under applicable laws by governmental agencies that may require the Resulting Issuer to obtain permits from various governmental agencies. There can be no assurance, however, that all permits that the Resulting Issuer may require for its operations and exploration activities will be obtainable on reasonable terms or on a

timely basis or that such laws and regulations will not have an adverse effect on any mineral exploration project which the Resulting Issuer might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mineral exploration may be required to compensate those suffering loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mineral exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Resulting Issuer and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of properties.

To the best of the Resulting Issuer's knowledge, it is operating in compliance with all applicable rules and regulations.

To date, applicable environmental legislation has had no material financial or operational effects upon the operations of the Resulting Issuer. See also Section 17 "*Risk Factors – Environmental Risks and Hazards*" of this Listing Statement.

Global Financial Conditions

Global financial conditions have been subject to increased volatility and numerous financial institutions have recently either gone into bankruptcy or have had to be rescued by governmental authorities. Global financial conditions could suddenly and rapidly destabilize in response to economic shocks, as government authorities may have limited resources to respond to crises. Economic shocks may be precipitated by a number of causes, including a rise in the price of oil, geopolitical instability and natural disasters. Such events may impact the ability of the Resulting Issuer to obtain equity or debt financing in the future or on terms favourable to the Resulting Issuer. Additionally, any such occurrence could cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. If these increased levels of volatility and market turmoil continue, the Resulting Issuer's operations could be adversely impacted and the value and the price of the Resulting Issuer Shares and other securities could also be adversely affected.

Furthermore, general market, political and economic conditions, including, for example, inflation, interest and currency exchange rates, structural changes in the global mining industry, global supply and demand for commodities, political developments, legislative or regulatory changes, social or labour unrest and stock market trends will affect the Resulting Issuer's operating environment and its operating costs, profit margins and share price. Any negative events in the global economy could have a material adverse effect on the Resulting Issuer's business, financial condition, results of operations, cash flows or prospects.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Resulting Issuer's operations, financial condition and results of operations.

Uncertainty Relating to Mineral Resources

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Due to the uncertainty which may attach to mineral resources, there is no assurance that any future mineral resources identified on any of the Resulting Issuer's properties, if any, will be upgraded to mineral reserves as a result of continued exploration.

Reliability of Resource Estimates

There is no certainty that any future mineral resources on any of the Resulting Issuer's properties, if any, will be realized. Until a deposit is actually mined and processed the quantity of mineral resources and grades must be considered as estimates only. In addition, the quantity of mineral resources may vary depending on, among other things, metal prices. Any material change in quantity of mineral resources, grade or stripping ratio may affect the economic viability of any project undertaken by the Resulting Issuer. In addition, there can be no assurance that lithium recoveries or other metal recoveries in small scale laboratory tests will be duplicated in a larger scale test under on-site conditions or during production.

Fluctuations in lithium and other base or precious metals prices, results of drilling, metallurgical testing and production and the evaluation of studies, reports and plans subsequent to the date of any estimate may require revision of such estimate. Any material reductions in estimates of mineral resources could have a material adverse effect on the Resulting Issuer's results of operations and financial condition.

No History of Mineral Production

The Resulting Issuer has never achieved production from any of its properties. There is no assurance that commercial quantities of minerals will be discovered at any of the properties of the Resulting Issuer or any future properties, nor is there any assurance that the exploration programs of the Resulting Issuer thereon will yield any positive results. Even if commercial quantities of minerals are discovered, there can be no assurance that any property of the Resulting Issuer will ever be brought to a stage where mineral resources can profitably be produced thereon. Factors which may limit the ability of the Resulting Issuer to produce mineral resources from its properties include, but are not limited to, the price of the mineral resources which are currently being explored for, availability of additional capital and financing and the nature of any mineral deposits.

Land Title

Although the title to the properties in which the Resulting Issuer holds an interest were reviewed in the past, no assurances can be given that there are no title defects affecting such properties. Title insurance generally is not available, and the Resulting Issuer's ability to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be severely constrained. The Resulting Issuer (or its predecessors) has not conducted surveys of the claims in which it holds direct or indirect interests and, therefore, the precise area and location of such claims may be in doubt. Accordingly, the Resulting Issuer's mineral properties may be subject to prior unregistered liens, agreements, transfers or claims and title may be affected by, among other things, undetected defects.

In addition, the Resulting Issuer may be unable to operate its properties as permitted or to enforce its rights with respect to its properties.

To the Resulting Issuer's knowledge, no aboriginal tribe has asserted claims over the concession areas nor is any expected to do so.

Licenses and Permits

The operations of the Resulting Issuer may require permits, licenses and concessions from various governmental authorities. While the Resulting Issuer strives to obtain and comply with all applicable permitting requirements, obtaining necessary permits, licenses and concessions can be a complex, time consuming process and the Resulting Issuer cannot be certain that it will be able to obtain the necessary permits, licenses and concessions on acceptable terms, in a timely manner, or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop, delay or restrict the Resulting Issuer from proceeding with the development of an exploration project or the development and operation of a mine. Any failure to comply with applicable laws and regulations or permits could result in interruption or closure of exploration, development or mining operations, injunctions, suspensions or revocation of permits, or fines, penalties or other liabilities. The Resulting Issuer could also lose its mineral property interests under the terms of its existing agreements.

Failure to obtain or maintain necessary licence or government approvals or changes to applicable legislation could have a material adverse impact on the Resulting Issuer.

Surface Rights and Access

Although the Resulting Issuer acquires the rights to some or all of the minerals in the ground subject to the license that it acquires, or has a right to acquire, in most cases it does not thereby acquire any rights to, or ownership of, the surface to the areas covered by its mineral license. In such cases, applicable laws usually provide for rights of access to the surface for the purpose of carrying on mineral exploration activities, however, the enforcement of such rights can be costly and time consuming. In areas where there are no existing surface rights holders, this does not usually cause a problem, as there are no impediments to surface access. However, in areas where there are local populations or landowners, it is necessary, as a practical matter, to negotiate surface access rights or ownership.

There can be no guarantee that, despite having the legal right to access the surface and being engaged in mineral exploration or development activities, the Resulting Issuer will be able to negotiate a satisfactory agreement with any such existing landowners/occupiers for such access, and therefore it may be unable to carry out mineral exploration activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Resulting Issuer may need to rely on the assistance of local officials or the courts in such jurisdiction.

Competition May Hinder Corporate Growth

The mineral exploration industry is competitive in all of its phases. The Resulting Issuer faces strong competition from other mineral exploration companies in connection with the acquisition of properties producing, or capable of producing, precious and base metals. Many of these companies have greater financial resources, operational experience and technical capabilities than the Resulting Issuer. As a result of this competition, the Resulting Issuer may be unable to maintain or acquire attractive properties on terms it considers acceptable or at all. Consequently, the Resulting Issuer's revenues, operations and financial condition could be materially adversely affected.

Discretion in the Use of Proceeds

The Resulting Issuer currently intends to allocate the net proceeds received from the Subscription Receipt Financings, and the as described under Section 4.1.14 "Use of Available Funds" of this Listing Statement. However, management will have broad discretion concerning the use of the proceeds of the Subscription Receipt Financings, and the as well as the timing of their expenditures and may elect to allocate the net proceeds other than as described under Section 4.1.14 "Use of Available Funds" of this Listing Statement if they believe it would be in the Resulting Issuer's best interest to do so. As a result, an investor will be relying on the judgment of management for the application of the proceeds of the Subscription Receipt Financing. Management may use the net proceeds of the Subscription Receipt Financing in ways that an investor may consider desirable. The results and the effectiveness of the application of the proceeds are uncertain. If the proceeds are not applied effectively, the Resulting Issuer's results of operations may suffer.

Additional Capital

The Resulting Issuer will be subject to capital requirements associated with ongoing financing of its current assets, completing its current development projects and expanding its operations on existing sites, and any future acquisitions or business arrangements completed. The ability of the Resulting Issuer to raise such capital will depend, in part, upon conditions in the capital markets at the time and its historical business performance. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration, development or production on any or all of the Resulting Issuer's properties or even a loss of property interest. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Resulting Issuer.

Negative Operating Cash Flow

The Resulting Issuer has made significant up-front investments in exploration and general and

administrative expenses in order to rapidly develop and expand its business. The Resulting Issuer is currently incurring expenditures related to the Resulting Issuer's operations that have generated a negative operating cash flow. Operating cash flow may decline in certain circumstances, many of which are beyond the Resulting Issuer's control. There is no assurance that any revenues will be generated in the near future. Because the Resulting Issuer continues to incur such significant future expenditures for continued exploration and general and administrative expenses, the Resulting Issuer may continue to experience negative cash flow until it is in a position to generate revenue to cover operating expenses. An inability to generate positive cash flow until the Resulting Issuer is in a position to generate revenue to cover operating expenses or raise additional capital on reasonable terms will adversely affect the Resulting Issuer's viability as an operating business.

Exchange Rate Fluctuations

Exchange rate fluctuations may affect the costs that the Resulting Issuer incurs in its operations. The appreciation of non-U.S. dollar currencies against the U.S. dollar can increase the cost of lithium production in U.S. dollar terms. Most of the Resulting Issuer's expenditures are paid in US currency. Accordingly, a strengthened US dollar relative to the Canadian dollar would negatively impact the Resulting Issuer.

Government Regulation

The mineral exploration and development activities of the Resulting Issuer are subject to various laws governing exploration, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters.

Exploration may also be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploration and production, price controls, export controls, currency availability, foreign exchange controls, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mineral exploration from environmental and other non-governmental organizations, limitations on foreign ownership, expropriation of property, ownership of assets, environmental legislation, labour relations, limitations on repatriation of income and return of capital, limitations on mineral exports, high rates of inflation, increased financing costs and health and site safety. This may affect both the Resulting Issuer's ability to undertake exploration and development activities in respect of present and future properties in the manner contemplated, as well as its ability to continue to explore, develop and operate those properties in which it has an interest or in respect of which it has obtained exploration and development rights to date.

Although the Resulting Issuer believes that its exploration and development activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail development or future potential production. Amendments to current laws and regulations governing operations or more stringent implementation thereof could have a substantial adverse impact on the Resulting Issuer.

Coronavirus (COVID-19) and health crises

The current outbreak of novel Coronavirus (COVID-19) and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions which may adversely impact the Resulting Issuer's operations, and the operations of its suppliers, contractors and service providers, the ability to obtain financing and maintain necessary liquidity, and the ability to explore the Resulting Issuer's properties. The outbreak of COVID-19 and political upheavals in various countries have caused significant volatility in commodity prices. The outbreak is causing companies and various international jurisdictions to impose restrictions such as quarantines, business closures and travel restrictions.

While these effects are expected to be temporary, the duration of the business disruptions and related financial impact cannot be reasonably estimated at this time. Similarly, the Resulting Issuer cannot estimate whether or to what extent this may affect its plan of distribution, use of proceeds and timelines, business and disclosed milestones and corporate structure. In particular, travel bans and other government restrictions may adversely impact the Resulting Issuer's ability to begin Phase I operations on the Mound

Lake Property. Furthermore, if any Resulting Issuer personnel or consultants become infected with Coronavirus or similar pathogens and/or the Resulting Issuer is unable to source necessary supplies, due to government restrictions or otherwise, it could have a material negative impact on the Resulting Issuer's operations and prospects, including the commencement of Phase I operations on the Mound Lake Property.

Beyond the duration of restrictions imposed by governments, the potential for immense financial damage to the global economy may result in governments resorting to further mitigative, preservative or restorative policy measures to maintain their economies the including the imposition of royalties, net profits payments, new taxes, tax increases or other claims by government entities; a disregard for due process and the rule of law by local courts; renegotiation or nullification of existing permits, licenses and concessions and contracts; the risk of expropriation and nationalization of assets and delays in obtaining or the inability to obtain necessary governmental permits.

Community Risk

Surrounding communities may affect or threaten the security of the operations through the restriction of access of supplies and the workforce to the project areas or the conduct of artisanal and illegal mining at or near the project areas. The material property of the Resulting Issuer may be subject to the rights or asserted rights of various community stakeholders, including aboriginal and indigenous peoples, through legal challenges relating to ownership rights or rights to artisanal mining.

Operations, development projects, or exploration activities could be impacted through access blockages, equipment or property damage, permitting delays or blockages, or other impediments as a result of community actions, actions by artisanal miners or loggers, or as a result of actions related to aboriginal or indigenous relationships, which may have a material negative impact on the Resulting Issuer.

Dividend Policy

No dividends on any of the Resulting Issuer Shares have been paid to date. The Resulting Issuer currently plans that, assuming the Listing, the Resulting Issuer will retain all future earnings and other cash resources, if any, for the future operation and development of its business. Payment of any future dividends by the Resulting Issuer, if any, will be at the discretion of the Resulting Issuer Board after taking into account many factors, including the Resulting Issuer's operating results, financial condition, and current and anticipated cash needs.

Labour and Employment Matters

While the Resulting Issuer has good relations with its employees, these relations may be impacted by changes in the scheme of labour relations which may be introduced by the relevant governmental authorities in whose jurisdictions the Resulting Issuer carries on business. Adverse changes in such legislation may have a material adverse effect on the Resulting Issuer's business, results of operations and financial condition.

Subsidiaries

The Resulting Issuer will conduct certain of its operations through its subsidiaries and holds certain of its assets through its subsidiaries. Accordingly, any limitation on the transfer of cash or other assets between the Resulting Issuer and its subsidiaries could restrict the Resulting Issuer's ability to fund its operations efficiently. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on the Resulting Issuer's valuation and price of the Resulting Issuer Shares.

Future Sales of Resulting Issuer Shares by Existing Shareholders

Sales of a large number of Resulting Issuer Shares in the public markets, or the potential for such sales, could decrease the trading price of the Resulting Issuer Shares and could impair the Resulting Issuer's ability to raise capital through future sales of Resulting Issuer Shares. The Resulting Issuer has previously completed private placements at prices per share which are from time to time lower than the market price of the Resulting Issuer. Accordingly, a significant number of shareholders of the Resulting Issuer have an

investment profit in the Resulting Issuer Shares that they may seek to liquidate.

Key Executives

The Resulting Issuer will be dependent on the services of key executives, including the Chief Executive Officer of the Resulting Issuer, and a small number of highly skilled and experienced executives and personnel. Due to the relatively small size of the Resulting Issuer, the loss of these persons or the Resulting Issuer's inability to attract and retain additional highly skilled employees may adversely affect its business and future operations.

Conflicts of Interest

Certain proposed directors and officers of the Resulting Issuer also serve as directors and/or officers of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers involving the Resulting Issuer will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Resulting Issuer and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in applicable corporate law.

Legal Proceedings

Due to the nature of its business, the Resulting Issuer may be subject to numerous regulatory investigations, civil claims, lawsuits and other proceedings in the ordinary course of its business. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, the difficulty of predicting decisions of regulators, judges and juries and the possibility that decisions may be reversed on appeal. There can be no assurances that these matters will not have a material adverse effect on the Resulting Issuer's business.

Market Price of Resulting Issuer Shares

There can be no assurance that an active market for the Resulting Issuer Shares will develop after the Listing Date. Securities of small- and mid-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries. The price of the Resulting Issuer Shares is also likely to be significantly affected by short-term changes in lithium prices, other precious metal prices or other mineral prices, the U.S. dollar, the Canadian dollar, and in the Resulting Issuer's financial condition or results of operations as reflected in its financial statements. Other factors unrelated to the performance of the Resulting Issuer that may have an effect on the price of the Resulting Issuer Shares include the following: the extent of analytical coverage available to investors concerning the business of the Resulting Issuer may be limited if investment banks with research capabilities do not follow the Resulting Issuer's securities; lessening in trading volume and general market interest in the Resulting Issuer's securities may affect an investor's ability to trade significant numbers of Resulting Issuer Shares; the size of the Resulting Issuer's public float may limit the ability of some institutions to invest in the Resulting Issuer's securities; and a substantial decline in the price of the Resulting Issuer Shares that persists for a significant period of time could cause the Resulting Issuer's securities, if listed on an exchange, to be delisted from such exchange, further reducing market liquidity. If an active market for the Resulting Issuer Shares does not develop, the liquidity of an investor's investment may be limited and the price of the Resulting Issuer Shares may decline below the price at which the Rift Shares were issued pursuant to the Rift Financing. If such a market does not develop, investors may lose their entire investment in the Rift Financing.

As a result of any of these factors, the market price of the Resulting Issuer Shares at any given point in time may not accurately reflect the long-term value of the Resulting Issuer. Securities class-action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Resulting Issuer may in the future be the target of similar litigation. Securities litigation could

result in substantial costs and damages and divert management's attention and resources.

Dilution to Resulting Issuer Shares

The Resulting Issuer has 70,112,397 Resulting Issuer Shares issued and outstanding.

The Resulting Issuer may sell additional Resulting Issuer Shares or other securities in subsequent offerings (including through the sale of securities convertible into or exchangeable for Resulting Issuer Shares) and on the exercise of securities exercisable for Resulting Issuer Shares. The Resulting Issuer cannot predict the size of future issuances of securities or the effect, if any, that future issuances and sales of securities will have on the market price of the Resulting Issuer Shares. Sales or issuances of substantial numbers of Resulting Issuer Shares, or the perception that such sales could occur, may adversely affect prevailing market prices of the Resulting Issuer Shares. With any additional sale or issuance of Resulting Issuer Shares, investors will suffer dilution to their voting power and the Resulting Issuer may experience dilution in its earnings per share.

18. PROMOTERS

Bennett Kurtz is considered a promoter as a result of his involvement with the Amalgamation. Mr. Kurtz currently holds 700,000 Resulting Issuer Shares. Mr. Kurtz will be receiving a salary from the Resulting Issuer for his professional services once the Resulting Issuer starts trading.

19. LEGAL PROCEEDINGS

There are no actual or pending material legal proceedings to which the Resulting Issuer or its predecessor corporations is a party or of which any of its assets are subject.

Management of the Resulting Issuer and its predecessor corporations are not aware of any such material legal proceedings contemplated against the Resulting Issuer or its predecessor corporations. There are no penalties or sanctions imposed against the Resulting Issuer or its predecessor corporations by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date of this Listing Statement. There are no other penalties or sanctions imposed by a court or regulatory body against the Resulting Issuer or its predecessor corporations necessary to contain full, true and plain disclosure of all material facts relating to the securities being listed. There are no settlement agreements that the Resulting Issuer or its predecessor corporations entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date this Listing Statement.

20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as described below, no director, executive officer or person or company that, upon Listing, beneficially owns, or controls or directs, directly or indirectly, more than 10% of any class or series of outstanding voting securities of the Resulting Issuer, or any associate or affiliate of any such person or company, has or had any material interest, direct or indirect, in any transaction that has materially affected or is reasonably expected to materially affect the Resulting Issuer.

21. AUDITORS, TRANSFER AGENT AND REGISTRAR

21.1 Auditors

The auditors of the Resulting Issuer are Stern & Lovrics LLP, Chartered Professional Accountants, at its principal office in Toronto, Ontario.

21.2 Transfer Agent and Registrar

The transfer agent and registrar of the Resulting Issuer is TSX Trust Company at its principal transfer office in Toronto, Ontario.

22. MATERIAL CONTRACTS

Other than as disclosed in this Listing Statement, the Resulting Issuer will not have entered into any material contracts, other than contracts entered into the ordinary course of business.

Copies of the following material contracts are, or will be, available under Titus' profile on SEDAR at www.sedar.com upon Listing:

- (a) The Mound Lake Purchase Agreement;
- (b) The Definitive Agreement dated May 26, 2023, between Titus, Titus Subco and Rift; and
- (c) the Escrow Agreement (see *Section 11 – Escrowed Securities*).

23. INTEREST OF EXPERTS

As of June 7, 2023, Stern & Lovrics LLP (the auditors of Titus and the proposed auditors of the Resulting Issuer) have reported that they are independent in accordance with the rules of professional conduct of the Institute of Chartered Accountants of Ontario.

Mark C. Smyk, P. Geo., prepared the Technical Report for Rift. Please see the disclosure contained under Section 4.1 "*General Business of the Resulting Issuer*" of this Listing Statement for further detail. As of the date of this Listing Statement, Mr. Smyk holds no Resulting Issuer Shares (including the shares of any predecessor entity thereto).

24. OTHER MATERIAL FACTS

There are no other material facts that are not elsewhere disclosed herein and which are necessary in order for this document to contain full, true and plain disclosure of all material facts relating to the Resulting Issuer and its securities (including the securities of any predecessor entity thereto).

25. FINANCIAL STATEMENTS

The financial statements of Titus as at and for the nine months ended February 28, 2023 and for the years ended May 31, 2022 and May 31, 2021 are attached hereto as Appendix "B".

The financial statements of Rift as at and for the period from incorporation (November 23, 2021) to December 31, 2022 are attached hereto as Appendix "C".

The pro forma consolidated financial statements of the Resulting Issuer are attached hereto as Appendix "D".

The MD&A of Titus for the nine months ended February 28, 2023 and for the years ended May 31, 2022, and May 31, 2021 are attached hereto as Appendix "E".

The MD&A of Rift as at and for the period from incorporation (November 23, 2021) to December 31, 2022 are attached hereto as Appendix "F".

The financial statements of Rift for the three months ended March 31, 2023 are attached hereto as Appendix "G".

The MD&A of Rift for the three months ended March 31, 2023 are attached hereto as Appendix "H".

CERTIFICATE OF THE RESULTING ISSUER

The foregoing Listing Statement contains full, true and plain disclosure of all material information relating to Free Battery Metal Limited, the Resulting Issuer described in the foregoing Listing Statement. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Toronto, Ontario, this 7th day of June, 2023.

Signed "Bennett Kurtz"

Chief Executive Officer
Bennett Kurtz

Signed "Kyle Appleby"

Chief Financial Officer
Kyle Appleby

ON BEHALF OF THE BOARD OF DIRECTORS

Signed "Binyomin Posen"

Director
Binyomin Posen

Signed "Hiransh Shah"

Director
Hiransh Shah

CERTIFICATE OF THE PROMOTER

The foregoing contains full, true and plain disclosure of all material information relating to Free Battery Metal Limited. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Toronto, Ontario this 7th day of June, 2023.

PROMOTER

Signed "Bennett Kurtz"

Bennett Kurtz

APPENDIX "A"
RESULTING ISSUER OPTION PLAN

[See attached.]

TITUS ENERGY CORP.

STOCK OPTION PLAN

(JULY 16, 2021)

1. PURPOSE

The purpose of this stock option plan (the “**Plan**”) is to authorize the grant to Eligible Persons (as such term is defined below) of Titus Energy Corp. (the “**Corporation**”) options to purchase common shares (“**Shares**”) of the Corporation’s capital and thus benefit the Corporation by enabling it to attract, retain and motivate Eligible Persons by providing them with the opportunity, through share options, to acquire an increased proprietary interest in the Corporation.

2. DEFINITIONS

(a) “**Acceleration Event**” means

- (i) the acquisition by any “offeror” (as defined in the *Securities Act* (British Columbia)) of beneficial ownership of more than 50% of the outstanding voting securities of the Corporation, by means of a take-over bid or otherwise;
- (ii) any consolidation, reorganization, merger, amalgamation or statutory amalgamation or arrangement of the Corporation with or into another corporation, a separation of the business of the Corporation into two or more entities, or pursuant to which shares of the Corporation would be converted into cash, securities or other property, other than a merger of the Corporation in which shareholders immediately prior to the merger have the same proportionate ownership of stock of the surviving corporation immediately after the merger;
- (iii) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Corporation;
- (iv) the approval by the shareholders of the Corporation of any plan of liquidation or dissolution of the Corporation; or
- (v) the replacement by way of election or appointment at any time of one-half or more of the total number of the then incumbent members of the Board of Directors of the Corporation, unless such election or appointment is approved by 50% or more of the Board of Directors in office immediately preceding such election or appointment in circumstances where such election or appointment is to be made other than as a result of a dissident public proxy solicitation, whether actual or threatened;

(b) “**Blackout Period**” has the meaning ascribed thereto in Section 8;

- (a) **“Board”** means the board of directors of the Corporation, or any committee of the board of directors to which the duties of the board of directors hereunder are delegated;
- (b) **“Company”** means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;
- (c) **“Consultant”** means an individual (other than a director, executive officer, Employee or Management Company Employee of the Corporation) or Company that:
 - (i) is engaged to provide, on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or an Affiliate (as defined under applicable securities laws) of the Corporation, other than services provided in relation to a Distribution (as defined under applicable securities laws);
 - (ii) provides the services under a written contract between the Corporation or an Affiliate and an individual or the Company, as the case may be;
 - (iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or an Affiliate of the Corporation;
 - (iv) has a relationship with the Corporation or an Affiliate of the Corporation that enables the individual to be knowledgeable about the business and affairs of the Corporation; and
 - (v) does not engage in Investor Relations Activities;
- (d) **“Corporation”** means Titus Energy Corp. and includes any successor corporation thereto;
- (e) **“CPP”** means Canadian Pension Plan.
- (f) **“CSE”** means the Canadian Securities Exchange;
- (g) **“Eligible Person”** means any executive officer or director, Employee, Management Company Employee, Consultant, Investor Relations Person of the Corporation or its subsidiaries;
- (h) **“Employee”** means:
 - (i) an individual who is considered an employee of the Corporation or its subsidiaries under the *Income Tax Act* (Canada) (and for whom income tax, employment insurance and CPP deductions must be made at source);
 - (ii) an individual who works full-time for the Corporation or its subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or its subsidiaries over the details and methods of work as an employee of the Corporation or its

subsidiaries, but for whom income tax deductions are not made at source,
or

- (iii) an individual who works for the Corporation or its subsidiaries on a continuing and regular basis for a minimum amount of time per week (the number of hours should be disclosed in the submission) providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or any of its subsidiaries over the details and methods of work as an employee of the Corporation or its subsidiaries, but for whom income tax deductions are not made at source;
- (i) **“Exchanged Share”** means a security that is exchanged for a share in an Acceleration Event;
- (j) **“Exchanged Share Price”** means the product of the share to Exchanged Share ratio multiplied by the five day volume weighted average price of the Exchanged Shares on an exchange for the period ending one day prior to the effective time of the Acceleration Event, or, in the case of Exchanged Shares that are not listed or quoted for trading, the fair value of those Exchanged Shares, as determined by the Board, in its sole discretion, as of the day immediately preceding the effective time of the Acceleration Event;
- (k) **“Exercise Price”** has the meaning ascribed thereto in Section 7;
- (l) **“In-The-Money Amount”** means: (a) in the case of an Acceleration Event in which the holders of shares will receive only cash consideration, the difference between the exercise price of an option and the cash consideration paid per share pursuant to that Acceleration Event; (b) in the case of an Acceleration Event in which the holders of shares will receive Exchanged Shares, the difference between the exercise price of an option and the Exchanged Share Price; or (c) in the case of an Acceleration Event in which the holders of shares will receive cash consideration and Exchanged Shares per share, the difference between the exercise price of an option and the sum of the cash consideration paid per share plus the Exchanged Share Price;
- (m) **“Investor Relations Activities”** means activities or oral or written communications, by or on behalf of the Corporation or a shareholder of the Corporation, that promote or reasonably could be expected to promote the purchase or sale of securities of the Corporation, but does not include:
 - (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Corporation:
 - (1) to promote the sale of products or services of the Corporation, or
 - (2) to raise public awareness of the Corporation,that cannot reasonably be considered to promote the purchase or sale of securities of the Corporation;
 - (ii) activities or communications necessary to comply with the requirements of

- (1) applicable securities laws, policies or regulations,
 - (2) the rules, and regulations of the stock exchange on which the Corporation's securities are listed or the by-laws, rules or other regulatory instruments of any other self regulatory body or exchange having jurisdiction over the Corporation;
- (iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if
 - (1) the communication is only through the newspaper, magazine or publication, and
 - (2) the publisher or writer received no commission or other consideration other than for acting in the capacity of publisher or writer; or
- (iv) activities or communications that may be otherwise specified by the stock exchange on which the Corporation's securities are listed;
- (n) **"Investor Relations Person"** means a Person retained to provide Investor Relations Activities (as defined in CSE policies) and any director or officer whose roles and duties primarily consist of Investor Relations Activities;
- (o) **"Management Company Employee"** means an individual employed by a Person providing management services to the Corporation or its subsidiaries, which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a Person engaged in Investor Relations Activities;
- (p) **"optioned shares"** has the meaning ascribed thereto in Section 9;
- (q) **"Person"** means a Company or individual;
- (r) **"Plan"** has the meaning ascribed thereto in Section 1;
- (s) **"related person"** means:
 - (i) a director or executive officer of the Corporation or its subsidiaries;
 - (ii) an associate (as defined under applicable securities laws) of a director or executive officer of the Corporation or its subsidiaries; or
 - (iii) a permitted assign (as defined under applicable securities laws) of a director or executive officer of the Corporation or its subsidiaries;
- (t) **"shares"** has the meaning ascribed thereto in Section 1;
- (u) **"subsidiary"** means a corporation which is a subsidiary of the Corporation, as defined under the *Securities Act* (British Columbia); and

(v) “**TSXV**” means the TSX Venture Exchange;

For the purposes of the forgoing, a Company is an “**Affiliate**” of another Company if: (i) one of them is the subsidiary of the other; or (ii) each of them is controlled by the same Person.

3. **ADMINISTRATION**

The Plan shall be administered by the Board or a committee established by the Board for that purpose. Subject to approval of the granting of options by the Board, the Corporation shall grant options under the Plan.

Subject to the provisions of the Plan, the Board shall have authority to construe and interpret the Plan and all option agreements entered into thereunder, to define the terms used in the Plan and in all option agreements entered into thereunder, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations necessary or advisable for the administration of the Plan. All determinations and interpretations made by the Board shall be binding and conclusive on all participants in the Plan and on their legal personal representatives and beneficiaries.

4. **SHARES SUBJECT TO PLAN**

Subject to adjustment under the provisions of Section 15 hereof, the aggregate number of shares of the Corporation which may be available for issuance under the Plan will not exceed such number of shares as is equal to 10% of the total number of shares of the Corporation issued and outstanding from time to time.

If any option expires or otherwise terminates for any reason without having been exercised in full, the number of shares in respect of which the option was not exercised shall be available for the purposes of the Plan. Any exercises of options will make new grants available under the Plan, effectively resulting in a re-loading of the number of options available for grant under the Plan.

The Corporation shall not, upon the exercise of any option, be required to issue or deliver any shares prior to, as applicable, (a) the admission of such shares to listing on any stock exchange on which the Corporation’s shares may then be listed, and (b) the completion of such registration or other qualification of such shares under any law, rules or regulation as the Corporation shall determine to be necessary or advisable. If any shares cannot be issued to any optionee for whatever reason, the obligation of the Corporation to issue such shares shall terminate and any option exercise price paid to the Corporation shall be returned to the optionee.

5. **ELIGIBILITY**

Options shall be granted only to Eligible Persons, any registered savings plan established by an Eligible Person or any Company wholly-owned by an Eligible Person.

For options granted to Employees, Consultants, Management Company Employees or Investor Relations Persons, the Corporation must represent that the optionee is a *bona fide* Employee, Consultant, Management Company Employee or Investor Relations Person as the case may be. Subject to the foregoing, the Board shall have full and final authority to determine the persons who are to be granted options under the Plan and the number of shares subject to each option.

6. LIMITS WITH RESPECT TO INVESTOR RELATIONS PERSONS

If, and so long as, the Corporation is listed on the CSE, the aggregate number of shares of the Corporation issued or issuable to persons providing “Investor Relations Activities” (as defined in CSE policies) as compensation within a 12-month period, shall not exceed 1% of the total number of shares then outstanding.

7. EXERCISE PRICE

The exercise price (the “**Exercise Price**”) for the shares of the Corporation under each option shall be determined by the Board and shall not be less than the fair market value of the shares on the date of grant of the option (referred to herein as the “market price”). The “market price” of the shares of the Corporation shall mean the prior trading day closing price of the shares of the Corporation on any stock exchange on which the shares are listed or last trading price on the prior trading day on any dealing network where the shares trade, and where there is no such closing price or trade on the prior trading day, “market price” shall mean the average of the daily high and low board lot trading prices of the shares of the Corporation on any stock exchange on which the shares are listed or dealing network on which the shares of the Corporation trade for the five (5) immediately preceding trading days. Notwithstanding the foregoing, in the event that shares are listed on the CSE, the exercise price shall not be lower than the greater of the closing of the market price of the shares on (a) the prior trading day, and (b) the date of grant of the options. In the event the shares are listed on the TSXV, the price may be the market price less any discounts from the market price allowed by the TSXV, subject to the minimum exercise price allowed by the TSXV. In the event the shares are not listed on any exchange and do not trade on any dealing network, the market price will be determined by the Board. The approval of disinterested shareholders will be required for any reduction in the Exercise Price of a previously granted option to a related person of the Corporation.

8. TERM OF OPTIONS

Subject to the provisions of this Section 8 and Sections 10, 12 and 13 below, the period within which an option may be exercised shall be determined by the Board at the time of granting the options provided, however, that all options shall not be granted for a term exceeding ten years from the date of the option grant.

Notwithstanding the foregoing, in the event that the expiry date of an option falls within a trading blackout period imposed by the Corporation (a “**Blackout Period**”), and neither the Corporation nor the individual in possession of the options is subject to a cease trade order in respect of the Corporation’s securities, then the expiry date of such option shall be automatically extended to the 10th business day following the end of the Blackout Period.

On the expiry date of any option granted under the Plan, and subject to any extension of such expiry date permitted in accordance with the Plan, such option hereby granted shall forthwith expire and terminate and be of no further force or effect whatsoever as to such of the optioned shares in respect of which the option has not been exercised.

9. EXERCISE OF OPTIONS

Subject to the provisions of the Plan and the particular option, an option may be exercised from time to time by delivering to the Corporation at its head office a written notice of exercise specifying the number of shares with respect to which the option is being exercised (the “**optioned shares**”) and accompanied by payment in cash or certified cheque for the full amount of the purchase price of the shares then being purchased. Upon receipt of a certificate of an authorized officer directing the issue of shares purchased under the Plan, the transfer agent is authorized and directed to issue and countersign share certificates for the optioned shares in the name of such optionee or the optionee’s legal personal representative or as may be directed in writing by the optionee’s legal personal representative. Certificates for such optioned shares shall be issued and delivered to the optionee within a reasonable time following the receipt of such notice and payment. Except as provided in Sections 10, 12 and 13 below, no option which is held by a service provider may be exercised unless the optionee is then a service provider for the Corporation.

10. **VESTING RESTRICTIONS**

Options issued under the Plan may vest and become exercisable at the discretion of the Board provided that if required by any stock exchange on which the shares of the Corporation trade: (i) any options granted at an Exercise Price calculated as an allowable discount to the applicable market price shall contain such vesting restrictions as may be required by such stock exchange; and (ii) any options granted to an Investor Relations Person must vest in stages over not less than 12 months with no more than one-quarter (1/4) of the aggregate number of options granted vesting in any single three month period.

11. **EVIDENCE OF OPTIONS**

Each option granted under the Plan shall be embodied in a written option agreement, substantially in the form attached hereto as Exhibit A, issued by the Corporation to the optionee which shall give effect to the provisions of the Plan.

12. **CESSATION OF PROVISION OF SERVICES**

Subject to Section 13 below, if any optionee ceases to be an Eligible Person of the Corporation for any reason, other than as a result of having been dismissed for cause or as a result of the optionee’s death, such optionee shall have the right for a period of 90 days (or until the normal expiry date of the option rights of such optionee, if earlier) from the date of ceasing to be an Eligible Person to exercise the options of such optionee, to the extent they were exercisable on the date of ceasing to be an Eligible Person, subject to extension by the Board to a maximum of one year with approval from the stock exchange on which the shares of the Corporation trade where required. Upon the expiration of such 90-day (or one year) period all unexercised options of that optionee shall immediately become terminated and shall lapse notwithstanding the original term of option granted to such optionee under the Plan.

If an optionee ceases to be either an Eligible Person as a result of having been dismissed from any such position for cause, all unexercised options of that optionee under the Plan shall immediately become terminated and shall lapse, notwithstanding the original term of the option granted to such optionee under the Plan.

If an optionee engaged in providing Investor Relations Activities to the Corporation ceases to be employed in providing such Investor Relations Activities, such optionee shall have the right for a period of 30 days (or until the normal expiry date of the option rights of such optionee, if earlier) from the date of ceasing to provide such Investor Relations Activities to exercise the

options of such optionee under the Plan, to the extent they were exercisable on the date of ceasing to provide such Investor Relations Activities. Upon the expiration of such 30-day period all unexercised options of that optionee shall immediately become terminated and shall lapse notwithstanding the original term of the option granted to such optionee under the Plan.

13. DEATH OF OPTIONEE

In the event of the death of an optionee during the currency of the optionee's option, the option theretofore granted to the optionee shall vest and be exercisable within, but only within, the period of one year next succeeding the optionee's death (unless such period is extended by the Board with approval from the stock exchange on which the shares of the Corporation trade where required) or until the normal expiry date of the option rights of such optionee, if earlier.

14. NON-ASSIGNABILITY AND NON-TRANSFERABILITY OF OPTION

An option granted under the Plan shall be non-assignable and non-transferable by an optionee otherwise than by will or by the laws of descent and distribution, and such option shall be exercisable, during an optionee's lifetime, only by the optionee.

15. ADJUSTMENTS IN SHARES SUBJECT TO PLAN

The aggregate number and kind of shares available under the Plan shall be appropriately adjusted in the event of a reorganization, recapitalization, stock split, stock dividend, combination of shares, merger, consolidation, rights offering or any other change in the corporate structure or shares of the Corporation. The options granted under the Plan may contain such provisions as the Board may determine with respect to adjustments to be made in the number and kind of shares covered by such options and in the option price in the event of any such change. If there is a reduction in the exercise price of the options of a related person of the Corporation, the Corporation will be required to obtain approval from disinterested shareholders.

16. NOTICE OF SALE OF ALL OR SUBSTANTIALLY ALL SHARES OR ASSETS

If at any time when an option granted under this Plan remains unexercised with respect to any optioned shares:

- (a) the Corporation seeks approval from its shareholders for a transaction which, if completed, would constitute an Acceleration Event; or
- (b) a third party makes a bona fide formal offer or proposal to the Corporation or its shareholders which, if accepted, would constitute an Acceleration Event;

the Corporation shall notify the optionee in writing of such transaction, offer or proposal as soon as practicable and, provided that the Board has determined that no adjustment shall be made pursuant to Section 15 hereof, (i) the Board may permit the optionee to exercise the option granted under this Plan, as to all or any of the optioned shares in respect of which such option has not previously been exercised (regardless of any vesting restrictions), during the period specified in the notice (but in no event later than the expiry date of the option), so that the optionee may participate in such transaction, offer or proposal; and (ii) the Board may require the acceleration of the time for the exercise of the said option and of the time for the fulfilment of any conditions or restrictions on such exercise. For greater certainty, upon an Acceleration Event, optionees shall

not be treated any more favourably than shareholders with respect to the consideration that the optionees may be entitled to receive for their shares.

Further, the Board, in its sole discretion, may authorize and implement any one or more of the following additional courses of action in the event of an Acceleration Event:

- (a) terminating without any payment or other consideration, any options not exercised or surrendered by the effective time of the Acceleration Event;
- (b) causing the Corporation to offer to acquire from each optionee his or her options for a cash payment equal to the In-The-Money Amount, and any options not so surrendered or exercised by the effective time of the Acceleration Event will be deemed to have expired; and
- (c) an option granted under the Plan be exchanged for an option to acquire, for the same aggregate consideration, that number and type of securities as would be distributed to the optionee in respect of the shares issued to the optionee had he or she exercised the option prior to the effective time of the Acceleration Event, provided that any such replacement option must provide that it survives for a period of not less than one year from the effective time of the Acceleration Event, regardless of the continuing directorship, officership or employment of the optionee.

For greater certainty, and notwithstanding anything else to the contrary contained in the Plan, the Board shall have the power, in its sole discretion, in any Acceleration Event which may or has occurred, to make such arrangements as it shall deem appropriate for the exercise of outstanding options including, without limitation, to modify the terms of the Plan and/or the options as contemplated above. If the Board exercises such power, the options shall be deemed to have been amended to permit the exercise thereof in whole or in part by the optionee at any time or from time to time as determined by the Board prior to or in conjunction with completion of the Acceleration Event.

17. EMPLOYMENT

Nothing contained in the Plan shall confer upon any optionee any right with respect to employment or continuance of employment with the Corporation or any subsidiary, or interfere in any way with the right of the Corporation, or any subsidiary, to terminate the optionee's employment at any time. Participation in the Plan by an optionee is voluntary.

18. NO SHAREHOLDER RIGHTS PRIOR TO EXERCISE

An optionee shall have no rights whatsoever as a shareholder in respect of any of the optioned shares (including any right to receive dividends or other distributions therefrom or thereon) other than in respect of optioned shares in respect of which the optionee shall have exercised the option to purchase hereunder and which the optionee shall have actually taken up and paid for.

19. TAX MATTERS

The Corporation shall have the power and the right to deduct or withhold, or require an optionee to remit to the Corporation, the required amount to satisfy federal, provincial and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable

event arising as a result of the Plan, including the grant or exercise of any option granted under the Plan. With respect to any required withholding, the Corporation shall have the irrevocable right to, and the optionee consents to, the Corporation setting off any amounts required to be withheld, in whole or in part, against amounts otherwise owing by the Corporation to the optionee (whether arising pursuant to the optionee's relationship as a director, officer, employee or consultant of the Corporation or otherwise), or may make such other arrangements that are satisfactory to the optionee and the Corporation. In addition, the Corporation may elect, in its sole discretion, to satisfy the withholding requirement, in whole or in part, by withholding such number of shares issuable upon exercise of the options as it determines are required to be sold by the Corporation, as trustee, to satisfy any withholding obligations net of selling costs. The optionee consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such shares issuable upon exercise of the options and acknowledges and agrees that the Corporation does not accept responsibility for the price obtained on the sale of such shares issuable upon exercise of the options

20. AMENDMENT AND TERMINATION OF THE PLAN

Subject to any requisite shareholder and regulatory approvals, the Board may at any time amend or terminate the Plan.

21. EFFECTIVE DATE OF THE PLAN

The Plan becomes effective on the date of its approval by the Board.

22. GOVERNING LAW

This Plan shall be construed in accordance with and be governed by the laws of the Province of Ontario and shall be deemed to have been made in said Province and shall be in accordance with all applicable securities laws.

EXHIBIT A

TITUS ENERGY CORP.

OPTION AGREEMENT

Notice is hereby given that effective the ____ day of _____ (the "**Effective Date**"), Titus Energy Corp. the "**Corporation**") has granted to _____, an option to acquire _____ common shares ("**Shares**") exercisable up to 5:00 p.m. Toronto Time on the ____ day of _____ (the "**Expiry Date**") at an exercise price of Cdn. \$_____ per Share.

The Shares may be acquired as follows:

[Insert vesting terms]

The grant of the option evidenced hereby is made subject to the terms and conditions of the Corporation's Stock Option Plan, the terms and conditions of which are hereby incorporated herein.

To exercise your option, deliver a written notice specifying the number of Shares you wish to acquire, together with cash or a certified cheque payable to the Corporation for the aggregate exercise price, to the Corporation. A certificate for the Shares so acquired will be issued by the Corporation as soon as practicable thereafter.

TITUS ENERGY CORP.

Authorized Signatory

APPENDIX “B”

TITUS FINANCIAL STATEMENTS

(As at and for the nine months ended February 28, 2023 and for the years ended May 31, 2022 and May 31, 2021)

[See attached.]

Titus Energy Corp.

AMENDED AND RESTATED

INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED

FEBRUARY 28, 2023 AND 2022

(EXPRESSED IN CANADIAN DOLLARS)

NOTICE TO READER

As discussed in Note 3, the Company identified and corrected errors related to the common share purchase warrants issued on September 2, 2022.

Titus Energy Corp.

INTERIM FINANCIAL STATEMENTS

FEBRUARY 28, 2023 and 2022

(EXPRESSED IN CANADIAN DOLLARS - UNAUDITED)

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TITUS ENERGY CORP.
INTERIM STATEMENTS OF FINANCIAL POSITION
(EXPRESSED IN CANADIAN DOLLARS - UNAUDITED)
AS AT

	Notes	February 28 2023 \$	May 31 2022 \$
ASSETS			
CURRENT			
Cash		-	58,246
TOTAL ASSETS		-	58,246
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities		18,752	58,934
		18,752	58,934
SHAREHOLDERS' EQUITY			
SHARE CAPITAL	3(b)	1,920,953	1,807,386
WARRANTS		6,878	-
DEFICIT		(1,946,583)	(1,808,074)
TOTAL SHAREHOLDERS' EQUITY		(18,752)	(688)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		-	58,246
NATURE OF OPERATIONS AND GOING CONCERN	1		
CONTINGENCIES AND COMMITMENTS	4		
APPROVED ON BEHALF OF THE BOARD			
<u>"Binyomin Posen"</u>	Director		
<u>"Myra Bongard"</u>	Director		

See the accompanying notes to the interim financial statements

TITUS ENERGY CORP.
INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(EXPRESSED IN CANADIAN DOLLARS - UNAUDITED)
FOR THE THREE AND NINE MONTHS ENDED FEBRUARY 28

	Three months ended		Nine months ended	
	February 28 2023	February 28 2022	February 28 2023	February 28 2022
	\$	\$	\$	\$
EXPENSES				
General and administrative	3,415	-	6,689	-
Public company fees	-	-	400	4,696
Professional fees	1,293	7,385	131,420	16,062
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	4,708	7,385	138,509	20,758
NET LOSS PER SHARE - Basic and diluted	0.00	0.00	0.02	0.01
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING - Basic and diluted *	10,112,395	4,090,139	8,053,315	4,090,139

* On March 16, 2022, shares were consolidated on a 32.45:1 basis. All share numbers in the current and prior periods have been adjusted to reflect the change.

See the accompanying notes to the interim financial statements

**TITUS ENERGY CORP.
INTERIM STATEMENTS OF CHANGES IN EQUITY
(EXPRESSED IN CANADIAN DOLLARS - UNAUDITED)
FOR THE NINE MONTHS ENDED FEBRUARY 28**

	Capital Stock #	Capital Stock \$	Warrants \$	(Deficit) \$	Total \$
BALANCE, MAY 31, 2021	4,090,139	1,807,386	-	(1,736,209)	71,177
Loss and comprehensive loss	-	-	-	(20,758)	(20,758)
BALANCE, FEBRUARY 28, 2022	4,090,139	1,807,386	-	(1,756,967)	50,419
Loss and comprehensive loss	-	-	-	(51,107)	(51,107)
BALANCE, MAY 31, 2022	4,090,139	1,807,386	-	(1,808,074)	(688)
Private placement	785,184	14,807	897	-	15,704
Units for debt	5,237,072	98,760	5,981	-	104,741
Loss and comprehensive loss	-	-	-	(138,509)	(138,509)
BALANCE, FEBRUARY 28, 2023	10,112,395	1,920,953	6,878	(1,946,583)	(18,752)

* On March 16, 2022, shares were consolidated on a 32.45:1 basis. All share numbers in the current and prior periods have been adjusted to reflect the change.

See the accompanying notes to the interim financial statements

TITUS ENERGY CORP.
INTERIM STATEMENTS OF CASH FLOWS
(EXPRESSED IN CANADIAN DOLLARS - UNAUDITED)
FOR THE NINE MONTHS ENDED FEBRUARY 28

	2023	2022
	\$	\$
CASH FLOWS USED IN OPERATING ACTIVITIES		
Net loss and comprehensive loss for the period	(138,509)	(20,758)
Units for services	104,741	-
Changes in non-cash components of working capital		
Increase in HST/GST receivable	-	(5,136)
Increase (decrease) in accounts payable and accrued liabilities	(40,182)	(15,953)
Cash flow used in operating activities	(73,950)	(41,847)
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		
Issuance of units	15,704	-
Cash flow provided by financing activities	15,704	-
Increase in cash for the period	(58,246)	(41,847)
CASH, beginning of the year	58,246	95,070
CASH, end of the period	-	53,223

See the accompanying notes to the interim financial statements

TITUS ENERGY CORP.
Notes to the Interim Financial Statements
Nine months ended February 28, 2023 and 2022
(Expressed in Canadian Dollars - Unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

Titus Energy Corp. (the “Company”) was incorporated as “Titus Capital Corp.” under the British Columbia Business Corporations Act on February 17, 2010 and was classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange (the “Exchange”) until it completed its Qualifying Transaction (the “QT”) on December 20, 2012. The Company’s head office, principal address and registered and records office is Suite 801, 1 Adelaide Street, Toronto, ON M5C 2V9. Effective December 21, 2012, the Exchange accepted for filing the Company’s QT and related transactions, all as principally described in its filing statement dated December 6, 2012 (the “Filing Statement”). As a result, the Company is no longer considered as a Capital Pool Company, and changed its name to “Titus Energy Corp.” Effective December 21, 2012, the common shares of “Titus Energy Corp.” commenced trading on the Exchange. The Company’s trading symbol was TIS. Effective December 5, 2014, the Company was voluntarily delisted from the Exchange.

The Company’s securities are not presently listed on any stock exchange. In addition, the Company’s securities were subject to a cease trade order issued by the British Columbia Securities Commission dated May 12, 2015, and by the Alberta Securities Commission on August 11, 2015 (the “Cease Trade Order”), for failure to file certain continuous disclosure filings required under applicable securities laws. On May 19, 2021, the Company announced that the Cease Trade Orders of the British Columbia Securities Commission and Alberta Securities Commission were revoked.

The financial statements of the Company 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. The Company’s continuation as a going concern is dependent upon its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. During the period ending February 28, 2023, the Company incurred a net loss of \$138,509 and, as of this date, the Company has not generated revenue from operations and has an accumulated deficit of \$1,946,583. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Such adjustments could be material.

These financial statements of the Company were approved and authorized for issue by the Board of Directors (the “Board”) on April 24, 2023.

TITUS ENERGY CORP.
Notes to the Interim Financial Statements
Nine months ended February 28, 2023 and 2022
(Expressed in Canadian Dollars - Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements of the Company and its subsidiary were prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the IFRS Interpretations Committee (“IFRIC”). The policies set out below were consistently applied to all periods presented unless otherwise noted.

(b) Basis of preparation and presentation

These financial statements have been prepared under the historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The financial statements are presented in Canadian dollars, which is also the Company’s functional currency.

(c) Share-based payment transactions

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value is measured at grant date and each tranche is recognized on a graded-vesting basis over the period in which the options vest. The offset to the recorded cost is share-based payment reserve. Consideration received on the exercise of stock options is recorded as share capital and the related share-based payment reserve is transferred to share capital. Upon expiry, the value is transferred to deficit.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in the statement of operations such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payment reserve. Where the terms and conditions of options are modified, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of operations. Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

(d) Income taxes

Income tax on the profit or loss for the years presented comprises current and deferred tax. Income tax is recognized in the statement of operations except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

TITUS ENERGY CORP.
Notes to the Interim Financial Statements
Nine months ended February 28, 2023 and 2022
(Expressed in Canadian Dollars - Unaudited)

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.

In general, deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements unless such differences arise from goodwill or the initial recognition (other than in a business combination) of other assets or liabilities in a transaction that affects neither the taxable profit nor the accounting profit or loss. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except, in the case of subsidiaries, where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are presented as non-current. 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.

(e) Loss per common share

Basic loss per share is calculated using the weighted average number of shares outstanding. The diluted loss per share assumes that any proceeds from the exercise of dilutive stock options and warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted loss per share calculation. The diluted loss per share calculation excludes any potential conversion of options and warrants that would decrease loss per share. See Notes 3(c), and (d) for details on the Company's potentially dilutive securities. The Company had no outstanding stock options for the period ended February 28, 2023 and the year ended May 31, 2022.

(f) Significant accounting judgements and estimates

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial

TITUS ENERGY CORP.
Notes to the Interim Financial Statements
Nine months ended February 28, 2023 and 2022
(Expressed in Canadian Dollars - Unaudited)

statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting judgments

- the measurement of income taxes payable and deferred tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. Deferred tax assets require management to assess the likelihood that the Company will generate taxable income in future periods in order to utilize recognized deferred tax assets;
- going concern presentation of the financial statements which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due; and
- management's determination that the functional currency of the Company is the Canadian Dollar.

(g) Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

As at February 28, 2023 and May 31, 2022, the Company did not have any provisions.

(h) Financial Instruments

All financial assets not classified at amortized cost or FVOCI are measured at FVTPL. On initial recognition, the Corporation can irrevocably designate a financial asset at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

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- It is held within a business model whose objective is to hold the financial asset to collect the contractual cash flows associated with the financial asset instead of selling the financial asset for a profit or loss;
- Its contractual terms give rise to cash flows that are solely payments of principal and interest.

All financial instruments are initially recognized at fair value on the statement of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in the statement of loss and comprehensive loss for the period. Financial assets classified at amortized cost and financial liabilities are measured at amortized cost using the effective interest method.

The following table summarizes the classification and measurement for each financial instrument:

Financial Instrument	Classification
Cash	FVTPL
Accounts payable and accrued liabilities	Amortized cost

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the 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).

As of February 28, 2023, the Company's cash is recorded at fair value in the statements of financial position.

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- (i) New accounting standards not adopted, during the year

New standards and interpretations not yet adopted

The standards and interpretation that are issued, but not effective, and is currently evaluating their impact on the Company's financial statements.

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The IASB has published Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) which clarifies the guidance on whether a liability should be classified as either current or non-current. The amendments:

Clarify that the classification of liabilities as current or non-current should only be based on rights that are in place "at the end of the reporting period" and clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability making clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishment of the liability.

This amendment is effective for annual periods beginning on or after January 1, 2022. There is currently a proposal in place to extend effective date for annual periods beginning on or after January 1, 2023. Earlier application is permitted.

Reference to the Conceptual Framework – Amendments to IFRS 3

In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately. At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements. The amendments are effective for annual reporting periods beginning on or after January 1, 2022 and apply prospectively.

3 . CAPITAL STOCK

The capital stock is as follows:

- (a) Authorized
Unlimited number of common shares
Unlimited number of preferred shares, issuable in series

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(b) Issued

	Common Shares #	Common Shares \$	Warrants \$	Total \$
Balance, May 31, 2020	392,142	1,687,386	-	1,687,386
Issued for shares	3,697,997	120,000	-	120,000
Balance, May 31, 2022	4,090,139	1,807,386	-	1,807,386
Units for services	5,237,072	98,761	5,981	104,741
Private placement	785,184	14,807	897	15,704
Balance, February 28, 2023	10,112,395	1,920,953	6,878	1,927,831

On March 12, 2021, the Company issued 3,697,997 common shares for proceeds of \$120,000.

On September 2, 2022, the Company issued 785,184 units for proceeds of \$15,704. Each unit comprised one common share and one common share purchase warrant. Each purchase warrant is exercisable to acquire 0.85 of a common share at a price of \$0.10 for a period of two years. The warrants were ascribed a value of \$897 using the Black-Scholes valuation method.

On September 2, 2022, the Company issued 5,237,072 units for debt settlement in the amount of \$104,741. Each unit comprised one common share and one common share purchase warrant. Each purchase warrant is exercisable to acquire 0.85 of a common share at a price of \$0.10 for a period of two years. The warrants were ascribed a value of \$5,981 using the Black-Scholes valuation method.

(b) Stock Options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the Company's issued and outstanding common shares. Such options will be exercisable for a period of up to 10 years from the date of grant. In connection with the foregoing, the number of common shares reserved for Titus Energy Corp. issuance to any one optionee will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding common shares. Options may be exercised no later than 90 days following cessation of the optionee's position with the Company or 30 days following cessation of an optionee conducting investor relations activities' position.

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The Company did not grant options during the period ended February 28, 2023 and the year ended May 31, 2022. The Company does not have stock options outstanding at February 28, 2023 nor May 31, 2022.

(c) Warrants

At February 28, 2023, the following warrants were outstanding:

Number of Warrants	Number of Shares	Exercise Price	Expiry Date
785,184	667,406	\$0.10	September 2, 2024
5,237,072	4,451,511	\$0.10	September 2, 2024

Warrant transactions and the resulting number of shares which could be converted through those warrants outstanding are summarized as follows:

	February 28, 2023	May 31, 2022
Balance, beginning of period	—	—
Issued	6,022,256	0.10
Balance, end of period	6,022,256	\$0.10

As related to equity financings on September 2, 2022, the Company determined that the fair value of the 6,022,256 warrants, using the Black-Scholes Options Pricing Mode, was \$6,878. The Black-Scholes Options Pricing Model used the following inputs; Dividend yield – Nil, interest rate of 3.66%, volatility of 100% and an expected life of 2 years.

As May 31, 2022 there were no outstanding warrants to purchase common shares of the Company.

4. CONTINGENCIES AND COMMITMENTS

Environmental contingencies

The Company's previous exploration activities were subject to various laws and regulations governing the protection of the environment. These laws and regulations continually change and generally become more restrictive. The Company believes its operations were in material compliance with all applicable laws and regulations when it disposed of the exploration properties. The Company does not believe it will be required to make any further expenditures to comply with such laws and regulations.

TITUS ENERGY CORP.
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5. RELATED PARTY TRANSACTIONS

Related parties include directors, officers, close family members, certain consultants and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The Company did not report any remuneration of directors and key management personnel for the periods ended February 28, 2023 or November 30, 2021.

There were no amounts due to related parties at February 28, 2023 or May 31, 2022.

6. FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from previous periods.

(a) Credit Risk

The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to cash, and financial instruments included in amounts receivable is remote.

(b) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet its obligations when due. At February 28, 2023, the Company had cash of \$Nil (May 31, 2022 - \$58,246) available to settle current liabilities of \$18,752 (May 31, 2022 - \$58,934). The Company's accounts payable are subject to normal trade terms.

(c) Market Risk

The Company is exposed to the following market risks:

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(d) Interest Rate Risk

The Company has cash balances and no variable interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at February 28, 2023, the cash balance was in a trust account administered by the Company's lawyers and no interest was being earned on this account.

(e) Foreign Exchange Risk

While the Company's functional currency is the Canadian dollar, major purchases could be transacted in Canadian dollars or United States dollars. As at February 28, 2023, the Company does not hold foreign currency balances.

7. INCOME TAXES

This note has not been updated from May 31, 2022.

8. CAPITAL MANAGEMENT

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by Management and the Board of Directors on an ongoing basis.

The Company's equity comprises of share capital and accumulated deficit, which at February 28, 2023 was a deficit of \$18,752 (May 31, 2022 – deficit of \$688).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. Selected information is provided to the Board of Directors of the Company. The Company's capital management objectives, policies and

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processes have remained unchanged during the period ended February 28, 2023. The Company is not subject to external capital requirements.

Titus Energy Corp.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED

MAY 31, 2022 AND 2021

(EXPRESSED IN CANADIAN DOLLARS)

Titus Energy Corp.

FINANCIAL STATEMENTS

MAY 31, 2022 and 2021

(EXPRESSED IN CANADIAN DOLLARS)

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Stern & Lovrics LLP

Chartered Professional Accountants

Samuel V. Stern, BA, CPA, CA

George G. Lovrics, BComm, CPA, CA

Nazli Dewji, BA, CPA, CMA

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Titus Energy Corp. Corp.

Opinion

We have audited the financial statements of Titus Energy Corp. (the "Company"), which comprise the statements of financial position as at May 31, 2022 and May 31, 2021, and the statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at May 31, 2022 and May 31, 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of \$71,865 for the year ended May 31, 2022 (2021 - \$40,323) and has incurred cumulative losses from inception in the amount of \$1,808,074 at May 31, 2022. These conditions, along with other matters as set forth in Note 1, indicate the existence of a

material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and

appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is George G. Lovrics.

Stera & Lovrics LLP

Toronto, Ontario
September 28, 2022

Chartered Professional Accountants
Licensed Public Accountants

**TITUS ENERGY CORP.
STATEMENTS OF FINANCIAL POSITION
(EXPRESSED IN CANADIAN DOLLARS)
AS AT MAY 31**

	Notes	2022 \$	2021 \$
ASSETS			
CURRENT			
Cash		58,246	95,070
HST/GST receivable		-	1,440
TOTAL ASSETS		<u>58,246</u>	<u>96,510</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities		58,934	25,333
		-	-
		<u>58,934</u>	<u>25,333</u>
SHAREHOLDERS' EQUITY			
SHARE CAPITAL	3(b)	1,807,386	1,807,386
DEFICIT		<u>(1,808,074)</u>	<u>(1,736,209)</u>
TOTAL SHAREHOLDERS' EQUITY		<u>(688)</u>	<u>71,177</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>58,246</u>	<u>96,510</u>
NATURE OF OPERATIONS AND GOING CONCERN	1		
CONTINGENCIES AND COMMITMENTS	4		
APPROVED ON BEHALF OF THE BOARD			
<u>"Binyomin Posen"</u>	Director		
<u>"Myra Bongard"</u>	Director		

See the accompanying notes to the financial statements

TITUS ENERGY CORP.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(EXPRESSED IN CANADIAN DOLLARS)
FOR THE YEARS ENDED MAY 31

	2022	2021
	\$	\$
EXPENSES		
General and administrative	10,515	-
Public company fees	3,113	12,740
Professional fees	58,237	27,583
NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	71,865	40,323
NET LOSS PER SHARE - Basic and diluted	0.02	0.00
WEIGHTED AVERAGE NUMBER OF SHARES		
OUTSTANDING - Basic and diluted *	4,090,139	1,202,662

* On March 16, 2022, shares were consolidated on a 32.45:1 basis. All share numbers in the current and prior periods have been adjusted to reflect the change.

See the accompanying notes to the financial statements

**TITUS ENERGY CORP.
STATEMENTS OF CHANGES IN EQUITY
(EXPRESSED IN CANADIAN DOLLARS)
FOR THE YEARS ENDED MAY 31, 2022 AND 2021**

	Capital Stock #	Capital Stock \$	(Deficit) \$	Total \$
BALANCE, MAY 31, 2020	392,142	1,687,386	(1,695,886)	(8,500)
Issue of shares for cash	3,697,997	120,000	-	120,000
Loss and comprehensive loss	-	-	(40,323)	(40,323)
BALANCE, MAY 31, 2021	4,090,139	1,807,386	(1,736,209)	71,177
Loss and comprehensive loss	-	-	(71,865)	(71,865)
BALANCE, MAY 31, 2022	4,090,139	1,807,386	(1,808,074)	(688)

* On March 16, 2022, shares were consolidated on a 32.45:1 basis. All share numbers in the current and prior periods have been adjusted to reflect the change.

See the accompanying notes to the financial statements

**TITUS ENERGY CORP.
STATEMENTS OF CASH FLOWS
(EXPRESSED IN CANADIAN DOLLARS)
FOR THE YEARS ENDED MAY 31,**

	2022	2021
	\$	\$
CASH FLOWS USED IN OPERATING ACTIVITIES		
Net loss and comprehensive loss for the year	(71,865)	(40,323)
Changes in non-cash components of working capital		
Increase in HST/GST receivable	1,440	(1,440)
Increase (decrease) in accounts payable and accrued liabilities	33,601	16,833
Cash flow used in operating activities	(36,824)	24,930
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		
Issuance of share capital	-	120,000
Cash flow provided by financing activities	-	120,000
Increase in cash for the year	(36,824)	95,070
CASH, beginning of the year	95,070	-
CASH, end of the year	58,246	95,070

See the accompanying notes to the financial statements

TITUS ENERGY CORP.
Notes to Financial Statements
Years ended May 31, 2022 and 2021
(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Titus Energy Corp. (the “Company”) was incorporated as “Titus Capital Corp.” under the British Columbia Business Corporations Act on February 17, 2010 and was classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange (the “Exchange”) until it completed its Qualifying Transaction (the “QT”) on December 20, 2012. The Company’s head office, principal address and registered and records office is Suite 801, 1 Adelaide Street, Toronto, ON M5C 2V9. Effective December 21, 2012, the Exchange accepted for filing the Company’s QT and related transactions, all as principally described in its filing statement dated December 6, 2012 (the “Filing Statement”). As a result, the Company is no longer considered as a Capital Pool Company, and changed its name to “Titus Energy Corp.” Effective December 21, 2012, the common shares of “Titus Energy Corp.” commenced trading on the Exchange. The Company’s trading symbol was TIS. Effective December 5, 2014, the Company was voluntarily delisted from the Exchange.

The Company’s securities are not presently listed on any stock exchange. In addition, the Company’s securities were subject to a cease trade order issued by the British Columbia Securities Commission dated May 12, 2015, and by the Alberta Securities Commission on August 11, 2015 (the “Cease Trade Order”), for failure to file certain continuous disclosure filings required under applicable securities laws. On May 19, 2021, the Company announced that the Cease Trade Orders of the British Columbia Securities Commission and Alberta Securities Commission were revoked.

The financial statements of the Company 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. The Company’s continuation as a going concern is dependent upon its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. During the year ending May 31, 2022, the Company incurred a net loss of \$71,865 (2021 - \$40,323) and, as of this date, the Company has not generated revenue from operations and has an accumulated deficit of \$1,808,074. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Such adjustments could be material.

Since January 1, 2020, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada and the USA, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services

TITUS ENERGY CORP.
Notes to Financial Statements
Years ended May 31, 2022 and 2021
(Expressed in Canadian Dollars)

have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Governments and central banks have responded.

At this time, there is no material impact on company's operations and financial results. The Company has determined that these events are non-adjusting subsequent events. Accordingly, the balance sheet and results of operations as of and for the year ended May 31, 2022 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, including the closure of non-essential businesses for an undetermined period of time, remains unclear. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.

These financial statements of the Company were approved and authorized for issue by the Board of Directors (the "Board") on September 28, 2022.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements of the Company and its subsidiary were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"). The policies set out below were consistently applied to all periods presented unless otherwise noted.

(b) Basis of preparation and presentation

These financial statements have been prepared under the historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The financial statements are presented in Canadian dollars, which is also the Company's functional currency.

(c) Share-based payment transactions

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value is measured at grant date and each tranche is recognized on a graded-vesting basis over the period in which the options vest. The offset to the recorded cost is share-based payment reserve. Consideration received on the exercise of stock options is recorded as share capital and the related share-based payment reserve is transferred to share capital. Upon expiry, the value is transferred to deficit.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in the statement of operations such that the cumulative expense reflects the revised

TITUS ENERGY CORP.
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Years ended May 31, 2022 and 2021
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estimate, with a corresponding adjustment to the share-based payment reserve. Where the terms and conditions of options are modified, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of operations.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

(d) Income taxes

Income tax on the profit or loss for the years presented comprises current and deferred tax. Income tax is recognized in the statement of operations 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.

In general, deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements unless such differences arise from goodwill or the initial recognition (other than in a business combination) of other assets or liabilities in a transaction that affects neither the taxable profit nor the accounting profit or loss. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except, in the case of subsidiaries, where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are presented as non-current. 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.

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Notes to Financial Statements
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(e) Loss per common share

Basic loss per share is calculated using the weighted average number of shares outstanding. The diluted loss per share assumes that any proceeds from the exercise of dilutive stock options and warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted loss per share calculation. The diluted loss per share calculation excludes any potential conversion of options and warrants that would decrease loss per share. See Notes 3(c), and (d) for details on the Company's potentially dilutive securities. The Company had no outstanding stock options for the years ended May 31, 2022 and 2021.

(f) Significant accounting judgements and estimates

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting judgments

- the measurement of income taxes payable and deferred tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. Deferred tax assets require management to assess the likelihood that the Company will generate taxable income in future periods in order to utilize recognized deferred tax assets;
- going concern presentation of the financial statements which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due; and
- management's determination that the functional currency of the Company is the Canadian Dollar.

(g) Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that

TITUS ENERGY CORP.
Notes to Financial Statements
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reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

As at May 31, 2022 and May 31, 2021, the Company did not have any provisions.

(h) Financial Instruments

All financial assets not classified at amortized cost or FVOCI are measured at FVTPL. On initial recognition, the Corporation can irrevocably designate a financial asset at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- It is held within a business model whose objective is to hold the financial asset to collect the contractual cash flows associated with the financial asset instead of selling the financial asset for a profit or loss;
- Its contractual terms give rise to cash flows that are solely payments of principal and interest.

All financial instruments are initially recognized at fair value on the statement of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in the statement of loss and comprehensive loss for the period. Financial assets classified at amortized cost and financial liabilities are measured at amortized cost using the effective interest method.

The following table summarizes the classification and measurement for each financial instrument:

Financial Instrument	Classification
Cash	FVTPL
Amounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

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Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the 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).

As of May 31, 2022, the Company's cash is recorded at fair value in the statements of financial position.

(i) New accounting standards not adopted, during the year

New standards adopted

New standards and interpretations not yet adopted

The standards and interpretation that are issued, but not effective, and is currently evaluating their impact on the Company's financial statements.

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The IASB has published Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) which clarifies the guidance on whether a liability should be classified as either current or non-current. The amendments:

Clarify that the classification of liabilities as current or non-current should only be based on rights that are in place "at the end of the reporting period" and clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability making clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishment of the liability.

This amendment is effective for annual periods beginning on or after January 1, 2022. There is currently a proposal in place to extend effective date for annual periods beginning on or after January 1, 2023. Earlier application is permitted.

Reference to the Conceptual Framework – Amendments to IFRS 3

In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for

TITUS ENERGY CORP.
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the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately. At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements. The amendments are effective for annual reporting periods beginning on or after January 1, 2022 and apply prospectively.

3. CAPITAL STOCK

The capital stock is as follows:

- (a) Authorized
 - Unlimited number of common shares
 - Unlimited number of preferred shares, issuable in series
- (b) Issued

	Common Shares *	Amount
	#	\$
Balance, May 31, 2020	392,142	1,687,386
Issued for shares	3,697,997	120,000
Balance, May 31, 2022 and 2021	4,090,139	1,807,386

* On March 16, 2022, shares were consolidated on a 32.45:1 basis. All share numbers in the current and prior periods have been adjusted to reflect the change. On March 12, 2021, the Company issued 3,697,997 common shares for proceeds of \$120,000.

- (b) Stock Options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the Company's issued and outstanding common shares. Such options will be exercisable for a period of up to 10 years from the date of grant. In connection with the foregoing, the number of common shares reserved for Titus Energy Corp. issuance to any one optionee will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding common shares. Options may be exercised no later than 90 days following cessation of the optionee's

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position with the Company or 30 days following cessation of an optionee conducting investor relations activities' position.

The Company did not grant options during the years ended May 31, 2022 nor May 31, 2021. The Company does not have stock options outstanding at May 31, 2022 nor at May 31, 2021.

(c) Warrants

As of May 31, 2022 and 2021 there were no outstanding warrants to purchase common shares of the Company.

4. CONTINGENCIES AND COMMITMENTS

Environmental contingencies

The Company's previous exploration activities were subject to various laws and regulations governing the protection of the environment. These laws and regulations continually change and generally become more restrictive. The Company believes its operations were in material compliance with all applicable laws and regulations when it disposed of the exploration properties. The Company does not believe it will be required to make any further expenditures to comply with such laws and regulations.

5. RELATED PARTY TRANSACTIONS

Related parties include directors, officers, close family members, certain consultants and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The Company did not report any remuneration of directors and key management personnel for the year ended May 31, 2022 or May 31, 2021.

There were no amounts due to related parties at May 31, 2022 or May 31, 2021.

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6. FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from previous periods.

(a) Credit Risk

The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to cash, and financial instruments included in amounts receivable is remote.

(b) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet its obligations when due. At May 31, 2022, the Company had cash of \$58,246 (May 31, 2021 - \$95,070) available to settle current liabilities of \$58,934 (May 31, 2021 - \$25,333). The Company's accounts payable are subject to normal trade terms.

(c) Market Risk

The Company is exposed to the following market risks:

(d) Interest Rate Risk

The Company has cash balances and no variable interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at May 31, 2022, the cash balance was in a trust account administered by the Company's lawyers and no interest was being earned on this account.

(e) Foreign Exchange Risk

While the Company's functional currency is the Canadian dollar, major purchases could be transacted in Canadian dollars or United States dollars. As at May 31, 2022, the Company does not hold foreign currency balances.

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7. INCOME TAXES

- (a) The items causing the Company's effective income tax rate to differ from the combined Canadian federal and provincial statutory rate of 26% (2021 – 26%) are as follows:

	2022	2021
	\$	\$
Loss before income taxes	71,865	40,323
Expected income tax recovery	19,000	10,000
Adjustments to benefit resulting from:		
Benefit of tax losses not recognized	(19,000)	(10,000)
Deferred income tax recovery	-	-

- (b) Tax benefits from non-capital loss carry-forwards have not been recorded in the financial statements. These losses, which may reduce taxable income in future years, amount to approximately \$807,658 and expires as follows:

Year	Exploration and evaluation assets	Loss carry- forwards
2030	\$ -	\$ 36,167
2031	-	43,806
2032	-	94,957
2033	-	212,933
2034	-	216,056
2035	-	63,324
2036	-	13,637
2037	-	6,090
2038	-	-
2039	-	-
2040	-	8,500
2041	-	40,323
2042	-	71,865
No expiry	1,100,185	-
	<u>\$ 1,100,185</u>	<u>\$ 807,658</u>

- (c) The Company has Canadian development and exploration expenditure pools for tax purposes of \$1,100,185 at May 31, 2022 and May 31, 2021 that may, in certain situations be applied to reduce taxable income in subsequent years.
- (d) Unrecognized deferred tax assets

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Deferred income tax assets have not been recognized in respect of the following deductible temporary differences:

	2022	2021
	\$	\$
Non-capital loss carry-forwards	209,991	191,306
Exploration and evaluation assets	286,048	286,048
Total	<u>496,039</u>	<u>477,354</u>

Deferred tax assets have not been recognized in respect of these items because it is not probable at this time that future taxable profit will be available against which the Company can use the benefits.

8. CAPITAL MANAGEMENT

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by Management and the Board of Directors on an ongoing basis.

The Company's equity comprises of share capital and accumulated deficit, which at May 31, 2022 was a deficit of \$688 (May 31, 2021 – surplus of \$71,177).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. Selected information is provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the year ended May 31, 2022. The Company is not subject to external capital requirements.

8. SUBSEQUENT EVENT

On September 2, 2022, the Company closed a non-brokered private placement. The Company issued 785,184 Units at a price of \$0.02 per Unit for aggregate gross proceeds of \$15,704. Each Unit

TITUS ENERGY CORP.
Notes to Financial Statements
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(Expressed in Canadian Dollars)

is comprised of one (1) common share in the capital of the Company (the “Common Share”), and 0.85 of a Common Share purchase warrant (each whole warrant a “Warrant”). Each full Warrant is exercisable to acquire one (1) Common Share (a “Warrant Share”) at a price of \$0.10 per Warrant Share for a period of two (2) years from the date of issuance.

Further, the Company entered into debt settlement agreements with certain creditors to settle \$104,741 of outstanding liabilities. The Company issued 5,237,072 Units at a deemed price of \$0.02 per Unit in settlement of the outstanding liabilities. The Units are identical to those issued on September 2, 2022.

Titus Energy Corp.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED

MAY 31, 2021 AND 2020

(EXPRESSED IN CANADIAN DOLLARS)

Titus Energy Corp.

FINANCIAL STATEMENTS

MAY 31, 2021 and 2020

(EXPRESSED IN CANADIAN DOLLARS)

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Stern & Lovrics LLP

Chartered Professional Accountants

Samuel V. Stern, BA, CPA, CA

George G. Lovrics, BComm, CPA, CA

Nazli Dewji, BA, CPA, CMA

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Titus Energy Corp. Corp.

Opinion

We have audited the financial statements of Titus Energy Corp. (the "Company"), which comprise the statements of financial position as at May 31, 2021 and May 31, 2020, and the statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at May 31, 2021 and May 31, 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of \$40,323 for the year ended May 31, 2021 (2020 - \$8,500) and has incurred cumulative losses from inception in the amount of \$1,736,209 at May 31, 2021. These conditions, along with other matters as set forth in Note 1, indicate the existence of a

material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and

appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is George G. Lovrics.

Stera & Lovrics LLP

Toronto, Ontario
August 9, 2021

Chartered Professional Accountants
Licensed Public Accountants

**TITUS ENERGY CORP.
STATEMENTS OF FINANCIAL POSITION
(EXPRESSED IN CANADIAN DOLLARS)
AS AT MAY 31**

	Notes	2021 \$	2020 \$
ASSETS			
CURRENT			
Cash		95,070	-
HST/GST receivable		1,440	-
TOTAL ASSETS		96,510	-
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities		25,333	8,500
		-	-
		25,333	8,500
SHAREHOLDERS' EQUITY			
SHARE CAPITAL	3(b)	1,807,386	1,687,386
DEFICIT		(1,736,209)	(1,695,886)
TOTAL SHAREHOLDERS' EQUITY		71,177	(8,500)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		96,510	-
NATURE OF OPERATIONS AND GOING CONCERN	1		
CONTINGENCIES AND COMMITMENTS	4		
APPROVED ON BEHALF OF THE BOARD			
"Binyomin Posen"	Director		
"Myra Bongard"	Director		

See the accompanying notes to the financial statements

TITUS ENERGY CORP.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(EXPRESSED IN CANADIAN DOLLARS)
FOR THE YEARS ENDED MAY 31

	2021	2020
	\$	\$
EXPENSES		
Public company fees	12,740	-
Professional fees	27,583	8,500
NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	40,323	8,500
NET LOSS PER SHARE - Basic and diluted	0.00	0.00
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING - Basic and diluted	39,026,370	12,725,000

See the accompanying notes to the financial statements

TITUS ENERGY CORP.
STATEMENTS OF CHANGES IN EQUITY
(EXPRESSED IN CANADIAN DOLLARS)
FOR THE YEARS ENDED MAY 31, 2021 AND 2020

	Capital Stock #	Capital Stock \$	(Deficit) \$	Total \$
BALANCE, MAY 31, 2019	12,725,000	1,687,386	(1,687,386)	-
Loss and comprehensive loss	-	-	(8,500)	(8,500)
BALANCE, MAY 31, 2020	12,725,000	1,687,386	(1,695,886)	(8,500)
Issue of shares for cash	120,000,000	120,000	-	120,000
Loss and comprehensive loss	-	-	(40,323)	(40,323)
BALANCE, MAY 31, 2021	132,725,000	1,807,386	(1,736,209)	71,177

See the accompanying notes to the financial statements

**TITUS ENERGY CORP.
STATEMENTS OF CASH FLOWS
(EXPRESSED IN CANADIAN DOLLARS)
FOR THE YEARS ENDED MAY 31,**

	2021	2020
	\$	\$
CASH FLOWS USED IN OPERATING ACTIVITIES		
Net loss and comprehensive loss for the year	(40,323)	(8,500)
Changes in non-cash components of working capital		
Increase in HST/GST receivable	(1,440)	
Increase in accounts payable and accrued liabilities	16,833	8,500
Cash flow used in operating activities	24,930	-
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		
Issuance of share capital	120,000	-
Cash flow provided by financing activities	120,000	-
Increase in cash for the year	95,070	-
CASH, beginning of the year	-	-
CASH, end of the year	95,070	-

See the accompanying notes to the financial statements

TITUS ENERGY CORP.
Notes to Financial Statements
Years ended May 31, 2021 and 2020
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1. NATURE OF OPERATIONS AND GOING CONCERN

Titus Energy Corp. (the “Company”) was incorporated as “Titus Capital Corp.” under the British Columbia Business Corporations Act on February 17, 2010 and was classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange (the “Exchange”) until it completed its Qualifying Transaction (the “QT”) on December 20, 2012. The Company’s head office, principal address and registered and records office is Suite 801, 1 Adelaide Street, Toronto, ON M5C 2V9. Effective December 21, 2012, the Exchange accepted for filing the Company’s QT and related transactions, all as principally described in its filing statement dated December 6, 2012 (the “Filing Statement”). As a result, the Company is no longer considered as a Capital Pool Company, and changed its name to “Titus Energy Corp.” Effective December 21, 2012, the common shares of “Titus Energy Corp.” commenced trading on the Exchange. The Company’s trading symbol was TIS. Effective December 5, 2014, the Company was voluntarily delisted from the Exchange.

The Company’s securities are not presently listed on any stock exchange. In addition, the Company’s securities were subject to a cease trade order issued by the British Columbia Securities Commission dated May 12, 2015 and by the Alberta Securities Commission on August 11, 2015 (the “Cease Trade Order”), for failure to file certain continuous disclosure filings required under applicable securities laws. On May 19, 2021, the Company announced that the Cease Trade Orders of the British Columbia Securities Commission and Alberta Securities Commission were revoked.

The financial statements of the Company 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. The Company’s continuation as a going concern is dependent upon its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. During the year ending May 31, 2021, the Company incurred a net loss of \$40,323 and, as of this date, the Company has not generated revenue from operations and has an accumulated deficit of \$1,736,209. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Such adjustments could be material.

Since January 1, 2020, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada and the USA, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Governments and central banks have responded.

TITUS ENERGY CORP.
Notes to Financial Statements
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At this time, there is no material impact on company's operations and financial results. The Company has determined that these events are non-adjusting subsequent events. Accordingly, the balance sheet and results of operations as of and for the year ended May 31, 2021 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, including the closure of non-essential businesses for an undetermined period of time, remains unclear. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.

These financial statements of the Company were approved and authorized for issue by the Board of Directors (the "Board") on August 9, 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements of the Company and its subsidiary were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"). The policies set out below were consistently applied to all periods presented unless otherwise noted.

(b) Basis of preparation and presentation

These financial statements have been prepared under the historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The financial statements are presented in Canadian dollars, which is also the Company's functional currency.

(c) Share-based payment transactions

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value is measured at grant date and each tranche is recognized on a graded-vesting basis over the period in which the options vest. The offset to the recorded cost is share-based payment reserve. Consideration received on the exercise of stock options is recorded as share capital and the related share-based payment reserve is transferred to share capital. Upon expiry, the value is transferred to deficit.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in the statement of operations such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payment reserve. Where the terms

TITUS ENERGY CORP.
Notes to Financial Statements
Years ended May 31, 2021 and 2020
(Expressed in Canadian Dollars)

and conditions of options are modified, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of operations.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

(d) Income taxes

Income tax on the profit or loss for the years presented comprises current and deferred tax. Income tax is recognized in the statement of operations 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.

In general, deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements unless such differences arise from goodwill or the initial recognition (other than in a business combination) of other assets or liabilities in a transaction that affects neither the taxable profit nor the accounting profit or loss. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except, in the case of subsidiaries, where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are presented as non-current. 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.

(e) Loss per common share

Basic loss per share is calculated using the weighted average number of shares outstanding. The diluted loss per share assumes that any proceeds from the exercise of dilutive stock options and

TITUS ENERGY CORP.
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(Expressed in Canadian Dollars)

warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted loss per share calculation. The diluted loss per share calculation excludes any potential conversion of options and warrants that would decrease loss per share. See Notes 3(c), and (d) for details on the Company's potentially dilutive securities. The Company had no outstanding stock options for the years ended May 31, 2021 and 2020.

(f) Significant accounting judgements and estimates

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting judgments

- the measurement of income taxes payable and deferred tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. Deferred tax assets require management to assess the likelihood that the Company will generate taxable income in future periods in order to utilize recognized deferred tax assets;
- going concern presentation of the financial statements which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due; and
- management's determination that the functional currency of the Company is the Canadian Dollar.

(g) Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

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As at May 31, 2021 and May 31, 2020, the Company did not have any provisions.

(h) Financial Instruments

All financial assets not classified at amortized cost or FVOCI are measured at FVTPL. On initial recognition, the Corporation can irrevocably designate a financial asset at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- It is held within a business model whose objective is to hold the financial asset to collect the contractual cash flows associated with the financial asset instead of selling the financial asset for a profit or loss;
- Its contractual terms give rise to cash flows that are solely payments of principal and interest.

All financial instruments are initially recognized at fair value on the statement of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in the statement of loss and comprehensive loss for the period. Financial assets classified at amortized cost and financial liabilities are measured at amortized cost using the effective interest method.

The following table summarizes the classification and measurement for each financial instrument:

Financial Instrument	Classification
Cash	FVTPL
Amounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the 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;

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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).

As of May 31, 2021, the Company's cash is recorded at fair value in the statements of financial position.

- (i) New accounting standards adopted during the year

IAS 1, Presentation of Financial Statements ("IAS 1")

Amendments to IAS 1, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications. The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The adoption of the amendments had no impact on the Company's financial statements.

IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8")

Amendments to IAS 8, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications. The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The adoption of the amendments had no impact on the Company's consolidated financial statements.

3 . CAPITAL STOCK

The capital stock is as follows:

- (a) Authorized
 - Unlimited number of common shares
 - Unlimited number of preferred shares, issuable in series
- (b) Issued

	Common Shares	Amount
	#	\$
Balance, May 31, 2020	12,725,000	1,687,386
Issued for shares	120,000,000	120,000
Balance, May 31, 2021	<u>132,725,000</u>	<u>1,807,386</u>

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Notes to Financial Statements
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On March 12, 2021, the Company issued 120,000,000 common shares for proceeds of \$120,000.

(c) Stock Options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the Company's issued and outstanding common shares. Such options will be exercisable for a period of up to 10 years from the date of grant. In connection with the foregoing, the number of common shares reserved for Titus Energy Corp. issuance to any one optionee will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding common shares. Options may be exercised no later than 90 days following cessation of the optionee's position with the Company or 30 days following cessation of an optionee conducting investor relations activities' position.

The Company did not grant options during the years ended May 31, 2021 nor May 31, 2020. The Company does not have stock options outstanding at May 31, 2021 nor at May 31, 2020.

(d) Warrants

As of May 31, 2021 and 2020 there were no outstanding warrants to purchase common shares of the Company.

4. CONTINGENCIES AND COMMITMENTS

Environmental contingencies

The Company's previous exploration activities were subject to various laws and regulations governing the protection of the environment. These laws and regulations continually change and generally become more restrictive. The Company believes its operations were in material compliance with all applicable laws and regulations when it disposed of the exploration properties. The Company does not believe it will be required to make any further expenditures to comply with such laws and regulations.

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5. RELATED PARTY TRANSACTIONS

Related parties include directors, officers, close family members, certain consultants and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The Company did not report any remuneration of directors and key management personnel for the year ended May 31, 2021 or May 31, 2020.

There were no amounts due to related parties at May 31, 2021 or May 31, 2020.

6. FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from previous periods.

(a) Credit Risk

The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to cash, and financial instruments included in amounts receivable is remote.

(b) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet its obligations when due. At May 31, 2021, the Company had cash of \$95,070 (May 31, 2020 - \$Nil) available to settle current liabilities of \$25,333, (May 31, 2020 - \$8,500). The Company's accounts payable are subject to normal trade terms.

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(c) Market Risk

The Company is exposed to the following market risks:

(d) Interest Rate Risk

The Company has cash balances and no variable interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at May 31, 2021, the cash balance was in a trust account administered by the Company's lawyers and no interest was being earned on this account.

(e) Foreign Exchange Risk

While the Company's functional currency is the Canadian dollar, major purchases could be transacted in Canadian dollars or United States dollars. As at May 31, 2021, the Company does not hold foreign currency balances.

7. INCOME TAXES

(a) The items causing the Company's effective income tax rate to differ from the combined Canadian federal and provincial statutory rate of 26% (2019 – 26%) are as follows:

	2021	2020
	\$	\$
Loss before income taxes	40,323	8,500
Expected income tax recovery	10,000	2,000
Adjustments to benefit resulting from:		
Benefit of tax losses not recognized	(10,000)	(2,000)
Deferred income tax recovery	-	-

(b) Tax benefits from non-capital loss carry-forwards have not been recorded in the financial statements. These losses, which may reduce taxable income in future years, amount to approximately \$735,793 and expires as follows:

Year	Exploration and evaluation assets	Loss carry- forwards
2030	\$ -	\$ 36,167

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2031	-	43,806
2032	-	94,957
2033	-	212,933
2034	-	216,056
2035	-	63,324
2036	-	13,637
2037	-	6,090
2038	-	-
2039	-	-
2040	-	8,500
2041	-	40,323
No expiry	1,100,185	-
	<u>\$ 1,100,185</u>	<u>\$ 735,793</u>

(c) The Company has Canadian development and exploration expenditure pools for tax purposes of \$1,100,185 at May 31, 2021 and May 31, 2020 that may, in certain situations be applied to reduce taxable income in subsequent years.

(d) Unrecognized deferred tax assets

Deferred income tax assets have not been recognized in respect of the following deductible temporary differences:

	2021	2020
	\$	\$
Non-capital loss carry-forwards	191,306	180,822
Exploration and evaluation assets	286,048	286,048
Total	<u>477,354</u>	<u>466,870</u>

Deferred tax assets have not been recognized in respect of these items because it is not probable at this time that future taxable profit will be available against which the Company can use the benefits.

8. CAPITAL MANAGEMENT

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives; and
- to maximize shareholder return through enhancing the share value.

TITUS ENERGY CORP.
Notes to Financial Statements
Years ended May 31, 2021 and 2020
(Expressed in Canadian Dollars)

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by Management and the Board of Directors on an ongoing basis.

The Company's equity comprises of share capital and accumulated deficit, which at May 31, 2021 was \$71,177 (May 31, 2020 - \$(8,500)).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. Selected information is provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the year ended May 31, 2021. The Company is not subject to external capital requirements.

APPENDIX “C”

RIFT FINANCIAL STATEMENTS

(As at and for the period from incorporation (November 23, 2021) to December 31, 2022)

[See attached.]

Rift Lithium Inc.

Financial Statements

For the year ended December 31, 2022 and the period from incorporation (November 23, 2021)

to December 31, 2021

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Rift Lithium Inc.

Opinion

We have audited the financial statements of Rift Lithium Inc. (the "Company"), which comprise the statements of financial position as at December 31 2022 and 2021, and the statements of loss and comprehensive loss, changes in shareholders deficit and cash flows for the year ended December 31, 2022 and for the period from incorporation (November 23, 2021) to December 31, 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022 and 2021, and its financial performance and its cash flows for the year ended December 31, 2022 and for the period from incorporation (November 23, 2021) to December 31, 2021 in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is George G. Lovrics.

Toronto, Ontario
March XX, 2023

Chartered Professional Accountants
Licensed Public Accountants

Rift Lithium Inc.
Statements of Financial Position
(Expressed in Canadian Dollars)

As at,	December 31, 2022	December 31, 2021
Assets		
Current		
Cash	\$ 63,213	\$ 250,018
Restricted cash (Note 4)	750,000	750,000
Deferred transaction costs (Note 4)	7,385	1,650
Total Assets	\$ 820,598	\$ 1,001,668
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 55,441	\$ 14,296
Share subscriptions received (Note 4)	1,000,000	1,000,000
	1,055,441	1,014,296
Shareholders' Deficit		
Share capital (Note 4)	800,000	800,000
Deficit	(1,034,843)	(812,628)
Total Shareholders' Deficit	(234,843)	(12,628)
Total Liabilities and Shareholders' Deficit	\$ 820,598	\$ 1,001,668

Nature of and continuance of operations (Note 1)
Proposed Transaction (Note 8)
Subsequent Events (Note 10)

Approved on behalf of the Board:

"" (signed)
Director

"" (signed)
Director

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

Rift Lithium Inc.
Statement of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	For the year ended December 31, 2022	November 23, 2021 (incorporation) to December 31, 2021
Expenses		
Exploration and evaluation expenses	\$ 161,452	\$ 800,000
General and administrative	-	2,173
Professional fees	61,062	10,455
Total expenses	222,514	812,628
Other items		
Interest income	299	-
Net Loss and Comprehensive for the Period	\$ (222,215)	\$ (812,628)
Basic and Diluted Loss Per Common Share	\$ (0.01)	\$ (0.02)
Weighted Average Number of Common Shares Outstanding	40,000,000	38,947,368

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

Rift Lithium Inc.
Statement of Changes in Shareholders' Deficit
(Expressed in Canadian Dollars)

	Share Capital		Deficit	Shareholders' Deficit
	Number	Amount		
Balance, Incorporation on November 23, 2021	-	\$ -	\$ -	-
Common shares issued on incorporation (Note 4)	1	-	-	-
Common shares issued for property acquisition (Note 4)	39,999,999	800,000	-	800,000
Net loss for the period	-	-	(812,628)	(812,628)
Balance, December 31, 2021	40,000,000	\$ 800,000	\$ (812,628)	\$ (12,628)
Net loss for the year	-	-	(222,215)	(222,215)
Balance, December 31, 2022	40,000,000	\$ 800,000	\$ (1,034,843)	\$ (234,843)

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

Rift Lithium Inc.
Statements of Cash Flows
(Expressed in Canadian Dollars)

	For the year ended December 31, 2022	For the Period November 23, 2021 (Date of Incorporation) to December 31, 2021
Cash provided by (used in):		
Operating Activities		
Net loss for period	\$ (222,215)	\$ (812,628)
Changes in working capital balances:		
Shares issued for exploration assets	-	800,000
Deferred transaction costs	(5,735)	(1,650)
Accounts payable and accrued liabilities	41,145	14,296
Cash Used in Operating Activities	(186,805)	18
Financing Activities		
Proceeds of subscription receipts	-	1,000,000
Cash Provided by Financing Activities		1,000,000
Change in cash	(186,805)	1,000,018
Cash, Beginning	1,000,018	-
Cash, Ending	\$ 813,213	\$ 1,000,018
Cash is comprised as follows:		
Cash	\$ 63,213	\$ 250,018
Restricted cash	750,000	750,000
	\$ 813,213	\$ 1,000,018

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

Rift Lithium Inc.

Notes to the Financial Statements

For the year ended December 31, 2022 and the Period from Incorporation (November 23, 2021) to December 31, 2021

(Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Rift Lithium Inc. (the "Company") was incorporated under the *Business Corporations Act* of Ontario on November 23, 2021. The head office of the Company and location of records is located at 1 Adelaide Street East, Suite 801, Toronto, Ontario, Canada, M5C 2V9.

The Company was formed for the primary purpose of completing a going public transaction as a mineral exploration company (note 10).

These 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. As at December 31, 2022, the Company has not generated any revenue since inception and has a deficit \$1,034,843 (2021 - \$812,628). The Company's continuation as a going concern is dependent on its ability to generate future cash flows and/or obtain additional financing. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash on hand, and/or private placements of common stock. There is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These financial statements do not reflect any adjustments that may be necessary should the Company is unable to continue as a going concern. Such adjustments could be material.

The Company's operations could significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company's operations and ability to finance its operations.

2. BASIS OF PRESENTATION

Approval of the Financial Statements

The financial statements of the Company for the year ended December 31, 2022 and for the comparable period from November 23, 2021 (Date of Incorporation) to December 31, 2021 were reviewed by the Board of Directors and approved and authorized for use on February XX, 2023 by the Board of Directors of the Company.

Rift Lithium Inc.

Notes to the Financial Statements

For the year ended December 31, 2022 and the Period from Incorporation (November 23, 2021) to December 31, 2021

(Expressed in Canadian Dollars)

2. BASIS OF PRESENTATION (continued)

(a) Statement of Compliance to International Financial Reporting Standards

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

(b) Basis of Preparation

The financial statements have been prepared on an accrual basis and are based on historical costs modified where applicable. The financial statements are presented in Canadian dollars unless otherwise noted.

(c) Use of Estimates and Assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets, and valuation of warrants.

(d) Significant Judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's 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.

Rift Lithium Inc.

Notes to the Financial Statements

For the year ended December 31, 2022 and the Period from Incorporation (November 23, 2021) to December 31, 2021

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Cash

Cash includes cash held in trust with the Company's law firm.

(b) Financial Instruments

(i) 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.

The following table summarizes the changes in the classification of the Company's financial instruments:

Financial instruments	Category under
Cash and restricted cash	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Share subscriptions received	Amortized cost

(ii) 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 the statements of net (loss) income. 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 the statements of net (loss) income 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

Rift Lithium Inc.

Notes to the Financial Statements

For the year ended December 31, 2022 and the Period from Incorporation (November 23, 2021) to December 31, 2021

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

(b) Financial Instruments (continued)

(iii) 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 the statements of net (loss) income, 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.

(iv) 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.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. 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 recognized in profit or loss.

(c) Share Capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares, stock options and warrants are recognized as a deduction from equity, net of any tax effects.

The proceeds from the exercise of stock options and warrants are recorded as share capital in the amount for which the option or warrant enabled the holder to purchase a share in the Company.

Rift Lithium Inc.

Notes to the Financial Statements

For the year ended December 31, 2022 and the Period from Incorporation (November 23, 2021) to December 31, 2021

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

The fair value of the warrants are determined using the Black-Scholes Option Pricing Model.

All costs related to issuances of share capital are charged against the proceeds received from the related share capital.

(d) *Income Taxes*

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred income tax is provided using the asset and liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

(e) *Loss Per Share*

Basic loss per share is calculated using the weighted average number of common shares outstanding during the period. The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on earnings per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options that would be anti-dilutive.

Subscription receipts are not included in the calculation of the weighted average number of common shares outstanding.

Rift Lithium Inc.

Notes to the Financial Statements

For the year ended December 31, 2022 and the Period from Incorporation (November 23, 2021) to December 31, 2021

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) *Exploration and evaluation assets*

Exploration and evaluation expenditures are costs incurred in the course of the initial search for mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. Costs incurred before the legal right to undertake exploration and evaluation activities are recognized in profit or loss when they are incurred.

Exploration expenditures are the costs incurred in the initial search for mineral deposits with economic potential, including acquisition costs. Exploration expenditures typically include costs associated with prospecting, sampling, mapping, diamond drilling and other work involved in searching for ore. All exploration expenditures are expensed as incurred.

When economically viable reserves have been determined and the decision to proceed with development has been approved, the expenditures incurred subsequent to this date related to development and construction are capitalized as construction-in-process and classified as a component of property, plant and equipment.

Mining properties and process facility assets are amortized upon commencement of commercial production either on a unit-of-production basis over measured and indicated resources included in the mine plan or the life of mine.

(g) *Accounting standards issued but not yet effective*

The Company has reviewed the accounting standards or amendments to existing accounting standards that have been issued but have future effective dates and determined that these are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4. SHARE CAPITAL

(a) Authorized

The Company has authorized an unlimited number of common shares without par value.

(b) Issued and outstanding

As at December 31, 2022, the Company had outstanding 40,000,000 common shares.

On November 23, 2021, the Company issued 1 common share at a nominal value to its director on incorporation.

On November 24, 2021, the Company issued 39,999,999 common shares (at \$0.02 per common share) to acquire 100% interest in the Mound Lake Property.

Rift Lithium Inc.

Notes to the Financial Statements

For the year ended December 31, 2022 and the Period from Incorporation (November 23, 2021) to December 31, 2021

(Expressed in Canadian Dollars)

4. SHARE CAPITAL (continued)

On December 21, 2021, the Company completed a non-brokered private placement ("Private Placement") of 20,000,000 subscription receipts at a price of \$0.05 per subscription receipt (the "Company Subscription Receipts") for gross proceeds of \$1,000,000, of which 75% were classified as restricted cash as at December 31, 2021. Assuming the completion of the Transaction (Note 9), each Company Subscription Receipt will be automatically exchanged for one (1) freely tradeable common share of the Company. \$750,000 of the funds received of are held in escrow and classified as restricted cash and are not available until the conversion of the Subscription Receipts. Share issue costs of \$7,385 were incurred for legal fees and recorded as deferred transaction costs on the statement of financial position.

5. CAPITAL MANAGEMENT OBJECTIVE AND POLICIES

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company includes equity, comprised of issued common shares and reserves, in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity. The Company is not subject to any external capital restrictions.

6. FINANCIAL INSTRUMENTS

Fair Values

At December 31, 2022, the Company's financial instruments consist of cash, restricted cash, accounts payable and accrued liabilities and share subscriptions received. The Company considers that the carrying amount of its financial instruments recognized at amortized cost in the financial statements approximates their fair value due the demand nature or short-term maturity of these instruments.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high credit quality financial institution.

Foreign Exchange Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to foreign exchange risk.

Interest Rate Risk

The Company is not exposed to any significant interest rate risk.

Rift Lithium Inc.

Notes to the Financial Statements

For the year ended December 31, 2022 and the Period from Incorporation (November 23, 2021) to December 31, 2021

(Expressed in Canadian Dollars)

6. FINANCIAL INSTRUMENTS (continued)

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs and to meet the Company's liabilities. The \$55,441 of accounts payable and accrued liabilities are due within one year.

7. RELATED PARTY TRANSACTIONS

During the year ended December 31, 2022, \$30,000 was charged by CFO Advantage Inc, a corporation owned by the chief financial officer of the Company, for management services. As at December 31, 2022, this amount is included in accounts payable and accrued liabilities.

During the period ended December 31, 2021, no remuneration was paid to key management personnel and no related party transactions were entered into.

8. PROPERTY ACQUISITION

On November 24, 2021, the Company entered into an agreement to acquire mineral claims located in the province of Ontario ("the Mound Lake Property"), in exchange of 39,999,999 common shares (at \$0.02 per share) of the Company. The shares were issued on November 24, 2021. The valuation was determined by arm's length negotiations between the parties, including with the subscribers of subscription receipts as to the pre-money valuation for this property. During the period the Company spent \$161,452 on the property (\$46,000 in additional acquisition costs, \$104,912 on an aerial magnetic survey, \$6,585 towards the preparation of 43-101 report, \$3,955 on geological consultants).

Rift Lithium Inc.**Notes to the Financial Statements****For the year ended December 31, 2022 and the Period from Incorporation (November 23, 2021) to December 31, 2021****(Expressed in Canadian Dollars)****9. INCOME TAXES**

- a) The reported recovery of income taxes differs from amounts computed by applying the statutory income tax rates to the reported loss before income taxes due to the following:

	Period Ended December 31, 2022	Period Ended December 31, 2021
Loss before income taxes	\$ (222,515)	\$ (812,628)
Statutory tax rate	27.00%	27.00%
Expected income tax (recovery)	<u>(59,998)</u>	<u>(219,409)</u>
Tax effect of the following:		
Unrecognized deferred tax benefits	59,998	219,409
Total income tax expense	<u>\$ -</u>	<u>\$ -</u>

- b) Deferred income tax assets have not been recognized in respect of the following deductible temporary differences:

	As at December 31, 2022
Non-capital losses available for future period	\$ 19,816
Exploration and evaluation assets	259,592
	<u>279,408</u>
Unrecognized deferred tax assets	<u>(279,408)</u>
Net deferred tax assets	<u>\$ -</u>

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can use the benefits.

- c) As at December 31, 2022, the Company has tax loss carry-forwards of approximately \$73,400 which expire up to 2042. The potential benefit of these losses and deductible temporary differences in excess of the deferred tax liabilities have not been recognized in these financial statements as it is not considered probable that sufficient future tax profit will allow the deferred tax assets to be recovered.

The Company has exploration related expenses for income tax purposes amounting to approximately \$961,000 which may be available to offset future taxable income.

Rift Lithium Inc.

Notes to the Financial Statements

For the year ended December 31, 2022 and the Period from Incorporation (November 23, 2021) to December 31, 2021

(Expressed in Canadian Dollars)

10. SIGNIFICANT AGREEMENTS

The Company signed a letter of intent dated December 1, 2021 (the “LOI”) with Titus Energy Corp., in respect of a proposed business combination transaction (the “Transaction”). It is currently anticipated that the Transaction will occur as a share exchange, merger, or amalgamation and the final structure of the Transaction will be subject to receipt of tax, corporate and securities law advice for both Titus and Rift. Upon completion of the Transaction, the combined entity (the “Resulting Issuer”) will continue to carry on the business of Titus. It is expected that upon completion of the Transaction, the Resulting Issuer will apply to list the common shares of Titus for trading on the Canadian Stock Exchange (the “CSE”).

APPENDIX “D”

PRO FORMA FINANCIAL STATEMENTS OF THE RESULTING ISSUER

(As at and for November 30, 2022)

[See attached.]

Unaudited Pro Forma Consolidated Financial Statements of Resulting Issuer

Rift Lithium Inc.

(formerly Titus Energy Corp.)

Unaudited Pro Forma Consolidated Financial Statements

(In Canadian dollars)

Rift Lithium Inc. (formerly Titus Energy Corp.)

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at February 28, 2023

(Expressed in Canadian Dollars)

				Adjusted					Adjusted	Pro Forma
	Rift		Estimated costs	Rift	Titus				Titus	Consolidated
	31-Mar-23	Conversion of subscription receipts (note 2(a))	to complete the Transaction (note (e))	31-Mar-23	28-Feb-23	RSU issuance (note 2(f))	Elimination of equity (note 2(c))	Issue of shares (note 2(d))	28-Feb-23	28-Feb-23
Assets										
Cash	\$ 49,793	\$ 750,000	\$ (50,000)	\$ 749,793	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 749,793
Restricted cash	750,000	(750,000)	-	-	-	-	-	-	-	-
Prepaid expenses	6,500	-	-	6,500	-	-	-	-	-	6,500
Deferred transaction costs	7,385	(7,385)	-	-	-	-	-	-	-	-
Total (current) assets	\$ 813,678	\$ (7,385)	\$ (50,000)	\$ 756,293	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 756,293
Liabilities and Shareholders' Equity (Deficiency)										
Liabilities:										
Trade and other payables	\$ 113,329	\$ -	\$ -	\$ 113,329	\$ 18,752	\$ -	\$ -	\$ -	\$ 18,752	\$ 132,081
Subscription receipts	1,000,000	(1,000,000)	-	-	-	-	-	-	-	-
Total liabilities	1,113,329	(1,000,000)	-	113,329	18,752	-	-	-	18,752	132,081
Shareholders' equity:										
Share capital	800,000	992,615	-	1,792,615	1,920,953	-	(1,920,953)	-	512,498	2,305,113
Contributed surplus	-	-	-	-	6,878	5,000	(6,878)	-	5,000	5,000
Deficit	(1,099,651)	-	(50,000)	(1,149,651)	(1,946,583)	(5,000)	1,946,583	-	(536,250)	(1,685,901)
Total shareholders' equity (deficiency)	(299,651)	992,615	(50,000)	642,964	(18,752)	-	18,752	(18,752)	(18,752)	624,212
Total liabilities and shareholders' equity (deficiency)	\$ 813,678	\$ (7,385)	\$ (50,000)	\$ 756,293	\$ -	\$ -	\$ 18,752	\$ (18,752)	\$ -	\$ 756,293

The accompanying notes are an integral part of this unaudited pro forma statement of financial position

Rift Lithium Inc.
(formerly Titus Energy Corp)

NOTES TO UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Expressed in Canadian dollars)

UNAUDITED PRO FORMA CONSOLIDATED INCOME STATEMENT

For the year ended December 31, 2022

(Expressed in Canadian Dollars)

	Rift	Titus	Estimated costs to complete the Transaction (note (e))	Pro Forma Consolidated
	(i)	(ii)		
EXPENSES				
Public company fees	\$ -	\$ 3,113	\$ -	\$ 3,113
Exploration and evaluation expenses	161,452	-	-	161,452
General and Administrative	-	10,515		10,515
Professional fees (including disbursements)	61,062	58,237	50,000	169,299
Interest expense	-	-	-	-
NET LOSS	\$ 222,514	\$ 71,865	\$ 50,000	\$ 344,379

(i) Results for the year ended December 31, 2022 have been used.

(i) Results for the year ended May 31, 2022 have been used.

Rift Lithium Inc.
(formerly Titus Energy Corp)

**NOTES TO UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF
FINANCIAL POSITION**

(Expressed in Canadian dollars)

1. BASIS OF PRESENTATION

The accompanying unaudited pro forma consolidated statement of financial position of Titus Energy Corp. (“Titus”) and Rift Lithium Inc. (“Rift”) has been prepared by management to reflect the proposed transactions as described in Note 2.

The unaudited pro forma consolidated statement of financial position has been prepared from information derived from, and should be read in conjunction with, the following:

1. The unaudited financial statements of Rift for the three months ended March 31, 2023;
2. The unaudited interim financial statements of Titus for the three and nine months ended February 28, 2023 and;
3. The audited financial statements of Titus for the year ended May 31, 2022.
4. The audited financial statements of Rift for the year ended December 31, 2022.

This unaudited pro forma consolidated statement of financial position has been presented assuming the transaction (see below) had been completed on February 28, 2023. The unaudited pro forma consolidated income statements have been presented assuming the transaction (see below) had been completed at the beginning of the financial year ended May 31, 2022.

The Transaction (see Note 2) has been accounted for in accordance with IFRS 2, Share-Based Payment. The Transaction is considered to be a reverse takeover of Titus by Rift. A reverse takeover transaction involving a non-public operating entity and a non-operating company is in substance a share-based payment transaction, rather than a business combination. The Transaction is equivalent to the issuance of shares by Rift for the net assets and the public listing status of the non-operating company, Titus. The fair value of the shares issued was determined based on the fair value of the common shares issued by Rift.

The unaudited pro forma consolidated financial statements have been prepared by management, and, in the opinion of management, includes all adjustments necessary for fair presentation. No adjustments have been made to reflect additional costs or cost savings that could result from the combination of the operations of Rift and Titus, as management does not anticipate any material costs or cost savings as a result of the Transaction.

The unaudited pro forma consolidated financial statements have been prepared for illustration purposes only and may not be indicative of the combined results or financial position had the Transaction been in effect at the date indicated. The unaudited pro forma consolidated statement of financial position should be read in conjunction with other information contained in the Filing Statement.

Rift Lithium Inc.
(formerly Titus Energy Corp)

**NOTES TO UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF
FINANCIAL POSITION**

(Expressed in Canadian dollars)

2. ASSUMPTIONS AND PRO FORMA ADJUSTMENTS

The pro forma adjustments contained in the unaudited pro forma consolidated financial statements of are based on estimates and assumptions by management of Rift based on available information and the receipt and closing of the Transaction and private placements as if they had occurred on February 28, 2023.

Titus and Rift, entered into an Amalgamation Agreement pursuant to which (i) Rift will complete an amalgamation with a wholly owned subsidiary of Titus, forming Amalco, with Titus as the sole shareholder of Amalco (ii) holders of Rift shares will receive one fully paid resulting issuer share for each Rift share held, following which all such Rift shares are to be cancelled, and (iii) each issue and outstanding Rift subscription receipt will convert into one resulting issuer share in lieu of shares of Rift (the “Transaction”). Upon completion of the Transaction, Rift will become a wholly owned subsidiary of Titus. The Transaction will result in the reverse takeover of Titus by Rift. On closing of the Transaction (the “Closing”), it is expected that, Titus, the Resulting Issuer will carry on the business of Rift, and will be re-named Rift Lithium Inc.

Pursuant to the terms of the Transaction, the unaudited pro forma consolidated statement of financial position gives effect to the following assumptions and adjustments:

- (a) On December 21, 2021, the Company completed a non-brokered private placement (“Private Placement”) of 20,000,000 subscription receipts at a price of \$0.05 per subscription receipt (the “Company Subscription Receipts”) for gross proceeds of \$1,000,000, of which 75% were classified as restricted cash as at December 31, 2021. Assuming the completion of the Transaction, each Company Subscription Receipt will be automatically exchanged for one (1) freely tradeable common share of the Resulting Issuer. Share issue costs of \$7,385 were incurred for legal fees and recorded as deferred transaction costs on the statement of financial position

Other assumptions:

- (b) Rift is the deemed acquirer, and issued 10,112,395 common shares and 6,022,256 warrants, to acquire 100% of the issued and outstanding common shares of Titus;
- (c) Share capital, reserves and the deficit of Titus are eliminated;
- (d) The fair value of the consideration is as follows:

The fair value of the consideration is as follows:

Deemed issuance of 10,112,395 common shares to the former shareholders of Titus	\$ 505,620
Deemed issuance of 6,022,256 (exercise price \$0.10) common share purchase warrants to the former shareholders of Titus	6,878
	<hr/>
	\$ 512,498

Rift Lithium Inc.
(formerly Titus Energy Corp)

NOTES TO UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Expressed in Canadian dollars)

The allocation of the consideration is as follows:

Cash	\$	-
Accounts payable and accrued liabilities		(18,752)
Listing costs expensed		531,250
Value attributed to shares issued	\$	512,498

- (e) Additional costs associated with the Transaction which have not been accrued, are estimated to be approximately \$50,000;
- (f) 100,000 RSU will be issued to the CEO.
- (g) The pro forma effective income tax rate applicable will be approximately 28%;
- (h) The Transaction receives all regulatory and shareholder approvals.

3. PRO FORMA SHARE CAPITAL

	Notes	Number of shares	Dollar amount
Balance of Titus at February 28, 2023		10,112,395	\$ 1,920,053
Elimination of Titus capital on RTO	2(c)	(10,112,395)	(1,920,953)
Deemed issuance of Rift shares for acquisition of Titus	2(d)	10,112,395	512,498
Balance of Rift at March 31, 2023		40,000,000	800,000
Shares issued on conversion of subscription receipt financing	2(a)	20,000,000	1,000,000
Share issue costs		-	(7,385)
		70,112,395	\$ 2,305,113

APPENDIX “E”

TITUS MANAGEMENT DISCUSSION & ANALYSIS

(As at and for the nine months ended February 28, 2023 and for the years ended May 31, 2022 and May 31, 2021)

[See attached.]

TITUS ENERGY CORP.

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE NINE MONTHS ENDED

FEBRUARY 28, 2023

TITUS ENERGY CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Nine Months Ended February 28, 2023

Introduction

The following Interim Management's Discussion and Analysis (the "**Interim MD&A**") of the interim financial position and results from operations of Titus Energy Corp. (the "**Company**"), for the nine months ended February 28, 2023 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last management discussion & analysis, being the Management Discussion & Analysis ("Annual MD&A") for the fiscal year ended May 31, 2022.

This Interim MD&A has been prepared in compliance with section 2.2 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual financial statements for the years ended May 31, 2022 and 2021, together with the notes thereto, and unaudited interim financial statements for the nine months ended February 28, 2023, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's interim financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited interim financial statements have been prepared in accordance with International Accounting Standards, including IAS 34 - *Interim Financial Reporting*. Accordingly, information contained herein is presented as of April 24, 2023, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

The Company's head office, principal address and registered and records office is Suite 801, 1 Adelaide Street, Toronto, ON M5C 2V9.

This MD&A is dated as of April 24, 2023.

Additional Information

Additional information relating to the Company is on the System for Electronic Document Analysis and Retrieval (“SEDAR”) at www.sedar.com.

Business Overview and Corporate Update

Description of the Business

The Company is focused on identifying suitable assets or businesses to acquire or merge with, with a view to maximizing value for shareholders. The Company was previously engaged in the acquisition, exploration and development of oil and gas properties in Canada but has disposed of these interests. The Company was incorporated as “Titus Capital Corp.” under the British Columbia Business Corporations Act on February 17, 2010. Effective December 21, 2012, the Company changed its name to “Titus Energy Corp.”.

The Company’s securities are not presently listed on any stock exchange. In addition, the Company’s securities are subject to a cease trade order issued by the British Columbia Securities Commission dated May 12, 2015, and by the Alberta Securities Commission on August 11, 2015 (the “Cease Trade Order”), for failure to file certain continuous disclosure filings required under applicable securities laws. The Company applied for partial revocation of the Cease Trade Order, and on December 9, 2020, the British Columbia Securities Commission and Alberta Securities Commission granted a partial revocation of the Cease Trade Order, which allowed the Company to complete a private placement of 3,697,997 common shares for gross proceeds of \$120,000. On March 12, 2021, the Company issued 3,697,997 common shares for proceeds of \$120,000. On May 19, 2021, the Company announced that the Cease Trade Orders of the British Columbia Securities Commission and Alberta Securities Commission were revoked.

On September 2, 2022, the Company issued 785,184 units for proceeds of \$15,704. Each unit comprised one common share and one common share purchase warrant. Each purchase warrant is exercisable to acquire 0.85 of a common share at a price of \$0.10 for a period of two years. The warrants were ascribed a value of \$897 using the Black-Scholes valuation method.

On September 2, 2022, the Company issued 5,237,072 units for debt settlement in the amount of \$104,741. Each unit comprised one common share and one common share purchase warrant. Each purchase warrant is exercisable to acquire 0.85 of a common share at a price of \$0.10 for a period of two years. The warrants were ascribed a value of \$5,981 using the Black-Scholes valuation method.

Corporate Update and Outlook

All exploration properties have been disposed of as of 2017. At that time the Company had limited cash and negative working capital. The Company has been dormant until recently. The intent of management is to seek a corporate transaction to generate shareholder value.

The Company's business is managed by the directors and officers and augmented by independent financial, geological and mining professionals retained to advise the Company on its exploration programs and business.

Changes to Board of Directors and Management

On October 7, 2020, the Company announced that Albert Huber resigned as the director and President of the Company, Lloyd George Bates has resigned as director and Chief Financial Officer and David Gingell has resigned as director and Chief Executive Officer of the Company. The Company has appointed Binyomin Posen, Myra Bongard and Igor Fishman to the board of directors in order to fill the vacancies created by the foregoing resignations. In addition, Binyomin Posen has been appointed as Chief Executive Officer and Chief Financial Officer.

Financial Performance

Selected Annual Financial Information

The table below summarizes key operating data for the last three fiscal years.

	Year Ended May 31, 2022 (unaudited) \$	Year Ended May 31, 2021 (unaudited) \$	Year Ended May 31, 2020 (unaudited) \$
Total assets	58,246	96,510	Nil
Total liabilities	58,934	25,333	8,500
Revenue	Nil	Nil	Nil
Net loss and comprehensive loss	(71,865)	(40,323)	(8,500)
Net loss and comprehensive loss per share	(0.021)	(0.03)	(0.00)
Weighted average shares outstanding	4,090,139	1,202,662	392,142

The Company was dormant from 2017 to 2020. In October 2020, the Company announced a change in the Board of Directors and management of the Company. The new management was tasked with rehabilitating the Company's listing, to assist the Company to find a business transaction which would be beneficial for shareholders. This change in the Board and management, combined with a change in operations from a dormant company to one actively rehabilitating its listing and looking for a business transaction, created the expenses in three-year periods.

Selected Quarterly Financial Information

The following quarterly results for the eight most recent quarters have been prepared in accordance with IFRS as listed below.

Three Months Ended	Assets	Liabilities	Net Loss and Comprehensive Loss	Net Loss and Comprehensive Loss Per Share	Weighted Average Shares Outstanding
February 28, 2023	\$ -	\$ 18,752	\$ (4,708)	\$ (0.00)	10,112,395
November 30, 2022	38,699	52,743	(121,941)	(0.01)	9,980,038
August 31, 2022	56,551	69,099	(11,860)	(0.00)	4,090,139
May 31, 2022	58,246	31,014	(51,107)	(0.00)	4,090,139
February 28, 2022	59,799	9,380	(7,385)	(0.00)	4,090,139
November 30, 2021	87,264	25,760	(2,892)	(0.00)	4,090,139
August 31, 2021	84,406	23,618	(10,481)	(0.00)	4,090,139
May 31, 2021	95,070	25,333	(17,876)	(0.00)	3,647,987

The Company was dormant from 2017 to 2020. In October 2020, the new management of the Company was tasked with rehabilitating the Company's listing, to assist the Company to find a business transaction which would be beneficial for shareholders. All fees relate either to professional fees to rehabilitate the listing, or provide audit or financial reporting services, or fees paid to regulators and securities exchanges. The Q4 2022 expenses reflect a significant expenditure for legal services related to organization of the Company and general corporate purposes.

Three months ended February 28, 2023 compared to the three months ended February 28, 2022

The Company reported a loss of \$4,708 in the three months ended February 28, 2023 (February 28, 2022 - \$7,385). In both quarters, professional fee expenses related to general corporate matters and costs to preparing and filing the Company's results.

Nine months ended February 28, 2023 compared to the nine months ended February 28, 2022

The Company reported a loss of \$133,801 in the nine months ended February 28, 2023 (February 28, 2022 - \$20,758). During the November 2022 quarter, a significant amount of professional fees expense related to consulting to assist with a corporate transaction, while other professional fees for general corporate legal matters and preparing and auditing the Company's results were also significant expense items. Public company fees related to various securities exchanges and professional fee expense accruals related to legals and to preparing and auditing the Company's results comprised most of the expense in the 2022 period.

Related Party Transactions

Related parties include directors, officers, close family members, certain consultants and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company, as follows:

- Before October 7, 2020 - Alan Huber, Lloyd George Bates and David Gingell.
- After October 7, 2020 - Binyomin Posen, Myra Bongard and Igor Fishman.

The Company did not report any remuneration of directors and key management personnel for the period ended February 28, 2023 or the year ended May 31, 2022.

There were no amounts due to related parties at February 28, 2023 or May 31, 2022.

Financial Condition

Cash Flow

At February 28, 2023, the Company held cash of \$nil. The working capital changes during 2023 reflected operating costs incurred by the Company and a reduction in accounts payable. The Company raised \$15,704 during the November 2022 period from a private placement.

A significant non-cash expense in the November 2022 period was a debt settlement of \$104,741 for consulting services.

Critical Accounting Estimates and Changes in Accounting Policies

All significant critical accounting estimates are fully disclosed in Note 2 of the financial statements for the periods ended February 28, 2023 and 2022.

Liquidity and Capital Resources

The Company had a working capital deficit of as of February 28, 2023 of \$18,752 (May 31, 2022 – working capital deficit of \$688). The Company held cash of \$nil as at February 28, 2023 (May 31, 2022 - \$58,246).

The Company's cash at February 28, 2023 was not sufficient to allow it to discharge its liabilities and fund its working capital needs.

Management continues to review alternative sources of capital to meet its ongoing obligations and short-term working capital requirements. While the Company plans to continue to monitor closely its spending, conditions in the capital markets continue to make it difficult for early-stage exploration companies to raise additional capital. The Company may require substantial additional capital to fund any new project or to advance the exploration projects.

Historically, the Company has used the net proceeds from issuances of its securities to provide sufficient funds for it to meet its near-term exploration and development plans and other contractual obligations when due. However, given the current market conditions affecting the junior mining sector, the current trading price of the Company's common shares and other uncertainties discussed herein, there can be no assurance that the Company will be able to obtain sufficient additional funds on favorable terms, or at all, in order to carry out its objectives. As mentioned elsewhere in this MD&A, the Company is evaluating various strategic alternatives and, if it decides to pursue any such alternative, it may also require additional funds to carry out its strategic plans in amounts that cannot be determined as of the date hereof, which funds may also be unavailable to the Company on favorable terms or at all.

Financial Instruments and Financial Risk Factors

International financial reporting standards require that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the statement of financial position date, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

Fair value measurements are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. At February 28, 2023 the Company carried cash of \$nil at fair value, being Level 1 assets. At May 31, 2022, the Company carried cash of \$58,246 at fair value, being Level 1 assets. The Company had no other financial instruments carried at fair value to classify in the fair value hierarchy.

As at February 28, 2023 and May 31, 2022, carrying amounts of cash approximate fair market value instruments. Amounts receivable, accounts payable and accrued liabilities on the statement of financial position are recorded at their amortized cost.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from previous periods.

(a) Credit Risk

The Company's credit risk is primarily attributable to cash and cash equivalents. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to cash and cash equivalents, and financial instruments included in amounts receivable is remote.

(b) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet its obligations when due. At February 28, 2023, the Company had cash of \$nil (May 31, 2022 - \$58,246) available to settle current liabilities of \$18,752 (May 31, 2022 - \$58,934). The Company's accounts payable are subject to normal trade terms.

(c) Market Risk

The Company is exposed to the following market risks:

(i) Interest Rate Risk

The Company has cash and cash equivalents balances and no variable interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

(ii) Foreign Exchange Risk

While the Company's functional currency is the Canadian dollar, major purchases could be transacted in Canadian dollars or United States dollars. As at February 28, 2023, the Company does not hold foreign currency balances.

Off-Balance Sheet Arrangements

At February 28, 2023, there were no off-balance sheet arrangements.

Outstanding Share Data

	April 24, 2023	February 28, 2023	May 31, 2022
Common shares	10,112,395	10,112,395	4,090,139
Warrants	6,022,256 ⁽¹⁾	6,022,256 ⁽¹⁾	-
Total	15,231,312	15,231,312	4,090,139

Note:

- (1) Each warrant is exercisable to acquire 0.85 of a common share at an exercise price of \$0.10 until September 2, 2024, for a total of 5,118,916 common shares.

Risk Factors

Until a business combination is completed, the Company's risk factors are those related to a successful corporate transaction. The ability of the Company to continue operations is dependent upon its ability to

find and close a corporate transaction. Other risk exposures and the impact on the Company's financial instruments are summarized below.

The risks, objectives, policies and procedures from previous years have been adjusted to reflect the pursuit of a corporate transaction.

Current Global Financial Conditions and Trends

Securities of mining and mineral exploration companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments globally, and market perceptions of the attractiveness of particular industries. The price of the securities of companies is also significantly affected by short-term changes in commodity prices, base and precious metal prices or other mineral prices, currency exchange fluctuation and the political environment in the countries in which the Company does business. As of February 28, 2023, the global economy continues to be in a period of significant economic volatility, in large part due to US, European, and Middle East economic and political concerns which have impacted global economic growth.

Dependence on Key Individuals

The Company's business and operations are dependent on retaining the services of a small number of key individuals. The success of the Company is, and will continue to be, to a significant extent, dependent on the expertise and experience of these individuals. The loss of one or more of these individuals could have a materially adverse effect on the Company. The Company does not maintain insurance on any of its key individuals.

Capital Management

The Company considers its capital to consist of shareholders' 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, exploration and development of mineral properties. The Board 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 an interest are in the exploration stage and the Company is dependent on external financing to fund its activities. In order to carry out future exploration and pay on-going 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 an interest in additional properties if it determines there is sufficient geological 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 significant changes in the Company's approach to capital management in the period ended February 28, 2023. The Company is not currently subject to externally imposed capital requirements.

Corporate Transactions

The Company could pursue corporate transactions with the ultimate goal to effect a business combination. There is no assurance that a such a transaction could be reached or, even if a transaction is entered into, the transaction will close on the disclosed terms or at all.

Cautionary Note Regarding Forward-Looking Statements

This MD&A contains certain "forward-looking information" as defined in applicable securities laws (collectively referred to herein as "**forward-looking statements**"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "budgeted", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statements.

Forward-looking statements are based upon certain assumptions and other important factors regarding present and future business strategies and the environment in which the Company will operate in the future, which could prove to be significantly incorrect. Forward-looking statements are inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company and/or its subsidiary to be materially different from those expressed or implied by such forward-looking statements.

The Company is pursuing a course of action to pursue a corporate transaction. This course of action may require additional capital. There is no guarantee that the Company will be successful in finding a corporate transaction, or if such transaction is found, that the transaction can be successfully completed. There is no guarantee that, should additional funds be required, such funds would be available to the Company or that if such funds were available the terms would not be onerous.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary note. Accordingly, readers should not place undue reliance on forward

looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

TITUS ENERGY CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED

MAY 31, 2022

TITUS ENERGY CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended May 31, 2022

Introduction

The following is Management's Discussion and Analysis (the "**MD&A**") of the financial position and results from operations of Titus Energy Corp. (the "**Company**"), for the year ended May 31, 2022. This MD&A should be read in conjunction with the Company's financial statements for its fiscal years ended May 31, 2022 and 2021 along with accompanying notes to the statements for the years then ended.

The Company's reporting currency is the Canadian dollar and all amounts in this MD&A are expressed in Canadian dollars unless otherwise indicated. The Company's financial statements for its fiscal years ended May 31, 2022 and 2021 were prepared in accordance with International Financial Reporting Standards ("**IFRS**").

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the "**Board**"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

The Company's head office, principal address and registered and records office is Suite 801, 1 Adelaide Street, Toronto, ON M5C 2V9.

This MD&A is dated as of September 28, 2022.

Additional Information

Additional information relating to the Company is on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com.

Business Overview and Corporate Update

Description of the Business

The Company is focused on identifying suitable assets or businesses to acquire or merge with, with a view to maximizing value for shareholders. The Company was previously engaged in the acquisition, exploration and development of oil and gas properties in Canada but has disposed of these interests. The

Company was incorporated as “Titus Capital Corp.” under the British Columbia Business Corporations Act on February 17, 2010. Effective December 21, 2012, the Company changed its name to “Titus Energy Corp.”.

The Company’s securities are not presently listed on any stock exchange. In addition, the Company’s securities are subject to a cease trade order issued by the British Columbia Securities Commission dated May 12, 2015, and by the Alberta Securities Commission on August 11, 2015 (the “Cease Trade Order”), for failure to file certain continuous disclosure filings required under applicable securities laws. The Company applied for partial revocation of the Cease Trade Order, and on December 9, 2020, the British Columbia Securities Commission and Alberta Securities Commission granted a partial revocation of the Cease Trade Order, which allowed the Company to complete a private placement of 3,697,997 common shares for gross proceeds of \$120,000. On March 12, 2021, the Company issued 3,697,997 common shares for proceeds of \$120,000. On May 19, 2021, the Company announced that the Cease Trade Orders of the British Columbia Securities Commission and Alberta Securities Commission were revoked.

Corporate Update and Outlook

All exploration properties have been disposed of as of 2017. At that time the Company had limited cash and negative working capital. The Company has been dormant until recently. The intent of management is to seek a corporate transaction to generate shareholder value.

The Company’s business is managed by the directors and officers and augmented by independent financial, geological and mining professionals retained to advise the Company on its exploration programs and business.

Changes to Board of Directors and Management

On October 7, 2020, the Company announced that Albert Huber resigned as the director and President of the Company, Lloyd George Bates has resigned as director and Chief Financial Officer and David Gingell has resigned as director and Chief Executive Officer of the Company. The Company has appointed Binyomin Posen, Myra Bongard and Igor Fishman to the board of directors in order to fill the vacancies created by the foregoing resignations. In addition, Binyomin Posen has been appointed as Chief Executive Officer and Chief Financial Officer.

Financial Performance

Selected Annual Financial Information

The table below summarizes key operating data for the last three fiscal years.

	Year Ended May 31, 2022 (unaudited) \$	Year Ended May 31, 2021 (unaudited) \$	Year Ended May 31, 2020 (unaudited) \$
Total assets	58,246	96,510	Nil
Total liabilities	58,934	25,333	8,500
Revenue	Nil	Nil	Nil
Net loss and comprehensive loss	(71,865)	(40,323)	(8,500)
Net loss and comprehensive loss per share	(0.021)	(0.03)	(0.00)
Weighted average shares outstanding *	4,090,139	1,202,662	392,142

* On March 16, 2022, shares were consolidated on a 32.45:1 basis. All share numbers in the current and prior periods have been adjusted to reflect the change.

The Company was dormant from 2017 to 2020. In October 2020, the Company announced a change in the Board of Directors and management of the Company. The new management was tasked with rehabilitating the Company's listing, to assist the Company to find a business transaction which would be beneficial for shareholders. This change in the Board and management, combined with a change in operations from a dormant company to one actively rehabilitating its listing and looking for a business transaction, created the expenses in three-year periods.

Selected Quarterly Financial Information

The following quarterly results for the eight most recent quarters have been prepared in accordance with IFRS as listed below.

Three Months Ended	Assets	Liabilities	Net Loss and Comprehensive Loss	Net Loss and Comprehensive Loss Per Share	Weighted Average Shares Outstanding *
May 31, 2022	\$ 58,246	\$ 58,934	\$ (51,107)	\$ (0.01)	4,090,139
February 28, 2022	59,799	9,380	(7,385)	(0.00)	4,090,139
November 30, 2021	87,264	25,760	(2,892)	(0.00)	4,090,139
August 31, 2021	84,406	23,618	(10,481)	(0.00)	4,090,139
May 31, 2021	95,070	25,333	(17,876)	(0.00)	3,647,987
February 28, 2021	116,650	145,347	(14,597)	(0.04)	392,142
November 30, 2020	Nil	16,350	(5,600)	(0.01)	392,142
August 31, 2020	Nil	10,750	(2,250)	(0.00)	392,142

* On March 16, 2022, shares were consolidated on a 32.45:1 basis. All share numbers in the current and prior periods have been adjusted to reflect the change.

The Company was dormant from 2017 to 2020. In October 2020, the new management of the Company was tasked with rehabilitating the Company's listing, to assist the Company to find a business transaction which would be beneficial for shareholders. All fees relate either to professional fees to rehabilitate the listing, or provide audit or financial reporting services, or fees paid to regulators and securities exchanges. The Q4 2022 expenses reflect a significant expenditure for legal services related to organization of the Company and general corporate purposes.

Year ended May 31, 2022 compared to the year ended May 31, 2021

The Company reported a loss of \$71,865 in the year ended May 31, 2022. Professional fees for legal expenses for corporate purposes and to evaluate and pursue a corporate transaction, and expenses related to preparing and auditing the Company's results in the period comprised the professional fees. The Company paid \$3,113 in public company fees to various regulatory bodies related to its listing. The Company reported a loss of \$40,323 in the year ended May 31, 2021. Professional fees related to rehabilitating the listing, and preparing and auditing the Company's results in the period.

Related Party Transactions

Related parties include directors, officers, close family members, certain consultants and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company, as follows:

- Before October 7, 2020 - Alan Huber, Lloyd George Bates and David Gingell.
- After October 7, 2020 - Binyomin Posen, Myra Bongard and Igor Fishman.

The Company did not report any remuneration of directors and key management personnel for the year ended May 31, 2022 or May 31, 2021.

There were no amounts due to related parties at May 31, 2022 or May 31, 2021.

Financial Condition

Cash Flow

At May 31, 2022, the Company held cash of \$58,246. The working capital changes during 2022 reflected operating costs incurred by the Company and a slight reduction in accounts payable.

The proceeds of \$120,000 raised will be applied to payment of outstanding payables and for general working capital. Cash is expected to be applied as follows:

	Plan	Spent
Payables and accruals	\$ 8,500	\$ 8,500
HST receivable	5,000	-
Regulatory fees	20,000	19,283
Operating costs	86,500	33,971
	<u>120,000</u>	<u>61,754</u>
Cash on hand	-	58,246
	<u>\$120,000</u>	<u>\$120,000</u>

Critical Accounting Estimates and Changes in Accounting Policies

All significant critical accounting estimates are fully disclosed in Note 2 of the financial statements for the years ended May 31, 2022 and 2021.

Liquidity and Capital Resources

The Company had a working capital deficit of as of May 31, 2022 of \$688 (2021 – working capital of \$71,177). The Company held cash of \$58,246 as at May 31, 2022 (May 31, 2021 - \$95,070).

The Company's cash at May 31, 2022 was not sufficient to allow it to discharge its liabilities and fund its working capital needs. The Company raised cash to address this shortfall, as reported in the subsequent events section of this MDA. However, the Company could require substantial additional capital to fund any new project or to pursue other potential opportunities.

Management continues to review alternative sources of capital to meet its ongoing obligations and short-term working capital requirements. While the Company plans to continue to monitor closely its spending, conditions in the capital markets continue to make it difficult for early-stage exploration companies to raise additional capital. The Company may require substantial additional capital to fund any new project or to advance the exploration projects.

Historically, the Company has used the net proceeds from issuances of its securities to provide sufficient funds for it to meet its near-term exploration and development plans and other contractual obligations when due. However, given the current market conditions affecting the junior mining sector, the current trading price of the Company's common shares and other uncertainties discussed herein, there can be no assurance that the Company will be able to obtain sufficient additional funds on favorable terms, or at all, in order to carry out its objectives. As mentioned elsewhere in this MD&A, the Company is evaluating various strategic alternatives and, if it decides to pursue any such alternative, it may also require additional funds to carry out its strategic plans in amounts that cannot be determined as of the date hereof, which funds may also be unavailable to the Company on favorable terms or at all.

Financial Instruments and Financial Risk Factors

International financial reporting standards require that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the statement of financial position date, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

Fair value measurements are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. At May 31, 2022 the Company carried cash of \$58,246 at fair value, being Level 1 assets. At May 31, 2021, the Company carried cash of \$95,070 at fair value, being Level 1 assets. The Company had no other financial instruments carried at fair value to classify in the fair value hierarchy.

As at May 31, 2022 and 2021, carrying amounts of cash approximate fair market value instruments. Amounts receivable, accounts payable and accrued liabilities on the statement of financial position are recorded at their amortized cost.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from previous periods.

(a) Credit Risk

The Company's credit risk is primarily attributable to cash and cash equivalents. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to cash and cash equivalents, and financial instruments included in amounts receivable is remote.

(b) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet its obligations when due. At May 31, 2022, the Company had cash of \$58,246 (May 31, 2021 - \$95,070) available to settle current liabilities of \$58,934 (May 31, 2021 - \$25,333). The Company's accounts payable are subject to normal trade terms.

(c) Market Risk

The Company is exposed to the following market risks:

(i) Interest Rate Risk

The Company has cash and cash equivalents balances and no variable interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

(ii) Foreign Exchange Risk

While the Company's functional currency is the Canadian dollar, major purchases could be transacted in Canadian dollars or United States dollars. As at May 31, 2022, the Company does not hold foreign currency balances.

Off-Balance Sheet Arrangements

At May 31, 2022, there were no off-balance sheet arrangements.

Outstanding Share Data

	September 28, 2022	May 31, 2022	May 31, 2021
Common shares	10,112,395	4,090,139	4,090,139
Warrants	5,118,917	-	-
Total	15,231,312	4,090,139	4,090,139

On September 2, 2022, the Company closed a non-brokered private placement. The Company issued 785,184 Units at a price of \$0.02 per Unit for aggregate gross proceeds of \$15,704. Each Unit is comprised of one (1) common share in the capital of the Company (the "Common Share"), and 0.85 of a Common Share purchase warrant (each whole warrant a "Warrant"). Each full Warrant is exercisable to acquire one (1) Common Share (a "Warrant Share") at a price of \$0.10 per Warrant Share for a period of two (2) years from the date of issuance.

Further, the Company entered into debt settlement agreements with certain creditors to settle \$104,741 of outstanding liabilities. The Company issued 5,237,072 Units at a deemed price of \$0.02 per Unit in settlement of the outstanding liabilities. The Units are identical to those issued on September 2, 2022.

Risk Factors

Until a business combination is completed, the Company's risk factors are those related to a successful corporate transaction. The ability of the Company to continue operations is dependent upon its ability to find and close a corporate transaction. Other risk exposures and the impact on the Company's financial instruments are summarized below.

The risks, objectives, policies and procedures from previous years have been adjusted to reflect the pursuit of a corporate transaction.

Current Global Financial Conditions and Trends

Securities of mining and mineral exploration companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments globally, and market perceptions of the attractiveness of particular industries. The price of the securities of companies is also significantly affected by short-term changes in commodity prices, base and precious metal prices or other mineral prices, currency exchange fluctuation and the political environment in the countries in which the Company does business. As of May 31, 2022, the global economy continues to be in a period of significant economic volatility, in large part due to US, European, and Middle East economic and political concerns which have impacted global economic growth.

COVID-19

The outbreak of the novel strain of coronavirus, specifically identified as ‘COVID-19’, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposing quarantine period and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown currently, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

Dependence on Key Individuals

The Company’s business and operations are dependent on retaining the services of a small number of key individuals. The success of the Company is, and will continue to be, to a significant extent, dependent on the expertise and experience of these individuals. The loss of one or more of these individuals could have a materially adverse effect on the Company. The Company does not maintain insurance on any of its key individuals.

Capital Management

The Company considers its capital to consist of shareholders’ 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, exploration and development of mineral properties. The Board 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 an interest are in the exploration stage and the Company is dependent on external financing to fund its activities. In order to carry out future exploration and pay on-going 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 an interest in additional properties if it determines there is sufficient geological 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 significant changes in the Company's approach to capital management in the year ended May 31, 2022. The Company is not currently subject to externally imposed capital requirements.

Corporate Transactions

The Company could pursue corporate transactions with the ultimate goal to effect a business combination. There is no assurance that a such a transaction could be reached or, even if a transaction is entered into, the transaction will close on the disclosed terms or at all.

Cautionary Note Regarding Forward-Looking Statements

This MD&A contains certain "forward-looking information" as defined in applicable securities laws (collectively referred to herein as "**forward-looking statements**"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "budgeted", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statements.

Forward-looking statements are based upon certain assumptions and other important factors regarding present and future business strategies and the environment in which the Company will operate in the future, which could prove to be significantly incorrect. Forward-looking statements are inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company and/or its subsidiary to be materially different from those expressed or implied by such forward-looking statements.

The Company is pursuing a course of action to pursue a corporate transaction. This course of action may require additional capital. There is no guarantee that the Company will be successful in finding a corporate

transaction, or if such transaction is found, that the transaction can be successfully completed. There is no guarantee that, should additional funds be required, such funds would be available to the Company or that if such funds were available the terms would not be onerous.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary note. Accordingly, readers should not place undue reliance on forward looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

TITUS ENERGY CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED

MAY 31, 2021

TITUS ENERGY CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended May 31, 2021

Introduction

The following is Management's Discussion and Analysis (the "**MD&A**") of the financial position and results from operations of Titus Energy Corp. (the "**Company**"), for the year ended May 31, 2021. This MD&A should be read in conjunction with the Company's financial statements for its fiscal years ended May 31, 2021 and 2020 along with accompanying notes to the statements for the years then ended.

The Company's reporting currency is the Canadian dollar and all amounts in this MD&A are expressed in Canadian dollars unless otherwise indicated. The Company's financial statements for its fiscal years ended May 31, 2021 and 2020 were prepared in accordance with International Financial Reporting Standards ("**IFRS**").

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the "**Board**"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

The Company's head office, principal address and registered and records office is Suite 801, 1 Adelaide Street, Toronto, ON M5C 2V9.

This MD&A is dated as of August 9, 2021.

Additional Information

Additional information relating to the Company is on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com.

Business Overview and Corporate Update

Description of the Business

The Company is focused on identifying suitable assets or businesses to acquire or merge with, with a view to maximizing value for shareholders. The Company was previously engaged in the acquisition, exploration and development of oil and gas properties in Canada, but has disposed of these interests. The

Company was incorporated as “Titus Capital Corp.” under the British Columbia Business Corporations Act on February 17, 2010. Effective December 21, 2012, the Company changed its name to “Titus Energy Corp.”.

The Company’s securities are not presently listed on any stock exchange. In addition, the Company’s securities are subject to a cease trade order issued by the British Columbia Securities Commission dated May 12, 2015 and by the Alberta Securities Commission on August 11, 2015 (the “Cease Trade Order”), for failure to file certain continuous disclosure filings required under applicable securities laws. The Company applied for partial revocation of the Cease Trade Order, and on December 9, 2020, the British Columbia Securities Commission and Alberta Securities Commission granted a partial revocation of the Cease Trade Order, which allowed the Company to complete a private placement of 120,000,000 common shares for gross proceeds of \$120,000. On March 12, 2021, the Company issued 120,000,000 common shares for proceeds of \$120,000. On May 19, 2021, the Company announced that the Cease Trade Orders of the British Columbia Securities Commission and Alberta Securities Commission were revoked.

Corporate Update and Outlook

All exploration properties have been disposed of as of 2017. At that time the Company had limited cash and negative working capital. The Company has been dormant until recently. The intent of management is to seek a corporate transaction to generate shareholder value.

The Company’s business is managed by the directors and officers and augmented by independent financial, geological and mining professionals retained to advise the Company on its exploration programs and business.

Changes to Board of Directors and Management

On October 7, 2020, the Company announced that Albert Huber resigned as the director and President of the Company, Lloyd George Bates has resigned as director and Chief Financial Officer and David Gingell has resigned as director and Chief Executive Officer of the Company. The Company has appointed Binyomin Posen, Myra Bongard and Igor Fishman to the board of directors in order to fill the vacancies created by the foregoing resignations. In addition, Binyomin Posen has been appointed as Chief Executive Officer and Chief Financial Officer.

Financial Performance

Selected Annual Financial Information

The table below summarizes key operating data for the last three fiscal years.

	Year Ended May 31, 2021 (unaudited) \$	Year Ended May 31, 2020 (unaudited) \$	Year Ended May 31, 2019 (unaudited) \$
Total assets	96,510	Nil	Nil
Total liabilities	25,333	8,500	Nil
Revenue	Nil	Nil	Nil
Net loss and comprehensive loss	(40,323)	(8,500)	Nil
Net loss and comprehensive loss per share	(0.00)	(0.00)	0.00
Weighted average shares outstanding	39,026,370	12,725,000	12,725,000

Selected Quarterly Financial Information

The following quarterly results for the eight most recent quarters have been prepared in accordance with IFRS as listed below.

Three Months Ended	Assets	Liabilities	Net Loss and Comprehensive Loss	Net Loss and Comprehensive Loss Per Share	Weighted Average Shares Outstanding
May 31, 2021	\$ 95,070	\$ 25,333	\$ (17,876)	\$ (0.00)	118,377,174
February 28, 2021	116,650	145,347	(14,597)	(0.00)	12,725,000
November 30, 2020	Nil	16,350	(5,600)	(0.00)	12,725,000
August 31, 2020	Nil	10,750	(2,250)	(0.00)	12,725,000
May 31, 2020	Nil	8,500	(8,500)	(0.00)	12,725,000
February 29, 2020	Nil	Nil	-	0.00	12,725,000
November 30, 2019	Nil	Nil	-	0.00	12,725,000
August 31, 2019	Nil	Nil	-	0.00	12,725,000

Year ended May 31, 2021 compared to the year ended May 31, 2020

The Company reported a loss of \$40,323 in the year ended May 31, 2021. Professional fees for legal expenses to rehabilitate the Company listing and expenses related to preparing and auditing the Company's results in the period comprised the professional fees. The Company paid \$12,740 is public company fees to various regulatory bodies to rehabilitate its listing. The Company reported a loss of \$8,500 in the year ended May 31, 2020. Professional fees related to preparing and auditing the Company's results in the period. The Company was dormant in 2020 until Q4.

Related Party Transactions

Related parties include directors, officers, close family members, certain consultants and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The Company did not report any remuneration of directors and key management personnel for the year ended May 31, 2021 or May 31, 2020.

There were no amounts due to related parties at May 31, 2021 or May 31, 2020.

Financial Condition

Cash Flow

At May 31, 2021, the Company held cash of \$95,070. The working capital changes during 2021 reflected the cash raised via the private placement, partially reduced by operating costs rehabilitate the Company's listing.

The proceeds will be applied to payment of outstanding payables and for general working capital. Cash is expected to be applied as follows:

	Plan	Spent
Payables and accruals	\$ 8,500	\$ 8,500
HST receivable	5,000	1,440
Regulatory fees	20,000	12,740
Operating costs	86,500	2,250
	<hr/>	<hr/>
	120,000	24,930
Cash on hand	-	95,070
	<hr/>	<hr/>
	\$120,000	\$120,000

Critical Accounting Estimates and Changes in Accounting Policies

All significant critical accounting estimates are fully disclosed in Note 2 of the financial statements for the years ended May 31, 2021 and 2020.

Liquidity and Capital Resources

The Company had working capital of as of May 31, 2021 of \$71,177 (2020 – negative working capital of \$8,500). The Company held cash of \$95,070 as at May 31, 2021 (May 31, 2020 - \$Nil).

Management is currently reviewing alternative sources of capital to meet its ongoing obligations and short-term working capital requirements. While the Company plans to continue to monitor closely its spending, conditions in the capital markets continue to make it difficult for early stage exploration companies to raise additional capital. The Company may require substantial additional capital to fund any new project or to advance the exploration projects.

Historically, the Company has used the net proceeds from issuances of its securities to provide sufficient funds for it to meet its near-term exploration and development plans and other contractual obligations when due. However, given the current market conditions affecting the junior mining sector, the current trading price of the Company's common shares and other uncertainties discussed herein, there can be no assurance that the Company will be able to obtain sufficient additional funds on favorable terms, or at all, in order to carry out its objectives. As mentioned elsewhere in this MD&A, the Company is evaluating various strategic alternatives and, if it decides to pursue any such alternative, it may also require additional funds to carry out its strategic plans in amounts that cannot be determined as of the date hereof, which funds may also be unavailable to the Company on favorable terms or at all.

Financial Instruments and Financial Risk Factors

International financial reporting standards require that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the statement of financial position date, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

Fair value measurements are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. At May 31, 2021 the Company carried cash of \$95,070 at fair value, being Level 1 assets. At May 31, 2020, the Company carried cash of \$Nil at fair value, being Level 1 assets. The Company had no other financial instruments carried at fair value to classify in the fair value hierarchy.

As at May 31, 2021 and 2020, carrying amounts of cash approximate fair market value instruments. Amounts receivable, accounts payable and accrued liabilities on the statement of financial position are recorded at their amortized cost.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from previous periods.

(a) Credit Risk

The Company's credit risk is primarily attributable to cash and cash equivalents. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to cash and cash equivalents, and financial instruments included in amounts receivable is remote.

(b) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet its obligations when due. At May 31, 2021, the Company had cash of \$95,070 (May 31, 2020 - \$Nil) available to settle current liabilities of \$25,333 (May 31, 2020 - \$8,500). The Company's accounts payable are subject to normal trade terms.

(c) Market Risk

The Company is exposed to the following market risks:

(i) Interest Rate Risk

The Company has cash and cash equivalents balances and no variable interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

(ii) Foreign Exchange Risk

While the Company's functional currency is the Canadian dollar, major purchases could be transacted in Canadian dollars or United States dollars. As at May 31, 2021, the Company does not hold foreign currency balances.

Off-Balance Sheet Arrangements

At May 31, 2021, there were no off-balance sheet arrangements.

Outstanding Share Data

	June 10, 2021	May 31, 2021	May 31, 2020
Common shares	132,725,000	132,725,000	12,725,000

On March 12, 2021, the Company issued 120,000,000 common shares for proceeds of \$120,000.

Risk Factors

Until a business combination is completed, the Company's risk factors are those related to a successful corporate transaction. The ability of the Company to continue operations is dependent upon its ability to find and close a corporate transaction. Other risk exposures and the impact on the Company's financial instruments are summarized below.

The risks, objectives, policies and procedures from previous years have been adjusted to reflect the pursuit of a corporate transaction.

Current Global Financial Conditions and Trends

Securities of mining and mineral exploration companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments globally, and market perceptions of the attractiveness of particular industries. The price of the securities of companies is also significantly affected by short-term changes in commodity prices, base and precious metal prices or other mineral prices, currency exchange fluctuation and the political environment in the countries in which the Company does business. As of May 31, 2021, the global economy continues to be in a period of significant economic volatility, in large part due to US, European, and Middle East economic and political concerns which have impacted global economic growth.

COVID-19

The outbreak of the novel strain of coronavirus, specifically identified as 'COVID-19', has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposing quarantine period and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown currently, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

Dependence on Key Individuals

The Company's business and operations are dependent on retaining the services of a small number of key individuals. The success of the Company is, and will continue to be, to a significant extent, dependent on the expertise and experience of these individuals. The loss of one or more of these individuals could have a materially adverse effect on the Company. The Company does not maintain insurance on any of its key individuals.

Capital Management

The Company considers its capital to consist of shareholders' 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, exploration and development of mineral properties. The Board 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 an interest are in the exploration stage and the Company is dependent on external financing to fund its activities. In order to carry out future exploration and pay on-going 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 an interest in additional properties if it determines there is sufficient geological 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 significant changes in the Company's approach to capital management in the year ended May 31, 2021. The Company is not currently subject to externally imposed capital requirements.

Corporate Transactions

The Company could pursue corporate transactions with the ultimate goal to effect a business combination. There is no assurance that a such a transaction could be reached or, even if a transaction is entered into, the transaction will close on the disclosed terms or at all.

Cautionary Note Regarding Forward-Looking Statements

This MD&A contains certain "forward-looking information" as defined in applicable securities laws (collectively referred to herein as "**forward-looking statements**"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "budgeted", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statements.

Forward-looking statements are based upon certain assumptions and other important factors regarding present and future business strategies and the environment in which the Company will operate in the future, which could prove to be significantly incorrect. Forward-looking statements are inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of

activity, performance or achievements of the Company and/or its subsidiary to be materially different from those expressed or implied by such forward-looking statements.

The Company is pursuing a course of action to pursue a corporate transaction. This course of action may require additional capital. There is no guarantee that the Company will be successful in finding a corporate transaction, or if such transaction is found, that the transaction can be successfully completed. There is no guarantee that, should additional funds be required, such funds would be available to the Company or that if such funds were available the terms would not be onerous.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary note. Accordingly, readers should not place undue reliance on forward looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

APPENDIX “F”

RIFT MANAGEMENT DISCUSSION & ANALYSIS

(As at and for the period from incorporation (November 23, 2021) to December 31, 2022)

[See attached.]

Rift Lithium Inc.

Management Discussion and Analysis

For the year ended December 31, 2022 and the period November 23, 2021 (date of incorporation) to December 31, 2021

Introduction

This Management's Discussion and Analysis ("MD&A") is dated February 28, 2023, unless otherwise indicated and should be read in conjunction with the audited financial statements for the year ended December 31, 2022 and the period November 23, 2021 (date of incorporation) to December 31, 2021, and the related notes thereto. This MD&A was written to comply with the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations*. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results presented are not necessarily indicative of the results that may be expected for any future period.

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations issued by the IFRS Interpretations Committee.

Cautionary Note Regarding Forward-Looking Information

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "**forward-looking statements**"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors referenced in the "Risk Factors" section below. Readers are cautioned that such risk factors, uncertainties and other factors are not exhaustive. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. Specifically, this MD&A includes, but is not limited to, forward-looking statements regarding: the Company's ability to meet its working capital needs at the current level for the next twelve-month period; management's outlook regarding future trends; sensitivity analysis on financial instruments, which may vary from amounts disclosed; completion of the Transaction (defined below); and general business and economic conditions.

All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

The Company

Rift Lithium Inc. (the “**Company**”) was incorporated under the Business Corporations Act of Ontario on November 23, 2021. The head office of the Company and location of records is located at 1 Adelaide Street East, Suite 801, Toronto, Ontario, Canada, M5C 2V9.

The Company was formed for the primary purpose of completing a going public transaction as a mineral exploration company.

The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition, or business, or an interest therein.

Highlights for the period November 23, 2021 (date of incorporation) to December 31, 2022

On November 24, 2021, the Company entered into an agreement to acquire mineral claims located in the province of Ontario (the “**Mound Lake Property**”), in exchange of 39,999,999 common shares (at \$0.02 per share) of the Company. The shares were issued on November 24, 2021. The valuation was determined by arm’s length negotiations between the parties, including with the subscribers of subscription receipts as to the pre-money valuation for this property. During the year the Company spent \$161,452 on the property (\$46,000 in additional acquisition costs, \$104,912 on an aerial magnetic survey, \$6,585 towards the preparation of 43-101 report, \$3,955 on geological consultants).

The Company signed a letter of intent dated December 1, 2021 (the “**LOI**”) with Titus Energy Corp., in respect of a proposed business combination transaction (the “**Transaction**”). It is currently anticipated that the Transaction will occur as a share exchange, merger, or amalgamation and the final structure of the Transaction will be subject to receipt of tax, corporate and securities law advice for both Titus and Rift. Upon completion of the Transaction, the combined entity (the “**Resulting Issuer**”) will continue to carry on the business of Titus. It is expected that upon completion of the Transaction, the Resulting Issuer will apply to list the common shares of Titus for trading on the Canadian Stock Exchange (the “**CSE**”).

On December 21, 2021, the Company completed a non-brokered private placement (“**Private Placement**”) of 20,000,000 subscription receipts at a price of \$0.05 per subscription receipt (the “**Company Subscription Receipts**”) for gross proceeds of \$1,000,000, of which 75% were classified as restricted cash as at December 31, 2021. Assuming the completion of the Transaction, each Company Subscription Receipt will be automatically exchanged for one (1) freely tradeable common share of the Company. \$750,000 of the funds received of are held in escrow and classified as restricted cash and are not available until the conversion of the Subscription Receipts. Share issue costs of \$1,650 were incurred for legal fees and recorded as deferred transaction costs on the statement of financial position.

SELECTED ANNUAL INFORMATION¹

	2022	2021 ²
	\$	\$
Revenue	-	-
Expenses	222,514	812,629
Net loss and comprehensive loss for the year	(222,215)	(812,629)
Basic and fully diluted loss per share	(0.01)	(0.02)
Cash flows from operating activities	(186,805)	18
Cash flows from financing activities	-	1,000,000
(Decrease) Increase in cash in year	(186,805)	1,000,018
As at December 31,	2022	2021
Total Assets	820,598	1,001,668
Total long-term financial liabilities	Nil	Nil

Cash dividends declared for all classes of shares

Nil

Nil

- 1) For the period from incorporation (November 23, 2021) to December 31, 2021 the Company has prepared its annual financial statements in accordance with IFRS.
- 2) For the period from incorporation (November 23, 2021) to December 31, 2021.

Summary of Quarterly Results⁽¹⁾

Three Months Ended	Net Revenues (\$)	Net Loss	
		Net loss (\$)	Basic and Diluted (Loss) Per Share (\$)
31-Dec-22	-	(203,209)	(0.01)
30-Sept-22	-	(16,476)	(0.00)
30-June-22	-	(-)	(0.00)
31-Mar-22	-	(2,528)	(0.00)
31-Dec-21 ⁽²⁾	-	(812,629)	(0.02)

- 1) For the period from incorporation (November 23, 2021) to December 31, 2021 the Company has prepared its quarterly financial statements in accordance with IFRS.
- 2) For the period from incorporation (November 23, 2021) to December 31, 2021

Results of Operations

The Company recorded a net loss of \$222,215 for the year ended December 31, 2022 compared to \$812,628 for the period of November 23, 2021 (incorporation) to December 31, 2021. The net loss for the period is the result of \$161,452 of exploration and evaluation expenditures on the Company mineral property, and \$61,062 of professional fees (legal and administrative fees incurred to set up the Company and enter into the LOI, and financial statement audit fees). The loss in the prior period of \$812,629 included the acquisition of a mineral property in exchange for shares with a fair value of \$800,000.

Liquidity and Capital Resources

As at December 31, 2022 the Company had cash held in trust of \$63,213 and restricted cash in trust of \$750,000. The Company had current liabilities of \$1,055,441 (which includes \$1,000,000 of share subscriptions received) and a working capital deficit of \$234,843.

The change in total cash during the year was \$186,805 compared with \$1,000,018 in the prior period as a result of cash provided from the private placement of subscription receipts.

Outstanding Share Data

As at December 31, 2022, the Company had 40,000,000 common shares, and 20,000,000 subscription receipts outstanding.

Off-Balance Sheet Arrangements

The Company has not had any off-balance sheet arrangements from the date of its incorporation to the date of this MD&A.

Related Party Transactions

During the year ended December 31, 2022, \$30,000 was charged by CFO Advantage Inc, a corporation owned by the chief financial officer of the Company, for management services. As at December 31, 2022, this amount is

included in accounts payable and accrued liabilities.

During the period ended December 31, 2021, no remuneration was paid to key management personnel and no related party transactions were entered into.

Capital Management

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company includes equity, comprised of issued common shares and reserves, in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity. The Company is not subject to any external capital restrictions.

Risks and Uncertainties

The following describes certain risks, events and uncertainties that could affect the Company and that each reader should carefully consider.

External financing may be required to fund the Company's activities primarily through the issuance of common shares. There can be no assurance that the Company will be able to obtain adequate financing. The securities of the Company should be considered a highly speculative investment.

The Company has not generated any revenues and does not expect to generate revenues in the near future. In the event that the Company generates revenues in the future, the Company intends to retain its earnings in order to finance further growth. Furthermore, the Company has not paid any dividends in the past and does not expect to pay any dividends in the foreseeable future.

Risk Disclosures and Fair Values

Fair Values

At December 31, 2022, the Company's financial instruments consist of cash, restricted cash, accounts payable and accrued liabilities and share subscriptions received. The fair value of these financial instruments approximates its carrying value due to the relatively short-term maturity of the instrument.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high credit quality financial institution.

Foreign Exchange Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to foreign exchange risk.

Interest Rate Risk

The Company is not exposed to any significant interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs and to meet the Company's liabilities. The \$55,441 of accounts payable and accrued liabilities are due within one year.

Critical Accounting Estimates

The Company's significant accounting policies are summarized in Note 2 of the audited financial statements for the period ended December 31, 2022.

APPENDIX "G"

RIFT INTERIM FINANCIAL STATEMENTS

(As at and for the three months ended March 31, 2023)

[See attached.]

Rift Lithium Inc.

Condensed Interim Financial Statements

For the three months ended March 31, 2023 and March 31, 2022

(Expressed in Canadian Dollars)

Rift Lithium Inc.
Condensed Interim Statements of Financial Position (unaudited)
(Expressed in Canadian Dollars)

As at,	March 31, 2023	December 31, 2022
Assets		
Current		
Cash	\$ 49,793	\$ 63,213
Restricted cash (Note 4)	750,000	750,000
Prepaid expenses	6,500	-
Deferred transaction costs (Note 4)	7,385	7,385
Total Assets	\$ 813,678	\$ 820,598
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 113,329	\$ 55,441
Share subscriptions received (Note 4)	1,000,000	1,000,000
	1,113,329	1,055,441
Shareholders' Deficit		
Share capital (Note 4)	800,000	800,000
Deficit	(1,099,651)	(1,034,843)
Total Shareholders' Deficit	(299,651)	(234,843)
Total Liabilities and Shareholders' Deficit	\$ 813,678	\$ 820,598

Nature of and continuance of operations (Note 1)
Proposed Transaction (Note 8)
Subsequent Events (Note 9)

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

Rift Lithium Inc.**Condensed Interim Statement of Loss and Comprehensive Loss (unaudited)****For the three months ended March 31, 2023 and March 31, 2022****(Expressed in Canadian Dollars)**

	2023	2022
Expenses		
Professional fees	\$ 57,888	\$ 2,529
Regulatory	5,250	-
Exploration and evaluation	1,670	-
Total expenses	64,808	2,529
Net Loss and Comprehensive for the Period	\$ (64,808)	\$ (2,529)
Basic and Diluted Loss Per Common Share	\$ (0.00)	\$ (0.00)
Weighted Average Number of Common Shares Outstanding	40,000,000	40,000,000

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

Rift Lithium Inc.**Condensed Interim Statement of Changes in Shareholders' Deficit (unaudited)
(Expressed in Canadian Dollars)**

	Share Capital		Deficit	Shareholders' Deficit
	Number	Amount		
Balance, December 31, 2021	40,000,000	\$ 800,000	\$ (812,628)	\$ (12,628)
Net loss for the period	-	-	(2,429)	(2,520)
Balance, March 31, 2022	40,000,000	\$ 800,000	\$ (815,157)	\$ (15,157)
Balance, December 31, 2022	40,000,000	\$ 800,000	\$ (1,034,843)	\$ (234,843)
Net loss for the period	-	-	(64,808)	(64,808)
Balance, March 31, 2023	40,000,000	\$ 800,000	\$ (1,099,651)	\$ (299,651)

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

Rift Lithium Inc.
Condensed Interim Statements of Cash Flows (unaudited)
For the three months ended March 31, 2023 and March 31, 2022
(Expressed in Canadian Dollars)

	2023	2022
Cash provided by (used in):		
Operating Activities		
Net loss for period	\$ (64,808)	\$ (2,529)
Changes in working capital balances:		
Prepaid expenses	(6,500)	-
Deferred transaction costs	-	1,650
Accounts payable and accrued liabilities	57,888	(58,296)
Cash Used in Operating Activities	13,420	(59,175)
Change in cash	(13,420)	(59,175)
Cash, Beginning	813,213	1,000,017
Cash, Ending	\$ 799,793	\$ 940,842
Cash is comprised as follows:		
Cash	\$ 49,793	\$ 250,018
Restricted cash	750,000	750,000
	\$ 799,793	\$ 1,000,018

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

Rift Lithium Inc.

Notes to the Condensed Interim Financial Statements

For the three months ended March 31, 2023 and March 31, 2022

(Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Rift Lithium Inc. (the “Company”) was incorporated under the *Business Corporations Act* of Ontario on November 23, 2021. The head office of the Company and location of records is located at 1 Adelaide Street East, Suite 801, Toronto, Ontario, Canada, M5C 2V9.

The Company was formed for the primary purpose of completing a going public transaction as a mineral exploration company (note 9).

These 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. As at March 31, 2023, the Company has not generated any revenue since inception and has a deficit \$1,099,651 (December 31, 2022 - \$1,034,843). The Company’s continuation as a going concern is dependent on its ability to generate future cash flows and/or obtain additional financing. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash on hand, and/or private placements of common stock. There is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These financial statements do not reflect any adjustments that may be necessary should the Company is unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PRESENTATION

Approval of the Financial Statements

The financial statements of the Company for the three months ended March 31, 2023 and March 31, 2022 were reviewed by the Board of Directors and approved and authorized for use on May 30, 2023 by the Board of Directors of the Company.

Rift Lithium Inc.
Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2023 and March 31, 2022
(Expressed in Canadian Dollars)

2. BASIS OF PRESENTATION (continued)

(a) Statement of Compliance to International Financial Reporting Standards

These condensed interim consolidated financial statements have been prepared in accordance and compliance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required in the Company’s annual financial statements and should be read in conjunction with the Company’s annual financial statements for the year ended December 31, 2022.

(b) Basis of Preparation

The financial statements have been prepared on an accrual basis and are based on historical costs modified where applicable. The financial statements are presented in Canadian dollars unless otherwise noted.

(c) Use of Estimates and Assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company’s management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets, and valuation of warrants.

(d) Significant Judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company’s 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.

Rift Lithium Inc.

Notes to the Condensed Interim Financial Statements

For the three months ended March 31, 2023 and March 31, 2022

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in the preparation of the unaudited condensed interim consolidated financial statements are consistent with those followed in the preparation of the Company's December 31, 2022 annual financial statements, except for those noted below and the adoption of new standards and interpretations as of January 1, 2023.

Accounting standards issued but not yet effective

The Company has reviewed the accounting standards or amendments to existing accounting standards that have been issued but have future effective dates and determined that these are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4. SHARE CAPITAL

(a) Authorized

The Company has authorized an unlimited number of common shares without par value.

(b) Issued and outstanding

As at March 31, 2023, the Company had outstanding 40,000,000 common shares.

On November 23, 2021, the Company issued 1 common share at a nominal value to its director on incorporation.

On November 24, 2021, the Company issued 39,999,999 common shares (at \$0.02 per common share) to acquire 100% interest in the Mound Lake Property.

On December 21, 2021, the Company completed a non-brokered private placement ("Private Placement") of 20,000,000 subscription receipts at a price of \$0.05 per subscription receipt (the "Company Subscription Receipts") for gross proceeds of \$1,000,000, of which 75% were classified as restricted cash as at December 31, 2021. Assuming the completion of the Transaction (Note 9), each Company Subscription Receipt will be automatically exchanged for one (1) freely tradeable common share of the Company. \$750,000 of the funds received of are held in escrow and classified as restricted cash and are not available until the conversion of the Subscription Receipts. Share issue costs of \$7,385 were incurred for legal fees and recorded as deferred transaction costs on the statement of financial position.

5. CAPITAL MANAGEMENT OBJECTIVE AND POLICIES

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company includes equity, comprised of issued common shares and reserves, in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity. The Company is not subject to any external capital restrictions.

Rift Lithium Inc.
Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2023 and March 31, 2022
(Expressed in Canadian Dollars)

6. FINANCIAL INSTRUMENTS

Fair Values

At March 31, 2023, the Company's financial instruments consist of cash, restricted cash, accounts payable and accrued liabilities and share subscriptions received. The Company considers that the carrying amount of its financial instruments recognized at amortized cost in the financial statements approximates their fair value due the demand nature or short-term maturity of these instruments.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high credit quality financial institution.

Foreign Exchange Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to foreign exchange risk.

Interest Rate Risk

The Company is not exposed to any significant interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs and to meet the Company's liabilities. The \$113,329 of accounts payable and accrued liabilities are due within one year.

7. RELATED PARTY TRANSACTIONS

During three months ended March 31, 2023, \$9,000 was charged by CFO Advantage Inc, a corporation owned by the chief financial officer of the Company, for management services. As at March 31, 2023, \$39,000 is included in accounts payable and accrued liabilities.

During the three months ended March 31 2022, no remuneration was paid to key management personnel and no related party transactions were entered into.

8. PROPERTY ACQUISITION

On November 24, 2021, the Company entered into an agreement to acquire mineral claims located in the province of Ontario ("the Mound Lake Property"), in exchange of 39,999,999 common shares (at \$0.02 per share) of the Company. The shares were issued on November 24, 2021. The valuation was determined by arm's length negotiations between the parties, including with the subscribers of subscription receipts as to the pre-money valuation for this property. During the period the Company spent \$1,670 on geological consultants.

Rift Lithium Inc.

Notes to the Condensed Interim Financial Statements

For the three months ended March 31, 2023 and March 31, 2022

(Expressed in Canadian Dollars)

9. SIGNIFICANT AGREEMENTS

The Company signed a letter of intent dated December 1, 2021 (the “LOI”) with Titus Energy Corp., in respect of a proposed business combination transaction (the “Transaction”). It is currently anticipated that the Transaction will occur as a share exchange, merger, or amalgamation and the final structure of the Transaction will be subject to receipt of tax, corporate and securities law advice for both Titus and Rift. Upon completion of the Transaction, the combined entity (the “Resulting Issuer”) will continue to carry on the business of Titus. It is expected that upon completion of the Transaction, the Resulting Issuer will apply to list the common shares of Titus for trading on the Canadian Stock Exchange (the “CSE”).

APPENDIX “H”

RIFT INTERIM MANAGEMENT DISCUSSION & ANALYSIS

(As at and for the three months ended March 31, 2023)

[See attached.]

Rift Lithium Inc.

Management Discussion and Analysis For the three months ended March 31, 2023 and 2022

Introduction

This Management's Discussion and Analysis ("MD&A") is dated May 30, 2023, unless otherwise indicated and should be read in conjunction with the condensed interim financial statements for the three months ended March 31, 2023 and the audited financial statements for the year ended December 31, 2022, and the related notes thereto. This MD&A was written to comply with the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations*. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results presented are not necessarily indicative of the results that may be expected for any future period.

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations issued by the IFRS Interpretations Committee.

Cautionary Note Regarding Forward-Looking Information

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors referenced in the "Risk Factors" section below. Readers are cautioned that such risk factors, uncertainties and other factors are not exhaustive. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. Specifically, this MD&A includes, but is not limited to, forward-looking statements regarding: the Company's ability to meet its working capital needs at the current level for the next twelve-month period; management's outlook regarding future trends; sensitivity analysis on financial instruments, which may vary from amounts disclosed; completion of the Transaction (defined below); and general business and economic conditions.

All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

The Company

Rift Lithium Inc. (the “Company”) was incorporated under the Business Corporations Act of Ontario on November 23, 2021. The head office of the Company and location of records is located at 1 Adelaide Street East, Suite 801, Toronto, Ontario, Canada, M5C 2V9.

The Company was formed for the primary purpose of completing a going public transaction as a mineral exploration company.

The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition, or business, or an interest therein.

On November 24, 2021, the Company entered into an agreement to acquire mineral claims located in the province of Ontario (“the Mound Lake Property”), in exchange of 39,999,999 common shares (at \$0.02 per share) of the Company. The shares were issued on November 24, 2021. The valuation was determined by arm’s length negotiations between the parties, including with the subscribers of subscription receipts as to the pre-money valuation for this property. During the year ended December 31, 2022, the Company spent \$161,452 on the property (\$46,000 in additional acquisition costs, \$104,912 on an aerial magnetic survey, \$6,585 towards the preparation of 43-101 report, \$3,955 on geological consultants). During the period the Company spent \$1,670 on a geological consultant.

The Company signed a letter of intent dated December 1, 2021 (the “LOI”) with Titus Energy Corp., in respect of a proposed business combination transaction (the “Transaction”). It is currently anticipated that the Transaction will occur as a share exchange, merger, or amalgamation and the final structure of the Transaction will be subject to receipt of tax, corporate and securities law advice for both Titus and Rift. Upon completion of the Transaction, the combined entity (the “Resulting Issuer”) will continue to carry on the business of Titus. It is expected that upon completion of the Transaction, the Resulting Issuer will apply to list the common shares of Titus for trading on the Canadian Stock Exchange (the “CSE”).

On December 21, 2021, the Company completed a non-brokered private placement (“Private Placement”) of 20,000,000 subscription receipts at a price of \$0.05 per subscription receipt (the “Company Subscription Receipts”) for gross proceeds of \$1,000,000, of which 75% were classified as restricted cash as at December 31, 2021. Assuming the completion of the Transaction, each Company Subscription Receipt will be automatically exchanged for one (1) freely tradeable common share of the Company. \$750,000 of the funds received of are held in escrow and classified as restricted cash and are not available until the conversion of the Subscription Receipts. Share issue costs of \$1,650 were incurred for legal fees and recorded as deferred transaction costs on the statement of financial position.

Summary of Quarterly Results

Three Months Ended	Net Revenues (\$)	Net Loss	
		Net loss (\$)	Basic and Diluted (Loss) Per Share (\$)
31-Mar-23	-	(64,808)	(0.00)
31-Dec-22	-	(203,209)	(0.01)
30-Sept-22	-	(16,476)	(0.00)
30-June-22	-	(-)	(0.00)
31-Mar-22	-	(2,528)	(0.00)
31-Dec-21 (i)	-	(812,629)	(0.02)

(i) For the period from incorporation (November 23, 2021) to December 31, 2021

Results of Operations

The Company recorded a net loss of \$64,808 for the three months ended March 31, 2023 compared to a loss of \$2,529 for the three months ended March 31, 2022. The net loss for the period is the result of \$1,670 of exploration and evaluation expenditures on the Company mineral property, and \$57,888 of professional fees (legal and management fees incurred to assist the Company to pursue a listing on a stock exchange, and financial statement audit fees), and \$5,250 of regulatory fees.

Liquidity and Capital Resources

As at March 31, 2023, the Company had cash held in trust of \$49,793 and restricted cash in trust of \$750,000. The Company had current liabilities of \$1,113,329 (which includes \$1,000,000 of share subscriptions received) and a working capital deficit of \$299,651.

The total cash used during the period was \$13,420. Until the Company completes a business transaction, it has sufficient funds to cover short-term operational needs.

Outstanding Share Data

As at March 31, 2023, the Company had 40,000,000 common shares, and 20,000,000 subscription receipts outstanding.

Off-Balance Sheet Arrangements

The Company has not had any off-balance sheet arrangements from the date of its incorporation to the date of this MD&A.

Related Party Transactions

During three months ended March 31, 2023, \$9,000 was charged by CFO Advantage Inc, a corporation owned by the chief financial officer of the Company, for management services. As at March 31, 2023, \$39,000 is included in accounts payable and accrued liabilities.

During the three months ended March 31 2022, no remuneration was paid to key management personnel and no related party transactions were entered into.

Capital Management

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company includes equity, comprised of issued common shares and reserves, in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity. The Company is not subject to any external capital restrictions.

Risks and Uncertainties

The following describes certain risks, events and uncertainties that could affect the Company and that each reader should carefully consider.

External financing may be required to fund the Company's activities primarily through the issuance of common shares. There can be no assurance that the Company will be able to obtain adequate financing. The securities of the Company should be considered a highly speculative investment.

The Company has not generated any revenues and does not expect to generate revenues in the near future. In the event that the Company generates revenues in the future, the Company intends to retain its earnings in order to finance further growth. Furthermore, the Company has not paid any dividends in the past and does not expect to pay any dividends in the foreseeable future.

Risk Disclosures and Fair Values

Fair Values

At March 31, 2023, the Company's financial instruments consist of cash, restricted cash, accounts payable and accrued liabilities and share subscriptions received. The Company considers that the carrying amount of its financial instruments recognized at amortized cost in the financial statements approximates their fair value due the demand nature or short-term maturity of these instruments.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high credit quality financial institution.

Foreign Exchange Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to foreign exchange risk.

Interest Rate Risk

The Company is not exposed to any significant interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs and to meet the Company's liabilities. The \$113,329 of accounts payable and accrued liabilities are due within one year.

Critical Accounting Estimates

The Company's significant accounting policies are summarized in Note 2 of the audited financial statements for the period ended December 31, 2022.