
TARTISAN NICKEL CORP.
CONDENSED INTERIM CONSOLIDATED FINANCIAL
STATEMENTS
THREE AND NINE MONTHS ENDED
DECEMBER 31, 2021
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed interim consolidated financial statements of Tartisan Nickel Corp. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

Tartisan Nickel Corp.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
Unaudited

	As at December 31, 2021	As at March 31, 2021
ASSETS		
Current assets		
Cash	\$ 75,216	\$ 21,197
Accounts receivable	326,897	14,000
Due from related parties and others (note 9)	807,884	448,626
Prepaid expenses and deposits (note 4)	531,176	107,432
Investments (note 5)	13,979,681	14,281,757
Total current assets	15,720,854	14,873,012
Non-current assets		
Mineral properties (note 3)	5,782,283	2,776,961
Total assets	\$ 21,503,137	\$ 17,649,973
EQUITY AND LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 9)	\$ 285,773	\$ 280,001
Bank overdraft	103,777	71,740
Deferred tax liability	370,000	370,000
Total liabilities	759,550	721,741
Shareholders' equity		
Share capital (notes 6 and 13)	10,831,235	9,151,871
Contributed surplus (note 13)	1,859,598	1,004,448
Warrants (note 13)	1,484,839	275,984
Foreign subsidiary translation reserve	83,814	44,301
Retained earnings (note 13)	6,484,101	6,451,628
Total shareholders' equity	20,743,587	16,928,232
Total shareholders' equity and liabilities	\$ 21,503,137	\$ 17,649,973

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Nature of operations and going concern (note 1)
 Commitments and contingencies (note 11)
 Subsequent events (note 14)

Approved on behalf of the Board:

D. Mark Appleby Director

Douglas Flett Director

Tartisan Nickel Corp.

Condensed Interim Consolidated Statements of Income and Comprehensive Income

(Expressed in Canadian Dollars)

Unaudited

	Three Months Ended December 31, 2021	Three Months Ended December 31, 2020	Nine Months Ended December 31, 2021	Nine Months Ended December 31, 2020
Operating expenses				
Management and consulting fees (note 9)	\$ 79,405	\$ 48,838	\$ 326,520	\$ 152,322
Depreciation	-	205	-	615
Director fees (note 9)	27,000	9,000	81,000	27,000
Foreign exchange gain	(51)	2	(7)	1,642
Interest expense and bank charges	1,755	435	11,645	994
Stock based compensation (notes 7 and 9)	-	-	905,150	1,006,563
Marketing and promotion	71,692	61,816	168,130	134,081
Office, general and administration	12,345	10,323	92,978	56,517
Professional fees (note 9)	76,014	75,939	116,467	136,382
	(268,160)	(206,558)	(1,701,883)	(1,516,116)
Gain on settlement of debt	-	-	-	38,676
Write-off of mineral interest (note 3)	-	-	-	(112,500)
Net (loss) gain on sale of investments	(91,671)	418,626	138,732	827,177
Unrealized revaluation gain on investments (note 5)	4,009,747	2,241,616	1,595,624	7,305,563
Net income for the period	\$ 3,649,916	\$ 2,453,684	\$ 32,473	\$ 6,542,800
Other comprehensive income				
Translation difference on foreign operations	109	-	39,513	(7,722)
Total comprehensive income for the period	\$ 3,650,025	\$ 2,453,684	\$ 71,986	\$ 6,535,078
Total comprehensive income per share				
Basic (note 10)	\$ 0.03	\$ 0.02	\$ 0.00	\$ 0.06
Diluted (note 10)	\$ 0.03	\$ 0.02	\$ 0.00	\$ 0.06
Weighted average number of common shares outstanding				
Basic (note 10)	111,653,934	101,940,335	107,504,277	101,243,058
Diluted (note 10)	111,936,444	102,785,775	108,285,267	101,921,008

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Tartisan Nickel Corp.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
Unaudited

	Nine Months Ended December 31, 2021	Nine Months Ended December 31, 2020
Operating activities		
Net income for the period	\$ 32,473	\$ 6,542,800
Adjustments for:		
Depreciation	-	615
Write-off of mineral interest	-	112,500
Stock based compensation	905,150	1,006,563
Gain on sale of investments	(138,732)	(827,177)
Gain on settlement of debt	-	(38,676)
Unrealized revaluation gain on investments	(1,595,624)	(7,305,563)
Foreign exchange	39,513	-
Changes in non-cash working capital items:		
Accounts receivable	(312,897)	(195,075)
Prepaid expenses and deposits	(423,744)	14,195
Accounts payable and accrued liabilities	5,772	(41,905)
Bank overdraft	32,037	-
Net cash used in operating activities	(1,456,052)	(731,723)
Investing activities		
Addition of mineral properties	(3,005,322)	(115,735)
Proceeds from sale of investments	5,183,233	1,029,241
Purchase of investments	(3,146,801)	(359,829)
Net cash (used in) provided by investing activities	(968,890)	553,677
Financing activities		
Proceeds from private placement, net of share issuance costs	4,213,101	932,500
Repurchase of shares	(1,444,882)	-
Net (advances) repayments to related parties	(359,258)	78,000
Exercise of stock options	70,000	98,000
Net cash provided by financing activities	2,478,961	1,108,500
Net change in cash	54,019	930,454
Cash, beginning of period	21,197	908
Cash, end of period	\$ 75,216	\$ 931,362
Supplemental Information		
Shares issued for services	\$ -	\$ 2,000

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Tartisan Nickel Corp.

Condensed Interim Consolidated Statements of Changes in Equity

(Expressed in Canadian Dollars)

Unaudited

	Number of shares	Share capital	Contributed Surplus	Warrants	Currency translation	Retained earnings (deficit)	Total
Balance, March 31, 2020 (note 13)	100,422,391	\$ 8,116,579	\$ 133,661	\$ -	\$ 48,461	\$ (4,805,164)	\$ 3,493,537
Private placement, net of issuance costs	2,325,582	656,516	-	275,984	-	-	932,500
Shares issued for mineral property	40,000	2,000	-	-	-	-	2,000
Stock based compensation	-	-	1,006,563	-	-	-	1,006,563
Options exercised	1,400,000	176,602	(78,602)	-	-	-	98,000
Exchange difference on foreign operations	-	-	-	-	(7,722)	-	(7,722)
Net income for the period	-	-	-	-	-	6,542,800	6,542,800
Balance, December 31, 2020	104,187,973	\$ 8,951,697	\$ 1,061,622	\$ 275,984	\$ 40,739	\$ 1,737,636	\$ 12,067,678
Balance, March 31, 2021 (note 13)	104,787,973	\$ 9,151,871	\$ 1,004,448	\$ 275,984	\$ 44,301	\$ 6,451,628	\$ 16,928,232
Private placement, net of issuance costs	7,863,197	3,004,246	-	1,208,855	-	-	4,213,101
Stock based compensation	-	-	905,150	-	-	-	905,150
Options exercised	1,000,000	120,000	(50,000)	-	-	-	70,000
Exchange difference on foreign operations	-	-	-	-	39,513	-	39,513
Repurchased shares	(2,843,367)	(1,444,882)	-	-	-	-	(1,444,882)
Net income for the period	-	-	-	-	-	32,473	32,473
Balance, December 31, 2021	110,807,803	\$ 10,831,235	\$ 1,859,598	\$ 1,484,839	\$ 83,814	\$ 6,484,101	\$ 20,743,587

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Tartisan Nickel Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended December 31, 2021

(Expressed in Canadian Dollars)

Unaudited

1. Nature of operations and going concern

Nature of business

Tartisan Nickel Corp. ("Tartisan" or the "Company") was incorporated on March 18, 2008 under the Business Corporations Act (Ontario). The Company's registered office is at 44 Victoria Street, Suite 1102, Toronto, Ontario, M5C 1Y2. The Company is listed on the Canadian Securities Exchange ("CSE"), trading under the symbol "TN", on the Frankfurt Exchange under the stock symbol "8TA" and on the OTCQX International Markets under the symbol "TTSRF".

The Company is in the business of acquiring, exploring for and developing mineral properties in Canada and in Peru. Substantially all of the efforts of the Company are devoted to these business activities. The ability of the Company to carry out its business plan rests with its ability to achieve profitable business operations, to secure equity and other financing.

Although the Company has taken steps to verify title to the properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, undetected defects, unregistered claims, native land claims, and non-compliance with regulatory and environmental requirements.

COVID-19

In March 2020, the World Health Organization declared coronavirus (COVID-19) a global pandemic. This contagious disease outbreak, which has continued to spread, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds. While the Company for a period of time slowed business activities to ensure the safety of staff and consultants, the Company's operation has been able to continue moving forward on its exploration activities despite the significant global disruptions in business operations.

Going concern uncertainty

At each reporting period, management assesses the basis of preparation of the financial statements. These unaudited condensed interim consolidated financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS"). The going concern basis of presentation assumes that the Company will continue its operations for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. These unaudited condensed interim consolidated financial statements do not include any adjustments to amounts and classifications of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

For the nine months ended December 31, 2021, the Company had loss from operating expenses of \$1,701,883 (nine months ended December 31, 2020 - \$1,516,116) and working capital of \$14,961,304 (March 31, 2021 - \$14,151,271). The Company has retained earnings of \$6,484,101 since inception (March 31, 2021 - \$6,451,628). The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to generate cash flows from operations.

Tartisan Nickel Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended December 31, 2021

(Expressed in Canadian Dollars)

Unaudited

1. Nature of operations and going concern (continued)

There are numerous risks involved in the mineral exploration industry. The Company's current or future operations, including development activities, are subject to environmental regulations which may make operations not economically viable or prohibit them altogether. The success of the operations and activities are dependent to a significant extent on the efforts and abilities of its management, outside contractors, experts and other advisors. Investors must be willing to rely to a significant degree on management's discretion and judgment, as well as the expertise and competence of outside contractors, experts and other advisors.

These conditions indicate the existence of a material uncertainty that may cast significant doubt regarding the Company's ability to continue as a going concern. Accordingly, these unaudited condensed interim consolidated financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used then the adjustments required to report the Company's assets and liabilities on a liquidation basis could be material to these unaudited condensed interim consolidated financial statements.

2. Basis of preparation

Statement of compliance

The Company applies IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("Interpretations Committee").

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by the Interpretations Committee.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRSs issued and outstanding as of March 1, 2022, the date the Board of Directors approved the statements.

The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual consolidated financial statements as at and for the year ended March 31, 2021. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending March 31, 2022 could result in restatement of these unaudited condensed interim consolidated financial statements.

Basis of preparation

These unaudited condensed interim consolidated financial statements have been prepared on the historical cost basis and presented in Canadian dollars.

Basis of consolidation

These unaudited condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Canadian Arrow Mines Limited ("Canadian Arrow"), Kenbridge Nickel Mines Limited, and Minera Tartisan Perú S.A.C., which is incorporated in Peru. All significant inter-company transactions have been eliminated upon consolidation.

Tartisan Nickel Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended December 31, 2021

(Expressed in Canadian Dollars)

Unaudited

2. Basis of preparation (continued)

New standards not yet adopted

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"
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability
- make 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. The extent of the impact of adoption of this amendment has not yet been determined.

IAS 37 – Provisions, Contingent Liabilities, and Contingent Assets ("IAS 37") Amendments

The amendments clarify that when assessing if a contract is onerous, the cost of fulfilling the contract includes all costs that relate directly to the contract – i.e. a full-cost approach. Such costs include both the incremental costs of the contract (i.e. costs a company would avoid if it did not have the contract) and an allocation of other direct costs incurred on activities required to fulfill the contract – e.g. contract management and supervision, or depreciation of equipment used in fulfilling the contract. The amendments are effective for annual periods beginning on January 1, 2022. The extent of the impact of adoption of this amendment has not yet been determined.

3. Mineral properties

	Sill Lake	Kenbridge	Ichuña	Don Pancho	Total
March 31, 2020	\$ 52,165	\$ 2,001,104	\$ 112,500	\$ 120,000	\$ 2,285,769
Additions and acquisitions	135,758	415,786	-	52,148	603,692
Write off	-	-	(112,500)	-	(112,500)
March 31, 2021	\$ 187,923	\$ 2,416,890	\$ -	\$ 172,148	\$ 2,776,961
Additions	4,464	2,981,261	-	19,597	3,005,322
December 31, 2021	\$ 192,387	\$ 5,398,151	\$ -	\$ 191,745	\$ 5,782,283

Tartisan Nickel Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended December 31, 2021

(Expressed in Canadian Dollars)

Unaudited

3. Mineral properties (continued)

Don Pancho Property

On March 30, 2017, Tartisan completed the acquisition of the Don Pancho polymetallic zinc-lead-silver manganese project in Peru.

Tartisan acquired a 100% undivided interest in the Don Pancho property by paying \$50,000 and issuing 500,000 common shares valued at \$0.14 per share totaling \$70,000. Upon completion of 5,000 metres of drilling and/or underground development a further 150,000 shares are payable, and if a NI 43-101 compliant resource is published, a further 150,000 shares are payable, and if the Company loses control of the Don Pancho project either by sale or joint-venture, a further 200,000 shares are payable. Duran Ventures will retain a 2% net smelter return royalty, of which half (1%) can be purchased by Tartisan for US\$500,000.

The Don Pancho polymetallic project is located in the Province of Huaral, in the Department of Lima Peru, 105 kilometres north-northeast of Lima, comprising one concession of 600 hectares and located approximately between 3,660 meters and 4,487 meters above sea level. A Technical Report on the Don Pancho Polymetallic Project (Zn, Pb, Ag, Mn) NI 43-101 has been filed on Duran Ventures SEDAR profile (2014).

Ichuña Property

During the year ended March 31, 2021, the Company wrote off its investment of \$112,500 in the Ichuña property, and no longer owns Ichuña.

Kenbridge Property

The Company acquired its Kenbridge property in fiscal 2018 as part of the acquisition of its wholly-owned subsidiary Canadian Arrow. The Kenbridge property is located in the north-central part of the Atikwa Lake area and the south-central part of the Fisher Lake Area, Kenora Mining Division, approximately 70 kilometres east-south east of the Town of Kenora, in northwestern Ontario.

Sill Lake Property

During the year ended March 31, 2020, the Company completed the acquisition agreement with Klondike Bay Resources Limited to purchase a 100% interest in certain claims in the Sault Ste. Marie Mining District of Ontario. The claims are located in Vankoughnet Township, Sault Ste. Marie Mining District, Ontario, and the purchase terms call for a total cash payment of \$15,000; issuance of 700,000 common shares of the Company and a 2% net smelter return royalty (subject to a 1% buy-back provision for \$250,000).

During the year ended March 31, 2021, the Company purchased a 100% interest in certain claims in the Sault Ste. Marie Mining District in Ontario to complete the Sill Lake lead-silver property package. The Company paid a cash payment of \$75,000; issued 100,000 common shares of the Company, and a 2% net smelter return royalty (subject to a 1% buy-back provision for \$250,000) has been paid and assigned in consideration to the vendors.

Tartisan Nickel Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended December 31, 2021

(Expressed in Canadian Dollars)

Unaudited

4. Prepaid expenses and deposits

	December 31, 2021	March 31, 2021
Prepaid expenses	\$ 31,058	\$ 27,432
Share repurchase deposits	500,118	80,000
Total	\$ 531,176	\$ 107,432

5. Investments

	December 31, 2021	March 31, 2021
Eloro Resources Limited	\$ 5,800,400	\$ 10,386,375
Class 1 Nickel & Technologies Limited	2,900,350	1,850,000
Peruvian Metals Corp. - Common shares	4,504,591	1,815,300
Peruvian Metals Corp. - Warrants	107,665	80,082
Kane Biotech Inc.	111,910	-
Silver Bullet Mines Corp. - Common shares	393,600	150,000
Silver Bullet Mines Corp. - Warrants	61,165	-
New Break Resources Ltd.	100,000	-
Total	\$ 13,979,681	\$ 14,281,757

Eloro Resources Limited

The common shares of Eloro Resources Ltd. ("Eloro") were acquired by Tartisan for investment purposes and depending on the restrictions imposed by the Lock-Up Agreement, market and other conditions, it may from time to time in the future increase or decrease its ownership, control or direction over securities of Eloro through market transactions, private agreements, or otherwise.

The investments in common shares are considered a Level 1 in the fair value hierarchy. As a result of changes in the fair market value of the shares held in Eloro, an unrealized gain of \$362,525 (nine months ended December 31, 2020 - an unrealized gain of \$5,916,089) has been recorded in the unaudited condensed interim consolidated statement of income and comprehensive income for the nine months ended December 31, 2021.

Class 1 Nickel & Technologies Limited

The common shares of Class 1 Nickel & Technologies Limited ("Class 1") were acquired by Tartisan for investment purposes and depending market and other conditions, it may from time to time in the future increase or decrease its ownership, control or direction over securities of Class 1 through market transactions, private agreements, or otherwise.

The investments in common shares are considered a Level 1 in the fair value hierarchy. As a result of changes in the fair market value of the shares held in Class 1, an unrealized loss of \$390,431 (nine months ended December 31, 2020 - an unrealized gain of \$1,314,347) has been recorded in the unaudited condensed interim consolidated statement of income and comprehensive income for the nine months ended December 31, 2021.

Tartisan Nickel Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended December 31, 2021

(Expressed in Canadian Dollars)

Unaudited

5. Investments (continued)

Peruvian Metals Corp.

The Common shares of Peruvian Metals Corp. ("Peruvian") were acquired by Tartisan for investment purposes and depending market and other conditions, it may from time to time in the future increase or decrease its ownership, control or direction over securities of Peruvian through market transactions, private agreements, or otherwise.

As at the December 31, 2021, the Company had 23.84% (March 31, 2021 – 15.89%) of the outstanding common shares of Peruvian, Tartisan does not exert significant influence on Peruvian since it does not have representation on the Board of Directors, does not participate in management or decision-making processes, does not share in any management personnel and there are no material business dealings or transactions between the Tartisan and Peruvian. Therefore, the Company is accounting for the common shares of Peruvian as a financial asset classified at FVTPL.

The investments in common shares are considered a Level 1 in the fair value hierarchy. As a result of changes in the fair market value of the shares held in Peruvian an unrealized gain of \$1,540,265 (nine months ended December 31, 2020 - unrealized loss of \$38,764) has been recorded in the unaudited condensed interim consolidated statement of income and comprehensive income for the nine months ended December 31, 2021.

The investments in warrants are considered a Level 2 in the fair value hierarchy. As a result of changes in the fair market value of the shares held in Peruvian an unrealized gain of \$27,583 (nine months ended December 31, 2020 - \$36,363) has been recorded in the unaudited condensed interim consolidated statement of income and comprehensive income for the nine months ended December 31, 2021. The fair value of the warrants as at December 31, 2021 was calculated using the Black Scholes pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 92.20%; (iii) risk free rate of 0.52%; and (iv) with an expected life of 0.76 years.

Silver Bullet Mines Corp.

During the year ended March 31, 2021, the Company acquired 500,000 units of Silver Bullet Mines Corp. ("Silver Bullet"), a private arms-length corporation at \$0.30 per unit. During the nine months ended December 31, 2021, the Company acquired an additional 500,000 units of Silver Bullet at \$0.30 per unit. Each unit consisted of one common share and one half common share purchase warrant. Each full warrant is exercisable for 24 months from the date of issue at a price of \$0.50. The investments in common shares and warrants were considered a Level 3 in the fair value hierarchy, which Silver Bullet was private. During the nine months ended December 31, 2021 Silver Bullet began trading on the CVE under the symbol SMBI.

The investments in common shares are considered a Level 1 in the fair value hierarchy. As a result of changes in the fair market value of the shares held in Silver Bullet an unrealized gain of \$72,935 (nine months ended December 31, 2020 - unrealized loss of \$nil) has been recorded in the unaudited condensed interim consolidated statement of income and comprehensive income for the nine months ended December 31, 2021.

The investments in warrants are considered a Level 2 in the fair value hierarchy. As a result of changes in the fair market value of the shares held in Silver Bullet an unrealized gain of \$6,700 (nine months ended December 31, 2020 - \$nil) has been recorded in the unaudited condensed interim consolidated statement of income and comprehensive income for the nine months ended December 31, 2021. The fair value of the warrants as at December 31, 2021 was calculated using the Black Scholes pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 120%; (iii) risk free rate of 0.91%; and (iv) with an expected life of 1.10-1.35 years.

Tartisan Nickel Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended December 31, 2021

(Expressed in Canadian Dollars)

Unaudited

5. Investments (continued)

Kane Biotech Inc.

The common shares of Kane Biotech Inc. (“Kane”) were acquired by Tartisan for investment purposes and depending market and other conditions, it may from time to time in the future increase or decrease its ownership, control or direction over securities of Kane through market transactions, private agreements, or otherwise.

The investments in common shares are considered a Level 1 in the fair value hierarchy. As a result of changes in the fair market value of the shares held in Kane an unrealized loss of \$23,953 (nine months ended December 31, 2020 - \$nil) has been recorded in the unaudited condensed interim consolidated statement of income and comprehensive income for the nine months ended December 31, 2021.

New Break Resources Inc.

The common shares of New Break Resources Inc. (“New Break”) were acquired by Tartisan for investment purposes and depending market and other conditions, it may from time to time in the future increase or decrease its ownership, control or direction over securities of New Break through market transactions, private agreements, or otherwise.

The investments in common shares are considered a Level 3 in the fair value hierarchy. There were no changes in the fair market value of the shares during the nine months ended December 31, 2021.

Fair value hierarchy

Financial instruments recorded at fair value on the unaudited condensed interim consolidated 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).

The following table illustrates the classification of the Company's financial instruments within the fair value hierarchy as at December 31, 2021 and March 31, 2021.

	Level 1	Level 2	Level 3	Total
December 31, 2021 - Investments	\$ 13,710,851	\$ 168,830	\$ 100,000	\$ 13,979,681
March 31, 2021 - Investments	\$ 14,051,675	\$ 80,082	\$ 150,000	\$ 14,281,757

During the nine months ended December 31, 2021, Silver Bullet became a publically traded company as a result the securities that were previously classified as level 3 were reclassified accordingly. The common shares held in Silver Bullet were classified as level 1 and the warrants were classified as level 2.

Tartisan Nickel Corp.
Notes to Condensed Interim Consolidated Financial Statements
Three and Nine Months Ended December 31, 2021
(Expressed in Canadian Dollars)
Unaudited

6. Share capital

a) Authorized share capital

The authorized share capital consisted of unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

	Number of common shares	Amount
Balance, March 31, 2020	100,422,391	\$ 8,116,579
Units issued on private placement (i)	2,325,582	1,000,000
Value of warrants issued on private placement (i)	-	(239,426)
Finance costs (i)	-	(67,500)
Value of broker warrants issued on private placement (i)	-	(36,558)
Exercise of stock options (iii)	1,400,000	176,602
Shares issued for services (ii)	40,000	2,000
Balance, December 31, 2020	104,187,973	\$ 8,951,697

Balance, March 31, 2021	104,787,973	\$ 9,151,871
Shares issued on private placement (iv)	7,863,197	4,482,022
Value of warrants issued on private placement (iv)	-	(1,101,950)
Share issuance costs (iv)	-	(268,921)
Value of broker warrants issued on private placement (iv)	-	(106,905)
Exercise of stock options (v)	1,000,000	120,000
Shares repurchase (vi)	(2,843,367)	(1,444,882)
Balance, December 31, 2021	110,807,803	\$ 10,831,235

i) On December 18, 2020, the Company completed a private placement for 2,325,582 units at \$0.43 per unit for aggregate gross proceeds of \$1,000,000. Each unit consisted of one flow-through share (note 11) and one half of one warrant, with each full warrant is exercisable into one common share at an exercise price of \$0.60 expiring on December 18, 2022. The Company paid finders commission and closing fees of \$67,500 and issued 162,790 brokers warrants, with an exercise price of \$0.43. The fair value of the warrants granted was \$275,984 and calculated using the Black Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 145.52%; (iii) risk free rate of 0.24%; and (iv) with an expected life of 2.0 years; (v) share price of \$0.34.

ii) During the nine months ended December 31, 2020, the Company issued 40,000 common shares at \$0.05 per common share for an aggregate gross service value of \$8,000. The fair value of the shares upon settlement was \$2,000 upon issuance. The common shares were exchanged for online advertising, marketing and branding services to increase the brand awareness.

iii) During the nine months ended December 31, 2020, 1,400,000 stock options were exercised by Directors and a consultant of the Company at \$0.07. The fair value related to the exercise of these options was \$78,602.

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6. Share capital (continued)

b) Common shares issued (continued)

iv) On June 7, 2021 and June 18, 2021, the Company completed tranche 1 and tranche 2 of a private placement by issuing a total of 7,863,197 units at \$0.57 per unit for gross proceeds of \$4,482,022. Each unit consisted of one flow-through share and one-half of one warrant, with each full warrant exercisable into one common share at an exercise price of \$0.85 expiring two years from the date of issuance. The Company paid finders commission and closing fees of \$268,921 and issued 338,334 brokers warrants, with an exercise price of \$0.57. The fair value of the broker warrants granted was \$106,905 and the fair value of the warrants granted was \$1,101,950. The fair value of the warrants and broker warrants was calculated using the Black Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 127%-128%; (iii) risk free rate of 0.32%-0.45%; and (iv) with an expected life of 2.0 years; (v) share price of \$0.51-\$0.53.

v) During the nine months ended December 31, 2021, an aggregate of 1,000,000 stock options were exercised at \$0.07 per option. 500,000 stock options were exercised by a Director of the Company at \$0.07 per option, and 500,000 stock options were exercised by a consultant of the Company at \$0.07 per option. The fair value value related to the exercise of these options was \$50,000.

vi) During the nine months ended December 31, 2021, the Company repurchased 2,843,367 common shares for \$1,444,882.

7. Stock options

On October 19, 2020, the Company's stock option plan (the "Option Plan") was approved by the Shareholders of the Company. Pursuant to the terms of the Option Plan, the Board of Directors (the "Board") may designate directors, officers, employees and consultants of the Company eligible to receive options to acquire such numbers of common shares as the Board may determine, each option so granted being for a term specified by the Board up to a maximum of five years from the date of grant. The maximum number of common shares reserved for issuance for options granted under the Option Plan at any time is 10% of the issued and outstanding common shares of the Company.

	Number of stock options	Weighted average exercise price
Balance, March 31, 2020	2,700,000	\$ 0.07
Issued (i)	3,900,000	0.35
Exercised (note 6(b)(iii))	(1,400,000)	0.07
Balance, December 31, 2020	5,200,000	\$ 0.33
Balance, March 31, 2021	4,700,000	\$ 0.29
Issued (ii)	2,000,000	0.60
Exercised (note 6(b)(v))	(1,000,000)	0.07
Balance, December 31, 2021	5,700,000	\$ 0.44

i) During the nine months ended December 31, 2020, the Company granted 3,900,000 stock options to certain officers, directors, and consultants of the Company with an exercise price of \$0.35, which fully vested on grant. The fair value of the options granted was \$1,006,563 and was calculated using the Black Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 184.45%; (iii) risk free rate of 0.36%; and (iv) with an expected life of 5.0 years.

Tartisan Nickel Corp.

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7. Stock options (continued)

ii) During the nine months ended December 31, 2021, the Company granted 2,000,000 stock options to certain officers, directors, and consultants of the Company with an exercise price of \$0.60, which fully vested on grant. The fair value of the options granted was \$905,150 and was calculated using the Black Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 161.6%; (iii) risk free rate of 0.95%; and (iv) with an expected life of 5.0 years.

The following table reflects the actual stock options issued and outstanding as of December 31, 2021:

Expiry Date	Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)
September 20, 2025	0.35	3.72	3,700,000	3,700,000
July 13, 2026	0.60	4.53	2,000,000	2,000,000
Total	0.44	4.00	5,700,000	5,700,000

8. Warrants

	Number of warrants	Weighted average exercise price
Balance, March 31, 2020	-	\$ -
Issued (note 6(b)(i))	1,325,581	0.58
Balance, December 31, 2020	1,325,581	\$ 0.58
Balance, March 31, 2021	1,325,581	\$ 0.58
Issued (note 6(b)(iv))	4,269,933	0.83
Balance, December 31, 2021	5,595,514	\$ 0.77

The following table reflects the actual share purchase warrants issued and outstanding as of December 31, 2021:

Expiry date	Remaining contractual life (years)	Number of warrants outstanding	Exercise price (\$)
December 18, 2022	0.96	1,162,791	0.60
December 18, 2022	0.96	162,790	0.43
June 7, 2023	1.43	1,668,399	0.85
June 7, 2023	1.43	66,750	0.57
June 18, 2023	1.46	2,263,200	0.85
June 18, 2023	1.46	271,584	0.57
		5,595,514	

Tartisan Nickel Corp.

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(Expressed in Canadian Dollars)

Unaudited

9. Related party transactions

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

The Company paid or accrued the following amounts to related parties of the Company as defined as directors, management, and companies controlled by directors and management or companies having common directors during the nine months ended December 31, 2021 and December 31, 2020:

	Three months ended December 31,		Nine months ended December 31,	
	2021	2020	2021	2020
	\$	\$	\$	\$
Chief Financial Officer fees	13,691	11,794	31,435	31,178
Consulting and management fees	78,000	67,000	180,000	108,000
Director fees	27,000	9,000	81,000	36,000

As of December 31, 2021, accounts payable and accrued liabilities include \$7,845 (March 31, 2021 - \$72,827) due to these related parties.

During the nine months ended December 31, 2020, 1,200,000 stock options were exercised by Directors of the Company at \$0.07 per option.

During the nine months ended December 31, 2021, 500,000 stock options were exercised by a Director of the Company at \$0.07 per option.

As at December 31, 2021, the Company had a loan due from an advisor (a former Chief Executive Officer) \$187,134 (March 31, 2021 - \$187,134), this amount is included in amounts due from related parties and others. The loan is due on demand, non-interest bearing and is secured by a general security agreement giving the Company first charge on all assets of Moretti Investments Ltd.

As at December 31, 2021, the Company has a loan due from a Director of the Company of \$520,711 (March 31, 2021 - \$245,456), this amount is included in amounts due from related parties and others. The loan is due on demand, unsecured, and non-interest bearing.

During the nine months ended December 31, 2021, 1,100,000 stock options were granted to Directors and Officers of the Company for \$0.60 per option with a fair value of \$497,832.

During the nine months ended December 31, 2020, 1,500,000 stock options were granted to Directors and Officers of the Company for \$0.35 per option with a fair value of \$387,140.

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10. (Loss) income per share

Basic (loss) income per share is computed using the weighted average number of common shares outstanding during the period. The treasury stock method is used for the calculation of diluted income per share, whereby all "in the money" stock options and share purchase warrants are assumed to have been exercised at the beginning of the period and the proceeds from their exercise are assumed to have been used to purchase common shares at the average market price during the period. When a loss is incurred during the period, basic and diluted loss per share are the same, as the inclusion of stock options and warrants is anti-dilutive.

	Three months ended December 31,		Nine months ended December 31,	
	2021	2020	2021	2020
	\$	\$	\$	\$
Weighted average shares outstanding				
-basic	111,653,934	101,940,335	107,504,277	101,243,058
Dilutive effect of stock options	282,510	845,440	776,240	677,950
Dilutive effect of warrants	-	-	4,750	-
Weighted average shares outstanding -diluted	111,936,444	102,785,775	108,285,267	101,921,008
Income per share	3,649,916	2,453,684	32,473	6,542,800
-basic	0.03	0.02	0.00	0.06
-diluted	0.03	0.02	0.00	0.06
Comprehensive income per share	3,650,025	2,453,684	71,986	6,535,078
-basic	0.03	0.02	0.00	0.06
-diluted	0.03	0.02	0.00	0.06

11. Commitments and contingencies

The Company is required to incur qualifying expenditures \$1,000,000 by December 31, 2022, and \$4,482,023 by December 31, 2023 as part of the flow-through funding agreement. As at December 31, 2021, the Company has spent \$3,442,781 related to the flow-through funding agreement. The flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures incurred on the Company's mineral properties to flow-through participants.

12. Segmented disclosure

As at December 31, 2021	Peru	Canada	Total
Current assets	\$ 10,087	\$ 15,710,767	\$ 15,720,854
Non-current assets	\$ 191,745	\$ 5,590,538	\$ 5,782,283
For the period ended December 31, 2021			
Net (loss) income	\$ (40,642)	\$ 73,115	\$ 32,473
As at March 31, 2021	Peru	Canada	Total
Current assets	\$ 6,569	\$ 14,866,443	\$ 14,873,012
Non-current assets	\$ 84,479	\$ 2,692,482	\$ 2,776,961
For the period ended December 31, 2020			
Net (loss) income	\$ (2,433)	\$ 6,545,233	\$ 6,542,800

Tartisan Nickel Corp.

Notes to Condensed Interim Consolidated Financial Statements

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13. Change in accounting presentation

Certain items within equity were reclassified during the period, the following table shows the breakdown of those reclassifications as of March 31, 2021 and March 31, 2020. Comparative amounts have been reclassified to conform to current year's presentation in order to permit comparability. There is no impact to the presentation of assets, liabilities, or net income.

Balance March 31, 2021	Original	Reclassified	Final
Share capital	9,143,121	8,750	9,151,871
Units to be issued	8,750	(8,750)	-
Reserve - Share based	1,004,448	(1,004,448)	-
Reserve - Warrants	275,984	(275,984)	-
Contributed surplus	1,645,501	(641,053)	1,004,448
Warrants	-	275,984	275,984
Retained earnings (deficit)	4,806,127	1,645,501	6,451,628

Balance March 31, 2020	Original	Reclassified	Final
Share capital	8,107,829	8,750	8,116,579
Units to be issued	8,750	(8,750)	-
Reserve - Share based	133,661	(133,661)	-
Contributed surplus	1,645,501	(1,511,840)	133,661
Retained earnings (deficit)	(6,450,665)	1,645,501	(4,805,164)

14. Subsequent events

On February 22, 2022, the Company announced that it acquired additional claims in the Turtle Pond Area, Northwestern Ontario, approximately 40 km south of Dryden, Ontario. The total property size now consists of 85 staked units covering 1,732.35 ha. The claims are owned 100% by Tartisan Nickel Corps. wholly owned subsidiary Canadian Arrow Mines Limited.

On February 24, 2022, the Company announced that it acquired additional 27 claims contiguous to the Kenbridge Nickel-Copper Deposit in northwest Ontario, approximately 60 km southeast of Kenora, Ontario. The total property size now consists of 142 patented and unpatented staked units covering 2,637ha. The Company has acquired a 100% interest subject to a 1.5% NSR, with the right to buy 0.5% back for \$200,000.