
TARTISAN NICKEL CORP.
CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED MARCH 31, 2023 AND 2022
(EXPRESSED IN CANADIAN DOLLARS)



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Tartisan Nickel Corp.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Tartisan Nickel Corp. (the Company), which comprise the consolidated statements of financial position as at March 31, 2023 and 2022, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended, in accordance with International Financial Reporting Standards.

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 Consolidated 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 consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Relating to Going Concern

We draw your attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a comprehensive loss of \$5,951,983 for the year ended March 31, 2023. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the annual management's discussion and analysis but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated 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 Pat Kenney.

Clearhouse LLP

Chartered Professional Accountants
Licensed Public Accountants

Mississauga, Ontario
July 28, 2023

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

As at,	March 31, 2023	March 31, 2022
ASSETS		
<i>Current</i>		
Cash	\$ 5,275	\$ 385,565
Government remittances receivable	122,345	191,029
Due from related parties and others (note 11)	1,349,453	973,037
Prepaid expenses and deposits (note 5)	231	30,900
Investments (note 6)	3,554,973	10,912,453
Total current assets	5,032,277	12,492,984
<i>Non-current</i>		
Mineral properties (note 4)	9,938,797	7,525,985
Total assets	\$ 14,971,074	\$ 20,018,969
LIABILITIES		
<i>Current</i>		
Accounts payable and accrued liabilities (note 11)	\$ 353,324	\$ 490,979
Bank overdraft	5,042	-
Flow-through liability (note 15)	69,132	-
Total current liabilities	427,498	490,979
<i>Non-current</i>		
Deferred tax liability (note 14)	-	585,000
Total liabilities	427,498	1,075,979
SHAREHOLDERS' EQUITY		
Share capital (note 8)	11,627,873	10,163,134
Contributed surplus	1,859,598	1,859,598
Warrants	1,296,685	1,484,839
Foreign subsidiary translation reserve	86,528	84,175
(Deficit) retained earnings	(327,108)	5,351,244
Total shareholders' equity	14,543,576	18,942,990
Total shareholders' equity and liabilities	\$ 14,971,074	\$ 20,018,969

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

Nature of operations and going concern (note 1)
 Commitments and contingencies (note 15)
 Subsequent event (note 17)

Approved on behalf of the Board:

D. Mark Appleby Director

Douglas Flett Director

Tartisan Nickel Corp.**Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)**

	Year Ended March 31,	
	2023	2022
Operating expenses		
Management and consulting fees (note 11)	\$ 307,280	\$ 439,770
Director fees (note 11)	108,000	108,000
Foreign exchange loss	3,370	2,840
Interest and accretion	4,555	13,181
Stock based compensation (notes 9 and 11)	-	905,150
Marketing and promotion	250,437	189,152
Office, general and administration	196,278	145,993
Professional fees (note 11)	164,228	180,473
	(1,034,148)	(1,984,559)
Other items		
Flow-through amortization	7,348	-
Unrealized revaluation (loss) gain on investments (note 6)	(3,392,238)	758,685
(Loss) gain on sale of investments (note 6)	(2,120,298)	340,490
Loss before income taxes	(6,539,336)	(885,384)
Deferred income tax recovery (expense) (note 14)	585,000	(215,000)
Net loss for the year	(5,954,336)	(1,100,384)
Other comprehensive income		
Translation difference on foreign operations	2,353	39,874
Total comprehensive loss for the year	\$ (5,951,983)	\$ (1,060,510)
Total comprehensive loss per share		
- Basic (note 12)	\$ (0.05)	\$ (0.01)
- Diluted (note 12)	\$ (0.05)	\$ (0.01)
Weighted average number of common shares outstanding		
- Basic (note 12)	110,938,146	109,675,796
- Diluted (note 12)	110,938,146	109,675,796

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

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

	Year Ended March 31,	
	2023	2022
Operating activities		
Net loss for the year	\$ (5,954,336)	\$ (1,100,384)
<i>Items not affecting cash:</i>		
Deferred income tax (recovery) expense	(585,000)	215,000
Flow-through amortization	(7,348)	-
Stock based compensation	-	905,150
Loss (gain) on sale of investments	2,120,298	(340,490)
Unrealized revaluation loss (gain) on investments	3,392,238	(758,685)
Foreign exchange	2,352	39,874
<i>Changes in non-cash working capital items:</i>		
Government remittances receivable	68,684	(177,029)
Prepaid expenses and deposits	30,669	76,532
Accounts payable and accrued liabilities	(137,655)	210,978
Bank overdraft	5,042	(71,740)
Net cash used in operating activities	(1,065,056)	(1,000,794)
Investing activities		
Addition of mineral properties	(2,412,812)	(4,749,024)
Proceeds from sale of investments	2,828,642	9,436,691
Purchase of investments	(983,697)	(4,968,212)
Net cash used in investing activities	(567,867)	(280,545)
Financing activities		
Proceeds from private placement (net of issuance costs)	1,688,887	4,213,101
Normal course issuer bid share repurchase (note 8(b)(ii)(iv))	(59,838)	(2,112,983)
Net advances to related parties	(376,416)	(524,411)
Exercise of stock options	-	70,000
Net cash provided by financing activities	1,252,633	1,645,707
Net change in cash	(380,290)	364,368
Cash, beginning of year	385,565	21,197
Cash, end of year	\$ 5,275	\$ 385,565

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

Tartisan Nickel Corp.**Consolidated Statements of Changes in Equity****(Expressed in Canadian Dollars)**

	Number of shares	Share capital	Contributed Surplus	Warrants	Currency translation	Retained earnings (deficit)	Total
Balance, March 31, 2021	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
Normal course issuer bid share repurchase (note 8(b)(ii))	(4,728,667)	(2,112,983)	-	-	-	-	(2,112,983)
Stock based compensation	-	-	905,150	-	-	-	905,150
Options exercised	1,000,000	120,000	(50,000)	-	-	-	70,000
Exchange difference on foreign operations	-	-	-	-	39,874	-	39,874
Net loss for the year	-	-	-	-	-	(1,100,384)	(1,100,384)
Balance, March 31, 2022	108,922,503	\$ 10,163,134	\$ 1,859,598	\$ 1,484,839	\$ 84,175	\$ 5,351,244	\$ 18,942,990
Private placement, net of issuance costs (note 8)	5,615,625	1,524,577	-	87,830	-	-	1,612,407
Normal course issuer bid share repurchase (note 8(b)(iv))	(241,000)	(59,838)	-	-	-	-	(59,838)
Warrants expired (note 10)	-	-	-	(275,984)	-	275,984	-
Exchange difference on foreign operations	-	-	-	-	2,353	-	2,353
Net loss for the year	-	-	-	-	-	(5,954,336)	(5,954,336)
Balance, March 31, 2023	114,297,128	\$ 11,627,873	\$ 1,859,598	\$ 1,296,685	\$ 86,528	\$ (327,108)	\$ 14,543,576

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

Tartisan Nickel Corp.

Notes to Consolidated Financial Statements

Years Ended March 31, 2023 and 2022

(Expressed in Canadian Dollars)

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.

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 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 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 year ended March 31, 2023, the Company had net comprehensive loss of \$5,951,983 (year ended March 31, 2022 - \$1,060,510) and working capital of \$4,604,779 (March 31, 2022 - \$12,002,005). As at March 31, 2023, the Company has accumulated deficit of \$327,108 (March 31, 2022 - retained earnings of \$5,351,244). 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, and to complete negotiations to obtain and successfully close additional funding from debt financing, equity financing's or through other arrangements. While the Company has been successful in arranging financing in the past, there can be no assurance the debt financing or any equity offering will be successful.

As at March 31, 2023, management has forecasted the Company will have sufficient cashflow to meet all planned development and general expenses for the next twelve months. The Company plans to raise additional capital to further develop and explore its projects, however the Company may increase or decrease expenditures as necessary to adjust to a changing capital market environment. The above factors indicate the existence of material uncertainties that may cast significant doubt on the ability of the Company to continue as a going concern.

Tartisan Nickel Corp.

Notes to Consolidated Financial Statements

Years Ended March 31, 2023 and 2022

(Expressed in Canadian Dollars)

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 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 consolidated financial statements.

2. Basis of preparation

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRS Interpretations Committee"). The policies applied in these consolidated financial statements are based on IFRSs issued and outstanding as of July 28, 2023, the date the Board of Directors approved the statements.

Basis of preparation

These consolidated financial statements have been prepared on a historical cost basis, with the exception of certain financial assets which are measured at fair-value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Basis of consolidation

These 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. ("Minera"), which is incorporated in Peru. All significant inter-company transactions have been eliminated upon consolidation.

Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars, which is also the functional currency of the parent company. The functional currency of each individual entity is measured using the currency of the primary economic environment in which the entity operates being Canadian dollars for Canadian Arrow, and Peruvian Nuevo Soles for Minera. All financial information is expressed in Canadian dollars unless otherwise stated and has been rounded to the nearest dollar.

Use of estimates

The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows. Significant estimates include the valuation of the due from related parties balance, valuation of warrants and stock options granted using the BlackScholes pricing model and the measurement of common shares issued for non-cash consideration.

Tartisan Nickel Corp.
Notes to Consolidated Financial Statements
Years Ended March 31, 2023 and 2022
(Expressed in Canadian Dollars)

2. Basis of preparation (continued)

Critical accounting judgements, estimates and assumption

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting year. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Information about critical judgements in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statement are discussed below:

Title to mineral property interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company title. Such properties may be subject to prior agreement or transfers and titles may be affected by undetected defects.

Non-current asset impairments

The application of the Company's accounting policy for impairment on exploration and evaluation ("E&E") assets requires judgement in determining if the facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Exploration and evaluation expenditures

The application of the Company's accounting policy for E&E expenditures capitalized requires judgement in determining which expenditures are recognized as exploration and evaluation assets and applying the policy consistently. In making this determination, an entity considers the degree to which the expenditure can be associated with finding specific mineral resources.

Due from related parties' impairment

The Company applied judgement when estimating the future cash flows from its due from related parties balance. In making this assessment, the Company considered the credit risk of the counterparty, the quality of the underlying security and other relevant factors.

Valuation allowance for deferred income tax assets

Each year, the Company evaluates the likelihood of whether some portion of deferred tax assets, if any, will not be realized. This evaluation is based on historic and future expected levels of taxable income, the timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, tax planning initiative, and deferred tax rates.

Going concern

The assessment of the Company's ability to continue as a going concern involves judgement regarding future funding available for its exploration projects and working capital requirements.

Tartisan Nickel Corp.
Notes to Consolidated Financial Statements
Years Ended March 31, 2023 and 2022
(Expressed in Canadian Dollars)

2. Basis of preparation (continued)

Classification of financial assets

Judgment is required in classifying non-strategic equity investments as either FVTPL or FVTOCI.

Legal provisions and contingencies

Judgment is required in making a determination for recognition and disclosure requirements as it relates to lawsuits faced by the Company.

3. Significant accounting policies

Leases and right-of-use assets

IFRS 16 provides a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases on its statement of financial position, providing the reader with greater transparency of an entity's lease obligations.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of twelve months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by the incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted if it is reasonable certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Lease liabilities, on initial measurement, increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

Right-of-use assets are amortized on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is judged to be shorter than the lease term.

Tartisan Nickel Corp.
Notes to Consolidated Financial Statements
Years Ended March 31, 2023 and 2022
(Expressed in Canadian Dollars)

3. Significant accounting policies (continued)

Leases and right-of-use assets (continued)

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

Mineral Property

Costs related to the acquisition and exploration of mineral properties are capitalized until a decision is made as to whether or not the assets contain sufficient economic reserves for mine development.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the carrying value of E&E assets, net of any impairment loss, is transferred to property and equipment.

The direct cost of E&E assets consists of:

- Acquisition of exploration properties including the cost of acquiring licenses and claims
- Gathering exploration data through topographical and geological studies
- Exploratory drilling, trenching and sampling
- Determine the volume and grade of the resource
- Test work on geology, metallurgy, mining, geotechnical and environmental; and
- Conducting engineering, marketing and financial studies

In Peru, the Company applies for early recovery of Impuesto General A Las Ventas (“IGV”) on certain exploration expenditures it incurs in Perú. IGV is a value added tax charged on all goods and services. The IGV expenditures are partially refundable if recovery is applied for early. Based on management’s best estimate the portion refundable is included in accounts receivable and the amount not refundable to the Company is expensed to exploration or capitalized to mineral properties if the Company has established mineral reserves in accordance with the Company’s accounting policy. In addition, any amount not refunded to the Company can be used to offset amounts due to the Peruvian Revenue Service by the Company resulting from IGV charged to clients on future sales. Moreover, if the Company recovers amounts that have been deferred, the amount received will be applied to reduce mineral properties or taken as a credit against current exploration expenses depending on the prior treatment.

The aggregate recoverable against IGV collected on potential future revenues earned by the Peruvian subsidiary is \$102,578 accumulated as at March 31, 2023 (March 31, 2022 - \$102,578).

The Company reviews its mineral properties to determine if events or changes in circumstances have transpired which indicate that the carrying value of its assets may not be recoverable. The recoverability of costs incurred on the mineral properties is dependent upon numerous factors including exploration results, environmental risks, commodity risks, political risks, and the Company’s ability to attain profitable production. It is reasonably possible, based on existing knowledge, that change in future conditions in the near-term could require a change in the determination of the need for, and amount of, any write down.

The Company may occasionally enter into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transferee to meet certain exploration and evaluation expenditures which would have otherwise been undertaken by the Company. The Company does not record any expenditures made by the farmee on its behalf. Any consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess accounted for as a gain on disposal.

Tartisan Nickel Corp.
Notes to Consolidated Financial Statements
Years Ended March 31, 2023 and 2022
(Expressed in Canadian Dollars)

3. Significant accounting policies (continued)

Provisions and contingencies

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the year incurred. Discount rates using a pretax risk free rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other exploration and evaluation assets.

The Company's estimates of restoration costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to exploration and evaluation assets with a corresponding entry to the restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, and effects of inflation.

Income Taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss 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.

Deferred tax is recorded using the consolidated statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable loss; any differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

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.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Tartisan Nickel Corp.
Notes to Consolidated Financial Statements
Years Ended March 31, 2023 and 2022
(Expressed in Canadian Dollars)

3. Significant accounting policies (continued)

Machinery and Equipment

Machinery and equipment are carried at cost less accumulated depreciation and impairment losses. Initially, an item of machinery and equipment is measured at its cost, which comprises its purchase price and any directly attributable costs of bringing the asset to working condition. Subsequent expenditures are added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance, will flow to the Company. All other subsequent expenditures are recognized as an expense in the period in which they are incurred.

Where an item of machinery and equipment comprises significant components with different useful lives, the components are accounted for as separate items of machinery and equipment and depreciated separately.

Expenditures incurred to replace a component of an item of machinery and equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized and day-to-day maintenance costs are expensed. Expenses which are directly attributable to major capital projects and site preparation are capitalized until the asset is brought to a working condition for its intended use. These costs include dismantling and site restoration costs to the extent these are recognized as a provision.

Depreciation is recognized in the statement of profit and loss and is provided on a declining balance basis using the following rates:

Machinery and equipment.....20%

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Impairment of Long-Lived Assets (excluding exploration expenditures)

The carrying amounts of the Company's long-lived assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. In addition, capitalized mineral properties costs are assessed for impairment upon demonstrating the technical feasibility and commercial viability of the project.

Impairment is determined for an individual asset unless the asset does not generate cash inflows that are independent of those generated from other assets or group of assets, in which case, the individual assets are grouped together into cash generating units ("CGU") for impairment purposes.

Impairment exists when the carrying amount of the asset, or group of assets, exceeds its recoverable amount. The impairment loss is the amount by which the carrying value exceeds the recoverable amount and such loss is recognized in the statement of comprehensive loss. The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use.

A previously recognized impairment loss is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized such that the recoverable amount has increased.

Tartisan Nickel Corp.
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3. Significant accounting policies (continued)

Reclamation Obligations

A legal or constructive obligation to incur restoration, rehabilitation, and environmental costs may arise when environmental disturbance is caused by the exploration, development, or ongoing production of a mineral property interest. The Company's exploration activities are subject to various governmental laws and regulations relating to the protection of the environment. These environmental regulations are continually changing and are generally becoming more restrictive. The present value of management's best estimate of the liability for an asset retirement obligation is recorded when it is incurred and the corresponding increase to the asset is amortized over the life of the asset. The liability is increased over time to reflect an accretion element considered in the initial measurement at fair value. As at March 31, 2023, the Company has not incurred any reclamation obligations for its mineral properties (March 31, 2022 – \$nil).

Translation of foreign currencies

(a) Functional currency:

The consolidated financial statements are presented in Canadian dollars. Each entity in the group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(b) Transaction and balances:

Transactions in foreign currencies are initially recorded in the functional currency at the rate in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the spot rate of exchange in effect at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. All exchange differences are recorded in the foreign exchange gain or loss in the consolidated statement of comprehensive loss under foreign exchange gain (loss).

(c) Translation of foreign operations

The results and financial position of Minera, Tartisan's wholly-owned Peruvian subsidiary which has a different functional currency from the functional currency of the Company, are therefore translated into the functional currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Share capital is translated using the exchange rate at the date of the transaction;
- Revenue and expenses for each statement of comprehensive loss are translated at average exchange rates during the period; and
- All resulting exchange differences are recognized as a separate component of equity and as an exchange difference on translation of foreign operations in other comprehensive income (loss) in the consolidated statement of comprehensive loss.

The Company treats specific inter-company loan balances, which are not intended to be repaid in the foreseeable future, as part of its net investment in foreign operations which is recorded as an exchange difference on translation of foreign operations in other comprehensive income (loss) in the consolidated statement of comprehensive loss (income). When a foreign entity is sold, such exchange differences are recognized in the consolidated statement of comprehensive income (loss) as part of the gain or loss on sale.

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3. Significant accounting policies (continued)

Financial instruments

Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains the primary measurement categories for financial assets: measured at amortized cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit and loss ("FVTPL").

Below is a summary showing the previous classification under IFRS 9 for the Company's financial instruments:

Classification	IFRS 9
Cash and bank overdraft	Amortized cost
Government remittances receivable	Amortized cost
Due from related parties and others	Amortized cost
Investments	FVTPL
Accounts payable and accrued liabilities	Amortized cost

Financial assets

Financial assets are classified as either financial assets at FVTPL, amortized cost, or FVTOCI. The Company determines the classification of its financial assets at initial recognition.

i. Financial assets recorded at FVTPL

Financial assets are classified as FVTPL if they do not meet the criteria of amortized cost or FVTOCI. Gains or losses on these items are recognized in profit or loss. The Company's marketable securities are classified as financial assets measured at FVTPL.

ii. Amortized cost

Financial assets are classified as measured at amortized cost if both of the following criteria are met and the financial assets are not designated as at FVTPL: 1) the object of the Company's business model for these financial assets is to collect their contractual cash flows; and 2) the asset's contractual cash flows represent "solely payments of principal and interest". The Company's cash, government remittances receivable, due from related parties, and advances are classified as financial assets measured at amortized cost.

Financial liabilities

Financial liabilities are classified as either financial liabilities at amortized cost. The Company determines the classification of its financial liabilities at initial recognition.

i. Amortized cost

Financial liabilities are classified as measured at amortized cost unless they fall into one of the following categories: financial liabilities at FVTPL, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition, financial guarantee contracts, commitments to provide a loan at a below-market interest rate, or contingent consideration recognized by an acquirer in a business combination.

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3. Significant accounting policies (continued)

Financial instruments (continued)

Financial liabilities (continued)

i. Amortized cost (continued)

The Company's accounts payable and accrued liabilities, and bank overdraft do not fall into any of the exemptions and are therefore classified as measured at amortized cost.

ii. Financial liabilities recorded FVTPL

Financial liabilities are classified as FVTPL if they fall into one of the five exemptions detailed above.

Transaction costs

Transaction costs associated with financial instruments, carried at FVTPL, are expensed as incurred, while transaction costs associated with all other financial instruments are included in the initial carrying amount of the asset or the liability.

Subsequent measurement

Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized in profit or loss. Instruments classified as amortized cost are measured at amortized cost using the effective interest rate method. Instruments classified as FVTOCI are measured at fair value with unrealized gains and losses recognized in other comprehensive income.

Derecognition

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Expected credit loss impairment model

IFRS 9 has single expected credit loss impairment model, which is based on changes in credit quality since initial application.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full or when the financial asset is more than 90 days past due.

The carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

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

Tartisan Nickel Corp.
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3. Significant accounting policies (continued)

Repurchase of shares

Repurchase of shares is recorded using the constructive retirement method which is used under the assumption that the repurchased stock will not be reissued in the future. Under this approach, the amount by which the repurchased amount was less than the stated capital of the shares has been credited to deficit. The stated capital of the repurchased shares is determined based on the cost of the particular share class at the time of repurchase.

Share-based payments

The fair value of share-based payment transactions to non-employees and other share-based payments including shares issued to acquire mineral properties or shares and warrants issued against services received are based on the fair value of the goods and services received. If the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or services. The fair value of agents' and finders' warrants is measured at the date that the Company receives the services.

The Company offers a share option plan for its directors, officers, employees and consultants. Each tranche in an award is considered a separate award with its own vesting period and grant date fair value. Fair value of each tranche is measured using the Black-Scholes option pricing model. Compensation expense is recognized over the tranche's vesting period by increasing reserve for share-based payments based on the number of awards expected to vest. Any consideration paid on exercise of share options is credited to share capital. The reserve for share-based payments resulting from share-based compensation is transferred to share capital when the options are exercised.

Warrants

Proceeds from unit placements are allocated between shares and warrants issued according to the residual value method. The fair value of the warrants is determined using the Black Scholes option pricing model with the residual value being allocated to the shares. For agent and finders' warrants issued in the year, in the absence of a reliable measurement of the services received, the warrants have been measured at the fair value of agent and finders' warrants issued. On the expiry of warrants, the fair value previously allocated to warrants is reclassified to contributed surplus.

Flow-through Shares

The Company will, from time to time, issue flow-through shares to finance a portion of its exploration programs. The issue of flow-through shares is in substance an issue of ordinary shares and the sale of tax deductions. The sale of tax deductions is measured using the residual method. At the time the flow-through shares are issued, the sale of tax deductions is deferred and presented as flow-through share premium liability in the statement of financial position. Pursuant to the terms of the flow-through share agreements, the Company agrees to incur qualifying expenditures and renounce the tax deductions associated with these qualifying expenditures to the subscribers at an agreed upon date. The renouncement may occur prospectively or retrospectively based on the flow-through share agreement.

The excess of cash consideration received over the market price of the Company's shares at the date of the announcement of the flow-through share financing is recorded as a liability which is extinguished as eligible expenditures are made when the tax effect of the temporary differences, resulting from the renunciation, is recorded. The difference between the liability and the value of the tax assets renounced is recorded as a deferred tax expense.

A deferred tax liability is recognized for the taxable temporary difference that arises from the difference between the carrying amount of eligible expenditures that are capitalized to exploration and evaluation assets and their tax basis. If the Company has sufficient tax assets to offset the deferred tax liability, the liability will be offset by the recognition of a corresponding deferred tax asset.

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3. Significant accounting policies (continued)

Earnings (loss) per common share

Basic earnings (loss) per share are computed by dividing the net earnings (loss) applicable by the weighted average number of common shares outstanding during the reporting year. Diluted earnings (loss) per share is computed by dividing the net earnings (loss) by the sum of the weighted average number of common shares issued and outstanding during the reporting year and all additional common shares for the assumed exercise of options and warrants outstanding for the reporting year, if dilutive.

The treasury stock method is used to arrive at the diluted earnings (loss) per share, which is determined by adjusting the earnings (loss) attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all warrants and options outstanding that may add to the total number of common shares. Diluted loss per share do not include the effect of share options and warrants as they are antidilutive.

Related party transactions

Parties are considered to be related if one party has the ability to directly or indirectly control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount.

New standards adopted

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 Company adopted the amendments on April 1, 2022, there was no significant impact as a result of the adoption of the accounting policy.

New standards not yet adopted

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for annual periods beginning on or after January 1, 2023 or later periods.

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, 2023. Earlier application is permitted. The extent of the impact of adoption of this amendment has not yet been determined.

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4. Mineral properties

	Sill Lake	Kenbridge	Don Pancho	Total
March 31, 2021	\$ 187,923	\$ 2,416,890	\$ 172,148	\$ 2,776,961
Additions and acquisitions	5,664	4,723,763	19,597	4,749,024
March 31, 2022	193,587	7,140,653	191,745	7,525,985
Additions	55,012	2,319,853	37,947	2,412,812
March 31, 2023	\$ 248,599	\$ 9,460,506	\$ 229,692	\$ 9,938,797

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).

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.

As at March 31, 2021, the Company has 85 staked units covering 1,782.36 ha in the Turtle Pond Area in Northwestern Ontario, approximately 40 km south of Dryden, Ontario in the Turtle Pond and Ukik Lake area. The Company initially acquired 16 claim units on October 27, 2020, from Night Danger, staked 65 units, and acquired 4 claim units for cash payment of \$1,400 on February 16, 2022. These 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 an additional 27 claims contiguous to the Kenbridge Property. The claims were acquired as part of the Company's strategy to assess promising environments on strike of the Kenbridge Nickel Deposit. The Company has acquired a 100% interest subject to a 1.5% NSR, with the right to buy 0.5% back for \$200,000. The Kenbridge property is now comprised of patented and unpatented mining claims totaling 4,108.42 ha.

Tartisan Nickel Corp.

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4. Mineral properties (continued)

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.

5. Prepaid expenses and deposits

	March 31, 2023	March 31, 2022
Prepaid expenses	\$ -	\$ 30,883
Share repurchase deposits	231	17
Total	\$ 231	\$ 30,900

6. Investments

	March 31, 2023	March 31, 2022
Eloro Resources Limited	\$ -	\$ 2,160,852
Class 1 Nickel & Technologies Limited	1,268,438	2,247,750
Peruvian Metals Corp. - Common shares	2,275,335	3,985,140
Peruvian Metals Corp. - Warrants	-	80,015
Silverbullet Mines Inc. - Common shares	-	2,164,800
Silverbullet Mines Inc. - Warrants	1,405	173,896
Advanced United Holdings Inc. - Common shares	9,795	-
New Break Resources Ltd. - Common shares	-	100,000
Total	\$ 3,554,973	\$ 10,912,453

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. As at the March 31, 2023, the Company had nil% (March 31, 2022 – 0.70%) of the outstanding common shares of Eloro. Tartisan did not exert significant influence on Eloro since it did not have representation on the Board of Directors, did not participate in management or decision-making processes, did not share in any management personnel and there are no material business dealings or transactions between the Tartisan and Eloro. Therefore, the Company accounted for the common shares of Eloro as a financial asset classified at FVPTL.

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6. Investments (continued)

Eloro Resources Limited (continued)

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 loss of \$nil has been recorded in the consolidated statement of (loss) income and comprehensive (loss) income for the year ended March 31, 2023 (year ended March 31, 2022 - an unrealized gain of \$618,615).

During the year ended March 31, 2023, the Company sold 412,600 (March 31, 2022 - 2,391,800) common shares and recognized a loss on the sale of \$679,813 (year ended March 31, 2022 - \$377,730).

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 total shares owned by the Company represents a minority interest of the total issued and outstanding shares of Class 1. Therefore, the Company is accounting for the common shares of Class 1 Nickel & Technologies Limited as a financial asset classified at FVPTL.

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 \$1,209,658 has been recorded in the consolidated statement of (loss) income and comprehensive (loss) income for the year ended March 31, 2023 (year ended March 31, 2022 - an unrealized loss of \$1,426,101).

During the year ended March 31, 2023, the Company sold 227,500 common shares and recognized a loss on the sale of \$19,212.

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 March 31, 2023, the Company had 25.35% (March 31, 2022 – 23.76%) 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 Tartisan and Peruvian. The investment is not a strategic investment in Peruvian, as the Company continuously sells the shares to meet cash flow requirements. 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 loss of \$1,897,699 has been recorded in the consolidated statement of (loss) income and comprehensive (loss) income for the year ended March 31, 2023 (year ended March 31, 2022 - unrealized gain of \$961,714).

The investments in warrants are considered a Level 2 in the fair value hierarchy. During the year ended March 31, 2023, the warrants expired unexercised. As a result of changes in the fair market value of the shares held in Peruvian an unrealized loss of \$80,015 has been recorded in the consolidated statement of (loss) income and comprehensive (loss) income for the year ended March 31, 2023 (year ended March 31, 2022 - unrealized loss of \$67).

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6. Investments (continued)

Silverbullet Mines Inc.

As at the March 31, 2023, the Company had nil% (March 31, 2022 – 3%) of the outstanding common shares of Silverbullet, Tartisan does not exert significant influence on Silverbullet 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 Silverbullet going forward. Therefore, the Company is accounting for the common shares of Silverbullet as a financial asset classified at FVPTL.

The investments in common shares are considered and transferred to Level 1 in the fair value hierarchy. As a result of changes in the fair market value of the shares held in Silverbullet an unrealized loss of \$nil has been recorded in the consolidated statement of (loss) income and comprehensive (loss) income for the year ended March 31, 2023 (year ended March 31, 2022 - unrealized gain of \$553,329).

The investments in warrants are considered and transferred to Level 2 in the fair value hierarchy. During the year ended March 31, 2023, 250,000 warrants expired unexercised. As a result of changes in the fair market value of the shares held in Silverbullet an unrealized loss of \$172,491 has been recorded in the consolidated statement of (loss) income and comprehensive (loss) income for the year ended March 31, 2023 (year ended March 31, 2022 - unrealized gain of \$51,195). The fair value of the warrants as at March 31, 2023 was calculated using the Black Scholes pricing model with the following weighted average assumptions: (i) dividend yield of 0%; (ii) expected volatility of 105%; (iii) risk free rate of 3.78%; and (iv) with an expected life of 0.10-1.00 years.

During the year ended March 31, 2023, the Company sold 5,454,000 common shares and recognized a loss on sale of \$1,391,127 (year ended March 31, 2022 - \$nil).

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. During the year ended March 31, 2022, the Company acquired and sold 722,000 common shares and recognized a realized loss on the sale of \$37,240. As at March 31, 2023 and 2022, the Company does not hold any common shares in Kane.

Advanced United Holdings Inc.

The common shares of Advanced United Holdings Inc. (“Advanced United”) 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 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 Advanced United an unrealized loss of \$32,375 (year ended March 31, 2022 - \$nil) has been recorded in the consolidated statement of (loss) income and comprehensive (loss) income for the year ended March 31, 2023.

During the year ended March 31, 2023, the Company sold 786,000 common shares and recognized a loss on sale of \$26,115 (year ended March 31, 2022 - \$nil).

Tartisan Nickel Corp.

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6. Investments (continued)

Cartier Silver Corp.

The common shares of Cartier Silver Corp. ("Cartier Silver") 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 through market transactions, private agreements, or otherwise.

During the year ended March 31, 2023, the Company sold 120,000 common shares and recognized a gain on sale of \$15,176 (year ended March 31, 2022 - \$nil).

New Break Resources Inc.

As at March 31, 2023, the Company had nil% (March 31, 2022 – 3%) of the outstanding common shares of New Break, Tartisan does not exert significant influence on New Break 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 New Break going forward. Therefore, the Company is accounting for the common shares of New Break as a financial asset classified at FVPTL. The investments in common shares were considered a Level 3 in the fair value hierarchy, which New Break was private during the year ended March 31, 2022. During the year ended March 31, 2023 New Break began trading on the CVE under the symbol NBRK.

During the year ended March 31, 2023, the Company sold 1,020,000 common shares and recognized a loss on sale of \$19,207 (year ended March 31, 2022 - \$nil).

Fair value hierarchy

Financial instruments recorded at fair value on the 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 March 31, 2023 and March 31, 2022.

	Level 1	Level 2	Level 3	Total
March 31, 2023 - Investments	\$ 3,553,568	\$ 1,405	\$ -	\$ 3,554,973
March 31, 2022 - Investments	\$ 10,558,542	\$ 253,911	\$ 100,000	\$ 10,912,453

7. Financial Instruments

The Company's risk exposure and the impact on the Company's financial instruments are described below.

Fair value

Financial instruments recognized at fair value in the consolidated statements of financial position have been prioritized into three levels as per the fair value hierarchy. Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities. Level two includes inputs that are observable other than quoted prices included in level one. Level three includes inputs that are not based on observable market data. All financial instruments measured at fair value, at March 31, 2023, are as described.

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7. Financial instruments (continued)

Credit risk

Credit risk to the Company is the risk that a counter party will be unable to pay amounts owed to the Company. The Company's exposure to credit risk is summarized below:

Cash and cash equivalents

Credit risk is mitigated by ensuring the majority of the financial assets are placed with a major Canadian financial institution with strong investment-grade ratings by a primary ratings agency. The credit risk of cash and cash equivalents has been assessed as low.

Due from related parties

Credit risk has been assessed as low by management as the Company closely monitors its receivable balances and maintains its significant receivables with organizations with strong credit ratings. Amounts due from related parties are pursuant to a general security agreement.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or as a result of conditions specific to the Company. As at March 31, 2023, the Company had cash of \$5,275 (March 31, 2022 - \$385,565) to settle current liabilities of \$427,498 (March 31, 2022 - \$490,979), which included a bank overdraft of \$5,042 (March 31, 2022 - \$nil).

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: foreign currency risk, commodity price risk and other price risk.

Foreign currency risk

The Company is primarily exposed to currency fluctuations related to cash balances, receivables, payables, and amounts due to related parties held in Peruvian Nuevo Soles. As of March 31, 2023, the Company does not have any significant balances denominated in Peruvian Nuevo Soles.

Commodity price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices as they relate to the nickel industry to determine the appropriate course of action to be taken by the Company.

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7. Financial instruments (continued)

Market risk (continued)

Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. This risk is managed through a careful selection of investments and other financial instruments within the parameters of the investment strategies.

Other price risk typically arises from exposure to equity and commodity securities. If the prices on the respective exchanges for these securities increased or decreased by 10%, all other variables held constant the investment value could have increased or decreased by approximately \$355,497 (March 31, 2022 - \$1,091,245).

8. 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, 2021	104,787,973	\$ 9,151,871
Units issued on private placement (iii)	7,863,197	4,482,022
Value of warrants issued on private placement (iii)	-	(1,101,950)
Finance costs (iii)	-	(268,921)
Value of broker warrants issued on private placement (iii)	-	(106,905)
Exercise of stock options (i)	1,000,000	120,000
Normal course issuer bid share repurchase (ii)	(4,728,667)	(2,112,983)
Balance, March 31, 2022	108,922,503	\$ 10,163,134
Units issued on private placement (v)	5,615,625	1,797,000
Value of warrants issued on private placement (v)	-	(87,830)
Share issuance costs (v)	-	(108,113)
Flow-through premium (v)	-	(76,480)
Normal course issuer bid share purchase (iv)	(241,000)	(59,838)
Balance, March 31, 2023	114,297,128	\$ 11,627,873

i) During the year ended March 31, 2022, 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.

ii) During the year ended March 31, 2022, the Company repurchased 4,728,667 common shares for \$2,112,983 as part of the normal course issuer bid share purchase.

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8. Share capital (continued)

b) Common shares issued (continued)

iii) On June 7, 2021 and June 18, 2021, the Company completed tranches 1 and 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.

iv) During the year ended March 31, 2023, the Company repurchased 241,000 common shares for \$59,838 as part of the normal course issuer bid share purchase.

v) On November 16, 2022, the Company closed a private placement by issuing a total of 5,615,625 units at \$0.32 per unit for gross proceeds of \$1,797,000. 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 \$0.70 expiring 18 months from the date of issuance. The Company recorded a flow-through premium of \$76,480, paid finders commission and closing fees of \$108,113 and issued 263,906 brokers warrants, with an exercise price of \$0.70. The fair value of the broker warrants granted was \$7,465 and the fair value of the warrants granted was \$80,365. 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 68.3%; (iii) risk free rate of 3.84%-3.97%; and (iv) with an expected life of 1.5 years; (v) share price of \$0.27-\$0.29.

9. 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, 2021	4,700,000	\$ 0.29
Issued (i)	2,000,000	0.60
Exercised (note 8(b)(i))	(1,000,000)	0.07
Balance, March 31, 2022 and March 31, 2023	5,700,000	\$ 0.44

i) During the year ended March 31, 2022, 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 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.

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9. Stock options (continued)

The following table reflects the stock options issued and outstanding as of March 31, 2023:

Expiry Date	Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)
September 20, 2025	0.35	2.48	3,700,000	3,700,000
July 13, 2026	0.60	3.29	2,000,000	2,000,000
Total	0.44	2.76	5,700,000	5,700,000

10. Warrants

	Number of warrants	Weighted average exercise price
Balance, March 31, 2021	1,325,581	\$ 0.58
Issued (note 8(b)(iii))	4,269,933	0.83
Balance, March 31, 2022	5,595,514	\$ 0.77
Balance, March 31, 2022	5,595,514	\$ 0.77
Issued (note 8(b)(v))	3,071,898	0.70
Expired	(1,325,581)	0.59
Balance, March 31, 2023	7,341,831	\$ 0.77

The following table reflects the share purchase warrants issued and outstanding as of March 31, 2023:

Expiry date	Remaining contractual life (years)	Number of warrants outstanding	Exercise price (\$)
June 7, 2023	0.19	1,668,399	0.85
June 7, 2023	0.19	66,750	0.57
June 18, 2023	0.22	2,263,200	0.85
June 18, 2023	0.22	271,584	0.57
November 16, 2024	1.63	2,453,929	0.70
November 18, 2024	1.64	617,969	0.70
		7,341,831	

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11. 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 year ended March 31, 2023 and March 31, 2022:

	Year ended March 31,	
	2023	2022
	\$	\$
Chief Financial Officer fees	45,648	40,357
Consulting and management fees	204,000	267,000
Director fees	108,000	108,000

As of March 31, 2023, accounts payable and accrued liabilities include \$84,353 (March 31, 2022 - \$91,215) due to these related parties.

During the year ended March 31, 2022, 500,000 stock options were exercised by a Director of the Company at \$0.07 per option.

During the year ended March 31, 2022, 1,100,000 stock options were granted to Directors and Officers of the Company for \$0.60 per option with a black scholes value of \$497,832.

As at March 31, 2023, the Company had a loan due from an advisor (a former Chief Executive Officer) \$187,134 (March 31, 2022 - \$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 March 31, 2023, the Company has a loan due from a Director of the Company of \$1,162,319 (March 31, 2022 - \$785,903), this amount is included in amounts due from related parties and others. The loan is due on demand, unsecured, and non-interest bearing.

12. Loss (income) per share

Basic loss (income) per share is computed using the weighted average number of common shares outstanding during the year. 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 year, basic and diluted loss (income) per share are the same, as the inclusion of stock options and warrants is anti-dilutive.

For the year ended March 31, 2023, basic and diluted loss per share has been calculated based on the loss attributable to common shareholders of \$5,954,336 (March 31, 2022 - \$1,100,384) and the weighted average number of common shares outstanding of 110,938,146 (March 31, 2022 - 109,675,796). Diluted loss per share did not include the effect of stock options and warrants as they are anti-dilutive.

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13. Capital management

The Company considers its capital to include components of shareholders' equity, which is comprised of share capital, warrants, contributed surplus, foreign currency translation, and retained earnings totaling as at March 31, 2023 of \$14,543,576 (March 31, 2022 – \$18,942,990).

The Company's objectives in managing capital are: to maintain adequate levels of funding to support its expenditures arising from the Company's investments; to safeguard the Company's ability to continue as a going concern in order to pursue investments and new projects of merit; and to maintain corporate and administrative functions necessary to support the Company's operations and corporate functions. 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 of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will continue to assess 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 feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the years ended March 31, 2023 and March 31, 2022. Neither the Company nor its subsidiaries are subject to externally imposed capital requirements.

14. Income taxes

(a) Provision for income taxes

Major items causing the Company's income tax rate to differ from the combined Canadian federal and provincial statutory rate of 26.5% (2022 - 26.5%) were as follows:

	March 31,	
	2023	2022
(Loss) before income taxes	\$ (6,539,336)	\$ (885,384)
Expected income tax (recovery) expense based on the statutory rate:	\$ (1,732,924)	\$ (234,733)
Adjustments to expected income tax benefit:		
Other deductible and non-deductible items	483,642	(46,085)
Rate differential on FVTPL investments	(421,884)	(585,000)
Changes in Gains and losses including Loss Carryback	(561,773)	-
Benefit of deferred tax assets not recognized	1,647,939	1,080,818
Deferred income tax provision	\$ (585,000)	\$ 215,000

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14. Income taxes (continued)

(b) Deferred income tax

The temporary differences and unused tax losses that give rise to deferred income tax assets and liabilities are presented below:

	March 31, 2023	March 31, 2022
Deductible temporary differences		
Tax loss carry-forwards	\$ 3,265,665	\$ 2,521,136
Non-current assets	3,362,293	2,883,918
Share issue costs and other	76,709	73,557
Investments	421,884	(585,000)
Deferred tax assets	\$ 7,126,551	\$ 4,893,611
Less: deferred tax assets not recognized	\$ (7,126,551)	\$ (5,478,611)
Net deferred tax liability	\$ -	\$ (585,000)

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.

Loss Carry Forwards

As at March 31, 2023, the Company has non-capital losses of approximately \$11,968,009 in Canada, which expire between 2027 and 2043, and \$355,164 in Peru, which potentially expire through 2023.

As at March 31, 2023, the Company has Canadian exploration and development of expenses of approximately \$22,015,531 available indefinitely to offset future taxable income for income taxes purposes.

15. Commitments and contingencies

The Company is required to incur qualifying expenditures \$1,797,000 by December 31, 2023 as part of the flow-through funding agreement. As at March 31, 2023, the Company has spent \$172,647 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.

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16. Segmented disclosure

As at March 31, 2023	Peru	Canada	Total
Current assets	\$ 1,412	\$ 5,030,865	\$ 5,032,277
Non-current assets	\$ 229,692	\$ 9,709,105	\$ 9,938,797
For the year ended March 31, 2023			
Net loss	\$ (7,322)	\$ (5,947,014)	\$ (5,954,336)

As at March 31, 2022	Peru	Canada	Total
Current assets	\$ 10,087	\$ 12,482,897	\$ 12,492,984
Non-current assets	\$ 191,745	\$ 7,334,240	\$ 7,525,985
For the year ended March 31, 2022			
Net loss	\$ (44,774)	\$ (1,055,610)	\$ (1,100,384)

17. Subsequent event

On April 27, 2023, the Company announced that it has closed the grant to Electric Royalties Ltd. a 0.5% gross revenue royalty ("GRR") on six mining patents located on the wholly-owned Kenbridge Nickel Project, Kenora Mining District, Ontario, Canada (note 4). The Company received cash consideration of \$500,000 and 2,500,000 common shares of Electric Royalties Ltd., (the "Transaction"), the approximate market value of the Transaction was \$1,350,000. Electric Royalties will also have the option, for a period of 18 months, to acquire a further 0.5% GRR on the six mining patents for an additional 1,750,000 cash consideration. In addition, Electric Royalties will have an option to acquire a 1% GRR on certain mining claims, mining leases and mineral tenures comprising the Kenbridge North Nickel Project for \$1,000,000 cash, at any time during a period of 24 months from the date that Tartisan publishes an initial technical report in respect of the Kenbridge North Project which is prepared in accordance with National Instrument 43-101 and which contains an estimate of Inferred Mineral Resources.