International Battery Metals Ltd.

Consolidated Financial Statements

(Expressed in Canadian dollars)

For the fourteen months ended March 31, 2023 and twelve months ended January 31, 2022

Crowe MacKay LLP
1100 - 1177 West Hastings Street
Vancouver, BC V6E 4T5
Main +1 (604) 687-4511
Fax +1 (604) 687-5805
www.crowemackay.ca

Independent Auditor's Report

To the Shareholders of International Battery Metals Ltd.

Opinion

We have audited the consolidated financial statements of International Battery Metals Ltd. (the "Group"), which comprise the consolidated statement of financial position as at March 31, 2023 and the consolidated statements of income (loss) and comprehensive income (loss), changes in shareholders' equity and cash flows for the fourteen-month period 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 consolidated financial position of the Group as at March 31, 2023, and its consolidated financial performance and its consolidated cash flows for the fourteen-month period 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 Group 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the consolidated financial statements which describes the material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the fourteen-month period ended March 31, 2023. In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be a key audit matter to be communicated in our report. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment indicator assessment of cash generating unit ("CGU")

As disclosed in Notes 7, 8 and 9 of the consolidated financial statements, the carrying value of the Group's intangible assets and equipment represents significant assets of the Group. Refer to Notes 3 and 4 of the consolidated financial statements for a description of the accounting policy and significant judgments applied to intangible assets and equipment.

The assessment of impairment indicators is based on significant judgment of whether there are internal and external factors that would indicate that a CGU and specifically the non-financial assets within the CGU, are impaired.

If there are indicators of impairment, the recoverable amount of the related asset is estimated in order to determine the extent of any impairment. No impairment indicators were identified by management as at March 31, 2023.

Why the Matter is a Key Audit Matter
We identified the assessment of indicators of impairment for the Group's CGU as a key audit matter. Significant auditor judgment was required in evaluating the internal and external factors included in the Group's indicators of impairment analysis.

How the Key Audit Matter was Addressed in the Audit
In responding to the key audit matter, we performed the following audit procedures:

Evaluated the reasonableness of management's impairment indicator assessment, which included:

- Reviewing management's judgments applied when conducting its impairment indicator assessment of internal and external factors;

- Reviewing an external report from an expert engaged by management to assess the technical feasibility of the Group's modular lithium extraction technology. As a basis for using this work, the competence and objectivity of management's experts were evaluated, an understanding of the scope of work performed was obtained and the appropriateness of the work as audit evidence was evaluated.

- Evaluating the market capitalization of the Group relative to its net asset value.

Other matter

The consolidated financial statements of International Battery Metals Ltd. for the year ended January 31, 2022 were audited by another auditor who expressed an unmodified opinion on those statements on June 14, 2022.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis

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 identified above 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.

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

Responsibilities of Management and Those Charged with Governance for the 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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group'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 skepticism 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 Group'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 Group'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 Group 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 Pejman Mahlooji.

"Crowe MacKay LLP"

Chartered Professional Accountants
Vancouver, Canada
July 28, 2023

International Battery Metals Ltd.
Consolidated Statements of Financial Position
As at March 31, 2023 and January 31, 2022
(Expressed in Canadian dollars)

	Note		2023		2022
ASSETS					
Current assets					
Cash	22	$	406,860	$	336,175
Amounts receivable	5, 22		61,055		12,284
Prepaid expenses	6		372,702		5,092
Total current assets			840,617		353,551
Equipment	7		32,953,874		24,130,012
Intangible assets	8, 9		6,774,006		8,343,289
Prepaid expenses	6		275,800		-
Right-of-use asset	10		214,380		-
Total assets		**$**	**41,058,677**	**$**	**32,826,852**
LIABILITIES					
Current liabilities					
Trade payables and other liabilities	12, 16, 22	$	2,785,163	$	19,678,262
Lease obligation - current	13, 22		128,847		-
Total current liabilities			**2,914,010**		**19,678,262**
Lease obligation – long term	13, 22		90,023		-
Total liabilities			**3,004,033**		**19,678,262**
Shareholders’ equity					
Share capital	14		64,390,792		26,952,071
Obligation to issue shares	8, 14		-		5,426,022
Reserves	15		15,756,695		5,532,384
Deficit			(41,962,891)		(24,805,923)
Accumulated other comprehensive income (loss)			(129,952)		44,036
Total shareholders’ equity			**38,054,644**		**13,148,590**
Total liabilities and shareholders’ equity		**$**	**41,058,677**	**$**	**32,826,852**

Nature and Continuance of Operations (Note 1)
Contingency (Notes 16 and 20)
Subsequent Events (Note 24)

Approved and Authorized by the Board on July 28, 2023:

“William Webster” Director *“John Burba”* Director

International Battery Metals Ltd.

Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)
For the fourteen months ended March 31, 2023 and twelve months ended January 31, 2022
(Expressed in Canadian dollars)

	Note	2023	2022
Expenses			
Amortization of intangible assets	9	$ 1,569,283	$ 1,383,809
General and administrative	16, 18	15,681,252	2,668,677
Operating loss		**(17,250,535)**	**(4,052,486)**
Change in fair value and derecognition of derivative liability	15	-	4,239,699
Gain on debt settlement		76,548	-
Gain on write-off of accounts payable		17,019	-
Net income (loss)		**(17,156,968)**	**187,213**
Other comprehensive income (loss)			
Foreign currency translation adjustments		(173,988)	325
Net and comprehensive income (loss)		**$ (17,330,956)**	**$ 187,538**
Income (loss) per share, basic and diluted	14	$ (0.12)	$ 0.00
Weighted average number of shares outstanding - basic	14	141,063,092	126,029,857
Weighted average number of shares outstanding - diluted	14	141,063,092	132,283,931

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

International Battery Metals Ltd.
Consolidated Statements of Cash Flows
For the fourteen months ended March 31, 2023 and twelve months ended January 31, 2022
(Expressed in Canadian dollars)

Cash provided by (used in)	**2023**	**2022**
Cash flows used in operating activities		
Net income (loss)	$ (17,156,968)	$ 187,213
Non-cash transactions:		
Share-based payments	6,956,909	456,619
Amortization of intangible asset	1,569,283	1,383,809
Depreciation	95,046	484
Unrealized foreign exchange loss	60,587	-
Gain on write-off of accounts payable	(17,019)	-
Gain on debt settlement	(76,548)	-
Change in fair value and derecognition of derivative liability	-	(4,239,699)
Changes in operating assets and liabilities:		
Amounts receivable	(48,771)	(6,454)
Prepaid expenses	(642,801)	101,502
Trade payables and other liabilities	(950,971)	1,347,764
Net cash used in operating activities	**(10,211,253)**	**(768,762)**
Cash flows used in investing activities		
Purchase of equipment	(4,980,447)	(1,297,905)
Purchase of intangible assets	-	(6,640)
Net cash used in investing activities	**(4,980,447)**	**(1,304,545)**
Cash flows provided by financing activities		
Proceeds from private placements	12,766,859	711,307
Share issuance costs	(780,718)	-
Proceeds from shares issued under pre-emptive rights	2,032,009	-
Proceeds from options exercised	1,497,000	117,875
Proceeds from warrants exercised	-	1,363,832
Principal portion of lease liability payments	(89,406)	-
Net cash provided by financing activities	**15,425,744**	**2,193,014**
Increase (decrease) in cash	234,044	119,707
Effect of foreign exchange rate changes on cash	(163,359)	4,255
Cash, beginning of period	336,175	212,213
Cash, end of period	$ **406,860**	$ **336,175**

Supplemental Disclosures with Respect to Cash Flows (Note 19)

International Battery Metals Ltd.

Consolidated Statements of Changes in Shareholders' Equity
For the fourteen months ended March 31, 2023 and twelve months ended January 31, 2022
(Expressed in Canadian dollars)

	Common shares	Share capital $	Obligation to issue shares $	Reserves $	Deficit $	Accumulated other comprehensive income (loss) $	Total shareholders' equity $
Balance at January 31, 2021	**114,151,166**	**23,560,826**	**895,470**	**5,210,671**	**(24,993,136)**	**43,711**	**4,717,542**
Shares issued for							
Private placements	4,664,306	1,422,613	-	-	-	-	1,422,613
Warrants exercised	13,099,287	1,737,827	(352,019)	(21,976)	-	-	1,363,832
Options exercised	425,000	230,805	-	(112,930)	-	-	117,875
SAL acquisition milestone payments	-	-	4,882,571	-	-	-	4,882,571
Options granted	-	-	-	456,619	-	-	456,619
Foreign currency translation	-	-	-	-	-	325	325
Net income	-	-	-	-	187,213	-	187,213
Balance at January 31, 2022	**132,339,759**	**26,952,071**	**5,426,022**	**5,532,384**	**(24,805,923)**	**44,036**	**13,148,590**
Shares issued for							
Private placement for cash	3,333,333	7,472,117	-	5,294,742	-	-	12,766,859
Private placement for debt settlement	17,250,000	6,433,488	-	3,571,512	-	-	10,005,000
Warrants exercised for debt settlement	16,827,502	13,243,987	-	(3,484,036)	-	-	9,759,951
Options exercised	3,950,000	3,611,816	-	(2,114,816)	-	-	1,497,000
Pre-emptive rights exercised	6,662,324	2,032,009	-	-	-	-	2,032,009
SAL acquisition milestones	15,072,992	5,426,022	(5,426,022)	-	-	-	-
Share issuance costs	-	(780,718)	-	-	-	-	(780,718)
Share-based payments	-	-	-	6,522,682	-	-	6,522,682
Shares to be issued for restricted share unit plan	-	-	-	434,227	-	-	434,227
Foreign currency translation	-	-	-	-	-	(173,988)	(173,988)
Net loss	-	-	-	-	(17,156,968)	-	(17,156,968)
Balance at March 31, 2023	**195,435,910**	**64,390,792**	**-**	**15,756,695**	**(41,962,891)**	**(129,952)**	**38,054,644**

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

1. Nature and Continuance of Operations

International Battery Metals Ltd. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on July 29, 2010. The Company trades on the Canadian Securities Exchange under the stock symbol "IBAT". The Company also trades on the Over-The-Counter Markets ("OTC") under the stock symbol "IBATF" and the Frankfurt Stock Exchange under the stock symbol "8RE".

The Company's head office and registered and records office is located at Royal Centre, Suite 1750 – 1055 W Georgia Street, Vancouver, BC V6E 3P3.

The Company is an advanced technology company focused on lithium extraction from salars, geothermal brines and oil field brines.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern which assumes that the Company will be able to continue its operations and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

The Company has not generated revenue from operations. As at March 31, 2023 the Company's accumulated deficit was $41,962,891 and has a working capital deficiency of $2,073,393. The Company will periodically have to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future. These factors comprise a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate.

The Company's business financial condition and results of operations may be negatively affected by economic and other consequences from Russia's military action against Ukraine and the sanctions imposed in response to that action in late February 2022. In response to the military action by Russia, various countries, including Canada and the United States, issued broad-ranging economic sanctions against Russia. The ramifications of the hostilities and sanctions may not be limited to Russia and Ukraine and may spill over to and negatively impact other regional and global economic market and on various sectors, industries and markets for securities and commodities globally.

While the Company expects any direct impacts, of the war in the Ukraine, to the business to be limited, the indirect impacts on the economy and on the mining industry and other industries in general could negatively affect the business and may make it more difficult for it to raise equity or debt financing. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about on its business, results of operations, financial position and cash flows in the future. As a result, there always exists uncertainty that causes significant doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

2. Basis of Preparation

The consolidated financial statements of the Company were approved and authorized for issue by the Board of Directors on July 28, 2023.

2. Basis of Preparation (Continued)

The Company's consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments 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.

Statement of compliance

The consolidated financial statements of the Company, including comparatives, have been prepared in accordance with and using accounting policies in full compliance with IFRS and International Accounting Standards ("IAS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

On January 12, 2023, the board of directors approved the change in the fiscal year from January 31 to March 31 at the request of the Company's auditor due to the auditor's resource constraints. As a result, the 2023 fiscal year is for the 14-month period ended March 31, 2023.

3. Summary of Significant Accounting Policies

Basis of consolidation

In addition to the Company, the consolidated financial statements incorporate the financial statements of its wholly owned subsidiaries in the United States, IBAT USA, Inc. and Selective Adsorption Lithium, Inc. ("SAL").

A subsidiary is an entity over which the Company has control, directly or indirectly, where control is defined as the power to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. A subsidiary is consolidated from the date upon which control is acquired by the Company and all intercompany transactions and balances have been eliminated on consolidation.

Equipment

Equipment is recorded at cost less accumulated depreciation and impairment losses. The Company provides for depreciation over the expected useful life of the assets. No depreciation is recorded on assets under construction. Costs include expenditures that are directly attributable to the acquisition of the asset or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. The estimated useful lives of assets are reviewed by management and adjusted if necessary. Repairs and maintenance costs are charged to profit or loss during the period they are incurred.

Computer and office equipment is depreciated using the straight-line method over 5 years. The lithium extraction unit is still under construction and not in use, as a result no depreciation is recorded.

3. Summary of Significant Accounting Policies (Continued)

Intangible assets

Intangible assets include patented technology acquired by the Company and have finite useful lives measured at cost less accumulated amortization and any accumulated impairment losses. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in profit or loss as incurred. Amortization is recorded using the straight-line method and is intended to amortize the cost of the assets over their estimated useful lives as follow:

- Patents 20 years
- Intellectual property 10 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

The Company assesses the carrying values of its intangible assets at each reporting date or more frequently if warranted by a change in circumstances that indicate an intangible asset may be impaired. If there are indicators of impairment, the recoverable amount of the asset is estimated in order to determine the extent of any impairment. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable potential cash flow generating units ("CGUs"). The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use (being the present value of the expected future cash flows of the CGU). An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

Deferred acquisition costs

Costs related to the acquisition of equipment are deferred until such time that the Company obtains control over the equipment.

Leases

The Company assesses at the inception of contract, whether it contains a lease. A contract is classified as a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any indirect costs incurred.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined using the same criteria as those for property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses and adjusted for certain remeasurements of the lease liability, if any.

3. Summary of Significant Accounting Policies (Continued)

Leases (Continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be determined, the Company's incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or changes in assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Foreign currency

The functional and presentation currency of the Company and SAL is the Canadian dollar. Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at rates prevailing at the statement of financial position date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. The resulting translation adjustments are included in profit or loss.

The Company has determined that the functional currency of its foreign subsidiary, IBAT USA, Inc., is the United States dollar. Assets and liabilities are translated to the presentation currency at year-end foreign exchange rates and the results of their operations are translated at average foreign exchange rates for the period. The resulting translation adjustments are included in other comprehensive income (loss).

Research and development

Research costs are expensed in the period in which they are incurred. Development costs are expensed in the period in which they are incurred unless certain criteria, including technical feasibility, commercial feasibility, intent and ability to develop and use the technology, are met for capitalization and amortization.

Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing the net earnings (loss) attributable to common shareholders by the weighted average number of common shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average number of common shares outstanding is adjusted for the number of shares that are potentially issuable in connection with stock options and warrants (if dilutive). The Company assumes that outstanding dilutive stock options and warrants were exercised and that the proceeds from such exercises (after adjustment of any unvested portion of stock options) were used to acquire common stock at the average market price during the reporting periods.

3. Summary of Significant Accounting Policies (Continued)

Share capital / warrants

Share issuance costs are recorded as a reduction of share capital when the related shares are issued. When shares and warrants are issued together as units the proceeds are allocated between common share and share purchase warrants on a pro-rata basis based on relative fair values at the date of issuance. The fair value of common shares is based on the market closing price on the date the units are issued and the fair value of share purchase warrants is determined using the Black-Scholes Option Pricing Model as of the date of issuance. When compensation options are issued to agents who refer investors to the Company, their fair value is determined using the Black-Scholes Option Pricing Model as of the date of issuance. The fair value of compensation options is recorded as a reduction of share capital as share issuance costs. When a warrant is exercised, forfeited or expires, the initial value recorded is reversed from reserves and credited to share capital.

Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The corresponding amount is recorded to the stock option reserve or share capital. The fair value of options is determined using the Black-Scholes Option Pricing Model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest. Over the vesting period, share-based payments are recorded as an operating expense and as reserves. When options are exercised, the consideration received is recorded as share capital and the related share-based payments originally recorded as reserves are transferred to share capital. When an option is forfeited or expires, the initial recorded value is reversed from reserves and credited to deficit.

The Company grants restricted share unit's ("RSUs") to eligible directors, officers, employees, and consultants of the Company. The fair value of the estimated number of RSUs that will eventually vest, determined at the date of grant, is recognized as share-based payments expense over the vesting period, with a corresponding amount recorded as equity since the Company expects to settle the RSUs with common shares. The fair value of the RSUs is estimated using the market value of the underlying shares as well as assumptions related to the market and non-market conditions at the grant date.

Income taxes

Current tax expense is based on the results for the year as adjusted for items that are not taxable or not deductible. Current tax is calculated using tax rates and laws that were enacted or substantively enacted at the end of the reporting period, adjusted for amendments if any, to tax payable from previous years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established, where appropriate, on the basis of amounts expected to be paid to tax authorities.

Deferred tax is calculated based on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

3. Summary of Significant Accounting Policies (Continued)

Income taxes (Continued)

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the reporting date.

Impairment of non-financial assets

At the end of each reporting period the carrying amounts of the assets are reviewed to determine whether there is any indication that those assets are impaired. Impairment is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less costs to sell and its value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. The impairment loss is recognized in profit or loss in the consolidated statement of loss and comprehensive loss for the period. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount had no impairment loss been recognized. A reversal of an impairment loss is recognized immediately in profit or loss.

Financial instruments

Recognition, classification and measurement
Financial assets are classified and measured based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. IFRS 9 contains three primary measurement categories for financial assets: amortized cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit and loss ("FVTPL"). Financial assets are recognized in the statements of financial position if the Company has a contractual right to receive cash or other financial assets from another entity. Financial assets are derecognized when the rights to receive cash flows from the asset have expired or were transferred and the Company has transferred substantially all risks and rewards of ownership.

3. Summary of Significant Accounting Policies (Continued)

Financial instruments (Continued)

The Company recognizes a financial liability when it becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures financial liabilities at their fair value plus transaction costs that are directly attributable to their issuance, with the exception of financial liabilities subsequently measured at fair value through profit or loss for which transaction costs are immediately recorded in profit or loss. Subsequent to initial recognition, all financial liabilities are measured at amortized cost using the effective interest rate method. Interest, gains, and losses relating to a financial liability are recognized in profit or loss. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial instruments are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Company has classified its other receivable, trade payables, lease liability and other liabilities as financial assets and financial liabilities measured at amortized cost. Such assets and liabilities are recognized initially at fair value inclusive of any directly attributable transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment losses. Cash was measured at FVTPL.

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Derivatives are carried at fair value and are reported as assets when they have a positive fair value and as liabilities when they have a negative fair value. Changes in the fair values of derivative financial instruments are reported in profit or loss. The Company issued warrants exercisable in a currency other than the Company’s functional currency and as a result, these warrants were derivative financial instruments.

Impairment of financial assets
The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost. Loss allowances for accounts receivables are always measured at an amount equal to lifetime expected credit losses if the amount is not considered fully recoverable. A financial asset carried at amortized cost is considered credit-impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Individually significant financial assets are tested for credit-impairment on an individual basis. The remaining financial assets are assessed collectively.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

In assessing collective impairment, the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

3. Summary of Significant Accounting Policies (Continued)

Financial instruments (Continued)

Losses are recognized in profit or loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed.

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. 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.

New accounting standards issued but not yet effective

Certain new accounting standards and interpretations have been issued but are not mandatory for the current period and have not been early adopted. The Company is currently assessing the impact of these standards and does not expect the impact to be material to the Company's current or future reporting periods.

4. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the reporting period. 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.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods are outlined below:

- The Company has determined that intangible asset costs incurred which were capitalized have future economic benefits and will be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including anticipated cash flows and estimated economic life. The amortization expense related to intangible assets is determined using estimates relating to the useful life of the intangible asset.

(Expressed in Canadian dollars)

4. Significant Accounting Judgments, Estimates and Assumptions (Continued)

Judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements are outlined below.

- Critical judgment is involved in determining whether there are any indications of impairment for the cash generating unit which include the intangible assets and equipment and may require significant measurement uncertainty. The Company reviews the carrying amounts of its equipment when events or changes in circumstances indicate the asset will not be recoverable. Determining the recoverable amount of the individual assets of the cash generating unit is subject to estimates and judgements.

- The functional currency for the Company and its subsidiaries is the currency of the primary economic environment in which the entity operates. Determination of the functional currency involves certain judgments to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment. The Company has determined that the functional currency of the parent company and SAL is the Canadian dollar. The functional currency of its subsidiary, IBAT USA, Inc., has been determined to be the United States dollar.

- These consolidated financial statements have been prepared on a basis which assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether this assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions.

5. Amounts Receivable

	March 31, 2023	January 31, 2022
GST receivable	$ 22,626	$ 12,284
Other receivable	38,429	-
	$ 61,055	**$ 12,284**

6. Prepaid Expenses

	March 31, 2023	January 31, 2022
Prepaid expenses – current	$ 372,702	$ 5,092
Prepaid expenses – long term	275,800	-
	$ 648,502	$ 5,092

7. Equipment

During the fourteen months ended March 31, 2023, $455,640 (January 31, 2022 - $13,289,637) was paid or accrued by Sorcia Minerals LLC ("Sorcia") and $3,128,663 (January 31, 2022 - $3,282,533) was paid or accrued by EVL Holdings LLC ("EVL") to engineers, consultants, and fabricators on the Company's behalf (Note 12). EVL and Sorcia are related parties to the Company by virtue of their significant shareholdings. As the lithium extraction unit is not yet in use, no depreciation has been recorded.

(Expressed in Canadian dollars)

7. Equipment (Continued)

Cost	Lithium Extraction Unit	Computer	Office Equipment	Total
Balance at January 31, 2021	$ 4,158,827	$ 2,421	$ -	$ 4,161,248
Additions	19,969,248	-	-	19,969,248
Balance at January 31, 2022	24,128,075	2,421	-	24,130,496
Additions	8,820,859	2,282	1,996	8,825,137
Balance at March 31, 2023	**$ 32,948,934**	**$ 4,703**	**$ 1,996**	**$ 32,955,633**

Accumulated Depreciation	Lithium Extraction Unit	Computer	Office Equipment	Total
Balance at January 31, 2021	$ -	$ -	$ -	$ -
Depreciation	-	484	-	484
Balance at January 31, 2022	-	484	-	484
Depreciation	-	1,059	216	1,275
Balance at March, 2023	**$ -**	**$ 1,543**	**$ 216**	**$ 1,759**

Net Book Value	Lithium Extraction Unit	Computer	Office Equipment	Total
Balance at January 31, 2022	$ 24,128,075	$ 1,937	$ -	$ 24,130,012
Balance at March 31, 2023	**$ 32,948,934**	**$ 3,160**	**$ 1,780**	**$ 32,953,874**

8. Lithium Extraction Technology Asset Purchase

On April 12, 2018, the Company closed an asset purchase agreement with North American Lithium Inc. (“NAL”) and SAL, a company formerly controlled by shareholders of NAL, pursuant to which the Company acquired (i) NAL’s data, analysis and reports related to lithium extraction from oilfield brines for petro-lithium extraction projects for consideration of US$875,000 cash and (ii) 100% of the outstanding shares of SAL, which holds intellectual property for consideration of up to 25,309,488 common shares of the Company (the “Acquisition”).

At the closing of the asset purchase transaction the Company issued 4,700,000 common shares with a fair value of $2,256,000 as of the date of closing the asset purchase transaction. As part of the transaction, the Company also granted a 5% production income royalty to NAL on future product income.

(Expressed in Canadian dollars)

8. Lithium Extraction Technology Asset Purchase (Continued)

The additional 20,609,488 in share-based consideration for the acquisition is in the form of milestone shares ("Milestone Shares") and will be issued upon SAL achieving certain milestones (the "Milestones") as follows:

Milestone	Number of performance shares to be issued
i) Shares upon SAL and the Company filing three U.S. or foreign patent applications with respect to intellectual property (filings completed)	4,000,000
ii) Shares upon SAL and the Company filing three additional patents with respect to intellectual property (filings completed)	5,536,496
iii) Shares upon SAL and the Company filing three additional patents with respect to intellectual property (filings completed)	5,536,496
iv) Shares upon the Company completing either of the following: one or more private placement financing(s) resulting in the issuance of an aggregate of no less than 5,000,000 common shares in the Company; or completing a laboratory – scale pilot plant for the processing of lithium or lithium concentrates (issued on November 7, 2018)	5,536,496

The Milestone Shares were contingently issuable, and their fair value at the time of the acquisition was estimated using a probability-weighted analysis based on the probability of achieving the Milestones. The resulting valuation was recorded as obligation to issue Milestone Shares of $3,201,185. On November 7, 2018, the Company issued 5,536,496 Milestone Shares upon the satisfaction of Milestone (iv) above and transferred $2,657,734 from obligation to issue shares to share capital.

During the twelve months ended January 31, 2022, the Company satisfied all Milestones related to the original acquisition of assets. As a result, the fair value of the obligation of the Milestone Shares was re-valued to $5,426,022. The increase in the fair value of the Milestone Shares of $4,882,571 has also been reflected as an addition to the Company's intellectual property (Note 9). On February 7, 2023, the balance of 15,072,992 Milestone Shares were issued to the shareholders of NAL and $5,426,022 was transferred from obligation to issue shares to share capital.

8. Lithium Extraction Technology Asset Purchase (Continued)

In November 2018, the Company entered into licensing agreements as amended with Ensorcia Metals Corporation ("Ensorcia") and its wholly-owned subsidiaries, Sorcia and Ensorcia Argentina LLC ("EAL") whereby the Company issued lithium extraction technology licenses to Sorcia and EAL to use the first extraction systems manufactured by the Company in exchange for a six percent royalty (6%) on the gross sales price of all products produced and sold, less selling costs, using the licensed technology and a ten percent (10%) common membership interest in Sorcia and EAL. On February 4, 2021, the Company exchanged its ten percent (10%) interest in Sorcia and EAL for a ten percent (10%) participation interest in each of Sorcia's and EAL's future resource projects or lithium extraction facility where IBAT licensed rights are utilized. The definition of participation interest is to be agreed upon and calculated at the time any future resource projects are negotiated. By way of example, if a 50:50 joint venture is anticipated, the parties will reserve 10% participation interest for the Company, with the other signatories to the agreement each receiving a 45% interest. Ensorcia is a related party of the Company by virtue of significant shareholdings.

On February 21, 2023, the Company executed an amendment to the license agreements with Sorcia and EAL in which they agree to relinquish their rights to lease the first extraction system. In return, Sorcia and EAL shall receive priority over construction of the next IBAT extraction system on IBAT's construction schedule. The amendment to the agreements changed the termination date that the Company can terminate the agreement with Sorcia and EAL from December 31, 2023 to December 31, 2028.

The investments in Sorcia and EAL were accounted for as investments carried at FVTPL whose fair value at January 31, 2021 was $Nil. The participation interest in Sorcia's and EAL's future resource projects had a net value of $Nil at March 31, 2023 (January 31, 2022 - $Nil).

(Expressed in Canadian dollars)

9. Intangible Assets

Upon completion of the Acquisition (Note 8), the Company acquired certain intellectual property (the "Intellectual Property"), from the former shareholders of SAL. A continuity of the Company's intangible assets is as follows:

Cost		**Intellectual property – SAL**		**Patent**		**Total**
Balance, January 31, 2021	$	6,717,487	$	-	$	6,717,487
Additions		4,882,571		13,519		4,896,090
Balance, January 31, 2022		11,600,058		13,519		11,613,577
Additions		-		-		-
Balance, March 31, 2023	**$**	**11,600,058**	**$**	**13,519**	**$**	**11,613,577**

Accumulated Amortization		**Intellectual property – SAL**		**Patent**		**Total**
Balance, January 31, 2021	$	1,886,479	$	-	$	1,886,479
Amortization		1,383,731		78		1,383,809
Balance, January 31, 2022		3,270,210		78		3,270,288
Amortization		1,568,494		789		1,569,283
Balance, March 31, 2023	**$**	**4,838,704**	**$**	**867**	**$**	**4,839,571**

Net Book Value		**Intellectual property – SAL**		**Patent**		**Total**
At January 31, 2022	$	8,329,848	$	13,441	$	8,343,289
At March 31, 2023	**$**	**6,761,354**	**$**	**12,652**	**$**	**6,774,006**

10. Right-of-Use Asset

Cost		Office
Balance, January 31, 2022 and 2021	$	-
Additions		293,305
Depreciation		(93,771)
Foreign currency translation		14,846
Balance, March 31, 2023	**$**	**214,380**

Refer to Note 13 for a description of the lease.

(Expressed in Canadian dollars)

11. Deferred Acquisition Costs

On September 26, 2019, the Company, through its wholly owned subsidiary, entered into an agreement to purchase a reserve osmosis desalination system. As at March 31, 2023, the Company had paid $1,125,138 (US$884,067) (January 31, 2022 - $1,125,138 (US$884,067)).

A continuity of the Company's deferred acquisition costs is as follows:

Balance, January 31, 2021	$	229,967
Additions		896,046
Transfer to Lithium Extraction Unit		(1,125,138)
Translation adjustment		(875)
Balance, January 31, 2022 and March 31, 2023	**$**	**-**

12. Trade Payables and Other Liabilities

		March 31, 2023	**January 31, 2022**
Trade payables [(1)]	$	2,317,326	$ 6,697,211
Accrued liabilities [(2)]		467,837	12,981,051
	$	**2,785,163**	**$ 19,678,262**

(1) Included in trade payables is $960,495 (January 31, 2022 - $1,272,732) owed to EVL and $Nil (January 31, 2022 - $2,043,942) owed to Sorcia (Notes 14 and 16).

(2) Included in accrued liabilities is $Nil (January 31, 2022 - $2,009,801) owed to EVL and $Nil (January 31, 2022 - $10,534,389) owed to Sorcia (Notes 14 and 16).

13. Lease Liability

The Company entered into a sub-lease agreement for office space in Houston, Texas, commencing July 1, 2022 for a term of twenty-nine months at a monthly lease payment of USD$8,495. The lease liability is calculated using an incremental borrowing rate of 5.65%.

		Office
Balance, January 31, 2022 and 2021	$	-
Additions		293,305
Lease liability payments		(100,540)
Accretion expense		11,134
Foreign currency translation		14,971
Balance, March 31, 2023	$	218,870

Allocated as:		**Office**
Current	$	128,847
Non-current		90,023
Balance, March 31, 2023	$	218,870

(Expressed in Canadian dollars)

13. Lease Liability (Continued)

Maturity analysis		**March 31, 2023**
Less than one year	$	137,911
One to three years		91,941
Total undiscounted lease liability		229,852
Amount representing implicit interest		(10,982)
Lease liability	$	218,870

The Company has elected not to recognize a lease liability for leases with an expected term of 12 months or less. Additionally, certain variable lease payments are not permitted to be recognized as lease liabilities and are recognized in profit and loss as incurred.

14. Share Capital

Authorized

Authorized share capital: an unlimited number of common shares with no par value.

Issued and outstanding

For the fourteen months ended March 31, 2023, the Company:

a) On February 24, 2022, completed a private placement financing of 3,333,333 units for gross proceeds of US$10,000,000 ($12,766,859). Each unit consisted of one common share and one share purchase warrant with each warrant entitling the holder to purchase one additional common share for a period of two years from the date of issue at an exercise price of $3.83 per share. The Company recognized $7,472,117 to share capital and $5,294,742 to reserves. The Company paid an advisory fee of US$600,000 ($766,274) and will pay US$300,000 upon the exercise of all of the warrants pursuant to the private placement, which will be recorded upon payment.

b) On March 9, 2022, issued 600,000 common shares to former directors for options that were exercised at $0.38 for gross proceeds of $228,000 which resulted in a transfer from equity reserves to share capital of $333,321.

c) On July 27, 2022, received notice of its former CFO exercising 100,000 options at an exercise price of $0.38 and 400,000 options at an exercise price of $0.19, reflecting a total value of $114,000. $83,000 was received in cash, and it was mutually agreed upon to settle the remaining amount of $31,000 against debt owing to the former CFO. On August 15, 2022, 500,000 common shares were issued to the former CFO which resulted in a transfer from equity reserves to share capital of $129,920.

d) On October 7, 2022, issued 2,550,000 common shares for options that were exercised at $0.38 for gross proceeds of $969,000 which resulted in a transfer from equity reserves to share capital of $1,416,615. Of these options exercised, 2,350,000 were exercised by the former CFO, 100,000 were exercised by the spouse of the former CFO and 100,000 were exercised by a consultant of the Company.

14. Share Capital (Continued)

e) On October 20, 2022, issued 300,000 common shares to the former CFO for options that were exercised at $0.62 for gross proceeds of $186,000 which resulted in a transfer from equity reserves to share capital of $234,960.

f) On January 30, 2023, issued 6,662,324 common shares at $0.305 per share for gross proceeds of $2,032,009 following the exercise of the pre-emptive rights under the private placement closed in August 2019. These common shares were issued at $0.305 per share which was based on the 30 day volume-weighted average price on January 6, 2021 when notice was required to be provided to the parties providing them the opportunity to exercise their pre-emptive rights under the private placement closed in August 2019. During the fourteen months ended March 31, 2023, the Company determined these parties were not provided the opportunity to acquire enough common shares to maintain their percentage holding in the Company when they were previously provided with notice on January 6, 2021 and advised each of the parties of their right to acquire an additional 3,331,162 common shares at $0.305 per share.

g) On February 7, 2023, issued 15,072,992 Milestone Shares to the shareholders of NAL in relation to SAL achieving certain milestones subsequent to the acquisition by the Company (Note 8), which resulted in a transfer from obligation to issue shares to share capital of $5,426,022. Included in the 15,072,992 Milestone Shares issued to the shareholders of NAL is 5,024,331 Milestone Shares that were issued to Dr. John Burba, Director of Global Technology, Director and former CEO. Christina Borgese and Marc Privitera through respective counsel, have agreed that the remaining 10,048,661 Milestone shares issued pursuant to the terms of the share exchange agreement will not be subject to the voluntary pooling conditions agreed to and accepted by Dr. Burba. The Company issued the remaining 10,048,661 Milestone shares to be equally distributed amongst each of Ms. Borgese and Mr. Privitera.

h) On March 21, 2023, closed a private placement of 17,250,000 units of the Company at a price per unit of $0.58 to Sorcia and EVL. Each unit consists of one common share and one common share purchase warrant entitling the holder thereof to acquire one common share of the Company at a price per common share of $0.58 until April 19, 2023. The Company recognized $6,433,488 to share capital and $3,571,512 to reserves. Upon closing of the private placement, Sorcia exercised 8,202,502 of its share purchase warrants at $0.58 per common share for 8,202,502 common shares, which resulted in a transfer from reserves to share capital of $1,698,280. Also, upon closing of the private placement, EVL exercised all 8,625,000 of its share purchase warrants at $0.58 per common share for 8,625,000 common shares, which resulted in a transfer from reserves to share capital of $1,785,756. In lieu of receiving cash proceeds for the issuance of 34,077,502 common shares, the Company settled $9,759,951 of its balance owing to Sorcia (Notes 12 and 16) and $10,005,000 of its balance owing to EVL (Notes 12 and 16).

For the twelve months ended January 31, 2022, the Company:

a) On February 8, 2021, issued a total of 3,333,333 common shares to Ensorcia on the exercise of warrants for cash proceeds of $94,192 (US$73,500) and the application of $352,019 (US$276,500) from obligation to issue shares.

b) On February 26, 2021, issued 225,000 common shares on the exercise of stock options for gross proceeds of $79,875, which resulted in a transfer from equity reserves to share capital of $75,746.

(Expressed in Canadian dollars)

14. Share Capital (Continued)

c) On March 4, 2021, issued a total of 4,664,306 common shares at $0.305 per share for the exercise of the pre-emptive rights under the private placement closed in August 2019. Under the terms of the private placement closed in August 2019, the placees were granted a pre-emptive right for two years from closing, in respect of any equity securities issuance by the Company, to purchase at fair market value the amount of securities required to maintain their percentage holding of the Company. The share price was based on the 30-day average market closing price for the 30 days prior to the Company sending a notice to the placees of their rights to exercise the pre-emptive rights. The Company has received a total of $711,307 for 2,332,153 common shares issued at $0.305 per share. The other 2,332,153 common shares were issued to Ensorcia in exchange for $711,306 of payments made by Sorcia on behalf of the Company.

d) Issued 1,666,667 common shares and 1,666,666 common shares on March 18, 2021 and March 31, 2021 respectively on the exercise of warrants for gross proceeds of $435,166 (US$350,000).

e) On June 23, 2021, issued 50,000 common shares on the exercise of warrants for gross proceeds of $5,000.

f) On July 7, 2021, issued 470,000 common shares on the exercise of warrants for gross proceeds of $47,000 which resulted in a transfer from equity reserves to share capital of $21,976.

g) On August 11, 2021, issued 200,000 common shares on the exercise of stock options for gross proceeds of $38,000 which resulted in a transfer from equity reserves to share capital of $37,184.

h) On December 6, 2021, issued 5,912,621 common shares on the exercise of warrants for gross proceeds of $782,473 (US$609,000).

Weighted average breakdown

Per share amounts

		For the fourteen months ended March 31, 2023		For the twelve months ended January 31, 2022
Weighted average number of shares outstanding:				
Issued common shares as at February 1		132,339,759		114,151,166
Effect of common shares issued during the year		8,723,333		11,878,691
Weighted average number of shares outstanding – basic		141,063,092		126,029,857
Dilutive effect of options		-		6,254,074
Weighted average number of shares outstanding – diluted		141,063,092		132,283,931
Income (loss) per share – basic and diluted	$	(0.12)	$	0.00

15. Reserves

Stock options

The Company has a stock option plan (the "Plan") which provides eligible directors, officers, employees and consultants of the Company with the opportunity to acquire an ownership interest in the Company and is the basis for the Company's long-term incentive scheme. The Plan is administered by the Board, or if appointed, by a special committee of directors appointed from time to time by the Board. The maximum number of common shares issuable under the Plan shall not exceed 10% of the number of common shares of the Company issued and outstanding as of each award date, inclusive of all common shares reserved for issuance pursuant to previously granted stock options. The exercise price of options granted under the Plan will not be less than the closing market price of the Company's common shares on the exchange. The options have a maximum term of ten years from date of issue and vesting is determined by the Board.

During the fourteen months ended March 31, 2023:

- On March 5, 2022, the Company granted 1,000,000 stock options exercisable at $4.37 for a period of five years to directors and management of the Company. The options vested immediately upon grant. The fair value of the options of $3,826,912 was recorded as share-based payment expense included in general and administrative expenses and was calculated using the Black-Scholes Option Pricing Model.
- On March 9, 2022, 600,000 stock options were exercised which resulted in a transfer from equity reserves to share capital of $333,321 (Note 14).
- On May 16, 2022, the Company granted 200,000 stock options exercisable at $4.10 for a period of five years to an employee of the Company. The options vest equally over 3 years commencing on the date of grant. The fair value of the options vested during the fourteen month period ended March 31, 2023 of $466,599 was recorded as share-based payment expense included in general and administrative expenses and was calculated using the Black-Scholes Option Pricing Model.
- On July 1, 2022, the Company granted 600,000 stock options exercisable at $3.50 for a period of five years to the CEO and former President of the Company. 300,000 options vested upon the date of grant, and 300,000 options vest one year from the date of grant. The fair value of the options vested during the fourteen month period ended March 31, 2023 of $1,609,566 was recorded as share-based payment expense included in general and administrative expenses and was calculated using the Black-Scholes Option Pricing Model.
- On August 15, 2022, 500,000 stock options were exercised which resulted in a transfer from equity reserves to share capital of $129,920 (Note 14).
- On October 7, 2022, 2,550,000 stock options were exercised which resulted in a transfer from equity reserves to share capital of $1,416,615 (Note 14).
- On October 20, 2022, 300,000 stock options were exercised which resulted in a transfer from equity reserves to share capital of $234,960 (Note 14).

During the twelve months ended January 31, 2022:

- On February 26, 2021, 225,000 stock options were exercised which resulted in a transfer from equity reserves to share capital of $75,746 (Note 14).

(Expressed in Canadian dollars)

15. Reserves (Continued)

- On June 15, 2021, 400,000 stock options were issued to directors and advisory board members of the Company. The fair value of the options of $203,395 was recorded as share-based payment expense included in general and administrative expenses and was calculated using the Black-Scholes Option Pricing Model.
- On August 11, 2021, 200,000 stock options were exercised which resulted in a transfer from equity reserves to share capital of $37,184 (Note 14).
- On January 21, 2022, 320,000 stock options were issued to consultants of the Company. The fair value of the options of $253,224 was recorded as share-based payment expense included in general and administrative expenses and was calculated using the Black-Scholes Option Pricing Model.

The following table summarizes information regarding stock options outstanding and exercisable as at March 31, 2023:

Exercise price	Expiry date	Number of options outstanding	Number of options exercisable	Weighted-average remaining contractual life (years)
$0.19	August 28, 2023	800,000	800,000	0.41
$0.38	January 5, 2026	4,898,500	4,898,500	2.77
$0.57	June 15, 2026	400,000	400,000	3.21
$3.19	January 21, 2027	320,000	240,000	3.81
$4.37	March 5, 2027	1,000,000	1,000,000	3.93
$4.10	May 16, 2027	200,000	50,000	4.13
$3.50	July 1, 2027	600,000	300,000	4.25
Total		**8,218,500**	**7,688,500**	**2.89**

Warrants

The following table summarizes information regarding warrants outstanding and exercisable as at March 31, 2023:

Exercise price	Expiry date	Number of warrants outstanding and exercisable	Weighted-average remaining contractual life (years)
$3.83	February 24, 2024	3,333,333	0.90
$0.58	April 19, 2023	422,498	0.05
Total		**3,755,831**	**0.81**

During the fourteen months ended March 31, 2023:

- On February 24, 2022, the Company issued 3,333,333 share purchase warrants (Note 14) as part of a private placement financing with each warrant entitling the holder to purchase one additional common share for a period of two years from the date of issue at an exercise price of $3.83 per share. The Company paid an advisory fee of US$600,000 and will pay an additional US$300,000 upon the exercise of all of the warrants pursuant to the private placement (Note 14).

15. Reserves (Continued)

- On March 21, 2023, the Company issued 17,250,000 share purchase warrants (Note 14) as part of a private placement with Sorcia and EVL with each warrant entitling the holder to purchase one additional common share until April 19, 2023, at an exercise price of $0.58 per share. On March 21, 2023, Sorcia exercised 8,202,502 of its warrants at $0.58 per common share and EVL exercised all 8,625,000 of its warrants at $0.58 per common share (Note 14). In lieu of receiving cash proceeds for the exercise of the 8,202,502 and 8,625,000 warrants for Sorcia and EVL, respectively the Company settled $4,757,451 and $5,002,500 of the balance owing to Sorcia and EVL, respectively.

During the twelve months ended January 31, 2022:

- A total of 6,666,666 warrants were exercised at US$0.105 per share (Note 14). These warrants were exercisable in a currency other than the Company's functional currency and were initially recorded as a derivative liability.
- A total of 5,912,621 warrants were exercised at US$0.103 per share (Note 14). These warrants were exercisable in a currency other than the Company's functional currency and were initially recorded as a derivative liability.
- A total of 520,000 warrants were exercised at $0.10 per share. As a result, $21,976 was reversed from reserves and credited to share capital.

Derivative liability

During the year ended January 31, 2020, the Company issued a total of 12,579,287 warrants exercisable in a currency other than the Company's functional currency. These warrants have been accounted for as a derivative liability. During the year ended January 31, 2022, all 12,579,287 warrants were exercised. At the settlement dates, the warrants were re-valued using the Black-Scholes Option Pricing Model.

The Company's derivative liability arose as a result of the issuance of warrants exercisable in United States dollars. As the denomination was different from the Company's Canadian dollar functional currency, the Company recognized a derivative liability for these warrants and remeasured the liability at the end of each reporting period using the Black-Scholes Option Pricing Model.

A reconciliation of the changes in the derivative liability during the period is as follows:

Balance, January 31, 2021	$	4,239,699
Derecognition and fair value change upon exercise		(4,239,699)
Balance, January 31, 2022 and March 31, 2023	**$**	**-**

(Expressed in Canadian dollars)

15. Reserves (Continued)

Stock option and warrant transactions are summarized as follows:

	Warrants			Options		
	Number		Weighted average exercise price	Number		Weighted average exercise price
Balance, January 31, 2021	13,099,287	$	0.13	10,073,500	$	0.36
Granted	-		-	720,000		1.73
Exercised	(13,099,287)		0.13	(425,000)		0.28
Balance, January 31, 2022	-		-	10,368,500		0.46
Granted	20,583,333		1.11	1,800,000		4.05
Exercised	(16,827,502)		0.58	(3,950,000)		0.38
Balance, March 31, 2023	**3,755,831**	**$**	**3.46**	**8,218,500**	**$**	**1.28**

During the fourteen months ended March 31, 2023, the weighted average share price at the date of options exercised was $3.81 (twelve months ended January 31, 2022 - $0.83). The weighted average share price at the date of warrants exercised was $1.30 (twelve months ended January 31, 2022 - $1.23)

Fair value determination

Fair values were estimated using the Black-Scholes Option Pricing Model with the following assumptions:

	Fourteen months ended March 31, 2023		Twelve months ended January 31, 2022	
	Options	Warrants	Options	Warrants
Risk-free interest rate	1.49 – 3.10%	1.52 – 3.70%	0.84 – 1.62%	N/A
Share price on grant date	$3.50 – $4.37	$1.30 – $3.72	$0.57 – $3.26	N/A
Expected volatility	134 – 136%	39 – 149%	137 – 143%	N/A
Expected life (years)	5.00	0.08 – 2.00	5.00	N/A
Expected dividend yield	0.00%	0.00%	0.00%	N/A

The expected volatility assumptions have been developed taking into consideration historical volatility of the Company’s share price.

(Expressed in Canadian dollars)

15. Reserves (Continued)

Restricted Share Unit Plan

On November 25, 2020, the Company adopted a restricted share unit plan (the "RSU Plan") which allows for certain discretionary bonuses and similar awards, related to the achievement of long-term financial and strategic objectives of the Company, to be provided to eligible directors, officers, employees and consultants of the Company. The RSU Plan is administered by the Board, or if appointed, by a special committee of directors appointed from time to time by the Board. The maximum number of common shares issuable under the RSU Plan shall not exceed 10% of the number of common shares of the Company issued and outstanding as of each award date. The CEO and former President of the Company was issued $600,000 USD ($773,160) in restricted share units on July 1, 2022 with $300,000 USD ($386,580) of the restricted share units vesting on July 1, 2023 and the remaining $300,000 USD ($386,580) of restricted share units vesting on July 1, 2024. The Company issued 220,902 restricted share units based on a share price of $3.50 on July 1, 2022 with 110,451 of the units vesting on July 1, 2023 and 110,451 units vesting on July 1, 2024.

Restricted share unit transactions are summarized as follows:

	Outstanding
Balance, January 31, 2021 and 2022	-
Granted	220,902
Balance, March 31, 2023	220,902

During the fourteen months ended March 31, 2023, the Company recognized $434,227 (twelve months ended January 31, 2022 - $Nil) of share-based payments in relation to the restricted share units.

16. Related Party Transactions

Key management personnel compensation and other related party transactions

Key management personnel include directors and officers of the Company. The remuneration of directors and other members of key management are as follows:

		Fourteen months ended March 31, 2023		**Twelve months ended January 31, 2022**
Management fees, salaries and benefits [1]	$	1,306,504	$	430,556
Directors' fees [1]		414,483		56,500
Share-based payments [1]		5,870,705		101,697
	$	7,591,692	$	588,753

[1] Management fees, salaries and benefits, directors fees and share-based payments are included in general and administrative expenses.

16. Related Party Transactions (Continued)

The Company has entered into agreements with officers that include termination and change of control clauses. In the case of termination and change of control, the officers are entitled to certain amounts payable. As at March 31, 2023, the Company had two of these types of agreements with officers of the Company that totaled annual base fees of $703,500. In the case of termination, the officers are entitled to an amount equal to $485,750 and a bonus payment equal to the pro-rata portion of annual or target bonus for the year. In a change of control the foregoing applies as well as accelerated vesting of equity awards.

During the fourteen months ended March 31, 2023 and twelve months ended January 31, 2022, other related party transactions consisted of the following:

- Included in general and administrative expenses is $27,000 (2022 - $36,000) in office administrative fees paid to a Company controlled by the wife of the Company's former CFO and Director.

- Included in general and administrative expenses is $16,800 (2022 - $21,000) in rent paid to a Company with common directors.

- Included in general and administrative expenses is $11,545 (2022 - $Nil) in advertising and promotion fees paid to the son of the Company's Director of Global Technology, Director and former CEO.

- During the year ended January 31, 2021, Ensorcia, Sorcia and EVL became significant shareholders of the Company. During the fourteen months ended March 31, 2023, the Company issued Nil common shares (2022 – 2,332,153 common shares) to Ensorcia at a value of $Nil (2022 - $711,306) for payments made by Sorcia on behalf of the Company (Note 14).

- During the fourteen months ended March 31, 2023, Ensorcia exercised Nil warrants (2022 - 3,333,333 warrants) for gross proceeds of $Nil (2022 - $446,211 (US$350,000)).

- During the fourteen months ended March 31, 2023, the Company issued 3,331,162 common shares to Ensorcia at $0.305 per share for gross proceeds of $1,016,004 (Note 14) following the exercise of the pre-emptive rights under the private placement closed in August 2019.

- During the fourteen months ended March 31, 2023, the Company closed a private placement of 17,250,000 units of the Company at a price per unit of $0.58 to Sorcia and EVL. Each unit consists of one common share and one common share purchase warrant entitling the holder thereof to acquire one common share of the Company at a price per common share of $0.58. Upon closing of the private placement, Sorcia exercised 8,202,502 of its share purchase warrants at $0.58 per common share for 8,202,502 common shares. Also, upon closing of the private placement, EVL exercised all 8,625,000 of its share purchase warrants at $0.58 per common share for 8,625,000 common shares. In lieu of receiving cash proceeds for the issuance of 34,077,502 common shares, the Company settled $9,759,951 of its balance owing to Sorcia (Notes 12 and 14) and $10,005,000 of its balance owing to EVL (Notes 12 and 14) with the proceeds receivable.

- During the fourteen months ended March 31, 2023, the Company granted 1,000,000 stock options exercisable at a price of $4.37 per share for a period of five years to directors and management of the Company (Note 15).

(Expressed in Canadian dollars)

16. Related Party Transactions (Continued)

- During the fourteen months ended March 31, 2023, the Company granted 600,000 stock options exercisable at a price of $3.50 per share for a period of five years to the President of the Company (Note 15). During the fourteen months ended March 31, 2023, the Company also granted $600,000 USD of restricted share units to the President of the Company with $300,000 USD of the restricted share units vesting on July 1, 2023 and $300,000 USD of the restricted share units vesting on July 1, 2024 (Note 15).

Due from/to related parties

At March 31, 2023, $1,245,861 (January 31, 2022 - $16,265,891) was due to directors and former directors and related parties and is included in trade payables and accrued liabilities. The amounts were unsecured, non-interest bearing and due on demand.

At March 31, 2023, $Nil (January 31, 2022 - $12,578,331) was owed to Sorcia and $960,495 (January 31, 2022 - $3,282,533) was owed to EVL (Note 12). These balances owing were a result of Sorcia and EVL making payments on the Company's behalf for the development of the lithium extraction unit.

17. Income Taxes

Provision for income taxes

The provision (recovery) for income taxes differs from the amount that would have resulted by applying the combined Canadian federal and provincial statutory tax rates.

	For the fourteen months ended March 31, 2023 $	**For the twelve months ended January 31, 2022 $**
Income (loss) before income taxes	(17,156,958)	187,213
Expected income tax (recovery)	(4,632,000)	51,000
Change in statutory, foreign exchange rates and other	2,000	(101,000)
Permanent differences	1,880,000	(668,000)
Share issuance cost	(211,000)	-
Adjustment to prior years provision versus statutory tax return	114,000	52,000
Change in unrecognized deductible temporary differences	2,847,000	666,000
Income tax recovery	-	-

(Expressed in Canadian dollars)

17. Income Taxes (Continued)

Temporary differences

The significant components of the Company's unrecorded deferred tax assets are as follows:

	As at March 31, 2023 $	As at January 31, 2022 $
Non-capital loss carryforward	5,547,000	2,845,000
Property and equipment	1,000	(47,000)
Exploration and evaluation properties	168,000	173,000
Intangible assets	330,000	362,000
Right-of-use asset	(52,000)	-
Lease liability	54,000	-
Allowable capital losses	1,000	1,000
Share issue costs	166,000	33,000
	6,215,000	3,367,000
Unrecognized deferred tax assets	(6,215,000)	(3,367,000)
Net deferred tax assets	-	-

As at March 31, 2023, the Company had non-capital tax loss carryforwards in Canada of $17,415,000 which can be applied to reduce future Canadian taxable income and will expire between 2030 and 2043. In addition, the Company had net operating tax loss carryforwards in the United States of $3,457,000 (USD $2,572,000) which can be applied to reduce future U.S. taxable income and will expire in between 2039 and 2043.

As of March 31, 2023, the Company has unrecognized deferred tax liability of $2,043,000 (2022 - $918,000) due to temporary differences arising on the initial recognition of the acquisition of all of the issued and outstanding shares of SAL.

(Expressed in Canadian dollars)

18. General and Administrative Expenses

		For the fourteen months ended March 31, 2023		For the twelve months ended January 31, 2022
Advertising and promotion (Note 16)	$	213,559	$	196,798
Accretion expense		11,134		-
Bank charges and interest		24,900		49,183
Depreciation (Notes 7 and 10)		95,046		484
Filing fees		57,056		34,337
Foreign exchange loss		1,408,594		72,216
Management fees, salaries and benefits (Note 16)		1,528,869		514,894
Meals and entertainment and travel		260,035		2,358
Office and miscellaneous (Note 16)		970,149		216,630
Professional fees		3,589,233		1,104,158
Rent (Note 16)		565,768		21,000
Share-based payments (Notes 15 and 16)		6,956,909		456,619
	$	**15,681,252**	**$**	**2,668,677**

During the fourteen months ended March 31, 2023, the Company reclassified consulting fees to different operating expense items on the consolidated statement of loss and comprehensive loss. For the twelve months ended January 31, 2022, consulting fees of $514,742 have been reclassified to different operating expense items on the consolidated statement of loss and comprehensive loss.

19. Supplemental Disclosures with Respect to Cash Flows

		For the Fourteen months ended March 31, 2023		For the twelve ended January 31, 2022
Equipment purchases included in trade payables and other liabilities	$	504,008	$	2,581,387
Equipment purchases included in amounts owed to EVL	$	960,495	$	3,282,533
Equipment purchases included in amounts owed to Sorcia	$	-	$	12,578,331
Right-of-use asset additions	$	293,305	$	-
Obligation to issue shares	$	-	$	4,882,571
Patent costs included in trade payables and other liabilities	$	-	$	6,879
Value of exercised options transferred to share capital	$	2,114,816	$	112,930
Value of exercised warrants transferred to share capital	$	3,484,036	$	21,976
Interest paid	$	11,133	$	-
Transfer of milestone shares	$	5,426,022	$	-
Shares issued for debt settlement	$	19,764,951	$	711,306

20. Contingency

In April 2021, former Company employees and directors and a company which they control, filed a complaint in the United States District Court for the District of Colorado against the Company for alleged wrongful dismissal and breach of a share exchange agreement. The complaint alleges non-payment of wages and benefits, appropriation of property and interference in outside employment. The Company is objecting to the complaint, has retained counsel to address and filed a countersuit alleging the counterclaim defendants diverted Company work to themselves and interfered with contractual relations. The amounts and outcome of the complaint cannot be determined at this time and has not been accrued for in the consolidated financial statements for the fourteen months ended March 31, 2023.

21. Capital Risk Management

The Company manages its capital structure and makes adjustments to it to effectively support the development and acquisition of technologies for the extraction and processing of lithium from various sources, as well as the acquisition of lithium resource properties. In the definition of capital, the Company includes, as disclosed on its consolidated statements of financial position: share capital, deficit and reserves.

The Company is dependent on external financing to fund its activities. In order to carry out the planned development and acquisitions and pay for general administrative costs, the Company will be using its existing working capital and will raise additional amounts as needed. The Company will continue to develop and acquire new technology if it feels there is sufficient 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 fourteen months ended March 31, 2023. The Company is not subject to externally imposed capital requirements and does not have exposure to asset-backed commercial paper or similar products.

(Expressed in Canadian dollars)

22. Financial Instruments and Risk Management

Categories of financial instruments

		March 31, 2023		January 31, 2022
FINANCIAL ASSETS				
FVTPL, at fair value				
Cash	$	406,860	$	336,175
At amortized cost				
Other receivable		38,429		-
Total financial assets	**$**	**445,289**	**$**	**336,175**
FINANCIAL LIABILITIES				
Other liabilities, at amortized cost				
Trade payables and other liabilities	$	2,785,163	$	19,678,262
Lease liability		218,870		-
Total financial liabilities	**$**	**3,004,033**	**$**	**19,678,262**

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

The fair value of financial assets and financial liabilities at amortized cost is determined based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the consolidated financial statements approximates their fair value due to the demand nature or short-term maturity of these instruments. Cash is measured using level 1 of the fair value hierarchy. Financial assets do not include amounts due from a government agency as it is a statutory (not contractual) obligation.

Credit risk

Financial instruments that potentially subject the Company to credit risk consist of cash and other receivable. The Company manages its credit risk relating to cash by dealing only with high-rated financial institutions as determined by rating agencies. As at March 31, 2023, other receivable of $38,429 are due from a vendor in relation to an overpayment. As a result, credit risk is considered insignificant. The Company does not consider any of its financial assets to be impaired.

22. Financial Instruments and Risk Management (Continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date. The Company is exposed to liquidity risk. The Company addresses its liquidity by raising capital through the issuance of equity. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future.

Foreign currency risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and the U.S. dollar will affect the Company's operations and financial results. The operating results and financial position of the Company are reported in Canadian dollars.

As at March 31, 2023, the Company held cash of approximately $391,468 and trade payables and other liabilities of $2,056,404 denominated in U.S. dollars. As at March 31, 2023, if the value of the Canadian dollar had strengthened or weakened by 5% against the U.S. dollar, with all other variables held constant, comprehensive income would have been approximately $83,000 lower or higher respectively.

Other risks

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest rate risk and commodity price risk arising from financial instruments.

23. Segmented Information

The Company has a single reportable segment, the acquisition and development of advanced technology focused on Lithium brine extraction. All non-current assets are domiciled in the United States.

24. Subsequent Events

On April 19, 2023, Sorcia exercised its remaining 422,498 warrants at $0.58 per share for gross proceeds of $245,049 (Note 15).

On April 21, 2023, the Company amended the exercise price of 3,333,333 warrants issued under the private placement completed on February 24, 2022 from $3.83 per share to $1.21 per share.

On April 21, 2023, the Company closed a private placement financing of 6,396,999 units at a price of $1.04635 per unit for gross proceeds of $6,693,500 (USD$5,000,000). Each Unit consists of one common share and one common share purchase warrant, with each warrant entitling the holder to purchase one additional common share for a period of two years from the date of issuance at an exercise price of $1.21 per share.

On May 3, 2023, the Company issued an option to purchase 400,000 common shares of the Company to Garry Flowers, CEO at an exercise price of $1.12 exercisable immediately. The option grant expires on May 3, 2028.

24. Subsequent Events (Continued)

On May 3, 2023, the Company issued an option to purchase 200,000 common shares of the Company to Joshua Hebert upon his promotion to Vice President of Field Operations, at an exercise price of $1.12. The shares are fully exercisable on May 3, 2024 and the option grant expires on May 3, 2028.

On May 3, 2023, the Company issued an option to purchase 300,000 common shares of the Company to John Burba, Executive Chairman of the Board, at an exercise price of $1.12 exercisable immediately. The option grant expires on May 3, 2028.

On May 3, 2023, the Company issued an option to purchase 300,000 common shares of the Company to Tony Colletti, former President and member of the Board of Directors, at an exercise price of $1.12 exercisable immediately. The option grant expires on May 3, 2028.

On May 3, 2023, the Company issued an option to purchase 300,000 common shares of the Company to Maria Echaveste, member of the Board of Directors, at an exercise price of $1.12 exercisable immediately. The option grant expires on May 3, 2028.

On May 3, 2023, the Company issued an option to purchase 300,000 common shares of the Company to Foy Wyman Morgan, member of the Board of Directors, at an exercise price of $1.12 exercisable immediately. The option grant expires on May 3, 2028.

On May 3, 2023, the Company issued an option to purchase 300,000 common shares of the Company to William Webster, member of the Board of Directors, at an exercise price of $1.12 exercisable immediately. The option grant expires on May 3, 2028.

On June 7, 2023, the Company amended the exercise price of 1,800,000 stock options previously granted to officers, directors and employees of the Company with exercise prices ranging from $3.50 to $4.37 per share to the greater of $1.12 per share and the greater of the trading price of the Company's common shares immediately proceeding the date of grant and the trading price of the Company's common shares on the date of grant. In order to amend the exercise price of the 1,800,000 stock options, the Company cancelled the stock options on June 7, 2023 and re-issued them on July 7, 2023 following a thirty day grace period at the amended exercise price of $1.41 per share, which was the trading price of the Company's common shares on the date of grant.

On June 30, 2023, the Company granted 12,500 restricted share units to an employee and issued the shares to settle the RSUs.