Revive Therapeutics Ltd.

Condensed Interim Consolidated Financial Statements

Three Months Ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

(Unaudited)

Notice to Reader

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

Revive Therapeutics Ltd.

Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited)

As at	September 30, 2023	June 30, 2023
ASSETS		
Current assets		
Cash and cash equivalents	**$ 1,591,834**	$ 2,087,362
Restricted cash (note 5)	**50,000**	50,000
HST receivable	**20,242**	18,749
Lease receivable (note 6)	**119,385**	138,307
Prepaid expenses	**112,158**	57,672
Total current assets	**1,893,619**	2,352,090
Non-current assets		
Investments (note 7)	**162,500**	162,500
Equipment (note 9)	**1,322**	1,404
Lease receivable (note 6)	**-**	12,711
Intangible assets (note 8)	**11,723,000**	11,723,000
Total non-current assets	**11,886,822**	11,899,615
Total assets	**$ 13,780,441**	$ 14,251,705
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (notes 10 and 19)	**$ 3,250,000**	$ 3,301,134
Lease liability (note 12)	**128,912**	134,480
Total current liabilities	**3,378,912**	3,435,614
Non-current liabilities		
Lease liability (note 12)	**-**	25,214
Statute barred liabilities (note 11)	**79,539**	78,264
Loan payable (note 13)	**60,000**	60,000
Total liabilities	**3,518,451**	3,599,092
Shareholders' equity		
Share capital (note 14)	**45,979,756**	45,979,756
Warrants and broker and finder warrants (notes 15 and 16)	**12,584,216**	12,584,216
Contributed surplus (note 17)	**12,656,318**	12,656,318
Accumulated deficit	**(60,958,300)**	(60,567,677)
Total shareholders' equity	**10,261,990**	10,652,613
Total liabilities and shareholders' equity	**$ 13,780,441**	$ 14,251,705

Nature of operations and going concern (note 1)

Approved on behalf of the Board:

"Michael Frank", Director

"Andrew Lindzon", Director

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

Revive Therapeutics Ltd.
Condensed Interim Consolidated Statements of Comprehensive Loss
(Expressed in Canadian dollars)
(Unaudited)

For the three months ended September 30,	2023	2022
Expenses		
Research costs (notes 8 and 19)	**$ 133,385**	$ 1,159,268
Office expenses (note 20)	**110,999**	265,075
Consulting fees (note 19)	**132,402**	179,478
Professional fees (note 19(a)(i)(ii))	**37,655**	71,731
Depreciation and amortization (notes 8 and 9)	**82**	108
Comprehensive loss before the below items:	**414,523**	1,675,660
Accretion of lease liability (note 12)	**7,481**	12,974
Interest income	**(24,751)**	(17,040)
Finance income on sub-lease (note 6)	**(6,630)**	(12,278)
Comprehensive loss for the period	**$ (390,623)**	$ (1,659,316)
Comprehensive loss per share - basic and diluted (note 18)	**$ (0.00)**	$ (0.01)
Weighted average common shares outstanding - basic and diluted	**357,646,841**	324,168,794

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

Revive Therapeutics Ltd.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)
(Unaudited)

Three Months Ended September 30,	2023	2022
Cash flow from operating activities		
Comprehensive loss for the period	$ (390,623)	$ (1,659,316)
Adjustments for:		
Depreciation and amortization	82	108
Accretion of lease liability	7,481	12,974
Finance income on sub-lease	(6,630)	(12,278)
Foreign exchange loss	1,275	3,739
Net change in non-cash working capital:		
HST receivable	(1,493)	49,804
Prepaid expenses	(54,486)	(53,317)
Restricted cash	-	(50,000)
Accounts payable and accrued liabilities	(51,134)	(715,962)
Net cash and cash equivalents used in operating activities	(495,528)	(2,424,248)
Financing activities		
Proceeds from exercise of warrants, broker warrants and stock options	-	95,200
Lease payments	(38,263)	(38,009)
Proceeds from sublease	38,263	38,009
Net cash and cash equivalents provided by financing activities	-	95,200
Net change in cash and cash equivalents	(495,528)	(2,329,048)
Cash and cash equivalents, beginning of period	2,087,362	3,915,527
Cash and cash equivalents, end of period	$ 1,591,834	$ 1,586,479

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

Revive Therapeutics Ltd.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)
(Unaudited)

	Share capital						
	Number of shares	**Amount**	**Shares to be issued**	**Warrants and broker and finder warrants**	**Contributed surplus**	**Accumulated deficit**	**Total shareholders' equity**
Balance, June 30, 2022	**321,424,011**	**$ 43,112,924**	**$ 147,000**	**$ 11,194,084**	**$ 12,395,485**	**$ (54,246,777)**	**$ 12,602,716**
Common shares issued for exercise of warrants	3,460,000	369,189	(147,000)	(126,989)	-	-	95,200
Net loss for the period	-	-	-	-	-	(1,659,316)	(1,659,316)
Balance, September 30, 2022	**324,884,011**	**$ 43,482,113**	**$ -**	**$ 11,067,095**	**$ 12,395,485**	**$ (55,906,093)**	**$ 11,038,600**
Balance, June 30, 2023	**357,646,841**	**$ 45,979,756**	**$ -**	**$ 12,584,216**	**$ 12,656,318**	**$ (60,567,677)**	**$ 10,652,613**
Net loss for the period	-	-	-	-	-	(390,623)	(390,623)
Balance, September 30, 2023	**357,646,841**	**$ 45,979,756**	**$ -**	**$ 12,584,216**	**$ 12,656,318**	**$ (60,958,300)**	**$ 10,261,990**

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

1. Nature of Operations and Going Concern

Revive Therapeutics Ltd. (the "Company" or "Revive") was incorporated under the Business Corporations Act (Ontario) on March 27, 2012. The Company's shares traded on the TSX Venture Exchange (the "Exchange") under the symbol "RVV" and the Frankfurt Stock Exchange in Germany under the symbol "31R". Revive also trades in the United States under pink sheets as RVVTF. On July 19, 2019, the Company received final approval to list its common shares on the Canadian Securities Exchange (the "CSE"), and to voluntarily delist its common shares from the Exchange. The common shares commenced trading on the CSE at the market opening on July 23, 2019. The Company is focused on the development and commercialization of drugs for underserved medical needs. The Company's registered and legal office is located at The Canadian Venture Building, 82 Richmond Street East, Toronto, Ontario M5C 1P1.

These unaudited condensed interim consolidated financial statements were prepared on a going concern basis of presentation, which assumes that the Company will continue operations for the foreseeable future and be able to realize the carrying value of its assets and discharge its liabilities and commitments in the normal course of business. To date, the Company has not earned revenue and has an accumulated deficit of $60,958,300 as at September 30, 2023 (June 30, 2023 - $60,567,677). As at September 30, 2023, the Company had cash and cash equivalents of $1,591,834 (June 30, 2023 - $2,087,362) and a working capital deficiency of $1,485,293 (June 30, 2023 - working capital deficiency of $1,083,524). The Company’s ability to continue as a going concern is dependent upon its ability to obtain additional financing and or achieve profitable operations in the future. Management is aware, in making its assessment, of material uncertainties related to events or conditions that cast significant doubt upon the Company's ability to continue as a going concern.

These unaudited condensed interim consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. These adjustments could be material. The Company anticipates that it will have sufficient cash on hand to service the liabilities and fund operating costs for the period ending twelve months from these financial statements. The Company believes that, based on its cash flow forecasts, expected opportunities in the marketplace and the ability to reduce expenditures, if required, it could continue as a going concern for the foreseeable future. To achieve that, the Company will need to arrange future financing that will largely depend upon prevailing capital market conditions and the continued support of their shareholder base. Management will need to continue assessing its financing options to raise the funds required to continue its growth plans. However, there can be no assurance that management’s fund-raising plans will be successful. As a result, these factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company’s ability to continue as a going concern.

These unaudited condensed interim consolidated financial statements were authorized for issuance by the Board on November 29, 2023.

2. Significant Accounting Policies

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full audited annual financial statements.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRS issued and outstanding as of November 29, 2023, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual consolidated financial statements as at and for the year ended June 30, 2023, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending June 30, 2024 could result in restatement of these unaudited condensed interim consolidated financial statements.

New interpretations issued but not yet effective

Certain pronouncements were issued by the IASB or the Interpretations of the IFRS Interpretations Committee that are mandatory for accounting periods on or after July 1, 2023 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following has not yet been adopted and is being evaluated to determine their impact on the Company.

IFRS 10 – Consolidated Financial Statements ("IFRS 10") and IAS 28 – Investments in Associates and Joint Ventures("IAS 28") were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined, however early adoption is permitted.

3. Capital Management

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis. The Company considers its capital to be equity comprising share capital, warrants, broker and finder warrants, contributed surplus and accumulated deficit which at September 30, 2023 totalled $10,261,990 (June 30, 2023 - $10,652,613). The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. Selected information is provided to the Board of Directors of the Corporation. The Company's capital management objectives, policies and processes have remained unchanged during the period ended September 30, 2023.

(Expressed in Canadian dollars)

4. Fair Value Measurements

The following table illustrates the classification of the Company's financial instruments recorded at fair value within the fair value hierarchy as at September 30, 2023 and June 30, 2023:

September 30, 2023	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 1,591,834	$ -	$ -	$ 1,591,834
Restricted cash	50,000	-	-	50,000
Investments	-	-	162,500	162,500

June 30, 2023	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 2,087,362	$ -	$ -	$ 2,087,362
Restricted cash	50,000	-	-	50,000
Investments	-	-	162,500	162,500

Level 3 hierarchy:

The following table presents the changes in fair value measurement of financial instrument classified as Level 3. The financial instrument is measured at fair value utilizing non-observable market inputs.

Investment at fair value	Opening balance at July 1, 2023	Unrealized loss	Ending balance at September 30, 2023
Herman Holdings Limited ("HHL")	$ 162,500	$ -	$ 162,500

Investment at fair value	Opening balance at July 1, 2022	Unrealized loss	Ending balance at June 30, 2023
HHL	$ 250,000	$ (87,500)	$ 162,500

Within Level 3, the Company includes a non-public company investment. The key assumptions used in the valuation of the instrument include (but are not limited to) the value at which a recent common shares for debt settlement transaction was done by the investee.

The following table presents the fair value, categorized by key valuation techniques and the unobservable inputs used within Level 3 as at:

(Expressed in Canadian dollars)

4. Fair Value Measurements (continued)

Level 3 hierarchy (continued):

September 30, 2023

Investment name	Valuation technique	Fair value	Unobservable inputs
HHL	shares for debt settlement transaction	$ 162,500	Transaction price

As the valuation of investments for which market quotations are not readily available and are inherently uncertain, the values may fluctuate materially within short periods of time and are based on estimates, and determinations of fair value may differ materially from values that would have resulted if a ready market existed for the investments. As at September 30, 2023, a change in the transaction price of 5% would result in an increase/decrease in the fair value estimate of the investment of approximately $8,000, keeping all other variables constant.

5. Restricted cash

The Company has a corporate credit card with a major financial institution with an aggregate credit limit of $50,000. As at September 30, 2023, the financial institution holds $50,000 in a Guaranteed Investment Certificates (June 30, 2023 - $50,000) as collateral on the credit card amount as long as the credit card is active. The restricted cash amount would change if there was any change in the credit limit on the card.

6. Lease receivable

Balance, June 30, 2023	**$**	**151,018**
Reduction of lease receivable in settlement of lease liability		(38,263)
Finance income		6,630
Balance, September 30, 2023	**$**	**119,385**

Allocated as:		
Current	$	119,385
	$	**119,385**

The underlying sub-lease agreement terminates on August 31, 2024.

(Expressed in Canadian dollars)

7. Investments

Privately-held investment

In connection with the closing of the non-brokered private placement in February 2019, Revive acquired an aggregate of 2,500,000 common shares of HHL at a price of $0.30 per common share of HHL for gross payment of $750,000 representing 5% of the issued and outstanding HHL Shares. During the year ended June 30, 2020, the Company recorded an unrealized loss of $500,000 on investment in HHL common shares and during the year ended June 30, 2023, the Company recorded an unrealized loss of $87,500 on investment in HHL common shares and the fair value of the investment was $162,500 as at June 30, 2023. During the three months ended September 30, 2023, the fair value of the investment remained unchanged at $162,500.

8. Intangible Assets

Cost	Psilocybin	Psilocin	Total
Balance, June 30, 2023 and September 30, 2023	$ 6,557,000	$ 5,166,000	$ 11,723,000

Carrying value	Psilocybin	Psilocin	Total
Balance, June 30, 2023 and September 30, 2023	$ 6,557,000	$ 5,166,000	$11,723,000

Psilocin

On March 5, 2020, the Company completed its acquisition of all of the issued and outstanding securities in the capital of Psilocin Pharma Corp. ("Psilocin"), an arm's length party incorporated pursuant to the laws of the Province of Ontario. Psilocin is a specialty psychedelic sciences company focused on the development of Psilocybin-based therapeutics for significant unmet medical needs including rare and orphan indications.

Pursuant to the terms of a share exchange agreement dated March 4, 2020, Revive acquired all of the issued and outstanding securities of Psilocin through the issuance of an aggregate of 55 million common shares in the capital of Revive.

Psilocin was determined not to meet the definition of a business as per IFRS 3 as substantially all of the fair value of Psilocin was concentrated in one asset: its intellectual property. Accordingly, the acquisition was treated as an asset acquisition.

(Expressed in Canadian dollars)

8. Intangible Assets (continued)

Psilocin (continued)

Details of the allocation of the estimated fair value of identifiable assets acquired and purchase consideration are as follows:

Purchase consideration:	$	5,500,000
Identifiable net assets acquired:		
Intellectual property	$	5,500,000

Psilocin has developed patent-pending formulation and production solutions for the active compound Psilocybin. The process encompassed with its intellectual property cover methods of production of Psilocybin-based formulations. Psilocin has developed formulations to date which include the Hydroxy Line. The line will include PSY-0.1 -Capsules, PSY-0.2 -Sublingual Spray, PSY-0.3 -Gel Cap, PSY-0.4/0.5 -Effervescent Tablets, and PSY-0.6 -Breath Strips. The precisely dosed formulations will work with both natural and synthetically derived Psilocybin which will be targeted for clinical research and subject to U.S. Food and Drug Administration (“FDA”) approval in the treatment of depression, anxiety, bi-polar disorder, bulimia and anorexia nervosa, and a number of other diseases. Psilocin’s range of products have been engineered to work synergistically with the body’s own natural pathways of absorption while offering a contemporary approach to consumption.

Psilocin has filed key provisional patent applications with the U.S. Patent and Trademark Office that cover methods of production of Psilocybin-based formulations. Furthermore, Psilocin has a patent-pending portfolio that includes Psilocybin extraction and crystallization methodologies.

The costs of provisional patents and pending applications are not amortized until the patent is approved and are reviewed each reporting period to determine if it is likely that the patent will be successfully granted.

The recoverable amount of Psilocin is determined based on its fair value less cost of disposal. The fair value less cost of disposal is determined based on the market value of the shares issued for the acquisition of Psilocin and management experience of the market. The fair value less cost of disposal is categorized as level 3 in the fair value heirarchy.

Psilocybin

On February 17, 2021, the Company signed an asset purchase agreement (the "Agreement") with PharmaTher Inc. ("PharmaTher") a wholly-owned subsidiary of Newscope Capital Corporation to purchase the full rights to PharmaTher's intellectual property (the "Acquired Assets") pertaining to psilocybin (the "Acquisition").

Pursuant to the Agreement, Revive will pay aggregate consideration of up to $10 million (the “Purchase Price”). The Purchase Price will be satisfied as follows: (i) $3 million in cash will be paid on the closing date (paid); (ii) $4 million will be satisfied through the issuance of securities in the capital of Revive (issued) and (iii) up to $3 million, in either cash or securities in the capital of Revive, in the event that Revive achieves certain milestones, which include Revive obtaining FDA orphan drug designation for psilocybin in the treatment of stroke, traumatic brain injury, or cancer, the commencement of a Phase 2 clinical trial and the regulatory filing for market authorization, such as U.S. Food and Drug Administration (“FDA”) approval. In addition to the Purchase Price, Revive will also pay PharmaTher Holdings Ltd. a low single digit royalty on all future net sales of products derived from the Acquired Assets.

The costs of provisional patents and pending applications are not amortized until the patent is approved and are reviewed each reporting period to determine if it is likely that the patent will be successfully granted.

(Expressed in Canadian dollars)

8. Intangible Assets (continued)

BUCILLAMINE

Bucillamine is a disease-modifying anti-rheumatic drug, which is prescribed for rheumatoid arthritis in Japan and South Korea. The Company pursued the repurposing of bucillamine as a potential new treatment for gout and cystinuria. The Company entered into a material transfer agreement ("MTA") with the developer of bucillamine. The Company is exploring the use of Bucillamine as a potential novel treatment for infectious diseases including influenza and the coronavirus disease (COVID-19).

During the three months ended September 30, 2023, the Company incurred $69,815 (three months ended September 30, 2022 - $1,159,268) research costs for Bucillamine.

PSILOCYBIN

During the three months ended September 30, 2023, the Company incurred $63,570 (three months ended September 30, 2022 - $nil) research costs for Psilocybin-based formulations.

DRUG DELIVERY TECHNOLOGY

The Company is focused on commercializing novel delivery technologies to effectively deliver psychedelics and cannabinoids through the skin and/or directly into the affected area of the skin, otherwise known as topical delivery and also via the mouth, otherwise known as buccal delivery.

During the three months ended September 30, 2023, the Company incurred $nil (three months ended September 30, 2022 - $nil) research costs for drug delivery technology.

9. Equipment

Cost	Computer Equipment	Office Equipment	Total
Balance, June 30, 2023 and September 30, 2023	$ 7,171	$ 7,737	$ 14,908

Accumulated depreciation	Computer Equipment	Office Equipment	Total
Balance, June 30, 2023	$ 6,705	$ 6,799	$ 13,504
Depreciation during the period	35	47	82
Balance, September 30, 2023	$ 6,740	$ 6,846	$ 13,586

Carrying value	Computer Equipment	Office Equipment	Total
Balance, June 30, 2023	$ 466	$ 938	$ 1,404
Balance, September 30, 2023	$ 431	$ 891	$ 1,322

(Expressed in Canadian dollars)

10. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities of the Company are principally comprised of amounts outstanding for purchases relating to research and development and general operating activities.

	As at September 30, 2023	As at June 30, 2023
Accounts payable	**$ 2,625,715**	$ 2,662,449
Accrued liabilities	**624,285**	638,685
	$ 3,250,000	$ 3,301,134

	As at September 30, 2023	As at June 30, 2023
Less than 1 month	**$ 696,019**	$ 756,409
1 to 3 months	**23,094**	13,161
Greater than 3 months	**2,530,887**	2,531,564
	$ 3,250,000	$ 3,301,134

11. Statute Barred Liabilities

During the year ended June 30, 2020, the Company transferred $63,511 of accounts payable (the “Statute-barred Claims”) to non-current liabilities on the basis that any claims in respect of the Statute-barred Claims were statute barred under the Limitations Act (Ontario). The Statute-barred Claims relate to expenses billed by third-party vendors. Under IFRS, a financial liability can only be derecognized from the Company’s Statement of Financial Position when it is extinguished, meaning only when the contract is discharged or canceled or expires. The effect of the Limitations Act is to prevent a creditor from enforcing an obligation, but it does not formally extinguish the financial liability under IFRS.

It is the position of management of the Company that the Statute-barred Claims cannot be enforced by the creditors, do not create any obligation for the Company to pay out any cash and do not affect the financial or working capital position of the Company. The Statute-barred Claims are required to be reflected on the Company’s Statement of Financial Position as a result of the current interpretation of IFRS, but they are classified as non-current liabilities as the Company has no intention to pay these Statute-barred Claims and the creditors cannot enforce payment of the Statute-barred Claims.

As at September 30, 2023, the Company had statute-barred liabilities of $79,539 (June 30, 2023 - $78,264).

(Expressed in Canadian dollars)

12. Lease Liability

Balance, June 30, 2023	**$**	**159,694**
Accretion		7,481
Lease payments and settlement of lease receivable		(38,263)
Balance, September 30, 2023	**$**	**128,912**

Allocated as:		
Current	$	128,912
	$	**128,912**

The underlying lease agreement terminates on August 31, 2024.

13. Loan Payable

During the year ended June 30, 2020, the Company applied for the COVID-19 Relief Line of Credit as part of the Government-sponsored Canada Emergency Business Account (CEBA). The credit limit of $60,000 has an interest rate of 0% until December 31, 2020. On January 1, 2021, the operating line of credit was converted to a 3-year 0% interest term loan, to be repaid by December 31, 2023 of which $20,000 of the loan will be forgiven if $40,000 is repaid in full on or before December 31, 2023. If on December 31, 2023 the loan is not repaid, the Company can exercise the option for a 3-year term extension at an interest rate of 5% on the balance over the term extension period. The Company expects to pay the loan prior to December 31, 2023.

14. Share Capital

a) Authorized share capital

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

b) Common shares issued

As at September 30, 2023, the issued share capital amounted to $45,979,756 and there were nil shares held in escrow. Changes in issued share capital are as follows:

	Number of Common Shares	Amount
Balance, June 30, 2022	**321,424,011**	**$ 43,112,924**
Common shares issued for exercise of warrants	3,460,000	369,189
Balance, September 30, 2022	**324,884,011**	**$ 43,482,113**
Balance, June 30, 2023 and September 30, 2023	**357,646,841**	**$ 45,979,756**

(Expressed in Canadian dollars)

15. Warrants

The following table reflects the continuity of warrants for the periods ended September 30, 2023 and 2022:

	Number of Warrants	Weighted Average Exercise Price
Balance, June 30, 2022	**58,008,218**	**$ 0.56**
Exercised	(3,460,000)	0.07
Balance, September 30, 2022	**54,548,218**	**$ 0.58**
Balance, June 30, 2023 and September 30, 2023	**75,596,064**	**$ 0.51**

The following table reflects warrants issued and outstanding as at September 30, 2023:

Expiry Date and Description	Exercise Price ($)	Fair Value ($)	Number of Warrants Outstanding
February 12, 2024	0.70	8,770,163	46,920,000
January 12, 2026	0.20	1,602,858	28,676,064
	0.51	**10,373,021**	**75,596,064**

16. Broker and Finder Warrants

The following table reflects the continuity of broker and finder warrants for the periods ended September 30, 2023 and 2022:

	Number of Broker Warrants	Weighted Average Exercise Price
Balance, June 30, 2022 and September 30, 2022	**3,220,000**	**$ 0.50**
Balance, June 30, 2023 and September 30, 2023	**5,514,085**	**$ 0.35**

The following table reflects broker and finder warrants issued and outstanding as at September 30, 2023:

Expiry Date	Exercise Price ($)	Fair Value ($)	Number of Broker Warrants Outstanding
February 12, 2024	0.50	1,947,698	3,220,000
January 12, 2026	0.15	263,498	2,294,085
	0.35	**2,211,196**	**5,514,085**

(Expressed in Canadian dollars)

17. Stock Options

The Company has granted options for the purchase of common shares to its directors, officers, employees and certain consultants. The purpose of the plan is to attract, retain and motivate these parties by providing them with the opportunity, through share options, to acquire a proprietary interest in the Company and to benefit from its growth. These options are valid for a maximum of 10 years from the date of issue. Vesting terms and conditions are determined by the Board of Directors at the time of the grant. The maximum number of options to be issued under the plan shall not exceed 10% of the total number of common shares issued and outstanding.

The following table reflects the continuity of stock options for the periods ended September 30, 2023 and 2022:

	Number of Stock Options	Weighted Average Exercise Price
Balance, June 30, 2022 and September 30, 2022	**31,105,709**	**$ 0.41**
Balance, June 30, 2023	**30,755,709**	**$ 0.41**
Expired	(40,375)	0.30
Balance, September 30, 2023	**30,715,334**	**$ 0.41**

The following table reflects the actual stock options issued and outstanding as at September 30, 2023:

Expiry Date	Exercise Price ($)	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (exercisable)	Grant Date Fair Value
January 31, 2024	0.66	0.34	195,000	195,000	$ 87,772
February 10, 2025	0.60	1.37	280,000	280,000	104,450
April 10, 2027	0.28	3.53	165,000	165,000	36,374
April 22, 2024	0.17	0.56	125,334	125,334	14,193
December 27, 2029	0.07	6.25	3,150,000	3,150,000	160,082
May 25, 2030	0.33	6.65	5,100,000	5,100,000	1,638,191
August 6, 2025	0.33	1.85	6,000,000	6,000,000	2,148,379
August 12, 2025	0.36	1.87	2,500,000	2,500,000	727,961
August 12, 2025	0.35	1.87	1,250,000	1,250,000	364,173
August 24, 2025	0.35	1.90	300,000	300,000	76,789
June 21, 2026	0.35	2.73	9,500,000	9,500,000	4,428,995
July 19, 2026	0.60	2.80	100,000	100,000	53,285
August 10, 2026	0.60	2.86	200,000	200,000	95,005
August 16, 2026	0.60	2.88	200,000	200,000	71,989
November 1, 2026	0.60	3.09	1,000,000	1,000,000	518,696
November 15, 2026	0.60	3.13	400,000	400,000	178,926
November 17, 2026	0.60	3.13	100,000	100,000	46,160
November 30, 2026	0.60	3.17	150,000	150,000	73,499
			30,715,334	**30,715,334**	**$ 10,824,919**

(Expressed in Canadian dollars)

18. Net Loss per Common Share

The calculation of basic and diluted loss per share for the three months ended September 30, 2023 was based on the loss attributable to common shareholders of $390,623 (three months ended September 30, 2022 - $1,659,316) and the weighted average number of common shares outstanding of 357,646,841 (three months ended September 30, 2022 - 324,168,794).

Diluted loss per share did not include the effect of 75,596,064 warrants (three months ended September 30, 2022 - 54,548,218), 5,514,085 finder warrants (three months ended September 30, 2022 - 3,220,000) and 30,715,334 stock options (three months ended September 30, 2022 - 31,105,709) as they are anti-dilutive.

19. Related Party Balances and Transactions and Major Shareholders

(a) Related party balances and transactions:

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

Three Months Ended September 30,		**2023**		**2022**
Marrelli Support Services Inc. ("Marrelli Support") (i)	**$**	**10,503**	$	10,301
DSA Corporate Services Inc. and DSA Filing Services Limited (together, known as "DSA") (ii)	**$**	**19,889**	$	42,869
Marrelli Trust Company Limited ("Marrelli Trust") (iii)	**$**	**680**	$	15,628

(i) The Company owed Marrelli Support $3,881 as at September 30, 2023 (June 30, 2023 - owed $3,869) for the services of Carmelo Marrelli to act as Chief Financial Officer ("CFO") of the Company. This amount was included in accounts payable and accrued liabilities. The Company has entered into a consulting agreement (the "Marrelli Consulting Agreement") with Marrelli Support and Mr. Marrelli to provide the services as CFO of the Company. The term of the Marrelli Consulting Agreement commenced on July 14, 2013, and shall continue until terminated by either Mr. Marrelli or the Company. Pursuant to the Marrelli Consulting Agreement, Mr. Marrelli is entitled to receive monthly compensation of $1,250 per month, and incentive stock option grants on a reasonable basis, consistent with the grant of options to other grantees. In addition, Marrelli Support provides bookkeeping services to the Company. Mr. Marrelli is the Managing Director of Marrelli Support. The amounts charged by Marrelli Support are based on what Marrelli Support usually charges its clients. The Company expects to continue to use Marrelli Support for an indefinite period of time.

(ii) The Company owed DSA $15,606 as at September 30, 2023 (June 30, 2023 - $1,130) for corporate secretarial and filing services. This amount was included in accounts payable and accrued liabilities. DSA consists of two private companies beneficially controlled by Carmelo Marrelli, the CFO of the Company. Services were incurred in the normal course of operations for corporate secretarial, electronic filing and news dissemination services. The Company expects to continue to use DSA's services for an indefinite period of time.

(iii) The CFO of the Company is a director of Marrelli Trust, corporate trustee, transfer agent and registrar to the Company. Fees are related to shareholder, transfer agent and corporate trustee services provided by Marrelli Trust to the Company. As at September 30, 2023, Marrelli Trust was owed $350 (June 30, 2023 - $90).

(Expressed in Canadian dollars)

19. Related Party Balances and Transactions and Major Shareholders (continued)

(b) Remuneration of directors and key management personnel including Chief Executive Officer and Chief Financial Officer of the Company for the periods ended September 30, 2023 and 2022 was as follows:

Three Months Ended September 30,	2023	2022
Consulting fees	**$ 106,500**	$ 112,500

(c) Major shareholders:

As at September 30, 2023, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all of the common shares of the Company.

None of the Company's major shareholders have different voting rights other than holders of the Company's common shares.

The Company is not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company. The Company is not directly or indirectly owned or controlled by another corporation, by any government or by any natural or legal person severally or jointly.

20. Office Expenses

Three months ended September 30,	2023	2022
Reporting issuer costs	**$ 27,269**	$ 84,378
Administrative	**63,344**	157,762
Insurance	**19,261**	15,281
Travel and accommodation	**129**	-
Meals and entertainment	**-**	6,132
Bank charges	**996**	1,522
	$ 110,999	$ 265,075