VOLTA METALS LTD.
(formerly Cashbox Ventures Ltd.)

Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2023 and the period from April 19, 2022 (incorporation) to June 30, 2022

(Unaudited - Expressed in Canadian dollars)

Notice of Disclosure of Non-auditor Review of the Condensed Interim Consolidated Financial Statements for the three and six months ended June 30, 2023 and the period from April 19, 2022 (incorporation) to June 30, 2022

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*, part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of Volta Metals Ltd. (formerly Cashbox Ventures Ltd.) for the interim period ended June 30, 2023 and the period from April 19, 2022 (incorporation) to June 30, 2022, have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting,* as issued by the International Accounting Standards Board, and are the responsibility of management.

The independent auditors, Davidson & Company LLP, have not performed a review of these unaudited condensed interim consolidated financial statements.

August 17, 2023

VOLTA METALS LTD. (formerly Cashbox Ventures Ltd.)
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian dollars)
As at

	Note	**June 30, 2023**	December 31, 2022
		$	$
ASSETS			
Current			
Cash and cash equivalents		**1,565,960**	16,478
Receivables		**72,465**	1,705
Prepaid expenses		**19,500**	-
		1,657,925	18,183
Exploration and evaluation assets	6	**326,567**	177,567
Equipment	7	**65,962**	-
Total assets		**2,050,454**	195,750
LIABILITIES			
Current			
Accounts payable and accrued liabilities	9	**152,403**	14,993
Shareholder loans	9	**-**	75,000
Total liabilities		**152,403**	89,993
SHAREHOLDERS' EQUITY			
Share capital	8(b)	**3,473,224**	122,000
Reserves	8(c)(d)	**91,716**	-
Deficit		**(1,666,889)**	(16,243)
Total shareholders' equity		**1,898,051**	105,757
Total liabilities and shareholders' equity		**2,050,454**	195,750

Nature of business and going concern (Note 1)
Subsequent events (Note 13)

Approved and authorized for issue on behalf of the Board of Directors:

/s/ *Murray Hinz* — Director

/s/ *Mark Cruise* — Director

VOLTA METALS LTD. (formerly Cashbox Ventures Ltd.)
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian dollars)

	Note	**Three months ended June 30, 2023**	From April 19, 2022 (incorporation) to June 30, 2022	**Six months ended June 30, 2023**	From April 19, 2022 (incorporation) to June 30, 2022
		$	$	**$**	$
Operating expenses					
Depreciation	7	**2,275**	-	**2,275**	-
Directors' fees	9	**45,363**	-	**45,363**	-
Exploration and evaluation	6	**54,516**	-	**85,049**	-
General and administrative		**5,852**	-	**9,015**	-
Insurance		**1,167**	-	**1,167**	-
Management fees	9	**90,500**	-	**135,500**	-
Marketing and investor relations		**9,792**	-	**10,013**	-
Professional fees (recovery)	5	**(162,027)**	-	**24,432**	-
Share-based compensation	9	**78,415**	-	**78,415**	-
Transfer agent and filing fees		**3,019**	-	**3,077**	-
		128,872	-	**394,306**	-
Other expenses					
Interest expense	9	**-**	-	**(2,733)**	-
Listing expense	5	**(1,253,607)**	-	**(1,253,607)**	-
Loss and comprehensive loss		**(1,382,479)**	-	**(1,650,646)**	-
Net loss per share:					
Basic and fully diluted		**(0.08)**	-	**(0.15)**	-
Weighted average number of common shares:					
Basic and fully diluted		**16,896,103**	-	**10,968,562**	-

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

VOLTA METALS LTD. (formerly Cashbox Ventures Ltd.)
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited - Expressed in Canadian dollars)

	Six months ended June 30, 2023	From April 19, 2022 (incorporation) to June 31, 2022
	$	$
Operating activities:		
Loss and comprehensive loss for the period	**(1,650,646)**	-
Items not affecting cash:		
Depreciation	**2,275**	-
Share-based compensation	**78,415**	-
Interest expense	**2,733**	-
Listing expense	**1,253,607**	-
Changes in non-cash working capital:		
Receivables	**(70,760)**	-
Prepaids	**(19,500)**	-
Accounts payable and accrued liabilities	**38,482**	-
Cash used in operating activities	**(365,394)**	-
Investing activities:		-
Investment in exploration and evaluation assets	**(17,300)**	-
Purchase of equipment	**(68,237)**	-
Cash acquired in the Transaction (Note 5)	**584,299**	-
Cash paid for Transaction costs (Note 5)	**(490,886)**	-
Cash provided by investing activities	**7,876**	-
Financing activities:		
Proceeds from the issuance of common shares	**1,750,000**	-
Share issuance costs paid in cash	**(18,000)**	-
Proceeds from the loan receivable acquired in the Transaction	**250,000**	-
Repayment of shareholders loans	**(75,000)**	-
Cash provided by financing activities	**1,907,000**	-
Net change in cash and cash equivalents	**1,549,482**	-
Cash and cash equivalents, beginning of period	**16,478**	-
Cash and cash equivalents, end of period	**1,565,960**	-
Cash	**1,550,960**	-
Cash equivalents	**15,000**	-
Cash and cash equivalents, end of period	**1,565,960**	-
Supplemental cash flow information:		
Issuance of common shares in the Transaction (Note 5)	**1,487,524**	-
Issuance of warrants in the Transaction (Note 5)	**1,066**	-
Issuance of options in the Transaction (Note 5)	**12,235**	-
Issuance of common shares for exploration and evaluation assets (Note 6,8)	**131,700**	-

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

VOLTA METALS LTD. (formerly Cashbox Ventures Ltd.)
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Unaudited - Expressed in Canadian dollars, except number of shares)

	Number of shares	Share capital	Reserves	Deficit	Total shareholders' equity
	#	$	$	$	$
Balance, April 19, 2022 (date of incorporation)	-	-	-	-	-
Balance, June 30, 2022	-	-	-	-	-
Common shares issued in private placement	4,975,160	122,000	-	-	122,000
Loss and comprehensive loss for the period	-	-	-	(16,243)	(16,243)
Balance, December 31, 2022	4,975,160	122,000	-	(16,243)	105,757
Common shares issued for Transaction	14,875,235	1,487,524	13,301	-	1,500,825
Common shares issued in private placement	17,500,000	1,750,000	-	-	1,750,000
Share issuance costs	-	(18,000)	-	-	(18,000)
Common shares issued for Falcon Lake West Project	431,655	90,000	-	-	90,000
Common shares issued for Swole Lake Project	200,000	41,700	-	-	41,700
Share-based compensation	-	-	78,415	-	78,415
Loss and comprehensive loss for the period	-	-	-	(1,650,646)	(1,650,646)
Balance, June 30, 2023	**37,982,050**	**3,473,224**	**91,716**	**(1,666,889)**	**1,898,051**

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

1. NATURE OF BUSINESS AND GOING CONCERN

Volta Metals Ltd. (the "Company" or “Volta”) (previously known as Cashbox Ventures Ltd.) was incorporated under the laws British Columbia on April 3, 2018. The Company’s head office and principal address is Suite 700a, 390 Bay Street, Toronto, Ontario M5H 2Y2. The Company is listed on the Canadian Securities Exchange (the “CSE”) under the ticker symbol “VLTA” (previously “CBOX.X”). Volta is a lithium, tantalum and cesium focused Canadian exploration company, with land package in Ontario.

a) Reverse takeover transaction

LiCAN Exploration Inc. (“LiCAN”) is a privately held mineral exploration company incorporated on April 19, 2022 in the province of Ontario pursuant to the *Business Corporations Act* (Ontario). LiCAN has a portfolio of lithium exploration properties under option in Northwestern Ontario.

On March 27, 2023, Volta entered into a definitive agreement with LiCAN, whereby Volta would acquire all of the issued and outstanding common shares of LiCAN in exchange for common shares of Volta (the “Transaction”). As consideration for the LiCAN shares, Volta issued shares to the LiCAN shareholders, on the basis of approximately 0.41 Volta shares for each LiCAN share. Pursuant to the Transaction, Volta issued an aggregate of 4,975,160 Volta shares to LiCAN shareholders. In connection with the completion of the Transaction, all of the directors, except one, and all of the officers of Volta resigned. The Transaction constituted a reverse takeover acquisition for accounting purposes whereby LiCAN acquired Volta. For accounting purposes, LiCAN is treated as the accounting acquirer (legal subsidiary), and Volta is treated as the accounting acquiree (legal parent) in these consolidated financial statements and these consolidated financial statements are presented as the continuation of the financial statements of LiCAN. The comparative figures are those of LiCAN prior to the reverse takeover acquisition. Volta’s results of operations are included from the transaction date, May 26, 2023.

Effective May 26, 2023, the Transaction closed whereby LiCAN issued 14,875,235 common shares to Volta’s shareholders (Note 5). In connection with the completion of the Transaction, Volta cancelled 2,808,546 stock options and 509,704 warrants which resulted in 299,078 stock options and 150,000 warrants remaining.

Concurrent with the Transaction, the Company completed a consolidation of its common shares on a ten for one basis. All share and per share amounts have been retrospectively adjusted to reflect the consolidation. Any references to common shares are on a post-consolidation basis. Numbers of warrants and stock options and their respective exercise prices have been retrospectively adjusted to reflect the effects of the consolidation. In addition, in connection with the Transaction, the Company completed a non-brokered private placement of 17,500,000 subscription receipts at a price of $0.10 per receipt for gross proceeds of $1,750,000 with each subscription receipt entitling the holder to one common share of the Company upon the closing of the Transaction. In connection with the completion of the Transaction, Cashbox Ventures Ltd. changed its name to Volta Metals Ltd.

b) Going concern

The Company’s principal business activities include the acquisition and exploration of mineral property assets. The Company is in the exploration stage with respect to its interests in exploration and evaluation assets. The recoverability of the amounts comprising exploration and evaluation assets is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete their exploration and development, and upon future profitable production.

These unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2023 and the period from April 19, 2022 (incorporation) to June 30, 2022 (the “financial statements”) have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at June 30, 2023, the Company has not yet achieved profitable operations. The continuing operations of the Company are dependent upon obtaining the necessary financing to meet the Company’s commitments as they become due and its ability to finance future exploration and development of potential business acquisitions, economically recoverable reserves, securing and maintaining title and beneficial interest in the properties, and upon future profitable production. Failure to continue as a going concern would require that assets and liabilities be recorded at their liquidation values, which may differ materially from their carrying values. These financial statements do not include adjustments that would be necessary should the Company be unable to continue as a going concern.

2. BASIS OF PRESENTATION

a) Statement of compliance

These financial statements were approved by the Board of Directors and authorized for issue on August 17, 2023.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee applicable to the preparation of interim financial statements including International Accounting Standard 34 *Interim Financial Reporting*.

b) Basis of measurement

The financial statements have been prepared using the historical cost basis, except for certain financial assets and liabilities which are measured at fair value, as specified by IFRS for each type of asset, liability, income, and expense as set out in the accounting policies below, as well as information presented in the consolidated statement of cash flows.

c) Functional and presentation currency

The functional currency is the currency of the primary economic environment in which an entity operates. These financial statements have been prepared in Canadian dollars, which is the Company's and its subsidiaries functional and presentation currency, except as otherwise noted.

d) Basis of consolidation

These financial statements include the accounts of the Company and its wholly owned subsidiary, LiCAN Exploration Inc. The Company's financial statements include subsidiaries from the date control commences until the date control ceases. Control exists where the parent entity has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. All intercompany transactions and balances are eliminated on consolidation.

3. MATERIAL ACCOUNTING POLICY INFORMATION

a) Cash and cash equivalents

Cash and cash equivalents consists of cash on hand, deposits in banks with no restrictions, and other short-term highly liquid investments with original maturities of three months or less.

b) 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 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.

c) Earnings (loss) per share

The Company presents basic and diluted earnings (loss) per share data for its common shares, calculated by dividing the earnings (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings per share is determined by adjusting the earnings attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive. Basic and diluted loss per share is the same for the periods presented.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

d) Exploration and evaluation assets

Pre-license costs

Exploration and evaluation expenditures are expensed until the Company has obtained the legal right to explore an area.

Exploration and evaluation costs

Costs associated with acquiring exploration and evaluation assets including option payments are capitalized. Exploration and evaluation expenditures incurred prior to the determination of the feasibility of mining operations and a decision to proceed with development are recognized as expenses as they are incurred during the period. Exploration and evaluation expenditures include costs such as conducting geological and geophysical surveys, equipment rental, geochemical analysis, mapping and interpretation, and costs to maintain legal rights to explore an area.

Management assesses the carrying value of capitalized exploration costs for impairment when facts and circumstances suggest that the carrying value may exceed the recoverable amount and at least annually. The review is based on the Company's intentions for development of the undeveloped property.

Subsequent recovery of the resulting carrying value depends on successful development or sale of the undeveloped project. If a project does not prove viable, all irrecoverable costs associated with the project net of any impairment provisions are written off.

e) Equipment

Equipment is stated at historical cost net of accumulated depreciation and impairment losses.

The cost of an item of equipment includes the purchase price or construction cost, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use, an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, and for qualifying assets, the associated borrowing costs.

Costs incurred for major overhaul of existing equipment and sustaining capital are capitalized as equipment and are subject to depreciation once they are available for use. Major overhauls include improvement programs that increase the productivity or extend the useful life of an asset beyond that initially envisaged. The costs of routine maintenance and repairs that do not constitute improvement programs are accounted for as repairs and maintenance.

The carrying amounts of equipment are depreciated to their estimated residual value over the estimated useful lives of the specific assets concerned, or the estimated life of mine or lease, whichever is shorter. Depreciation starts on the date when commissioning is complete, and the asset is ready for its intended use. A summary of the Company's annual depreciation rates and methods is as follows:

Class of equipment	Depreciation rate	Depreciation method
Equipment	20%	Straight-line

f) Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, stock options, and warrants are classified as equity instruments.

The Company records proceeds from common share issuances net of issue costs and any tax effects in equity. Common shares issued for consideration other than cash are valued based on their fair value on the date of issuance.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

g) Share-based compensation

The Company has a stock option plan, which allows grants of options to purchase common shares by the Company's directors, officers, employees, and consultants. The Company accounts for the stock options at their fair value and recognizes the cost as compensation expense over the vesting period, with the offset recorded to reserves. The amount recognized as share-based compensation expense is adjusted to reflect the number of awards for which the related service conditions are expected to be met such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service conditions at the vesting date.

The fair value of stock options granted to directors and employees is measured using the Black-Scholes option pricing model on the date of issuance. Share-based compensation to non-employees are measured at the fair value of the goods or services received, or at the fair value of the equity instruments issued if it is determined that the fair value of the goods or services received cannot be reliably measured, and are recorded at the date the goods or services are received.

Consideration received on the exercise of stock options is recorded as share capital, and the amount previously recognized in reserves is transferred to share capital. For options that expire unexercised, the initial fair value recorded remains in reserves.

h) Warrants

Warrants issued by the Company typically accompany an issuance of common shares in the Company (a "unit") and entitle the warrant holder to exercise the warrants for a stated price for a stated number of common shares of the Company. The fair values of the components of the units sold are measured using the residual value approach where the value is allocated first to share capital based on the market value of common shares on the date of issue and the residual value is allocated to the warrants. If the proceeds are less than or equal to the estimated fair market value of the common share issue, a nil carrying amount is assigned to the warrants. Where warrants are issued as compensation, they are recorded as share-based compensation.

i) Income taxes

Provision for income taxes consists of current and deferred tax expense. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized either in other comprehensive income (loss) or directly in equity, in which case it is recognized in other comprehensive income (loss) or in equity, respectively. Mining duties, taxes, royalties, and withholding taxes are treated and disclosed as current and deferred taxes if they have the characteristics of an income tax. This is considered to be the case when they are imposed by a government authority and the amount payable is calculated by reference to taxable income.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates and tax laws enacted or substantively enacted at the reporting date, adjusted for amendments to tax payable or recoverable with regards to previous years.

Deferred tax expense is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax expense is not recognized for temporary differences associated with the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income or loss and temporary differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax expense is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

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

Deferred income tax assets and deferred income tax liabilities are offset only when there is a legally enforceable right to set off current tax assets against current income tax liabilities and when they relate to income taxes levied by the same taxation authority on the same taxable entity.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

j) Financial instruments

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI"), or at amortized cost. The Company determines the classification of its financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, the Company can make an irrevocable election (on an instrument-by-instrument basis) on the day of acquisition to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

A summary of the Company's classification of financial instruments under IFRS 9 *Financial Instruments* is as follows:

Financial instrument	Classification
Financial assets	
Cash and cash equivalents	Amortized cost
Receivables	Amortized cost
Financial liabilities	
Accounts payable and accrued liabilities	Amortized cost
Shareholder loans	Amortized cost

Measurement

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of income (loss). Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are recognized in net income (loss) in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss). The Company does not have any FVTPL financial assets or financial liabilities.

Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Unrealized gains or losses arising from changes in the fair value of the financial assets and liabilities held at FVTOCI are recognized in other comprehensive income (loss). The Company does not have any FVTOCI financial assets.

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If, at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses.

The Company recognizes in the consolidated statements of income (loss) and comprehensive income (loss), as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of income (loss). However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

Financial liabilities

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

k) New and amended IFRS standards that are effective for the current year

In the current year, the Company has applied the below amendments to IFRS Standards and Interpretations issued by the IASB that were effective for annual periods that begin on or after January 1, 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to International Accounting Standard (“IAS”) 1 *Presentation of Financial Statements* and IFRS Practice Statement 2 *Making Materiality Judgments* - *Disclosure of Accounting Policies*

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term "significant accounting policies" with "material accounting policy information." Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The IASB has developed guidance and examples to explain and demonstrate the application of the ‘four-step materiality process’ described in IFRS Practice Statement 2.

The amendments were applied effective January 1, 2023 and did not have a material impact on the Company's consolidated financial statements.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements requires management to exercise significant judgments in applying the Company’s accounting policies and make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are reviewed on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual future outcomes could differ from present estimates and assumptions, which may require material adjustments to the Company’s financial statements. Revisions to accounting estimates are accounted for prospectively.

Significant judgments exercised by management in applying the Company’s accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

a) Going concern presentation

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. Management assesses the Company's ability to continue as a going concern at each reporting date using all quantitative and qualitative information available. This assessment, by its nature, relies on estimates and assumptions of future cash flows and other events (Note 1(b)), subsequent changes could materially impact the validity of the assessment.

b) Acquisition accounting

The Company accounted for the Transaction as a reverse takeover transaction. Significant judgement was required to determine that the application of this accounting treatment was appropriate for the Transaction. The primary determination that Volta was not considered a business under IFRS 3 *Business Combinations* was that Volta did not have inputs and substantive processes that can collectively contribute to the creation of outputs prior to the Transaction.

c) Control

At the time of Transaction, the legal parent assesses whether it has control over the acquiree. Control exists when the Company has power over an entity, when the Company is exposed, or has rights, to variable returns from the entity and when the Company has the ability to affect those returns through its power over the entity. Where control exists, the Company consolidates the results of the acquired entity. In assessing the Transaction, it was determined that control resides with LiCAN as the former board of directors became the majority board of directors of the combined entity, and management of LiCAN continued control of Volta.

Significant assumptions about the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of the Company's assets and liabilities in the next year are as follows:

d) Review of asset carrying values and impairment assessment

In accordance with the Company's accounting policy, the Company's exploration and evaluation assets are evaluated every reporting period to determine whether there are any indications of impairment. If any such indication exists, which is often judgmental, a formal estimate of recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset or cash generating group of assets is measured at the higher of fair value less costs to sell and value in use.

The evaluation of asset carrying values for indications of impairment includes consideration of both external and internal sources of information, including such factors as market and economic conditions, metal prices and forecasts, future plans for the Company's mineral properties and mineral resources and/or reserve estimates.

The determination of fair value less costs to sell and value in use requires management to make estimates and assumptions about expected production, sales volumes, commodity prices, discount rates, mineral resources, operating costs, taxes, and future capital expenditures. The estimates and assumptions are subject to risk and uncertainty; hence, there is the possibility that changes in circumstances will alter these projections, which may impact the recoverable amount of the assets. In such circumstances, some or all of the carrying value of the assets may be further impaired or the impairment charge reversed with the impact recorded in profit or loss.

e) Valuation of the consideration shares issued pursuant to the Transaction

The fair value of the consideration shares was estimated based on the financing completed concurrently to the Transaction. Changes in the assumptions used to determine the fair value of the common shares issued in the non-flow-through unit financing can materially affect the fair value estimate.

f) Share-based Payments

Share-based payments are subject to fair value estimates using the black-scholes model. The black-scholes model uses significant assumptions such as volatility, interest rates and expected life.

(Unaudited - Expressed in Canadian dollars)

5. REVERSE TAKEOVER TRANSACTION

Upon the closing of the Transaction on May 26, 2023, outlined in Note 1(a), the following occurred:

- LiCAN issued 14,875,248 common shares to Volta's shareholders at the fair value of $0.10 per common share for a total fair value of $1,487,525.
- Volta cancelled 2,808,546 stock options and 509,704 warrants, which resulted in 299,078 stock options and 150,000 warrants remaining.
- LiCAN incurred $490,886 in transaction costs prior to the closing of the Transaction and the amount is allocated as part of the consideration. Certain costs incurred in the quarter ended March 31, 2023, recorded as Professional Fees, were reallocated to Transaction costs resulting in a Professional Fees (recovery) in the quarter ended June 30, 2023.
- Volta completed a concurrent financing prior to the Transaction whereby the Company issued 17,500,000 common shares of the Company for gross proceeds of $1,750,000 (Note 8(b)).

As a result of the Transaction, LiCAN obtained control of the Company and is considered to have acquired the Company. The Transaction constituted a reverse acquisition ("RTO") whereby LiCAN (the legal acquiree), assumed control of Volta (the legal acquirer) through the issuance of its common shares and establishment of LiCAN's board of directors and management, in order to assume the public listing of Volta.

These financial statements reflect the assets, liabilities, and operations of LiCAN since its incorporation and the Company from May 26, 2023.

Volta did not qualify as a business according to the definition in IFRS 3 *Business Combinations* as the significant inputs, processes, and outputs, that together constitute a business, did not exist in the Company at the time of acquisition. As a result, the Transaction was considered to be within the scope of IFRS 2 *Share-based Payments* where LiCAN was deemed to issue shares in exchange for the Company's net assets and public listing. Accordingly, no goodwill or intangible assets were recorded with respect to the Transaction and the excess of consideration paid by LiCAN over net assets of Volta that were acquired has been recognized as a listing expense.

For accounting purposes, LiCAN is treated as the accounting parent (legal subsidiary) and the Company as the accounting subsidiary (legal parent). The transaction was measured at the fair value of the equity instruments deemed to have been issued by LiCAN to acquire 100% ownership interest in the Company. The fair value of the consideration paid by LiCAN, net of transaction costs, less the fair value of net assets of the Company acquired by LiCAN constitutes the listing expense and has been recorded in the statement of loss and comprehensive loss.

A summary of the Company's fair values of assets acquired and liabilities assumed as well as the consideration paid as at the RTO date is as follows:

	May 26, 2023
	$
Consideration paid:	
Common shares (14,875,248 shares at $0.10 per share)	1,487,524
Fair value of replacement warrants (Note 8(c))	1,066
Fair value of replacement stock options (Note 8(d))	12,235
Transaction costs	490,886
	1,991,711
Fair value of net assets acquired:	
Cash and cash equivalents	584,299
Loan receivable [(1)]	250,000
Accounts payable and accruals	(96,195)
	738,104
Listing expense	**1,253,607**

(1) Upon consolidation, the loan receivable was classified as an intercompany loan and eliminated on consolidation.

(Unaudited - Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS AND EXPENSES

A summary of the Company's exploration and evaluation assets comprising of the capitalized acquisition costs is as follows:

	June 30, 2023	December 31, 2022
	$	$
Crescent Lake Project	**14,000**	14,000
Eau Claire Project	**900**	900
Falcon Lake West Project	**148,367**	58,367
Junior Lake Project	**59,000**	-
Kim Lake Project	**15,000**	15,000
Root River Project	**54,300**	54,300
Store Lake Project	**15,000**	15,000
White Lights Project	**20,000**	20,000
	326,567	177,567

A summary of the Company's exploration and evaluation expenses is as follows:

	Three months ended June 30, 2023	From April 19, 2022 (incorporation) to June 30, 2022	**Six months ended June 30, 2023**	From April 19, 2022 (incorporation) to June 30, 2022
	$	$	**$**	$
Eau Claire Project	**-**	-	**250**	-
Falcon Lake West Project	**2,050**	-	**24,643**	-
Junior Lake Project	**2,400**	-	**2,400**	-
Kim Lake Project	**24,561**	-	**25,061**	-
Root River Project	**11,286**	-	**11,786**	-
Store Lake Project	**12,719**	-	**12,719**	-
Other exploration projects	**1,500**	-	**8,190**	-
	54,516	-	**85,049**	-

a) Crescent Lake Project

On November 30, 2022, the Company entered into an option agreement (the "Crescent Lake Option Agreement"), pursuant to which the Company has the exclusive option to acquire a 100% interest in the Crescent Lake project in Northern Ontario, Canada (the "Crescent Lake Project"), which is comprised of 3,159 hectares.

Pursuant to the terms of the Crescent Lake Option Agreement, on December 1, 2022, the Company made an initial cash payment of $14,000. To exercise the option in full the Company must make an additional $66,000 in cash payments over a three-year period.

A summary of the obligations the Company must meet to exercise the Crescent Lake Option Agreement in full are as follows:

Due date (on or before)	**Cash payment**
	$
December 5, 2022 (Completed)	14,000
November 30, 2023	15,000
November 30, 2024	21,000
November 30, 2025	30,000
	80,000

(Unaudited - Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS AND EXPENSES (continued)

The Crescent Lake vendors retain a 1.5% net smelter return royalty ("NSR") over the Crescent Lake Project. The Company will have the right at any time to repurchase 0.5% of the NSR for $600,000 in cash.

During the three and six months ended June 30, 2023, the Company incurred $nil and $nil, respectively (from April 19, 2022 (incorporation) to June 30, 2022 - $nil) in exploration and evaluation expenses relating to the Crescent Lake Project.

b) Eau Claire Project

The Company has a 100% interest in seven unpatented mining claims covering approximately 140 hectares in Northern Ontario, known as the "Eau Claire Project". On October 30, 2022, the Company incurred $900 in staking costs to acquire the project.

A summary of the Company's exploration and evaluation expenses relating to the Eau Claire Project is as follows:

	Three months ended June 30, 2023	From April 19, 2022 (incorporation) to June 30, 2022	**Six months ended June 30, 2023**	From April 19, 2022 (incorporation) to June 30, 2022
	$	$	**$**	$
Project management	-	-	**250**	-
	-	-	**250**	-

c) Falcon Lake West Project

On November 25, 2022, the Company entered into an option agreement (the "Falcon Lake West Option Agreement") pursuant to which the Company has the exclusive option to acquire a 100% interest in the Falcon Lake West project in Northern Ontario, Canada (the "Falcon Lake West Project"), which is comprised of 1,311 hectares.

To acquire a 100% interest in the Falcon Lake West Project, the Company must: (i) pay a total of $420,000 in cash payments to the optionor; (ii) issue the number of common shares having an aggregate value at the time of issuance equal to $1,090,000 all over a three-year period to the optionor; and (iii) incur an aggregate minimum of $1,300,000 in exploration expenditures on the Falcon Lake West Project.

A summary of the obligations the Company must meet to exercise the Falcon Lake West Option Agreement in full are as follows:

Due date (on or before)	**Exploration expenditures**	**Cash payment**	**Aggregate value of shares to be issued**
	$	$	$
November 30, 2022 (Completed)	-	50,000	-
June 5, 2023 (Completed, refer to Note 8(b))	-	-	90,000
November 25, 2023	250,000	100,000	200,000
November 25, 2024	300,000	120,000	300,000
November 25, 2025	750,000	150,000	500,000
	1,300,000	**420,000**	**1,090,000**

The Falcon Lake West vendor retains a 1.5% NSR over the Falcon Lake West Project. The Company will have the right at any time to repurchase 1% of the NSR for $1,000,000 in cash.

The Company incurred $8,367 in legal expenses acquiring the Falcon Lake West Project.

(Unaudited - Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS AND EXPENSES (continued)

A summary of the Company's exploration and evaluation expenses relating to the Falcon Lake West Project is as follows:

	Three months ended June 30, 2023	From April 19, 2022 (incorporation) to June 30, 2022	**Six months ended June 30, 2023**	From April 19, 2022 (incorporation) to June 30, 2022
	$	$	**$**	$
Geological consulting	**1,300**	-	**16,404**	-
Geophysics	**-**	-	**3,490**	-
Mapping	**-**	-	**199**	-
Permitting	**-**	-	**2,800**	-
Project management	**750**	-	**1,750**	-
	2,050	-	**24,643**	-

d) Junior Lake Project

The Company owns 100% interest in 146 unpatented mining claims, covering approximately 2,920 hectares in Northern Ontario known as the "Junior Lake Project". On April 30, 2023, the Company incurred $7,300 in staking costs to acquire the Junior Lake Project. On May 11, 2023, the Company entered into an option agreement (the "Swole Lake Option Agreement"), pursuant to which the Company has the exclusive option to acquire a 100% interest in 40 unpatented mining claims, covering 899 hectares in Northern Ontario known as the "Swole Lake Project" (also known as "Laumaune Property"), which is contiguous to the Junior Lake Project and will be considered as one project.

Pursuant to the terms of the Swole Lake Option Agreement, on May 16, 2023, the Company made a cash payment of $10,000 and issued 200,000 common shares of the Company at a fair value of approximately $0.21 per share for an aggregate fair value of $41,700 (Note 8(b)), and now owns a 100% interest in the Swole Lake Project.

The Swole Lake vendor retains a 1.5% NSR over the Swole Lake Project.

A summary of the Company's exploration and evaluation expenses relating to the Junior Lake Project is as follows:

	Three months ended June 30, 2023	From April 19, 2022 (incorporation) to June 30, 2022	**Six months ended June 30, 2023**	From April 19, 2022 (incorporation) to June 30, 2022
	$	$	**$**	$
Geological consulting	**400**	-	**400**	-
Project management	**2,000**	-	**2,000**	-
	2,400	-	**2,400**	-

e) Kim Lake Project

On October 14, 2022, the Company entered into an option agreement (the "Kim Lake Option Agreement") pursuant to which the Company has the exclusive option to acquire a 100% interest in the Kim Lake project in Northern Ontario, Canada (the "Kim Lake Project").

Pursuant to the terms of the Kim Lake Option Agreement, on October 30, 2022, the Company made an initial cash payment of $15,000. In order to exercise the option in full the Company must make an additional $77,000 in cash payments over a three-year period.

(Unaudited - Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS AND EXPENSES (continued)

A summary of the obligations the Company must meet to exercise the Kim Lake Option Agreement in full are as follows:

Due date (on or before)	**Cash payment**
	$
October 19, 2022 (Completed)	15,000
October 14, 2023	21,000
October 14, 2024	24,000
October 14, 2025	32,000
	92,000

The Kim Lake vendors retain a 1.5% NSR over the Kim Lake Project. The Company will have the right at any time to repurchase 0.5% of the NSR for $500,000 in cash.

A summary of the Company's exploration and evaluation expenses relating to the Kim Lake Project is as follows:

	Three months ended June 30, 2023	From April 19, 2022 (incorporation) to June 30, 2022	**Six months ended June 30, 2023**	From April 19, 2022 (incorporation) to June 30, 2022
	$	$	**$**	$
Geological consulting	**23,686**	-	**23,686**	-
Project management	**875**	-	**1,375**	-
	24,561	-	**25,061**	-

f) Root River Project

On November 14, 2022, the Company entered into an option agreement (the "Root River Option Agreement"), pursuant to which the Company has the exclusive option to acquire a 100% interest in the Root River project in Northern Ontario, Canada (the "Root River Project").

Pursuant to the terms of the Root River Option Agreement, the Company made an initial cash payment of $35,000. Subsequent to June 30, 2023, the Company issued 167,866 common shares of the Company at a fair value of approximately $0.21 per share for an aggregate fair value of $35,000 as part of its commitment, upon listing on the CSE, to earn a 100% interest in the Root River Project (Note 13).

To exercise the option in full the Company must make an additional $225,000 in cash payments and issue $105,000 in common shares over a three-year period. The Root River Vendor retain a 1.5% NSR over the Root River Project.

A summary of the obligations the Company must meet to exercise the Root River Option Agreement in full are as follows:

Due date (on or before)	**Cash payment**	**Aggregate value of shares to be issued**
	$	$
November 19, 2022 (Completed)	35,000	-
Upon listing on the CSE (Completed, refer to Note 13)	-	35,000
November 14, 2023	50,000	35,000
November 14, 2024	75,000	35,000
November 14, 2025	100,000	35,000
	260,000	**140,000**

On February 14, 2023, the Company and the Root River vendor amended the Root River Option Agreement to allow the Company the right at any time to repurchase 1.0% of the NSR for $1,000,000 in cash. As part of the acquisition the Company reimbursed the Root River Vendors $9,100 for claims staking.

(Unaudited - Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS AND EXPENSES (continued)

On November 10, 2022, the Company entered into an option agreement (the “Otatakan Option Agreement”) pursuant to which the Company has the exclusive option to acquire a 100% interest in the Otatakan project, which is contiguous to the Root River Project and will be considered as one project.

Pursuant to the terms of the Otatakan Option Agreement, on November 15, 2022, the Company made an initial cash payment of $10,200. To exercise the option in full the Company must make an additional $20,400 in cash payments over a two-year period.

A summary of the obligations the Company must meet to exercise the Otatakan Option Agreement in full are as follows:

Due date (on or before)	**Cash payment**
	$
November 15, 2022 (Completed)	10,200
November 10, 2023	10,200
November 10, 2024	10,200
	30,600

The Otatakan vendors retain a 2% NSR over the Otatakan project. The Company will have the right at any time to repurchase 1% of the NSR for $1,000,000 in cash.

A summary of the Company’s exploration and evaluation expenses relating to the Root River Project is as follows:

	Three months ended June 30, 2023	From April 19, 2022 (incorporation) to June 30, 2022	**Six months ended June 30, 2023**	From April 19, 2022 (incorporation) to June 30, 2022
	$	$	**$**	$
Geophysics	**9,986**	-	**9,986**	-
Project management	**1,300**	-	**1,800**	-
	11,286	-	**11,786**	-

g) Store Lake Project

On October 14, 2022, the Company entered into an option agreement (the “Store Lake Option Agreement”), pursuant to which the Company has the exclusive option to acquire a 100% interest in the Store Lake project in Northern Ontario, Canada (the “Store Lake Project”).

Pursuant to the terms of the Store Lake Option Agreement, on October 30, 2022, the Company made an initial cash payment of $15,000. In order to exercise the option in full the Company must make an additional $77,000 in cash payments over a three-year period.

A summary of the obligations the Company must meet to exercise the Store Lake Option Agreement in full are as follows:

Due date (on or before)	**Cash payment**
	$
October 19, 2022 (Completed)	15,000
October 14, 2023	21,000
October 14, 2024	24,000
October 14, 2025	32,000
	92,000

The Store Lake vendors retain a 1.5% NSR over the Store Lake Project. The Company will have the right at any time to repurchase 0.5% of the NSR for $500,000 in cash.

(Unaudited - Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS AND EXPENSES (continued)

A summary of the Company's exploration and evaluation expenses relating to the Store Lake Project is as follows:

	Three months ended June 30, 2023	From April 19, 2022 (incorporation) to June 30, 2022	**Six months ended June 30, 2023**	From April 19, 2022 (incorporation) to June 30, 2022
	$	$	**$**	$
Geological consulting	**11,844**	-	**11,844**	-
Project management	**875**	-	**875**	-
	12,719	-	**12,719**	-

h) White Lights Project

On November 14, 2022, the Company entered into an option agreement (the "White Lights Option Agreement"), pursuant to which the Company has the exclusive option to acquire a 100% interest in the White Lights Project in Northern Ontario, Canada (the "White Lights Project").

Pursuant to the terms of the White Lights Option Agreement, on November 18, 2022, the Company made an initial cash payment of $20,000. Subsequent to June 30, 2023, the Company issued 95,923 common shares of the Company at a fair value of approximately $0.21 per share for an aggregate fair value of $20,000 as part of its commitment, upon listing on the CSE, to earn a 100% interest in the White Lights Project (Note 13).

To exercise the option in full the Company must make an additional $155,000 in cash payments and issue $60,000 in common shares over a three-year period.

A summary of the obligations the Company must meet to exercise the White Lights Option Agreement in full are as follows:

Due date (on or before)	**Cash payment**	**Share issuance**
	$	$
November 19, 2022 (Completed)	20,000	-
Upon listing on the CSE (Completed, refer to Note 13)	-	20,000
November 14, 2023	30,000	20,000
November 14, 2024	50,000	20,000
November 14, 2025	75,000	20,000
	175,000	**80,000**

The White Lights vendor retains a 1.5% NSR over the White Lights Project. On February 14, 2023, the Company and the White Lights Vendor amended the White Lights Option Agreement to allow the Company the right at any time to repurchase 1.0% of the NSR for $1,000,000 in cash.

During the three and six months ended June 30, 2023, the Company incurred $nil and $nil, respectively (from April 19, 2022 (incorporation) to June 30, 2022 - $nil) in exploration and evaluation expenses relating to the White Lights Project.

i) Other Exploration Projects

During the three and six months ended June 30, 2023, the Company had additional exploration and evaluation expenses of $1,500 and $8,190, respectively, relating to due diligence work on projects which the Company does not have title to (from April 19, 2022 (incorporation) to June 30, 2022 - $nil).

(Unaudited - Expressed in Canadian dollars)

7. EQUIPMENT

A summary of the Company's equipment is as follows:

	Equipment
	$
Cost	
Balance, December 31, 2022 and April 19, 2022 (incorporation)	-
Additions	68,237
Balance, June 30, 2023	**68,237**
Accumulated depreciation	
Balance, December 31, 2022 and April 19, 2022 (incorporation)	-
Additions	2,275
Balance, June 30, 2023	**2,275**
Carrying amount	
Balance, December 31, 2022	-
Balance, June 30, 2023	**65,962**

8. SHARE CAPITAL

a) Authorized

Unlimited number of common shares without par value.

b) Issued and outstanding

During the six months ended June 30, 2023, the Company completed the following transactions:

- On June 5, 2023, the Company issued 431,655 common shares at a fair value of approximately $0.21 per share for a total value of $90,000 as consideration for 100% interest on the Falcon Lake West Project (Note 6).
- On June 5, 2023, the Company issued 200,000 common shares at a fair value of approximately $0.21 per share for a total value of $41,700 as consideration for 100% interest on Swole Lake Project (Note 6).
- On May 26, 2023, pursuant to the closing of the Transaction, the Company issued 14,875,235 common shares of the Company to the shareholders of Volta at a fair value of $0.10 per share for total fair value of $1,487,524 in exchange for the net assets of Volta and its public listing (Note 5).
- On March 2, 2023, the Company completed a non-brokered private placement of 17,500,000 subscription receipts in the capital of the Company at a price of $0.10 per subscription receipt for gross proceeds of $1,750,000. Upon the closing of the Transaction, each subscription receipt resulted in the issuance of one common share of the Company.

During the period ended from April 19, 2022 (incorporation) to December 31, 2022, the Company completed the following transactions:

- On November 21, 2022, the Company completed a non-brokered private placement of 4,975,160 common shares for gross proceeds of $122,000.

c) Warrants

A summary of the Company's warrant activity is as follows:

	Number of warrants	Weighted average exercise price
	#	$
Balance, December 31, 2022 and April 19, 2022 (incorporation)	-	-
Warrants of Volta outstanding prior to the Transaction (Note 5)	150,000	0.60
Balance, June 30, 2023	**150,000**	**0.60**

(Unaudited - Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

On May 26, 2023, pursuant to the closing of the Transaction, the Company issued 150,000 replacement warrants. The warrants have an exercise price of $0.60 per warrant with an expiry date of October 28, 2024. Based on the Black-Scholes option pricing model, the fair value of the warrants was determined to be $1,066.

A summary of the Company's assumptions used in the Black-Scholes option pricing model for warrants acquired on the Transaction date of May 26, 2023 is as follows:

Share price	$0.10
Expected life	1.33 years
Expected volatility	100.00%
Risk-free rate	4.33%
Dividend yield	0.00%

As at June 30, 2023, the Company had 150,000 warrants outstanding with an exercise price of $0.60 and a remaining life of 1.33 years.

d) Stock options

The Company has adopted a stock option plan, subject to regulatory and shareholder approvals, whereby directors may, from time to time, authorize the issuance of options to directors, officers, employees, and consultants of the Company, enabling them to acquire up to 15% of the issued and outstanding common shares of the Company. The options can be granted for a maximum term of 10 years and are subject to vesting provisions as determined by the Board of Directors of the Company.

A summary of the Company's stock option activity is as follows:

	Number of stock options	**Weighted average exercise price**
	#	$
Balance, December 31, 2022 and April 19, 2022 (incorporation)	-	-
Stock options of Volta outstanding prior to the Transaction (Note 5)	299,078	1.90
Granted	2,650,000	0.20
Balance, June 30, 2023	**2,949,078**	**0.37**

On May 26, 2023, pursuant to the closing of the Transaction, the Company issued 299,078 replacement stock options. The stock options have exercise prices ranging from $0.30 to $2.50 per stock option. The terms range from 5.42 to 9.00 years and as at the Transaction date 282,411 of the stock options had vested. The fair value of the stock options was determined to be $13,568 using the Black-Scholes option pricing model. The fair value of the vested stock options of $12,235 was included as part of the consideration paid for the Transaction (Note 5) and the fair value of $1,333 of the unvested portion of the stock options will be amortized over the vesting terms of the options as it represents future share-based compensation.

A summary of the Company's assumptions used in the Black-Scholes option pricing model for options acquired on the Transaction date of May 26, 2023 is as follows:

Share price	$0.10
Expected life	5.42 - 9.00 years
Expected volatility	100.00%
Risk-free rate	3.36%
Dividend yield	0.00%

On June 26, 2023, the Company granted 2,650,000 stock options to certain directors, officers, employees and consultants of the Company. The options are exercisable at a price of $0.20 per share, have a term of five years, and will vest over a period of 24 months.

(Unaudited - Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

A summary of the Company's assumptions used in the Black-Scholes option pricing model for stock options granted on June 26, 2023 is as follows:

Share price	$0.12
Expected life	5 years
Expected volatility	100.00%
Risk-free rate	3.70%
Dividend yield	0.00%

A summary of the Company's outstanding stock options as at June 30, 2023 is as follows:

Date of expiry	Weighted average exercise price	Stock options outstanding	Stock options exercisable	Weighted average remaining life
	$	#	#	years
June 26, 2028	0.20	2,650,000	882,450	4.99
November 26, 2028	1.80	98,078	98,078	5.41
January 16, 2030	2.50	150,000	150,000	6.55
April 28, 2032	0.30	25,000	8,333	8.84
May 31, 2032	0.30	26,000	26,000	8.93
	0.37	**2,949,078**	**1,164,861**	**5.15**

During the three and six months ended June 30, 2023, the Company recorded share-based compensation of $78,415 and $78,415, respectively (from April 19, 2022 (incorporation) to June 30, 2022 - $nil) related to vesting of stock options.

e) Escrowed shares

On May 26, 2023, in connection with the Company's RTO, an escrow agreement (the "Escrow Agreement") between management and the Company's Board of Directors was completed resulting in 4,352,120 common shares (the "Escrowed Shares") being deposited in escrow. Pursuant to the Escrow Agreement, 10% of the Escrowed Shares were released from escrow on the Escrow Agreement date (the "Initial Release") and an additional 15% to be released every six-month interval thereafter, for a period of 36 months following the Initial Release. These Escrowed Shares, may not be transferred, assigned, or otherwise dealt without the consent of the regulatory authorities. As at June 30, 2023, 435,212 Escrowed Shares have been released from escrow. As at June 30, 2023, the remaining balance of Escrowed Shares is 3,916,908 and are to be released as follows:

Date of release	Number of common shares in escrow
	#
November 26, 2023	652,818
May 26, 2024	652,818
November 26, 2024	652,818
May 26, 2025	652,818
November 26, 2025	652,818
May 26, 2026	652,818
Total	**3,916,908**

(Unaudited - Expressed in Canadian dollars)

9. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

On November 18, 2022, the Company entered into two loan agreements with related parties who were directors and shareholders of the Company for aggregate proceeds of $75,000 at an interest rate of 10% per annum and matured on June 30, 2023. The loans were unsecured and could be repaid at any time prior to the maturity date without penalty or interest. On March 2, 2023, the Company settled the principal balance of $75,000 through the issuance of 750,000 subscription receipts at $0.10 per subscription receipt for a fair value of $75,000 (Note 8(b)). During the three and six months ended June 30, 2023, the Company accrued interest expense on the loans of $nil and $2,733, respectively (from April 19, 2022 (incorporation) to June 30, 2022 - $nil). As at June 30, 2023, $2,733 of accrued interest remains outstanding and is included in accounts payable and accrued liabilities.

During the three and six months ended June 30, 2023, the Company incurred management fees of $65,000 and $95,000, respectively, to the Chief Executive Officer ("CEO") (from April 19, 2022 (incorporation) to June 30, 2022 - $nil) and $25,500 and $40,500, respectively, to the Chief Financial Officer ("CFO") (from April 19, 2022 (incorporation) to June 30, 2022 - $nil).

During the three and six months ended June 30, 2023, the Company incurred share-based compensation of $22,146 and $22,146, respectively, to the CEO (from April 19, 2022 (incorporation) to June 30, 2022 - $nil), $8,858 and $8,858, respectively, to the CFO (from April 19, 2022 (incorporation) to June 30, 2022 - $nil) and $29,528 and $29,528, respectively, to directors (from April 19, 2022 (incorporation) to June 30, 2022 - $nil) related to the vesting of stock options granted to the key management personnel.

A summary of the Company's related party transactions with key management is as follows:

	Three months ended June 30, 2023	From April 19, 2022 (incorporation) to June 30, 2022	**Six months ended June 30, 2023**	From April 19, 2022 (incorporation) to June 30, 2022
	$	$	**$**	$
Directors' fees	**45,363**	-	**45,363**	-
Management fees	**90,500**	-	**135,500**	-
Shared-based compensation	**70,866**	-	**70,866**	-
	206,729		**251,729**	

As at June 30, 2023, included in accounts payable and accrued liabilities is $30,159 owing to directors and officers (December 31, 2022 - $nil).

10. CAPITAL MANAGEMENT

The Company's capital structure consists of all components of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support current operations comprising the acquisition and development of its exploration and evaluation assets. The Company obtains funding primarily through issuing common stock. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future.

There were no changes to the Company's approach to capital management during the six months ended June 30, 2023. The Company is not subject to externally imposed capital requirements.

11. SEGMENT INFORMATION

The Company operates in one reportable segment, being the acquisition and exploration of exploration properties. All of the Company's non-current assets are located in Canada.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

The Company's financial instruments consist of cash and cash equivalents, receivables and accounts payable.

As at June 30, 2023, the fair value of the financial instruments cash and cash equivalents, receivables and accounts payable and accrued liabilities are classified and measured at amortized cost. The carrying value of cash and cash equivalents and accounts payable and accrued liabilities approximate the fair value due to the relatively short-term maturity of these instruments.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the Company by failing to discharge an obligation. Credit risk for the Company is associated with its cash and cash equivalents. The Company has minimal exposure of credit risk on its cash and cash equivalents as the Company's cash is held with major Canadian financial institutions.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and seeking equity financing when needed. The liquidity risk is associated with accounts payable and accrued liabilities.

c) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, other price risk and foreign exchange rates. The Company holds its cash and cash equivalents in bank accounts that earn variable interest rates. Due to the short-term nature of these financial instruments, fluctuations in market interest rates do not have a significant impact on the estimated fair value of the Company's cash balance as at June 30, 2023. The Company does not have any financial assets subject to changes in exchange rates so does not expect exchange rates to have a material impact to the Company.

13. SUBSEQUENT EVENTS

On July 7, 2023, the Company entered into an arm's length option agreement whereby the Company was granted an option to acquire a 100% interest in the Wakeman Lithium Project . Pursuant to the option agreement, the Company will issue 200,000 common shares as part of the commitment to earn a 100% interest on the Wakeman Lithium Project.

On July 25, 2023, the Company issued 95,923 common shares of the Company as part of its commitment to earn a 100% interest in the White Lights Project and 167,866 common shares of the Company as part of its commitment to earn a 100% interest in the Root River Project. The common shares were issued at a fair value of approximately $0.21 per share for an for aggregate fair values of $20,000 and $35,000, for the White Lights Project and Root River Project, respectively.