VOLATUS CAPITAL CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED APRIL 30, 2023 AND 2022

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements have been prepared by and are the responsibility of management.

The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of condensed interim consolidated financial statements by an entity's auditor.

VOLATUS CAPITAL CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian dollars)

	April 30, 2023	January 31, 2023
ASSETS		
Current assets		
Cash	$ 5,320	$ 2,578
Amounts receivable	8,957	23,123
Marketable securities (Note 4)	67,163	71,975
	81,440	97,676
Investment in Leigh Creek (Note 10)	3,887,170	3,887,170
Exploration and evaluation assets (Note 3)	6,672,308	6,669,906
Reclamation deposit	30,000	30,000
	$ 10,670,918	$ 10,684,752
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Note 6)	$ 1,010,389	$ 923,910
Loans payable (Note 6)	11,357	47,757
	1,021,746	971,667
SHAREHOLDERS' EQUITY		
Share capital (Note 5)	12,007,336	12,007,336
Reserves (Note 5)	180,529	180,529
Deficit	(2,538,693)	(2,474,780)
	9,649,172	9,713,085
	$ 10,670,918	$ 10,684,752

Nature and continuance of operations (Note 1)
Subsequent events (Note 9)

APPROVED ON BEHALF OF THE DIRECTORS:

"Alex McAulay"	Director	*"Jason Cubitt"*	Director
Alex McAulay		Jason Cubitt	

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

VOLATUS CAPITAL CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Unaudited - Expressed in Canadian dollars)
FOR THE THREE MONTHS ENDED APRIL 30,

	2023	2022
Expenses		
Bank charges	$ 392	$ -
Consulting fees (Note 6)	45,000	-
Management fees (Note 6)	30,000	39,750
Office	-	1,135
Professional fees (Note 6)	8,090	18,861
Rent	-	5,175
Transfer agent and filling fees	3,102	2,870
	(86,584)	**(67,792)**
Interest expense (Note 6)	(649)	(62,811)
Realized gain on marketable securities (Note 4)	8,760	698
Unrealized gain (loss) on marketable securities (Note 4)	14,560	(26,900)
Loss and comprehensive loss for the period	**$ (63,913)**	**$ (156,804)**
Loss per share – basic and diluted	$ (0.00)	$ (0.01)
Weighted average number of shares outstanding – basic and diluted	35,748,602	16,616,265

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

VOLATUS CAPITAL CORP.
CONDENSED INTERMIN CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited - Expressed in Canadian dollars)

	Common Shares								
	Number of shares		**Share Capital**		**Reserves**		**Deficit**		**Total**
Balance, January 31, 2022	**14,892,352**	**$**	**10,519,211**	**$**	**180,529**	**$**	**(1,417,068)**	**$**	**9,282,672**
Private placement	3,050,000		610,000		-		-		610,000
Loss for the period	-		-		-		(156,804)		(156,804)
Balance, April 30, 2022	**17,942,352**		**11,129,211**		**180,529**		**(1,573,872)**		**9,735,868**
Private placement	16,650,000		832,500		-		-		832,500
Shares issued for exploration and evaluation assets	1,156,250		45,625		-		-		45,625
Loss for the period	-		-		-		(900,908)		(900,908)
Balance, January 31, 2023	**35,748,602**		**12,007,336**		**180,529**	**$**	**(2,474,780)**		**9,713,085**
Loss for the period	-		-		-		(63,913)		(63,913)
Balance, April 30, 2023	**35,748,602**	**$**	**12,007,336**	**$**	**180,529**	**$**	**(2,538,693)**	**$**	**9,649,172**

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

VOLATUS CAPITAL CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited- Expressed in Canadian dollars)
FOR THE THREE MONTHS ENDED APRIL 30,

		2023		2022
Cash flows from operating activities				
Loss for the period	$	(63,913)	$	(156,804)
Changes in non-cash items:				
Interest on loans receivable/payable, net		-		62,811
Realized gain on marketable securities		(8,760)		(698)
Unrealized (gain) loss on marketable securities		(14,561)		26,900
Changes in non-cash working capital items:				
Amounts receivable		14,166		(5,410)
Prepaid expenses		-		450
Accounts payable and accrued liabilities		85,849		(129,342)
Cash provided by (used in) operating activities		12,781		(202,093)
Cash flows from investing activities				
Purchase of marketable securities		(7,763)		-
Proceeds on disposal of marketable securities		35,896		1,198
Exploration and evaluation assets		(1,772)		(275,263)
Cash provided by (used in) investing activities		26,361		(274,065)
Cash flows from financing activities				
Proceeds from private placement		-		610,000
Repayment of loans payable		(38,400)		(365,916)
Loan payable		2,000		229,000
Cash (used in) provided by financing activities		(36,400)		473,084
Change in cash		2,742		(3,074)
Cash, beginning of the period		2,578		4,827
Cash, end of the period	$	5,320	$	1,753
Non-cash financing and investing activities				
Cash paid for interest and income taxes	$	-	$	63,917
Exploration and evaluation assets included in accounts payable and accrued liabilities	$	545,743	$	358,037

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Volatus Capital Corp. ("the Company" or "Volatus") which was incorporated on November 6, 2018, under the laws of British Columbia, is a public company listed on the Canadian Securities Exchange (the "CSE") and trades under the symbol VC. The address of the Company's corporate office and its principal place of business is 2900 - 733 Seymour Street, Vancouver, British Columbia, Canada, V6B 0S6.

Effective May 19, 2022, the Company consolidated its common shares on a 4:1 basis. These condensed interim consolidated financial statements reflect the share consolidation for all shares, warrants, options and per share amounts retrospectively.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at April 30, 2023, the Company had not yet determined whether the Company's mineral property assets contain ore reserves that are economically recoverable. The recoverability of amount shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The Company had a working capital deficiency of $940,306 and a deficit of $2,538,693 as at April 30, 2023, which has been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. The outcome of these matters cannot be predicted at this time and these uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

These condensed interim consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended January 31, 2023.

The Company uses the same accounting policies and methods of computation as in the annual consolidated financial statements for the year January 31, 2023.

The condensed interim consolidated financial statements were approved by the board and authorized for issue on June 22, 2023.

Basis of presentation and consolidation

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These condensed interim consolidated financial statements include the financial statements of the Company and its subsidiaries listed in the following table:

Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest April 30, 2023	Proportion of Ownership Interest January 31, 2023	Principal Activity
MagMetals Tech Pty Ltd. ("MagMetal")	Australia	100%	100%	Non Active

Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the condensed interim consolidated financial statements from the date that control commences until the date that control ceases. For partly owned subsidiaries, the interest attributable to non-controlling shareholders is reflected in non-controlling interest. All inter-company balances and transactions have been eliminated upon consolidation.

The condensed interim consolidated financial statements of the Company are presented in Canadian dollars, which is the functional and reporting currency of the Company and MagMetal.

Use of estimates and judgments

The preparation of these condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim consolidated financial statements and reported amounts of revenues and expenses during the reporting periods. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates.

<u>Significant accounting judgments</u>

Going concern

The preparation of these condensed interim consolidated financial statements requires management to make judgments regarding the applicability of going concern assumption to the Company.

<u>Critical accounting estimates</u>

Key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year include, but are not limited to, the following:

Income taxes

The Company is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the financial statements.

Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period that the changes occur. Each period, the Company evaluates the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax assets and liabilities, and tax planning initiatives.

Non-cash transactions

The valuation of shares issued in non-cash transactions. Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When this cannot be determined, it is based on the fair value of the consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.

Economic recoverability and probability of future benefits of exploration and evaluation costs

Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, scoping and feasibility studies, accessible facilities and existing permits.

(Unaudited - Expressed in Canadian dollars)

3. EXPLORATION AND EVALUATION ASSETS

Period Ended April 30, 2023	Split Dome Copper Property	Untapped Property	To Do and Lions Den Gold Properties	JD Property	Belle Property	More Creek Property	Bentley Property	Lone Mountain Property	Total
Acquisition Costs:									
Balance, beginning of the period	$ 363,500	$ 960,000	$ 1,205,000	$ 471,000	$ 151,668	$ 141,606	$ 41,250	$ 550,000	$3,884,024
Balance, end of the period	363,500	960,000	1,205,000	471,000	151,668	141,606	41,250	550,000	3,884,024
Exploration Costs:									
Balance, beginning of the period	120,024	102,159	193,509	2,043,762	700	168,391	56,286	101,051	2,785,882
Administration and consulting	-	-	-	2,402	-	-	-	-	2,402
Balance, end of the period	120,024	102,159	193,509	2,046,164	700	168,391	56,286	101,051	2,788,284
Total	$ 483,524	$1,062,159	$ 1,398,509	$2,517,164	$ 152,368	$ 309,997	$ 97,536	$ 651,051	$6,672,308

(Unaudited - Expressed in Canadian dollars)

Year Ended January 31, 2023	Split Dome Copper Property	Untapped Property	To Do and Lions Den Gold Properties	JD Property	Belle Property	More Creek Property	Bentley Property	Lone Mountain Property	Williams EXT	Total
Acquisition Costs:										
Balance, beginning of year	$ 363,500	$ 960,000	$ 1,205,000	$ 262,250	$ 124,793	$ 106,606	$ 41,250	$ 550,000	$ 220,000	$3,833,399
Acquisition costs – cash	-	-	-	200,000	25,000	-	-	-	-	225,000
Acquisition costs – shares	-	-	-	8,750	1,875	35,000	-	-	-	45,625
Write off adjustment	-	-	-	-	-	-	-	-	(220,000)	(220,000)
Balance, end of year	363,500	960,000	1,205,000	471,000	151,668	141,606	41,250	550,000	-	3,884,024
Exploration Costs:										
Balance, beginning of year	117,524	98,159	183,059	1,618,379	700	168,391	56,286	95,951	125,313	2,463,762
Administration and consulting	2,500	4,000	9,950	71,623	-	-	-	5,100	4,200	97,373
Field work	-	-	500	353,760	-	-	-	-	-	354,260
Write off adjustment	-	-	-	-	-	-	-	-	(129,513)	(129,513)
Balance, end of year	120,024	102,159	193,509	2,043,762	700	168,391	56,286	101,051	-	2,785,882
Total	$ 483,524	$1,062,159	$ 1,398,509	$2,514,762	$ 152,368	$ 309,997	$ 97,536	$ 651,051	$ -	6,669,906

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

Split Dome Copper Property

The Company owns a 100% interest, subject to a 0.25% Net Smelter Returns ("NSR") royalty retained by John Michael William Collins, a former CEO, in the Split Dome project located near Hazelton, British Columbia.

Sunset Copper Star Property

Pursuant to an option agreement dated November 16, 2018, the Company was granted an option to acquire a 100% undivided interest in the Sunset Copper Star property located north of Campbell River area in the Nanaimo Mining Division, British Columbia.

In accordance with the agreement, the Company acquired a 51% undivided interest in the property by paying $5,000. The Company had the option to earn the remaining 49% interest in the property by issuing a total of 50,000 common shares of the Company, making cash payments totalling $155,000, and incurring a total of $500,000 in exploration expenditures.

The optionors were to retain a 3% NSR royalty on the property. The Company had the right to purchase the first 1% of the royalty for $750,000 and the remaining 2% for $1,000,000 at any time prior to the commencement of commercial production.

During the year ended January 31, 2022, the Company decided to forego making certain payments to maintain the Sunset Copper Star Property and impaired the property to $Nil and recorded a write-down of $2,400 in the statement of loss and comprehensive loss.

Untapped Property

The Company owns a 100% interest in the Untapped property. The property is subject to a 1% NSR royalty of which the Company may purchase 0.5% for $500,000.

To Do and Lions Den Gold Properties

The Company owns a 100% interest in the To Do and Lions Den Gold properties located in northwestern British Columbia. The property is subject to a 1.5% NSR; retained by Crest Resources Inc., a related party.

JD Property

In July 2020, the Company entered into an agreement to acquire a 100% interest subject to a 2.5% NSR royalty, in the JD property located in the Omineca Mining Division in northern British Columbia. To earn the interest, the Company must make payments totaling $1,200,000, issue 1,000,000 common shares and incur exploration expenditures totaling $16,000,000, as follows:

i) $70,000 in cash (paid) and shares valued at $30,000 (issued) in accordance with regulatory requirements;
ii) $100,000 (paid) and 62,500 common shares (issued at a value of $22,500) on July 28, 2021;
iii) $200,000 (paid) and 125,000 common shares (issued at a value of $8,750) on July 28, 2022;
iv) $200,000 and 187,500 common shares on July 28, 2023;
v) $250,000 and 250,000 common shares on July 28, 2024;
vi) $350,000 and 375,000 common shares on July 28, 2025;
vii) incur not less than $200,000 on or before October 28, 2020 (incurred);
viii) incur $1,000,000 on or before October 28, 2021 (incurred);
ix) incur $1,300,000 on or before December 31, 2022; with discretion to defer up to $800,000 to December 31, 2023 (incurred $425,383 as at January 31, 2023.)

x) incur $2,000,000 on or before December 31, 2023;
xi) incur $3,000,000 on or before December 31, 2024;
xii) incur $4,000,000 on or before December 31, 2025; and
xiii) incur $4,500,000 on or before December 31, 2026.

On February 15, 2023, the Company entered into an amending agreement with T. Cameron Scott and V.F. Erickson Consultants Ltd. to modify the original option agreement dated July 28, 2020 for the JD Property. Under the amending agreement, the parties agreed to:

a- Allow the Company to elect at is sole discretion to defer up to $800,000 of the expenditures on the property to be incurred on or before December 31, 2022; provided that any such amounts deferred must be incurred as expenditures on the property on or before December 31, 2023.
b- Require from the Company, as a result of an election to defer; a cash payment to the vendors on or before March 31, 2023, equal to 20% of the difference between $2,500,000 and the aggregate expenditures actually incurred on the property by December 31, 2022, accompanied by a detailed accounting of such expenditures incurred up to that date.

To the date of these financial statements, no cash payment to vendors under this amendment was made.

Belle Property

During the year ended January 31, 2021, the Company entered into an option agreement to acquire a 100% interest in the Belle property, located in northern British Columbia. To execute the option, the Company is required to make the following payments:

i) $25,000 (paid) and 31,250 common shares on August 5, 2020 (issued at a value of $50,000);
ii) $25,000 (paid) and 31,250 common shares on or before August 5, 2021 (issued at a value of $11,250);
iii) $25,000 (paid) and 31,250 common shares on or before August 5, 2022 (issued at a value of $1,875); and
iv) $25,000 and 31,250 common shares on or before August 5, 2023.

The property is subject to a 2% NSR.

More Creek Property

During the year ended January 31, 2021, the Company entered into an option agreement to acquire a 100% interest in the More Creek property, located in northwest British Columbia. To execute the option, the Company is required to make the following payments:

i) $25,000 on August 21, 2020 (paid);
ii) 25,000 common shares on or before September 1, 2020 (issued at a value of $39,000);
iii) $25,000 on or before July 22, 2021 (paid);
iv) $50,000 in cash or shares on or before August 21, 2022 (1,000,000 shares issued at a value of $35,000);
v) $50,000 in cash or shares on or before July 22, 2023.

The Company is required to incur exploration expenditures totaling $600,000 as follow:

i) $100,000 on or before December 31, 2021 (incurred);
ii) $250,000 on or before August 21, 2023; and
iii) $250,000 in development costs on or before December 31, 2023.

The property is subject to a 2% NSR. In the event the Company acquires 100% interest in the property, the Company will be subject to an additional 1% NSR of which 0.5% can be purchased at any time for $500,000.

Bentley Property

During the year ended January 31, 2022, the Company acquired a 100% interest in the Bentley property, located in the Toodoggone district in north central British Columbia by issuing 62,500 common shares at a value of $33,750 and paying $7,500.

Williams EXT (formerly Williams Extension East-West Property)

During the year ended January 31, 2021, the Company acquired a 100% interest in the Williams EXT property in British Columbia.

During the year ended January 31, 2023, the Company decided to focus on its other claims and has written down the Williams EXT property to $Nil.

Lunar-Frog Property

During the year ending January 31, 2021, the Company acquired a 100% interest in Lunar-Frog property located in British Columbia. The property was subject to a 2.5% NSR, of which 1.5 % NSR was for Crest Resources Inc. and 1% was an underlying NSR.

During the year ended January 31, 2022, the Company decided to focus on its other claims due to their relative proximity and has relinquished these claims. Accordingly the Company has written the Lunar-Frog property down to $Nil.

Lone Mountain Property

The Company owns a 100% interest in Lone Mountain property located in British Columbia. The Lone Mountain property is subject to a historical underlying 2% NSR.

Gosco and Last Zone Properties

During the year ending January 31, 2021, the Company acquired a 100% interest in the Gosco and Last Zone properties located in British Columbia. The Gosco and Last Zone properties were subject to a 1% NSR.

During the year ended January 31, 2022, the Company decided to focus on its other claims due to their relative proximity and has relinquished these claims. Accordingly, the Company has written the Gosco and Last Zone properties down to $Nil.

(Unaudited - Expressed in Canadian dollars)

4. MARKETABLE SECURITIES

A summary of the marketable securities transactions for the period ended April 30, 2023 and year ended January 31, 2023 is as follows:

	Common shares $	Warrants $	Total $	Total gain (loss) $
Cost				
February 1, 2022	1,000	-	1,000	
Additions	157,196		157,196	
Proceeds on sale	(70,548)	-	(70,548)	
Realized gain	2,459	-	2,459	2,459
January 31, 2023	90,107	-	90,107	
Fair value				
February 1, 2022	2,500	25,500	28,000	
Additions	157,197		157,197	
Cost of disposals	(68,090)	-	(68,090)	
Unrealized loss	(19,632)	(25,500)	(45,132)	(45,132)
January 31, 2023	71,975	-	71,975	
Total loss				(42,673)
Cost				
February 1, 2023	90,107	-	90,107	
Additions	7,763		7,763	
Proceeds on sale	(35,896)	-	(35,896)	
Realized gain	8,760	-	8,760	8,760
April 30, 2023	70,734	-	70,734	
Fair value				
February 1, 2023	71,975	-	71,975	
Additions	7,763		7,763	
Cost of disposals	(27,135)	-	(27,135)	
Unrealized gain	14,560	-	14,560	14,560
April 30, 2023	67,163	-	67,163	
Total gain				23,320

5. SHARE CAPITAL AND RESERVES

a) Authorized:
The Company is authorized to issue an unlimited number of common shares without par value.

b) Common Shares
Effective May 19, 2022, the Company consolidated its common shares on a 4:1 basis. These condensed interim consolidated financial statements reflect the share consolidation for all shares, warrants, options and per share amounts retrospectively.

Issued and Outstanding as at April 30, 2023: 35,748,602 common shares.

During the year January 31, 2023, the Company had the following share capital transactions:

(i) On March 9, 2022, closed a non-brokered private placement and issued 3,050,000 units at $0.20 per unit for gross proceeds of $610,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the Company at a price of $0.28 for a term of five years expiring March 9, 2027.

(ii) On August 5, 2022, issued 125,000 common shares at a value of $8,750 pursuant to the acquisition of JD Property (Note 3).

(iii) On August 15, 2022, issued 31,250 common shares at a value of $1,875 pursuant to the acquisition of Belle Project (Note 3).

(iv) On September 6, 2022, closed the first tranche of a non-brokered private placement and issued 4,750,000 flow-through units and 9,600,000 non-flow through units at $0.05 per unit for total proceeds of $717,500. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share for a period of five years at a price of $0.06. A value of $Nil was attributed to the flow-through premium liability in connection with the financing.

(v) On October 5, 2022, closed the second tranche of the non-brokered private placement and issued 2,000,000 flow-through units and 300,000 non-flow through units at $0.05 per unit for total proceeds of $115,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share for a period of five years at a price of $0.06. A value of $Nil was attributed to the flow-through premium liability in connection with the financing.

Pursuant to the flow-through financings noted above in (iv) and (v), the Company has renounced a total of $337,500 in flow through expenditures, of which $30,127 were incurred in January 2023.

(vi) On January 31, 2023, issued 1,000,000 common shares at a value of $35,000 pursuant to the acquisition of More Creek property (Note 3).

c) Stock Options

During the year ended January 31, 2020, the Company adopted a Stock Option Plan (the “Plan”) for directors, officers, employees and consultants of the Company. Under the Plan, the Company may grant incentive stock options to directors, officers, employees and consultants to the Company, as determined by the Board of Directors of the Company at the fair market value on the date the option is granted. The maximum number of common shares which may be issuable under the Plan cannot exceed 10% of the total number of shares issued and outstanding on a non-diluted basis.

(Unaudited - Expressed in Canadian dollars)

During the period ended April 30, 2023 and January 31, 2023, the Company did not grant any stock options.

d) Warrants

A summary of changes in warrants during the period is as follows:

	Number of warrants	Weighted average exercise price
Outstanding and exercisable January 31, 2022	2,356,250	$ 0.52
Granted	19,700,000	0.09
Outstanding and exercisable January 31, 2023	22,056,250	0.14
Expired	(125,000)	0.14
Outstanding and exercisable April 30, 2023	21,931,250	$ 0.14

The following warrants were outstanding at April 30, 2023:

Expiry Date	Exercise Price	Number of warrants	Number of warrants Exercisable
September 22, 2026	$0.48	1,000,000	1,000,000
October 12, 2026	$0.48	1,000,000	1,000,000
November 12, 2026	$0.48	231,250	231,250
March 9, 2027	$0.28	3,050,000	3,050,000
September 6, 2027	$0.06	14,350,000	14,350,000
October 5, 2027	$0.06	2,300,000	2,300,000
		21,931,250	21,931,250

6. RELATED PARTY BALANCES AND 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. 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.

Key management includes directors and key officers of the Company, including the President, Chief Executive Officer and Chief Financial Officer. The remuneration of directors and other members of key management personnel during the three months ended April 30, 2023 and 2022 were as follows:

(Unaudited - Expressed in Canadian dollars)

	Nature of transactions		2023		2022
Related parties:					
Chief Executive Officer	Management fees	$	30,000	$	-
Former Chief Executive Officer	Exploration	$	-	$	30,000
Former Chief Financial Officer	Management fees	$	-	$	3,000
Chief Financial Officer	Professional fees	$	8,090	$	-
A Company controlled by a person related to the CEO	Consulting fees	$	45,000	$	-
A Company related by a common former Chief Executive Officer	Management fees	$	-	$	21,750

As at April 30, 2023, accounts payable and accrued liabilities include $397,301 (January 31, 2023 - $289,466) due to related parties. All amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

During the year ended January 31, 2023, the Company entered into a loan agreement with a Company controlled by a common director to borrow $187,000. The principal amount of the loan plus accrued interest of 10% per annum and a 20% bonus was due on August 2, 2022. During the year ended January 31, 2023, the Company accrued $38,578 of interest. During the year ended January 31, 2023, the Company repaid the loan in full.

During the year ended January 31, 2023, the Company entered into a loan agreement with a company controlled by a common director to borrow $30,000. The principal amount of the loan plus accrued interest of 10% per annum and a 20% bonus was due on September 30, 2022. During the year ended January 31, 2023, the Company accrued $7,875 of interest. At January 31, 2023, the loan has been paid in full.

During the year ended January 31, 2023, the Company entered into a loan agreement with a company controlled by a common director to borrow $12,000. The principal amount of the loan plus accrued interest of 10% per annum and a 20% bonus was due on October 20, 2022. During the year ended January 31, 2023, the Company accrued $3,195 of interest and repaid $10,125 on the loan. During the three months ended April 30, 2023, the Company accrued $45 of interest. At April 30, 2023, the balance payable consists of $1,875 in principal and $3,240 in cumulative interest.

During the year ended January 31, 2023, the Company entered into a loan agreement with a company controlled by a common director to borrow $10,000. The principal amount of the loan plus accrued interest of 10% per annum and a 20% bonus was due on November 30, 2022. During the year ended January 31, 2023, the Company accrued $2,687 of interest. During the three months ended April 30, 2023, the Company accrued $189 of interest and made a $8,400 repayment on the loan. At April 30, 2023, the balance payable consists of $1,600 in principal and $2,876 in cumulative interest.

During the year ended January 31, 2022, the Company entered into a loan agreement with a company controlled by a common director to borrow $30,000. This was an unsecured non-interest-bearing loan. During the three months ended April 30, 2023, the Company repaid $30,000 on the loan. At April 30, 2023, the loan was repaid in full.

(Unaudited - Expressed in Canadian dollars)

During the year ended January 31, 2022, the Company entered into a loan agreement with a company controlled by a common director to borrow $115,000. The principal amount of the loan plus accrued interest of 10% per annum and a 20% bonus was payable on June 17, 2022. During the year ended January 31, 2022, the Company accrued $1,393 of interest. During the year ended January 31, 2023, the Company accrued $23,945 of interest and repaid the loan in full.

During the year ended January 31, 2021, the Company entered into a loan agreement with a company controlled by the former Chief Executive Officer to lend $40,000. The principal amount of the loan plus accrued interest of 2% per month was payable on or before 10 days after notice in writing of demand by the Company. The borrower pledged 4,000,000 common shares of Origen Resources Inc. as collateral against repayment of the loan and accrued interest. During the year ended January 31, 2022, the Company accrued $4,760 in interest receivable and received $51,286.

7. SEGMENTED INFORMATION

The Company has two operating segments: the exploration and evaluation assets in Canada and its investment in Leigh Creek Magnesite Pty Ltd. of $3,887,170 (January 31, 2023 - $3,887,170) in Australia. The Company's exploration and evaluation assets at April 30, 2023 were $6,672,308 (2022 - $6,669,906).

8. ACQUISITION OF MAGMETAL TECH PTY LTD.

During the year ended January 31, 2021, the Company acquired MagMetal, a private Australian Issuer holding a 20% interest in Leigh Creek Magnesite Pty Ltd ("Leigh Creek"). MagMetal is a holding company with no other assets or liabilities other than a 20% equity investment in Leigh Creek.

The underlying property is subject to a NSR ranging from 1.25% to 2.5%.

The transaction does not constitute a business combination as MagMetal does not meet the definition of a business under IFRS 3 – Business Combinations. As a result, the acquisition of MagMetal has been accounted for as an asset acquisition, whereby all of the assets acquired and liabilities assumed are assigned a carrying amount based on their relative fair values. Upon closing the transaction, MagMetal became a subsidiary of the Company. The net assets acquired pursuant to the acquisition are as follows:

Net Assets Acquired	
Investment in Leigh Creek	$ 3,887,170
Total Purchase Price	
Cash	$ 300,000
Accrued acquisition costs (paid in fiscal 2022)	500,000
Issuance of 1,788,724 common shares	3,040,831
Transaction costs	46,339
	$ 3,887,170

The fair value of 1,788,724 common shares of the Company was determined to be $1.70 per common share, based on the market value at the date of issuance.

Leigh Creek had no operations from the period of acquisition to April 30, 2023 and no significant assets or liabilities other than holding title to an exploration license in Southern Australia.

9. SUBSEQUENT EVENTS

On May 24, 2023. The Company entered into an amending agreement with T. Cameron Scott and V.F. Erickson Consultants Ltd. to modify the amending agreement dated February 15, 2023 related to the JD property. Under the amending agreement, the parties agreed to:

a- Extend the term to incur the $16,000,000 in exploration expenditures by one year to December 31, 2027 from December 31, 2026.

b- Amend the dates to which annual expenditures must be completed for the years 2023 through 2027 respectively, to December 31, from October 28.

c- Amend the dates to which Volatus should incur the deferral for up to $800,000 of expenditures to the years 2023 and 2024 from December 31, 2022.

d- State the amount payable to the vendor for the right to defer up to $800,000 of expenditures to $50,000 cash, plus treasury shares of the assignee at a deemed price of $0.15 per share for the balance calculated, and modify date to on or before July 28, 2023 from on or before March 31, 2023. This amount payable to the vendor should be calculated as 20% of the difference between $2,500,000 and aggregate expenditures incurred on the property by December 31, 2022.

e- Revise and substitute the following:
To exercise the Option, Volatus must pay to the Vendors an aggregate of $1,450,000, issue 4,500,000 shares (subject to appropriate adjustments pursuant to subsection 1) (iv) below, and incur an aggregate of $16,000,000 of expenditures on the property (collectively the "Option Price"), in accordance with the following schedules:

1) Cash and share payments
   - i. $200,000 cash and 750,000 shares on or before July 28, 2023;
   - ii. $250,000 cash and 1,000,000 shares on or before July 28, 2024;
   - iii. $300,000 cash and 1,500,000 shares on or before July 28, 2025;
   - iv. $300,000 payable in cash or a combination of cash and shares, at Volatus' election, to a maximum share value of $150,000, calculated on a 20-day trailing average basis, on or before July 28, 2026; and
   - v. $500,000 shares on or before July 28, 2027

2) The following expenditures on the property shall be required to exercise the Option:
   - vi. An additional $4,000,000 by December 31, 2024, subject to a minimum $500,000 expenditure in each and any calendar year;
   - vii. an additional $3,000,000 by December 31, 2025;
   - viii. an additional $3,800,000 by December 31, 2026; and
   - ix. an additional $4,000,000 by December 31, 2027

f- Have Volatus complete an annual expenditure report to the vendors by January 31, immediately following each year of expenditures.

In the event that Volatus assigns the option agreement to a third party; Volatus will accelerate the final payment (third anniversary) for cash and Volatus' Share payments due to Tower on August 5, 2023 under the Belle Option Agreement; thereby completing the Belle Option and thereby earning a 100% interest in the Belle property. Volatus further agrees to immediately thereafter, register each of the seven titles comprising the Belle property, as to 50% each in the names of T. Cameron Scott and Victor F. Erickson.