FORM 51-102F4

BUSINESS ACQUISITION REPORT

Item 1. Name and Address of Company

1.1 Name and Address of Company

SENTINEL RESOURCES CORP.
204 – 998 Harbourside Drive
North Vancouver, British Columbia, V7P 3T2

1.2 Executive Officer

Rob Gamley
Chief Executive Officer
(604) 689-7422

Item 2. Details of Acquisition

2.1 Nature of Business Acquired

Sentinel Resources Corp. (the "Company") completed its acquisition of 67% of the issued and outstanding securities of Hub City Minerals Corp. ("Hub City") in accordance with the terms of a share purchase agreement (the "Agreement") with Hub City and the shareholders of Hub City.

Hub City, through a 75% interest in Hub City Lithium Inc., owns a series of lithium focused permits in Saskatchewan (the "Li-Brine Properties"). On the date of acquisition, the Li-Brine Properties consisted of twenty-one (21) lithium brine focused permits in four main distinct geographical locations in Saskatchewan representing 48,457 hectares :

- Greater Mansur Permit Area consisting of five main blocks totaling 13,093 hectares, located between 10 to 50 km east of Weyburn, Saskatchewan.
- Greater Tyvan Permit Area consisting of four permit blocks totaling 5,683 hectares, located 85 km south of Regina, Saskatchewan.
- Greater Huntoon East Permit area consisting of seven permit blocks totaling 20,923 hectares.
- Coleville Permit consisting of four permit blocks totaling 8,496 hectares, located 30 km northwest of Kindersley, Saskatchewan.

2.2 Date of Acquisition

September 2, 2021.

2.3 Consideration

In consideration of acquiring a 67% interest in the issued and outstanding securities of Hub City, the Company agreed to issue 14,070,000 units of Sentinel to the shareholders of Hub City. Each unit is comprised of one common share of the Company and one share purchase warrant, with each share purchase warrant entitling the holder to acquire one additional common share of the Company under the existing terms of the outstanding share purchase warrants of Hub City.

A portion of the units issued under the transaction will be subject to the following voluntary restrictions on resale: (i) 2,814,000 units were subject to a hold period expiring one month after closing, (ii) 2,814,000 units were subject to a hold period expiring two months after closing; (iii) 2,814,000 units are subject to a hold period expiring three months after closing; (iv) 2,814,000 units are subject to a hold period expiring four months after closing.

2.4 Effect on Financial Position

Prior to the acquisition of Hub City, the Company was focused on the exploration of its gold and silver properties in Australia. As a result of the acquisition of Hub City, the Company diversified its portfolio of projects by adding Canadian based lithium brine properties to its portfolio of projects.

The Company does not presently have any plans or proposals for material changes in the Company's or Hub City's affairs (corporate structure, personnel or management) that will have an impact on the financial performance and financial position of the Company.

2.5 Prior Valuations

None.

2.6 Parties to Transaction

The acquisition was not with an informed person, associate or affiliate of the Company.

2.6 Date of Report

November 16, 2021.

Item 3. Financial Statements

The following financial statements attached as Schedule "A" hereto are included in this Business Acquisition Report:

1) Audited financial statements of Hub City for the fiscal year ended July 31, 2021.

HUB CITY MINERALS CORP.

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD FROM INCEPTION ON APRIL 19, 2021 TO JULY 31, 2021
(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Hub City Minerals Corp.:

Opinion

We have audited the consolidated financial statements of Hub City Minerals Corp. (the "Company"), which comprise the consolidated statement of financial position as at July 31, 2021, and the consolidated statement of net and comprehensive loss, consolidated statement of changes in equity and consolidated statement of cash flows for the period from inception on April 19, 2021 to July 31, 2021, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at July 31, 2021, and its consolidated financial performance and its consolidated cash flows for the period from inception on April 19, 2021 to July 31, 2021 in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Baker Tilly WM LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.

November 15, 2021

HUB CITY MINERALS CORP.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	Note	July 31, 2021 $
ASSETS		
Current assets		
Cash		54,212
GST recoverable		2,506
Subscriptions receivable	**4**	100,000
		156,718
Exploration and evaluation assets	**3**	936,392
Total assets		1,093,110
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities		27,545
Convertible debentures – liability component	**4**	806,651
		834,196
SHAREHOLDERS' EQUITY		
Share capital	**5**	50,000
Convertible debentures – equity component	**4**	36,305
Deficit		(51,069)
Total equity attributable to shareholders of the Company		35,236
Attributable to non-controlling interest		223,678
		258,914
Total liabilities and shareholders’ equity		1,093,110

Nature of operations and going concern (Note 1)
Subsequent events (Notes 1, 3, 4 and 9)

Approved and authorized for issue on behalf of the Board of Directors on November 15, 2021

Robin Gamley Director

HUB CITY MINERALS CORP.
CONSOLIDATED STATEMENT OF NET AND COMPREHENSIVE LOSS
For the period from inception on April 19, 2021 to July 31, 2021
(Expressed in Canadian Dollars)

	Notes	2021 $
Expenses		
Interest	**4**	26,564
Office expenses		226
Professional fees		25,548
NET AND COMPREHENSIVE LOSS FOR THE PERIOD		(52,338)
LOSS ATTRIBUTABLE TO:		
Shareholders of the Company		(51,069)
Non-controlling interest		(1,269)
		(52,338)
		-
BASIC AND DILUTED LOSS PER SHARE		(0.01)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING		3,750,000

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

HUB CITY MINERALS CORP.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(Expressed in Canadian dollars, except for share figures)

	Number of Shares #	Share Capital $	Convertible Debentures – Equity Component $	Deficit $	Non-controlling Interest $	Total $
Balance, April 19, 2021	**-**	**-**	**-**	**-**	**-**	**-**
Shares issued pursuant to private placements	3,750,000	50,000	-	-	-	50,000
Convertible debentures	-	-	36,305	-	-	36,305
Non-controlling interest at inception	-	-	-	-	224,947	224,947
Net and comprehensive loss for the period	-	-	-	(51,069)	(1,269)	(52,338)
Balance, July 31, 2021	**3,750,000**	**50,000**	**36,305**	**(51,069)**	**223,678**	**258,914**

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

HUB CITY MINERALS CORP.
CONSOLIDATED STATEMENT OF CASH FLOWS
For the period from inception on April 19, 2021 to July 31, 2021
(Expressed in Canadian Dollars)

	2021 $
Operating activities:	
Net loss for the period	(52,338)
Items not involving cash:	
Interest	7,956
Changes in non-cash working capital related to operations:	
GST recoverable	(2,506)
Accounts payable and accrued liabilities	27,545
Net cash used in operating activities	(19,343)
Investing activity:	
Acquisition and exploration costs on exploration and evaluation assets	(711,445)
Net cash used in investing activity	(711,445)
Financing activities:	
Issuance of common shares	50,000
Proceeds on issuance of convertible debentures	735,000
Net cash provided by financing activities	785,000
Increase in cash during the period	54,212
Cash – beginning of the period	-
Cash – end of the period	54,212
Supplemental cash flow information:	
Taxes paid	-
Interest paid	-
Non-cash transactions:	
Subscriptions receivable	100,000
Consulting on acquisition of exploration and evaluation assets	224,947

1. NATURE OF OPERATIONS AND GOING CONCERN

Hub City Minerals Corp. ("the Company" or "Hub City") was incorporated as 1300909 BC Ltd. under the Business Corporations Act of British Columbia on April 19, 2021 and changed its name to Hub City Minerals Corp. on April 30, 2021. The Company and its subsidiary is engaged in the exploration and evaluation of mineral properties. The Company's head office is located at 204 - 998 Harbourside Drive, North Vancouver, BC V7P 3T2.

Subsequent to July 31, 2021, the issued and outstanding common shares of the Company were split at a ratio of 1 pre-split share to 1.5 post-split share ("Share Split"). All references to share and per share amounts in these consolidated financial statements have been retroactively restated to reflect the Share Split.

These consolidated financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. At July 31, 2021, the Company had accumulated losses of $51,069 since its inception and expects to incur further losses in the development of its business. The continuation of the Company is dependent upon obtaining necessary financing to meet its ongoing operational levels of exploration and corporate overhead. In March 2020, there was a global pandemic outbreak of COVID-19. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and specifically, the regional economies in which the Company operates. The pandemic could result in delays in the course of business and could have a negative impact on the stock market, including the Company's ability to raise new capital. These events and conditions indicate a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern.

Additional funds will be required to enable the Company to continue its operations and there can be no assurance that financing will be available on terms which are acceptable to the Company. These consolidated financial statements do not give effect to any adjustments to the amounts and classifications of assets and liabilities which might be necessary should the Company be unable to continue its operations as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION

a) Statement of compliance

These consolidated financial statements have been presented in accordance with International Financial Reporting Standards ("IFRS") and related interpretations of the IFRS Interpretations Committee ("IFRIC's") as issued by the International Accounting Standards Board ("IASB").

b) Basis of presentation

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

c) Consolidation

These consolidated financial statements include the financial statements of the Company and Hub City Lithium Corp., incorporated in British Columbia on April 19, 2021. The Company owns 75% of the outstanding common shares of Hub City Lithium Corp.

Control is achieved when the Company has power over an entity, has exposure or rights to variable returns from its involvement with the entity and has the ability to use its power over the entity to affect the amount of the investor's returns. Subsidiaries are fully consolidated from the date on which control is obtained and continue to be consolidated until the date that such control ceases. Intercompany balances, transactions and unrealized intercompany gains and losses are eliminated upon consolidation.

d) Non-controlling interests

Non-controlling interests are measured initially at their proportionate share of the acquiree's identifiable net assets. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiary is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. Changes in the Company's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

e) Foreign currencies

The functional currency of a company is the currency of the primary economic environment in which the company operates. The presentation currency for a company is the currency in which the company chooses to present its financial statements.

These consolidated financial statements are presented in Canadian dollars. The functional currency of the Company and Hub City Lithium Corp. is the Canadian dollar.

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. Non-monetary assets and liabilities that are stated at fair value are translated using the historical rate on the date that the fair value was determined. All gains and losses on translation of these foreign currency transactions are recognized in profit or loss.

f) Financial instruments

Recognition and classification
The Company recognizes a financial asset or financial liability on the consolidated statement of financial position when it becomes party to the contractual provisions of the financial instrument.

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 financial assets at initial recognition. The classification of financial asset 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, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) 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.

Measurement

<u>Financial assets and liabilities at FVTPL</u>
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or 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).

<u>Financial assets at FVTOCI</u>
Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

<u>Financial assets and liabilities at amortized cost</u>
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 using the effective interest method, less any impairment. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

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 credit risk on 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 shall recognize in profit or 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.

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 profit or 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, is recognized in profit or loss.

Compound instruments

The component parts of convertible debentures issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognized in equity will be transferred to share capital. Where the conversion option remains unexercised at the maturity date of the convertible debenture, the balance recognized in equity will be transferred to deficit. No gain or loss is recognized in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible debentures are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the lives of the convertible debentures using the effective interest method.

g) Exploration and evaluation assets

Once the legal right to explore a property has been acquired, all costs related to the acquisition, exploration and evaluation of exploration and evaluation assets are capitalized by property. These direct expenditures include such costs as materials used, surveying, drilling, and payments made to contractors during the exploration phase. Costs not directly attributed to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to profit or loss.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mine under construction." Exploration and evaluation assets are tested for impairment before the assets are transferred to development properties. The technical feasibility and commercial viability of extracting a mineral resource is considered to be determinable when proven or probable reserves exist. A review of each exploration license or field is carried out, at least annually, to ascertain whether proven or probable reserves have been discovered. Upon determination of proven or probable reserves, exploration and evaluation assets attributable to those reserves are first tested for impairment and then reclassified from exploration and evaluation assets to mine under construction, or expensed to exploration and evaluation impairments.

h) Impairment of long-lived assets

At each reporting date the carrying amounts of the Company's long-lived assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs of disposal and the value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the year. Impairment is normally assessed at the level of cash-generating units, which are identified as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

i) Provision for decommissioning and restoration

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of mineral properties in the year in which it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate of the amount can be made. Initially, a provision for a decommissioning liability is recognized based on expected cash flows required to settle the obligation and discounted at a pre-tax rate specific to the liability. The capitalized amount is depreciated on the same basis as the related asset. Following the initial recognition of the decommissioning liability, the carrying amount of the liability is increased for the passage of time and adjusted for changes to the current market-based discount rate and the amount or timing of the underlying cash flows needed to settle the obligation. The increase in the provision due to passage of time is recognized as interest expense. Significant judgments and estimates are involved in forming expectations of the amounts and timing of future closure and reclamation cash flows. As at July 31, 2021, the Company has no known material restoration, rehabilitation or environmental liabilities related to its exploration and evaluation assets.

j) Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. The Company's common shares, options and warrants are classified as equity instruments.

Costs directly identifiable with the raising of share capital financing are charged against share capital. Share issuance costs incurred in advance of share subscriptions are recorded as deferred assets. Share issuance costs related to uncompleted share subscriptions are charged to operations.

Equity financing transactions may involve the issuance of units. Units comprise common shares and share purchase warrants. The Company accounts for unit offering proceeds between common shares and share purchase warrants using the residual value method, wherein the fair value of the common shares is based on the market price for recent issuances and the balance, if any, is allocated to the attached warrants.

k) Earnings (loss) per share

Basic earnings (loss) per share represents the earnings (loss) for the period, divided by the weighted average number of common shares outstanding during the period. Diluted earnings per share represents the earnings for the period, divided by the weighted average number of common shares outstanding during the period plus the weighted average number of dilutive shares resulting from the exercise of stock options, warrants and other similar instruments where the inclusion of these would not be anti-dilutive. Diluted loss per share is equivalent to basic loss per share, as the inclusion of dilutive instruments would be anti-dilutive.

l) Share-based payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. The Company uses the Black-Scholes option pricing model to determine the fair value of equity-settled share options. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in profit or loss, unless they are related to the issuance of shares or the acquisition of exploration and evaluation assets. Amounts related to the issuance of shares are recorded as a reduction of share capital, and amounts related to the acquisition of exploration and evaluation assets are capitalized. When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of the Black-Scholes option pricing model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

All equity-settled share-based payments are reflected in share-based payment reserve, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in share-based payment reserve is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

m) Income tax

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The Company does not provide for temporary differences relating to differences relating to investments in subsidiaries, associates, and joint ventures to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the consolidated statement of financial position reporting date applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable income will be available against which the asset can be utilized. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

n) Critical judgments and estimates

Going concern assumption
These consolidated 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. The assessment of the Company's ability to fund future operations and continue as a going concern involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. If the going concern assumption was not appropriate for these consolidated financial statements, then adjustments may be necessary to the carrying value of assets and liabilities, the reported revenue and expenses and the consolidated statement of financial position classifications used.

(Expressed in Canadian Dollars)

Impairment of exploration and evaluation assets
The carrying value and recoverability of exploration and evaluation assets requires management to make certain estimates, judgments and assumptions about each project. Management considers the economics of the project, including the latest resource prices and the long-term forecasts, and the overall economic viability of the project.

3. EXPLORATION AND EVALUATION ASSETS

The Company, through a 75% interest in Hub City Lithium Inc., holds 28,051 hectares (69,316 acres) of Subsurface Crown Mineral Dispositions, consisting of 13 claim permits in the Williston basin of southern Saskatchewan, with the focus on exploration for potential lithium resource prospects (the "Li-Brine Properties").

Subsequent to July 31, 2021, the Company incurred acquisition costs of $224,685 to hold an additional 15,347 hectares (37,923 acres) of Subsurface Crown Mineral Dispositions, consisting of 8 claim permits in the Williston basin of southern Saskatchewan.

	Li-Brine Properties
	$
April 19, 2021	**-**
Acquisition costs – Li-Brine Properties	674,842
Consulting	261,429
Other	121
July 31, 2021	**936,392**

4. CONVERTIBLE DEBENTURES AND RELATED PARTY TRANSACTIONS

On April 30, 2021, the Company closed the first tranche of a convertible debenture financing in the principal amount of $735,000 and on July 28, 2021, the Company closed the second tranche in the principal amount of $100,000. The $100,000 second tranche issuance was included as subscriptions receivable at July 31, 2021 and was received subsequent to year end. Each debenture bears interest at a rate of 10% per annum and is due one year from the date of issue. The debentures are convertible into units of the Company at a price of $0.06667 per unit and each unit consists of one common share of the Company and one share purchase warrant, with each warrant entitling the holder to purchase an additional common share of the Company at a price of $0.06667 per share for a period of three years from the date of issue. $50,000 of the principal is owed to the sole director of the Company, $40,000 of the principal is owed to the sole director of Hub City Lithium Corp., and $75,000 of the principal is owed to a company controlled by the sole director of Hub City Lithium Corp.

(Expressed in Canadian Dollars)

The convertible debentures were separated into their liability and equity components. The fair value of the liability component at the time of issue was calculated as the discounted cash flows for the convertible debentures discounted at 15%, which was the estimated prevailing market interest rate for a similar non-convertible instrument. The fair value of the equity component (conversion feature) was determined at the time of issue as the difference between the face value of the convertible debentures and the fair value of the liability component.

The liability component for the April 30, 2021 convertible debenture was initially fair valued at $703,043 with the resulting residual value being allocated to the equity component in the amount of $31,957.

The liability component for the July 28, 2021 convertible debenture was initially fair valued at $95,652 with the resulting residual value being allocated to the equity component in the amount of $4,348.

	Liability Component	**Equity Component (net of tax)**
	$	**$**
Balance, April 19, 2021	-	-
Proceeds	798,695	36,305
Accretion expense	7,956	-
Balance, July 31, 2021	806,651	36,305

During the period ended July 31, 2021, the Company recorded accretion expense of $7,956 and accrued interest of $18,608, both of which are recorded as interest expense in profit or loss. The accrued interest is recorded in accounts payable and accrued liabilities.

Subsequent to July 31, 2021, all $835,000 of the convertible debentures have been converted to 12,525,000 units of the Company, at a price of $0.06667 per unit, the accrued interest was paid in cash. On conversion, the liability component and the equity component of the conversion option were transferred to share capital and no gain or loss was recognized in profit or loss upon conversion.

5. SHARE CAPITAL

a) Authorized – Unlimited common shares without par value.

b) Issued and outstanding – 3,750,000 common shares

(Expressed in Canadian Dollars)

c) Issuances

During the period ended July 31, 2021, the Company issued the following common shares:

On April 19, 2021, the Company issued 3,750,000 units for proceeds of $50,000. The units consist of one common share of the Company and one common share purchase warrant exercisable for the purchase of one common share of the Company at an exercise price of $0.06667, expiring on April 19, 2024. No allocation of proceeds was made to the share purchase warrants based on the residual value method.

d) Warrants

Details of warrant activity for the period from inception on April 19, 2021 to July 31, 2021 are as follows:

	Number of Warrants #	Weighted Average Exercise Price $
Balance, April 30, 2020	-	-
Issued	3,750,000	0.06667
Exercised	-	-
Balance, July 31, 2021	3,750,000	0.06667

The balance of warrants outstanding as at July 31, 2021 is as follows:

Expiry Date	Exercise Price $	Remaining Life (Years)	Warrants Outstanding #
April 19, 2024	0.06667	2.72	3,750,000

e) Non-controlling interest

The non-controlling interest holds 25% of Hub City Lithium Corp. The non-controlling interest was issued common shares in Hub City Lithium Corp. on completion of consulting work that resulted in the acquisition of the Li-Brine Properties. The net assets of Hub City Lithium Corp. at the time consisted only of the Li-Brine Properties, and as such the non-controlling interest services and initial balance were recognized at 25% of the property acquisition costs, which were capitalized as consulting costs to exploration and evaluation assets.

At July 31, 2021, the non-controlling interest is comprised of the initial 25% share of net assets of Hub City Lithium Corp. of $224,947, less the non-controlling interest share of losses of the Company of $1,269.

6. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' equity attributable to shareholders of the Company, which total $35,236 at July 31, 2021.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash. The Company is dependent on the capital markets as its primary source of operating capital and the Company's capital resources are largely determined by its ability to compete for investor support of its projects.

The Company is not subject to any capital requirements imposed by an external party.

7. FINANCIAL INSTRUMENTS

For financial instruments held by the Company, management classifies cash as FVTPL, and subscriptions receivable, accounts payable and accrued liabilities and convertible debentures as amortized cost.

a) Fair value of financial instruments

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 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

As at July 31, 2021, the Company believes that the carrying values of subscriptions receivable, accounts payable and accrued liabilities and convertible debentures approximate their fair values because of their nature and relatively short maturity dates or durations. The fair value of cash is based on level 1 inputs of the fair value hierarchy.

b) Management of risks arising from financial instruments

Discussions of risks associated with financial assets and liabilities are detailed below:

(Expressed in Canadian Dollars)

Credit risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk arises from cash held with banks and financial institutions, and subscriptions receivable. The maximum exposure to credit risk is equal to the carrying value of the cash and subscriptions receivable at July 31, 2021 of $154,212. The Company's cash is held with a reputable Canadian bank. The credit risk related to cash is considered minimal.

The Company monitored the subscriptions receivable, which were with credit worthy investors. The subscriptions receivable were fully collected subsequent to year end.

Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash to enable settlement of transactions as they come due. Management monitors the Company's contractual obligations and other expenses to ensure adequate liquidity is maintained. At July 31, 2021, the Company had $54,212 of cash, with which to settle $27,545 of accounts payable and accrued liabilities.

8. INCOME TAXES

A reconciliation of income taxes at statutory rates with reported taxes is as follows:

	2021
Statutory tax rate	27%
	$
Loss before income taxes	(52,338)
Expected income tax recovery at statutory rate	(14,131)
Non-deductible and other amounts	9,802
Change in deferred tax asset not recognized	4,329
Income tax recovery	-

The significant components of the Company's deferred income tax assets and liabilities as at July 31, 2021 are as follows:

	2021 **$**
Non-capital loss carry forwards	11,983
Convertible debentures	(7,654)
Unrecognized deferred income tax assets	(4,329)
Net deferred tax asset	-

As at July 31, 2021, the Company has non-capital losses carried forward for income tax purposes in Canada of approximately $44,000 which can be applied against future years' taxable income. The non-capital losses expire in 2041. Future tax benefits, which may arise as a result of these losses, have not been recognized in these consolidated financial statements.

9. SUBSEQUENT EVENTS

Other than subsequent events already disclosed separately, the subsequent events of the Company consist of the following:

Share issuances

On August 6, 2021, the Company issued 3,150,000 shares at a price of $0.02 per share for proceeds of $63,000.

Acquisition Agreement with Sentinel Resources Corp.

On August 27, 2021, the Company entered into a share purchase agreement (the "Acquisition Agreement") with Sentinel Resources Corp. ("Sentinel"), whereby Sentinel has acquired 67% of the issued and outstanding shares and share purchase warrants of the Company.

Under the terms of the Acquisition Agreement, Sentinel acquired 14,070,000 Hub City Units (the "Hub City Units") in exchange for the issuance of 14,070,000 Sentinel units (each, "Sentinel Unit") to the shareholders of the Hub City Units. Each Sentinel Unit will consist of one common share of Sentinel and one share purchase warrant, with each share purchase warrant entitling the holder to acquire one additional common share of Sentinel under the existing terms of the outstanding share purchase warrants of Hub City.

The transaction closed on September 2, 2021, at which time Sentinel became the ultimate parent company of the Company.

Loan Agreements

On August 17, 2021, the Company entered into loan agreements with two lenders for total proceeds of $600,000. The loans bore no interest, were unsecured and was to mature on November 16, 2021. In consideration for the loans, in the event of the completion of a transaction resulting in the Company becoming publicly listed, the resulting public entity will issue 500,000 common shares to each of the lenders. The loans have been repaid subsequent to July 31, 2021.

One of the lenders is a company controlled by the sole director of Hub City Lithium Corp.