EMP METALS CORP.

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED APRIL 30, 2023 AND 2022
(Expressed in Canadian Dollars)

Baker Tilly WM LLP
900 – 400 Burrard Street
Vancouver, British Columbia
Canada V6C 3B7
T: +1 604.684.6212
F: +1 604.688.3497

vancouver@bakertilly.ca
www.bakertilly.ca

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of EMP Metals Corp.:

Opinion

We have audited the consolidated financial statements of EMP Metals Corp. and its subsidiaries (together the "Company"), which comprise the consolidated statements of financial position as at April 30, 2023 and 2022, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at April 30, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits 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 audits 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 in our audits 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 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended April 30, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section of our auditor's report, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	**How our audit addressed the key audit matter**
Assessment of the existence of impairment indicators for exploration and evaluation assets	
Refer to note 7	Our approach to addressing the matter involved the following procedures, among others:
As at April 30, 2023, the carrying amount of the Company's exploration and evaluation assets was $20,651,460. At each reporting period, management assesses exploration and evaluation assets to determine whether there are any indicators of impairment. If any such indicators exist, the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. Management assesses exploration and evaluation assets for impairment based on, at minimum, the presence of any one of the following indicators: (i) the period for which the Company has the right to explore in the specific area has expired during the year or will expire in the near future, and is not expected to be renewed; (ii) substantive expenditure on further exploration for, and evaluation of, mineral resources in the specific area is neither budgeted nor planned; (iii) the Company has decided to discontinue exploration for and evaluation of mineral resources in the specific area; and/or (iv) for areas of likely development, available data indicates that the carrying amount exceeds the recoverable amount. No impairment indicators were identified by management as at April 30, 2023. We considered this a key audit matter due to the significance of the exploration and evaluation assets and the judgments made by management in their assessment of whether there existed impairment indicators related to the exploration and evaluation assets. These factors have resulted in a high degree of subjectivity in performing audit procedures, related to the judgment applied by management.	Evaluating the judgments made by management in assessing for the presence of impairment indicators, which included the following: • Obtained evidence to support the right to explore the properties under the permits held by the Company. • Read the board of directors' minutes and resolutions, and observed evidence supporting the continued and planned exploration expenditures. • Assessed whether current data, where available, indicates the potential for commercially viable mineral resources. • Based on evidence obtained in other areas of the audit, considered whether other facts and circumstances suggest that the carrying amount may exceed the recoverable amount.

Key audit matter	How our audit addressed the key audit matter
Acquisition of the remaining 33% equity of Hub City Minerals Corp.	
Refer to note 5	Our approach to addressing the matter involved the following procedures, among others:
During the year ended April 30, 2023, the Company acquired the remaining 33% equity of Hub City Minerals Corp. for consideration of $2,126,353 paid by the issuance of 6,930,000 share purchase warrants. The transaction resulted in the Company having 100% ownership of Hub City Minerals Corp., and the elimination of the non-controlling interest related to that entity of $4,837,864. Management estimated the fair value of the share purchase warrants issued as consideration paid using the Black-Scholes option pricing model, which included significant estimates for expected share price volatility due to the Company's limited trading history. We considered this a key audit matter due to the judgment applied by management in accounting for the multiple arrangements with the minority shareholders of Hub City Minerals Corp., and due to management's estimates and judgments in the assessment of fair value of the share purchase warrants issued for the acquisition. These factors have resulted in a high degree of subjectivity in performing audit procedures related to the estimates made and judgments applied by management.	Evaluating the estimates made and judgments applied by management including the following: • Obtaining evidence to support the volatility input in the Black-Scholes option pricing model. • Reviewing management's explanations for the economic effects of the arrangements with the minority shareholders of Hub City Minerals Corp. and evaluating the terms and conditions supporting the accounting treatment determined by management. • Tracing the continuity of the non-controlling interest related to Hub City Minerals Corp., and tracing the elimination of the non-controlling interest from the accounts.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis filed with the relevant Canadian securities commissions.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Graeme L. Cocke.

Baker Tilly WM LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.
August 28, 2023

EMP METALS CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	Note	April 30, 2023 $	April 30, 2022 $
ASSETS			
Current assets			
Cash and cash equivalents		3,914,460	1,467,544
Receivables		256,701	54,390
Marketable securities	6	233,867	-
Prepaid expenses		270,778	35,750
		4,675,806	1,557,684
Performance bonds		-	72,712
Exploration and evaluation assets	7	20,651,460	16,192,835
Total assets		25,327,266	17,823,231
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	12	1,139,573	251,354
SHAREHOLDERS' EQUITY			
Share capital	9	24,854,693	16,743,652
Reserves	9	3,550,292	1,956,361
Accumulated other comprehensive income		5,523	4,329
Deficit		(5,127,577)	(6,193,073)
Total equity attributable to shareholders of the Company		23,282,931	12,511,269
Attributable to non-controlling interest		904,762	5,060,608
		24,187,693	17,571,877
Total liabilities and shareholders' equity		25,327,266	17,823,231

Nature of operations and going concern (Note 1)
Commitments (Note 14)

Approved and authorized for issuance on behalf of the Board of Directors on August 25, 2023

"Robin Gamley" Director   "Greg Bronson" Director

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

EMP METALS CORP.

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

For the years ended April 30, 2023 and 2022

(Expressed in Canadian Dollars)

	Notes	2023 $	2022 $
Expenses			
Consulting fees	12	575,177	487,112
Filing fees		39,523	27,830
Interest, financing fees and bank charges	8	20,019	400,000
Investor relations		817,018	380,861
Office		87,798	16,815
Professional fees	12	178,273	176,060
Share-based compensation	9, 12	210,671	800,237
Loss before other items		(1,928,479)	(2,288,915)
Other items			
Write-off of exploration and evaluation assets	7	-	(87,808)
Interest income		6,158	206
Unrealized loss on marketable securities	6	(46,773)	-
Gain on sale of assets	7	420,647	-
Foreign exchange loss		(6,340)	(11,381)
		373,692	(98,983)
Net loss for the year		(1,554,787)	(2,387,898)
Items that may be reclassified subsequently to loss			
Exchange difference on translating foreign operations		1,194	3,036
Comprehensive loss for the year		(1,553,593)	(2,384,862)
Net loss attributable to:			
Shareholders of the Company		(1,646,015)	(2,372,748)
Non-controlling interest		91,228	(15,150)
		(1,554,787)	(2,387,898)
Comprehensive loss attributable to:			
Shareholders of the Company		(1,644,821)	(2,369,712)
Non-controlling interest		91,228	(15,150)
		(1,553,593)	(2,384,862)
Basic and diluted loss per share		(0.02)	(0.08)
Weighted average number of shares outstanding		62,920,067	30,470,313

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

EMP METALS CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian dollars, except for share figures)

	Note	Number of Shares #	Share Capital $	Reserves $	Accumulated Other Comprehensive Income $	Deficit $	Non-controlling Interest $	Total $
Balance, April 30, 2021		9,358,421	4,155,983	207,850	1,293	(3,820,325)	-	544,801
Shares issued pursuant to private placement	9	11,764,705	2,000,000	-	-	-	-	2,000,000
Share issue costs		-	(190,050)	100,812	-	-	-	(89,238)
Shares issued pursuant to acquisition of HCM	4	14,070,000	5,416,950	4,738,376	-	-	5,075,758	15,231,084
Shares issued for financing fees	4, 8	1,000,000	400,000	-	-	-	-	400,000
Agent’s option exercise	9	120,086	55,084	(19,058)	-	-	-	36,026
Warrant exercise	9	12,659,261	4,905,685	(3,871,856)	-	-	-	1,033,829
Share-based compensation	9	-	-	800,237	-	-	-	800,237
Net and comprehensive loss for the year		-	-	-	3,036	(2,372,748)	(15,150)	(2,384,862)
Balance, April 30, 2022		48,972,473	16,743,652	1,956,361	4,329	(6,193,073)	5,060,608	17,571,877
Shares issued pursuant to private placement	9	8,333,333	4,916,667	-	-	-	-	4,916,667
Share issue costs		-	(398,475)	199,791	-	-	-	(198,684)
Agent’s option exercise	9	388,041	165,614	(76,365)	-	-	-	89,249
Warrant exercise	9	12,960,724	3,427,235	(866,519)	-	-	-	2,560,716
Royalty Corp. asset acquisition	5	-	-	2,126,353	-	2,711,511	(4,837,864)	-
Non-controlling interest contributions	7	-	-	-	-	-	590,790	590,790
Share-based compensation	9	-	-	210,671	-	-	-	210,671
Net and comprehensive loss for the year		-	-	-	1,194	(1,646,015)	91,228	(1,553,593)
Balance, April 30, 2023		70,654,571	24,854,693	3,550,292	5,523	(5,127,577)	904,762	24,187,693

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

EMP METALS CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended April 30, 2023 and 2022
(Expressed in Canadian Dollars)

	2023 $	2022 $
Operating activities:		
Net loss for the year	(1,554,787)	(2,387,898)
Items not involving cash:		
Interest and financing fees	-	400,000
Write-off of exploration and evaluation assets (note 7)	-	87,808
Unrealized loss on marketable securities	46,773	-
Gain on sale of assets (note 7)	(420,647)	-
Share-based compensation (note 9)	210,671	800,237
Changes in non-cash working capital related to operations:		
Receivables	(202,311)	70,608
Prepaid expenses	(235,028)	(1,583)
Accounts payable and accrued liabilities	(257,366)	8,345
Net cash used in operating activities	(2,412,695)	(1,022,483)
Investing activities:		
Acquisition and exploration costs on exploration and evaluation assets (note 7)	(2,777,569)	(535,546)
Advances receivable from HCM prior to acquisition (note 4)	-	(150,000)
Cash acquired on acquisition of HCM	-	518,973
Cash received from sale of assets (note 7)	195,326	-
Performance bonds	72,712	-
Net cash used in investing activities	(2,509,531)	(166,573)
Financing activities:		
Issuance of common shares	7,367,948	2,980,617
Proceeds from loans payable	200,000	-
Repayment of loans payable	(200,000)	(600,000)
Net cash provided by financing activities	7,367,948	2,380,617
Increase in cash and cash equivalents during the year	2,445,722	1,191,561
Effect of exchange rate changes on cash and cash equivalents	1,194	10,118
Cash and cash equivalents – beginning of the year	1,467,544	265,865
Cash and cash equivalents – end of the year	3,914,460	1,467,544
Cash	909,615	1,467,544
Cash equivalents	3,004,845	-
Total cash and cash equivalents	3,914,460	1,467,544
Supplemental cash flow information:		
Income taxes paid	-	-
Interest paid	-	-
Fair value of shares issued for acquisition of exploration and evaluation assets	-	10,155,326
Accounts payable included in exploration and evaluation assets	1,145,585	-

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

1. NATURE OF OPERATIONS AND GOING CONCERN

EMP Metals Corp. ("the Company" or "EMP") was incorporated under the Business Corporations Act of British Columbia on August 3, 2018. The Company is engaged in the exploration and evaluation of mineral properties. The Company's head office is located at 208A - 980 West 1st Street, North Vancouver, BC V7P 3N4. Effective November 16, 2021, the Company changed its name from Sentinel Resources Corp. to EMP Metals Corp. The Company's common shares are listed for trading on the Canadian Securities Exchange (the "Exchange") under the trading symbol "EMPS" and on the OTCQB under the symbol "EMPPF".

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 April 30, 2023, the Company had accumulated losses of $5,127,577 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. There is a material uncertainty related to these conditions 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 prepared 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 its wholly-owned and controlled subsidiaries, Sentinel Resources (Australia) Pty Ltd., incorporated in New South Wales, Australia on August 24, 2020, Hub City Minerals Corp. ("HCM"), incorporated in British Columbia on April 19, 2021, and Hub City Royalty Corp. ("Royalty Corp."), incorporated in British Columbia on July 28, 2022. HCM owns 75% of the outstanding common shares of Hub City Lithium Corp. ("HCL"), incorporated in British Columbia on April 19, 2021.

Consolidation of an investee begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Control is achieved when the Company 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. Intercompany balances, transactions and unrealized intercompany gains and losses are eliminated upon consolidation.

Sentinel Resources (Australia) Pty Ltd. was dissolved on October 30, 2022.

d) 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 EMP, HCM, HCL and Royalty Corp. is the Canadian dollar and the functional currency of Sentinel Resources (Australia) Pty Ltd. is the Australian dollar. Subsidiaries whose functional currencies differ from that of the parent company ("foreign operations") are translated into Canadian dollars as follows: assets and liabilities – at the closing rate as at the reporting date, and income and expenses – at the average rate of the period. All resulting changes are recognized in other comprehensive income as exchange difference on translating foreign operations.

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 charged to profit or loss.

When the Company disposes of its entire interest in a foreign operation, or loses control, joint control, or significant influence over a foreign operation, the foreign currency gains or losses accumulated in other comprehensive loss related to the foreign operation are reclassified to profit or loss. If an entity disposes of part of an interest in a foreign operation which remains a subsidiary, a proportionate amount of foreign currency gains or losses accumulated in other comprehensive income (loss) related to the subsidiary are reallocated between controlling and non-controlling interests.

e) 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 and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial instruments 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

Financial assets and liabilities at FVTPL

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).

Financial assets at FVTOCI

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).

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 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 recognizes 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.

f) Cash and cash equivalents

Cash and cash equivalents include cash and highly liquid investments held in the form of money market investments and certificates of deposit with investment terms of less than three months at acquisition, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

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 recognized in profit or loss in the period in which they occur.

Mineral properties are carried at cost less accumulated impairment losses, if any, until such time as the properties are technically feasible or put into production, sold, determined to no longer have commercially viable prospects to the Company or are abandoned. Exploration and evaluation expenditures in respect of properties are deemed to be impaired if the property has an indicator of impairment, and the Company determines the recoverable amount of the asset to be less than its carrying amount.

Mineral properties are assessed annually for indicators of impairment. A property is deemed to have an indicator of impairment if the period for which the Company has the right to explore the property has expired or is not expected to be renewed, substantive expenditure on further exploration and evaluation of mineral resources is neither budgeted nor planned, exploration and evaluation activities have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities for the specific property, or if sufficient data exists to indicate that development of a specific property would be unlikely to recover the carrying amount of the associated capitalized exploration and evaluation expenditures.

If there is an indication of impairment, the Company determines the recoverable amount of the specific property as the greater of the asset's value in use or fair value less costs of disposal, and comparing this to the carrying amount as at the reporting date. If the carrying amount exceeds the recoverable amount, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to profit or loss as an impairment 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", within property, plant and equipment. Exploration and evaluation assets are tested for impairment before the assets are transferred to mine under construction.

h) 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 decommissioning and restoration 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, the carrying amount of the provision 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 April 30, 2023 and 2022, the Company had no known material restoration, rehabilitation or environmental liabilities related to its exploration and evaluation assets.

i) 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 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 recognized in profit or loss.

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 quoted market price and the balance, if any, is allocated to the attached warrants.

j) Income (loss) per share

Basic income (loss) per share represents the income (loss) for the period, divided by the weighted average number of common shares outstanding during the period. Diluted income per share represents the income 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 presumed 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 dilutive impact of shares from the presumed exercise of stock options, warrants and other similar instruments, would be anti-dilutive.

k) 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. 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 a valuation 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. Due to the Company's limited trading history, the expected volatility assumption used in a valuation model takes into account estimated volatility of the Company as well as comparable companies trading on the Exchange.

All equity-settled share-based payments are reflected in reserves, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in reserves 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.

l) 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 in 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.

m) Critical judgments and estimates

The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgments and estimates with respect to future events. These judgments and estimates are based on past experience and other factors. The actual results may differ from the judgments and estimates made by management.

The following paragraphs describe the most critical management judgments and estimates in the recognition and measurement of assets, liabilities and expenses, and the application of accounting policies.

Judgments:

Indicators of 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 and whether a given exploration and evaluation asset has any indicators of impairment. In determining if indicators of impairment exist, management considers the legal title to properties, expectations for future exploration programs and funds available for such, intentions to abandon exploration and evaluation assets, and whether information is available to assess the overall economic viability of the exploration property, including the latest resource prices and forecasts for mineral extraction (if any).

Acquisitions
The assessment of whether an acquisition meets the definition of a business or an asset is an area of key judgment. In the acquisitions of HCM and Royalty Corp., judgment was required to determine if the acquisitions represented business combinations, asset acquisitions or acquisition of equity. More specifically, management concluded that HCM and Royalty Corp. did not represent a business as the assets acquired were not an integrated set of activities with inputs, processes and outputs. Further, management determined that the disposal of and subsequent re-acquisition of Royalty Corp. lacked economic substance and were considered as the part of the same transaction in which the remaining equity (33%) of HCM was acquired during the year ended April 30, 2023 by EMP. Since it was concluded that the transactions (Notes 4 and 5) represented the acquisitions of assets or equity, there was no goodwill recognized and the transaction costs were capitalized to the assets acquired rather than expensed.

Estimates:

Shares and warrants issued for asset acquisitions
Management makes estimates in determining the fair value attributed to equity instruments paid as consideration for asset acquisitions, based on the contracted terms for the acquisition. Where common shares are issued for asset acquisitions, management determines the acquisition date and applies the closing market price of the Company's common shares on that date. When warrants are issued as part of asset acquisitions, management must determine the most appropriate valuation model to apply in calculating the grant date fair value of the warrants, and then make estimates of the expected volatility of the stock, the expected life of the warrants, the expected forfeiture rate and an estimated risk-free interest rate for input to the calculation. Inputs and resulting estimates differ depending on the valuation model. Further, should management's estimates as to an appropriate grant date share price or inputs be incorrect, the value of consideration for an asset acquisition could be materially different.

Share-based payments
The Company uses the fair-value method of accounting for share-based payments. Under this method, compensation cost attributable to options granted is measured at fair value, using the Black-Scholes option pricing model, at the grant date and expensed over the vesting period. In determining the fair

value, the Company makes estimates of the expected volatility of the stock, the expected life of the options, the expected forfeiture rate, and an estimated risk-free interest rate.

3. RECENT ACCOUNTING PRONOUNCEMENTS

The Company has not adopted any new standards or interpretations for the April 30, 2023 year end that had a material impact on the consolidated financial statements. The following new standards and interpretations have been issued by the IASB, but are not yet effective and have not been applied in preparing these consolidated financial statements. The Company will adopt the amendments on their effective dates and management does not expect the amendments to have a material impact on the consolidated financial statements.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
The amendments to IAS 1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. These amendments are effective for reporting periods beginning on or after January 1, 2023.

Amendments to IAS 8 – Definition of Accounting Estimates
These amendments clarify how companies distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. The distinction between the two is important because changes in accounting policies are applied retrospectively, whereas changes in accounting estimates are applied prospectively. Further, the amendments clarify that accounting estimates are monetary amounts in the financial statements subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy. These amendments are effective for reporting periods beginning on or after January 1, 2023.

Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies
These amendments continue the IASB's clarifications on applying the concept of materiality. These amendments help companies provide useful accounting policy disclosures, and they include: requiring companies to disclose their material accounting policies instead of their significant accounting policies; clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and do not need to be disclosed; and clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material. The IASB also amended IFRS Practice Statement 2 to include guidance and examples on applying materiality to accounting policy disclosures. These amendments are effective for reporting periods beginning on or after January 1, 2023.

4. ACQUISITION OF HUB CITY MINERALS CORP.

On August 27, 2021, the Company entered into a share purchase agreement (the "Acquisition Agreement") with HCM, whereby the Company acquired 67% of the issued and outstanding shares and share purchase warrants of HCM (the “Transaction”).

(Expressed in Canadian Dollars)

Under the terms of the Acquisition Agreement, the Company acquired 14,070,000 Hub City Units (the "Hub City Units") in exchange for the issuance of 14,070,000 EMP units (each, "EMP Unit") to the holders of the Hub City Units. Each EMP Unit consisted of one common share of EMP and one share purchase warrant, with each share purchase warrant entitling the holder to acquire one additional common share of EMP at an exercise price of $0.06667 and under the existing terms of the outstanding share purchase warrants of HCM. The Company also settled a pre-existing advance to HCM of $150,000, which was non-interest bearing.

The Transaction closed on September 2, 2021, at which time EMP became the ultimate parent company of HCM.

The Transaction did not meet the definition of a business combination and therefore, has been accounted for as a purchase of exploration and evaluation assets with the Company acquiring 67% of HCM on September 2, 2021. The consideration for the acquisition of HCM has been allocated at fair value of the assets acquired and liabilities assumed, based on management's best estimate and taking into account all available information at the time of acquisition.

The following table summarizes the fair value of the total consideration paid and the aggregate fair value of identified assets acquired and liabilities assumed:

Purchase price	$
14,070,000 common shares of the Company at $0.39 per share	5,416,950
Fair value of 14,070,000 warrants	4,738,376
Settlement of preexisting relationship	150,000
	10,305,326

Net assets acquired	$
Cash	518,973
Receivables	2,689
Exploration and evaluation assets	15,464,433
Accounts payable and accrued liabilities	(5,011)
Loans payable	(600,000)
Non-controlling interest	(5,075,758)
	10,305,326

The fair value of the 14,070,000 warrants ($4,738,376) was estimated using the Black-Scholes option-pricing model. Weighted average assumptions used in the pricing model were as follows: spot price – $0.39 per share; risk-free rate – 0.52%; expected life – 3 years; expected volatility – 100%; expected forfeitures – nil%; and expected dividends – $nil.

During the year ended April 30, 2023, the remaining 33% equity of HCM was acquired by the Company (note 5).

(Expressed in Canadian Dollars)

5. ACQUISITION OF ROYALTY CORP.

On July 28, 2022, the Company incorporated a new subsidiary, Royalty Corp. In August 2022, the Company entered into a share exchange agreement with the other shareholders of HCM (refer to note 4) who in aggregate owned 33% of the issued and outstanding shares of HCM, whereby the Company transferred its shares of Royalty Corp. to those shareholders in exchange for their 33% ownership of HCM. As a result, HCM became a 100% wholly-owned subsidiary of the Company. In addition, HCM signed a royalty agreement with Royalty Corp., pursuant to which HCM has granted to Royalty Corp. a 25% net profit royalty on amounts received by HCM from HCL.

On February 17, 2023, the Company announced that it had entered into a securities exchange agreement with the shareholders of Royalty Corp. whereby the Company acquired all of the shares of Royalty Corp. In consideration for all of the shares of Royalty Corp., the Company issued 6,930,000 share purchase warrants to the vendors. Each warrant entitles the holder to purchase one common share of the Company at a price of $1.25 for a period of three years from the date of issuance. The warrants are subject to the Company's right to accelerate the expiry date for the outstanding but unexercised warrants if the average closing price has been equal to or greater than $1.75 for 10 consecutive trading days and the Company must issue a news release announcing its intention to exercise the acceleration right.

The transaction has been accounted for as the acquisition of the remaining 33% of HCM. The result of the transaction was the 100% ownership of HCM by the Company and elimination of the non-controlling interest of HCM. This change in the proportion of equity held by the non-controlling interest has been recognized directly in equity and attributed to the shareholders of EMP.

The following table summarizes the fair value of the total consideration paid and the aggregate fair value of identified assets acquired and liabilities assumed:

Purchase price	$
Fair value of 6,930,000 warrants	2,126,353
	2,126,353

Net assets acquired	$
Remaining 33% of HCM	2,126,353
	2,126,353

The fair value of the 6,930,000 warrants ($2,126,353) was estimated using the Black-Scholes option-pricing model. Weighted average assumptions used in the pricing model were as follows: spot price – $0.62 per share; risk-free rate – 3.66%; expected life – 3 years; expected volatility – 100%; expected forfeitures – nil%; and expected dividends – $nil.

6. MARKETABLE SECURITIES

Marketable securities are classified as FVTPL and, as a result, are measured at fair market value each reporting period with any changes in fair value recognized in profit or loss. During the year ended April 30, 2023, the Company received 779,557 common shares of Grounded Lithium Corp. ("GLC") as part of a land sale (Note 7). The GLC common shares are subject to a contractual escrow, to be released in equal 1/3 tranches on the 4, 8, and 12-month anniversaries from closing. The GLC common shares were recorded at an initial fair value of $280,640. As at April 30, 2023, the fair value of the common shares was $233,867. As a result, a loss of $46,773 was recorded in profit or loss for the year ended April 30, 2023.

(Expressed in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS

	Gold and Silver Projects	Li-Brine Properties	Total
	$	$	$
April 30, 2021	91,682	-	91,682
HCM asset acquisition (note 4)	-	15,464,433	15,464,433
Acquisition costs – cash	-	534,546	534,546
Provision for decommissioning and restoration	-	73,900	73,900
Assaying and sampling	-	48	48
Claim fees	-	2,850	2,850
Consulting	-	81,189	81,189
Equipment	-	35,869	35,869
Foreign exchange	(3,874)	-	(3,874)
Write-down	(87,808)	-	(87,808)
April 30, 2022	-	16,192,835	16,192,835
Acquisition costs – cash	-	127,593	127,593
Camp Costs	-	5,446	5,446
Consulting	-	681,483	681,483
Drilling	-	663,518	663,518
Equipment	-	497,668	497,668
Geologists	-	113,971	113,971
Geochemical	-	8,914	8,914
Land Lease Payment	-	299,994	299,994
Linecutting	-	86,846	86,846
Logging	-	142,660	142,660
Permits	-	8,317	8,317
Piping	-	873,562	873,562
Miscellaneous	-	12,739	12,739
Vehicle Costs	-	240,238	240,238
Travel & Accommodation	-	21,412	21,412
Waste Removal	-	19,741	19,741
Well Servicing	-	709,843	709,843
Sale of claims to Grounded Lithium	-	(55,320)	(55,320)
April 30, 2023	-	20,651,460	20,651,460

Gold and Silver Projects

In October 2020, the Company acquired, by staking, 8 gold-focused exploration concessions totaling approximately 94,500 hectares located in New South Wales, Australia. The concessions are known as Star of Hope, Golden Bar, Alliance Reef, Stanleys, Lady Mary, Waddery West, Wittagoona Reef and Toolom South (collectively, the "Gold Projects"). In October 2020, the Company also acquired, by staking, 7 silver-focused exploration concessions totaling approximately 38,600 hectares located in New South Wales, Australia. The concessions are known as; Wallah Wallah, Stony Creek, Carrington, Dartmoor, Glens Skarn, Broken Hill West and Goongong (collectively, the "Silver Projects"). The Company was required to post a refundable performance bond of $9,723 (AUD$10,000) per concession and spend exploration and associated expenses on each concession of $24,308 (AUD$25,000) in Year One and $48,615 (AUD$50,000) in Year Two.

During the year ended April 30, 2022, the Company decided not to continue exploring and developing the Gold and Silver Projects and has relinquished all its claims. As a result, the Company wrote down the capitalized balance of the projects to $nil and recognized an impairment charge of $87,808, calculated in accordance with level 3 of the fair value hierarchy, for the year ended April 30, 2022. The performance bond posted was refunded to the Company during the year ended April 30, 2023.

Li-Brine Properties

On September 2, 2021, the Company acquired the Li-Brine Properties as a result of the acquisition of HCM (Note 4). HCL holds 212,633 acres (86,050 hectares) of subsurface crown mineral dispositions in Saskatchewan, with the focus on potential lithium resource prospects.

On May 24, 2022, the Company entered into a Wellbore Takeover Agreement (the "Agreement"). Within the Agreement the Company assumes the provision for decommissioning of the well, estimated at $70,000. The well is located in the Tyvan area of Southeast Saskatchewan which is within one-half mile of HCM's lands. Such liabilities have been paid to the government of Saskatchewan and satisfied in full.

On September 27, 2022, the Company acquired an additional wellbore in its Mansur Permit Area. The new well, 101/14-36-008-13 W2M ("Second Test Well"), is located at the Mansur Permit Area of southeast Saskatchewan and is approximately half a mile from the Company's first test well in the Mansur. The Second Test Well was acquired for no consideration and the assumption of future abandonment and reclamation costs.

The company which owns 25% of HCL is responsible for 25% of exploration costs incurred. All payments received during the year ended April 30, 2023 have been treated as contributions to non-controlling interest.

On March 15, 2023, the Company closed the sale of 33 sections (8,498 hectares) of undeveloped land in the Kindersley area to Grounded Lithium Corp. ("GLC"). As consideration for the sale, the Company received $195,326 in cash and 779,557 GLC common shares. The GLC common shares are subject to a contractual escrow, to be released in equal 1/3 tranches on the 4, 8, and 12-month anniversaries from closing. The Company recorded a gain on sale of $420,647, determined as per below:

(Expressed in Canadian Dollars)

	$
Assets Sold	
Claims	55,320
Consideration received	
Cash	195,327
Shares issued	280,640
Gain on sale of E&E Assets	420,647

8. LOANS PAYABLE

As a result of the acquisition of HCM, the Company assumed loans payable with a principal balance of $600,000, which bore no interest, were unsecured and were to mature on November 16, 2021. In connection with the acquisition of HCM, the Company issued 500,000 common shares to each of the lenders for a total of 1,000,000 common shares at their fair value of $400,000. The loans have been fully repaid during the year ended April 30, 2022.

On February 7, 2023, the Company received shareholder loans for total proceeds of $200,000. The loans were unsecured, bore interest of 10% per annum and were due on demand. If the loans were repaid at any time prior to the first anniversary of the loan the Company would pay one year of interest.

On March 16, 2023, the Company repaid the shareholder loans of $200,000 and $20,000 of interest expense.

	$
Balance, April 30, 2021	-
Assumed on acquisition of HCM	600,000
Repayment	(600,000)
Balance, April 30, 2022	-
Proceeds	200,000
Repayment	(200,000)
Balance, April 30, 2023	-

9. SHARE CAPITAL

a) Authorized – Unlimited common shares without par value.

b) Issued and outstanding – 70,654,571 common shares

c) Issuances

On August 5, 2021, the Company closed a non-brokered private placement financing by issuing 11,764,705 units at a price of $0.17 per unit for proceeds of $2,000,000. Each unit comprises one common share of the Company and one share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.23 per share for a period of one year from the date of issue. The Company assigned $nil to the warrants. The Company paid finders fees totaling $89,238 and issued 512,262 agent's options. The Company has the right to accelerate the expiry date of the warrants if, at any time, the average closing price of the Company's common shares is equal to or greater than $0.50 for 10 consecutive trading days. In the event of acceleration, the expiry date will be accelerated to a date that is 10 business days after the Company issues a news release announcing that it has elected to exercise this acceleration right.

The fair value of the 512,262 agent's options was determined to be $100,812 and estimated on the date of issue using the Black-Scholes option valuation model with the following assumptions: exercise price of $0.23, spot price of $0.37, dividend yield of $nil, risk free interest rate of 0.42%, expected life of 1 year and expected volatility of 100%.

On September 2, 2021, the Company issued 14,070,000 units pursuant to the acquisition of HCM. Each unit comprises one common share and one share purchase warrant, with each share purchase warrant entitling the holder to acquire one common share at an exercise price of $0.07 per common share, expiring on September 2, 2024. Refer to Note 4.

On October 2, 2021, in consideration for the loans assumed by the Company as a result of the acquisition of HCM, the Company paid a fee to each of the lenders by issuing 500,000 common shares to each of the lenders for a total of 1,000,000 common shares at their fair value of $400,000. The fair value of $400,000 has been classified as financing fees within profit or loss. Refer to Note 8.

During the year ended April 30, 2022, the Company issued 12,659,261 common shares pursuant to the exercise of warrants for total gross proceeds of $1,033,829. $3,871,856 was transferred from reserves to share capital as a result. The weighted average share price at dates the warrants were exercised was $0.46.

During the year ended April 30, 2022, the Company issued 120,086 common shares pursuant to the exercise of agent's options for total gross proceeds of $36,026. $19,058 was transferred from reserves to share capital as a result. The weighted average share price at dates the warrants were exercised was $0.37.

On March 17, 2023, the Company closed a non-brokered private placement financing by issuing 8,333,333 units at a price of $0.60 per unit for proceeds of $5,000,000. Each unit comprises one common share of the Company and one-half of one share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of $0.90 per share until September 16, 2024. The Company assigned $83,333 value to the warrants using the residual value method. The Company has the right to accelerate the expiry date of the warrants if, at any time, the average closing price of the Company's common shares is equal to or greater than $1.25 for 10 consecutive trading days. In the event of acceleration, the expiry date will be accelerated to a date that is 30 business days after the Company issues a news release announcing that it has elected to exercise this acceleration right.

The Company paid cash share issue costs of $22,481, paid finders fees totaling $259,536 related to the private placement and issued an aggregate of 432,560 finders warrants, with each finders warrant entitling the holder to purchase one common share at a price of $0.60 per share until September 16, 2024. The fair value of the 432,560 finders warrants was determined to be $116,458 and estimated on the date of issue using the Black-Scholes option pricing model with the following assumptions: exercise price of $0.60, spot price of $0.58, dividend yield of $nil, risk free interest rate of 3.15%, expected life of 1.5 years and expected volatility of 100%.

During the year ended April 30, 2023, the Company issued 12,960,724 common shares pursuant to the exercise of warrants for total gross proceeds of $2,560,716. $866,519 was transferred from reserves to share capital as a result. The weighted average share price at dates the warrants were exercised was $0.35.

During the year ended April 30, 2023, the Company issued 388,041 common shares pursuant to the exercise of agent's options for total gross proceeds of $89,249. $76,365 was transferred from reserves to share capital as a result. The weighted average share price at dates the agent's options were exercised was $0.33.

d) Escrowed Shares

As at April 30, 2023, there are no common shares held in escrow (2022 – 100,000).

e) Stock Options

On March 15, 2019, the Company adopted a stock option plan (the "Stock Option Plan"), which provides that, subject to the requirements of the Exchange, the aggregate number of securities reserved for issuance will be 10% of the number of the Company's common shares issued and outstanding at the time such options are granted. Options may be granted under the Stock Option Plan to the directors, officers, employees, management or consultants of the Company and its affiliates, if any, as the Board of Directors may from time to time designate. The Stock Option Plan provides that the number of common shares that may be reserved for issuance to any one individual upon exercise of all stock options held by such individual may not exceed 5% of the issued common shares, if the individual is a director, officer, employee or consultant, or 1% of the issued common shares, if the individual is engaged in providing investor relations services, on a yearly basis. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) 90 days from date of termination other than for cause; or (iii) one year from the date of death or disability.

On August 13, 2021, the Company granted a total of 1,800,000 stock options to its directors, officers, employees, consultants and advisors. The stock options have an exercise price of $0.37 per share and expire on August 13, 2025. 50% of the options vest 3 months after the grant date and the remaining

(Expressed in Canadian Dollars)

50% of the options vest 6 months after the grant date. The fair value of the options granted was $0.25 per share.

On September 28, 2021, the Company granted 500,000 stock options to a consultant. The stock options have an exercise price of $0.35 per share and expire on September 28, 2025. 50% of the options vest 3 months after the grant date and the remaining 50% of the options vest 6 months after the grant date. The fair value of the options granted was $0.24 per share.

On January 24, 2022, the Company granted a total of 1,050,000 stock options to its directors, officers, employees, consultants and advisors. The stock options have an exercise price of $0.40 per share and expire on January 24, 2027. 550,000 stock options will vest quarterly over 12 months from the date of issuance. 500,000 stock options vest on the basis of 50,000 per month after the grant date. The fair value of the options granted was $0.11 per share.

On April 5, 2022, the Company granted a total of 700,000 stock options to its directors and consultants. The stock options have an exercise price of $0.40 per share and expire on April 5, 2027. 500,000 stock options vested immediately. 200,000 stock options will vest as to 100,000 options on April 5, 2024 and 100,000 options on October 5, 2024. The fair value of the options granted was $0.26 per share.

The weighted average grant date fair value of the stock options granted during the year ended April 30, 2022 was $0.26.

On March 24, 2023, the Company granted a total of 1,800,000 stock options to its directors, officers and consultants. The stock options have an exercise price of $0.65 per share and expire on March 24, 2028. The stock options will vest as to 25% every 3 months after the grant date. The fair value of the options granted was $0.40 per share.

The fair value of these options on the date of grant was determined using the Black-Scholes option pricing model and the following weighted average assumptions:

	April 30, 2023	April 30, 2022
Risk free interest rate	3.15%	1.33%
Expected life	5.00 years	4.43 years
Expected volatility	100%	100%
Expected forfeiture	Nil	Nil
Expected dividends	Nil	Nil

During the year ended April 30, 2023, the Company recorded $210,671 (2022 - $559,915) of share-based compensation expense.

The changes in the stock options for the years ended April 30, 2023 and 2022 are as follows:

(Expressed in Canadian Dollars)

	Number of options	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance, April 30, 2021	266,667	$1.05	3.91
Granted	4,050,000	$0.38	-
Balance, April 30, 2022	4,316,667	$0.42	3.92
Granted	1,800,000	$0.65	-
Cancelled	(8,335)	$0.30	-
Balance, April 30, 2023	6,108,332	$0.49	3.50

The balance of options outstanding as at April 30, 2023 was as follows:

Expiry date	Exercise price	Remaining Life (years)	Options Outstanding	Unvested	Vested
January 14, 2025	$0.30	1.71	74,999	-	74,999
August 21, 2025	$0.84	2.31	100,000	-	100,000
October 1, 2025	$2.01	2.42	83,333	-	83,333
August 13, 2025	$0.37	2.29	1,800,000	-	1,800,000
September 28, 2025	$0.35	2.42	500,000	-	500,000
January 24, 2027	$0.40	3.74	1,050,000	-	1,050,000
April 5, 2027	$0.40	3.93	700,000	200,000	500,000
March 24, 2028	$0.65	4.90	1,800,000	1,800,000	-
	$0.49	3.50	6,108,332	2,000,000	4,108,332

g) Warrants

Details of warrant activity for the years ended April 30, 2023 and 2022 are as follows:

	Number of Warrants #	Weighted Average Exercise Price $
Balance, April 30, 2021	4,430,000	0.84
Expired	(4,430,000)	0.84
Issued	25,834,705	0.14
Exercised	(12,659,261)	0.08
Balance, April 30, 2022	13,175,444	0.20
Expired	(214,720)	0.23
Exercised	(12,960,724)	0.20
Granted	11,529,227	1.10
Balance, April 30, 2023	11,529,227	1.10

(Expressed in Canadian Dollars)

On May 3, 2022, the Company accelerated the expiry date of common share purchase warrants issued on August 4, 2021 (the "Warrants") in accordance with the terms of the Warrants. Under the terms of the Warrants, the Company was permitted to accelerate the expiry date if the average closing price of the Company's common shares for any 10 consecutive trading days is equal to or greater than $0.50.

h) Agent's Options

The changes in the Agent's options for the years ended April 30, 2023 and 2022 are as follows:

	Number of Agent's options	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance, April 30, 2021	123,421	$0.30	0.33
Issued	512,262	$0.23	-
Expired	(3,335)	$0.30	-
Exercised	(120,086)	$0.30	-
Balance, April 30, 2022	512,262	$0.23	0.27
Expired	(124,221)	$0.23	-
Exercised	(388,041)	$0.23	-
Balance, April 30, 2023	-	-	-

10. 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 totaled $23,282,931 at April 30, 2023 (2022 - $12,511,269).

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 to adjust the amount of cash on hand. 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's approach to capital management has not changed from that of the prior year.

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

11. FINANCIAL INSTRUMENTS

For financial instruments held by the Company, management classifies cash and cash equivalents and marketable securities as FVTPL, and accounts payable and accrued liabilities as at 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 April 30, 2023, the Company believes that the carrying values of accounts payable and accrued liabilities approximate their fair values because of their nature and relatively short maturity dates or durations. The fair value of cash and cash equivalents and marketable securities are 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:

Credit risk
Credit risk is the risk of financial loss to the company if a counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents and performance bonds held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the cash and cash equivalents at April 30, 2023 of $3,914,460 (2022 - $1,540,256). The Company's cash and cash equivalents are held with reputable Canadian banks. The credit risk related to cash and cash equivalents is considered minimal. The Company's approach to the management of credit risk has not changed from that of the prior year.

Market risk
Market risk is the risk that changes in market prices and interest rates will affect the Company's net earnings or the value of financial instruments. Market risk is comprised of risks from changes in foreign exchange rates, interest rates and other market prices. The Company has determined there is no material exposure related to foreign exchange or other market price risk.

(Expressed in Canadian Dollars)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize such a loss is limited because the Company's interest-bearing financial liabilities have fixed interest rates, and were paid off during each of the years ended April 30, 2023 and 2022. The Company's interest-bearing financial assets also have fixed interest rates and the risk of fluctuations in fair value is not significant. The Company's management of interest rate risk has not changed from that of the prior year.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they become due. 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 April 30, 2023, the Company had $3,914,460 of cash and cash equivalents (2022 - $1,467,544), with which to settle $1,139,573 of accounts payable and accrued liabilities (2022 - $251,354). The Company's approach to and management of liquidity risk has not changed from that of the prior year.

12. RELATED PARTY TRANSACTIONS

Key management personnel are those persons responsible for planning, directing and controlling the activities of the entity, and include executives and non-executive directors. The Company incurred charges from directors and officers, or to companies controlled by these individuals during the years ended April 30, 2023 and 2022 as follows:

	2023 $	2022 $
Professional fees	76,837	50,476
Consulting fees	120,000	104,241
Share-based compensation	48,859	252,694
	245,696	407,411

Accounts payable and accrued liabilities at April 30, 2023 includes $16,895 (2022 – $12,809) due to the CEO, a company controlled by the CEO, and a company in which the CFO is an owner.

Key management of the Company includes the CEO, the CFO and the Directors. During the year ended April 30, 2023, compensation paid or accrued to key management consisted of accounting fees of $76,837 (2022 – $50,476) paid or accrued to a company in which the CFO is an owner, consulting fees of $120,000 (2022 – $95,000) paid or accrued to the CEO, and consulting fees of $nil (2022 – $9,131) paid to a company controlled by a director of the Company.

13. INCOME TAXES

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

(Expressed in Canadian Dollars)

	2023	2022
Statutory tax rate	27%	27%
	$	$
Loss before income taxes	(1,554,787)	(2,387,898)
Expected income tax recovery at statutory rate	(419,792)	(644,732)
Non-deductible items	78,972	253,759
Share issuance costs	(76,145)	(51,314)
Difference in tax rates and foreign exchange	(510)	199
Other	36,536	-
Change in deferred tax asset not recognized	380,939	442,088
Income tax recovery	-	-

The significant components of the Company's deferred unrecognized tax assets as at April 30, 2023 and 2022 are as follows:

	2023	2022
	$	$
Non-capital loss carry forwards	1,367,861	912,415
Marketable securities	(660)	
Share issuance costs	106,530	66,793
Exploration and evaluation assets	400,126	513,700
Unrecognized deferred income tax asset	(1,873,857)	(1,492,918)
	-	-

As at April 30, 2023, the Company has non-capital losses carried forward for income tax purposes in Canada of $5,066,152 which can be applied against future years' taxable income. Their expiry dates range from 2039 to 2043. Future tax benefits, which may arise as a result of these losses, have not been recognized in these consolidated financial statements.

14. COMMITMENTS

On August 1, 2021, the Company entered into a consulting agreement for public company finance and administration support at a rate of $7,500 per month ($90,000 per year) for a term of 5 years. On a change of control of the Company, a payment to the consultant of 24 months ($180,000) is required.

On February 15, 2022, the Company entered into a consulting agreement for investor relations and marketing services at a rate of $30,000 per month ($360,000 per year) for a term of 2 years. If the Company adopted a restricted share unit plan, the Company at its discretion may grant up to 200,000 restricted share units to the consultant.

On April 1, 2022, the Company entered into a consulting agreement for public company finance and administration support at a rate of $10,000 per month ($120,000 per year) for a term of 5 years. On a change of control of the Company, a payment to the consultant of 24 months ($240,000) is required.

On April 1, 2022, the Company entered into a consulting agreement with the CEO at a rate of $10,000 per month ($120,000 per year) for a term of 5 years. On a change of control of the Company, a payment to the CEO of 24 months ($240,000) is required.

On November 1, 2022, the Company entered into a consulting agreement for public company finance and administration support at a rate of $10,000 per month ($120,000 per year) for a term of 5 years. On a change of control of the Company, a payment to the consultant of 24 months ($240,000) is required.