AMERIWEST LITHIUM INC.
(FORMERLY OAKLEY VENTURES INC.)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED APRIL 30, 2022 AND 2021

(Expressed in Canadian Dollars)

DeVISSER GRAY LLP
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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Ameriwest Lithium Inc. (formerly Oakley Ventures Inc.)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Ameriwest Lithium Inc. (formerly Oakley Ventures Inc.) (the "Company"), which comprise the consolidated statements of financial position as at April 30, 2022 and 2021 and the consolidated statements of comprehensive loss, changes in shareholders' equity and 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 financial position of the Company as at April 30, 2022 and 2021 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

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 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.

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis" but does not include the consolidated financial statements and our auditor's report thereon.

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 or otherwise 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. 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 IFRS, 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.

The engagement partner on the audit resulting in this independent auditor's report is James Roxburgh.

De Visser Gray LLP

Chartered Professional Accountants

Vancouver, BC, Canada
August 29, 2022

AMERIWEST LITHIUM INC. (FORMERLY OAKLEY VENTURES INC.)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
As at

	April 30, 2022	April 30, 2021
ASSETS		
Current		
Cash	$ 4,430,681	$ 483,325
Receivables	23,717	7,649
Prepaid	34,673	37,533
Assets held for sale (Note 17)	4,303,087	-
	8,792,158	528,507
Equipment (Note 6)	9,408	-
Reclamation deposits (Note 5)	21,927	2,750
Exploration and evaluation assets (Note 5)	3,206,568	1,051,321
Right of use asset (Note 7)	10,580	-
Deferred transaction costs (Note 17)	7,500	-
TOTAL ASSETS	$ 12,048,141	$ 1,582,578
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Trade payables	$ 627,080	$ 207,622
Due to related parties (Note 11)	25,901	46,254
Lease liability (Note 7)	12,828	-
Liabilities of discontinued operations (Note 17)	1,096,950	-
Total liabilities	1,762,759	253,876
Shareholders' equity		
Share capital (Note 10)	19,347,435	1,688,231
Shares subscribed	-	311,500
Reserves (Note 10)	1,454,755	243,077
Deficit	(10,516,808)	(914,106)
Total shareholders' equity	10,285,382	1,328,702
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 12,048,141	$ 1,582,578

Nature and continuance of operations (Note 1)
Subsequent events (Notes 17 and 19)

"Glenn Collick"
Director

"James Gheyle"
Director

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

AMERIWEST LITHIUM INC. (FORMERLY OAKLEY VENTURES INC.)
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Year ended April 30, 2022	Year ended April 30, 2021
EXPENSES		
Accounting and audit (Note 11)	$ 99,650	$ 74,900
Amortization (Notes 6 and 7)	53,946	-
Consulting fees (Note 11)	400,279	45,873
Insurance	26,890	-
Interest on loan payable	-	213
Interest on lease (Note 7)	7,222	-
Legal fees	403,876	126,039
Management fees (Note 11)	280,612	51,157
Office and administration	32,787	3,856
Rent	-	9,600
Shareholder information and promotion	6,712,743	48,807
Share-based compensation (Note 11)	1,372,797	225,910
Transfer agent and filing fees	49,078	57,879
Travel and accommodation	75,450	-
	(9,515,330)	(644,234)
OTHER INCOME (LOSS)		
BC METC refund	-	3,419
Foreign exchange gain (loss)	(43,743)	8,778
Write-off of exploration and evaluation assets (Note 5)	(5,328)	-
Net loss from continuing operations	(9,564,401)	(632,037)
Net loss from discontinued operations (Note 17)	(38,301)	-
Net loss and comprehensive loss for the year	$ (9,602,702)	$ (632,037)
Loss per common share – basic and diluted (continued operations)	$ (0.22)	$ (0.03)
Loss per common share – basic and diluted (discontinued operations)	$ (0.00)	$ (0.03)
Weighted average number of common shares outstanding – basic and diluted	44,320,385	19,194,790

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

AMERIWEST LITHIUM INC. (FORMERLY OAKLEY VENTURES INC.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Year ended April 30, 2022	Year ended April 30, 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the year	$ (9,602,702)	$ (632,037)
Items not involving cash:		
Amortization	53,946	-
Share-based compensation	1,372,797	225,910
Write-off of exploration and evaluation assets	5,328	-
Common shares issued for consulting services	74,334	-
Interest on lease	7,222	-
Changes in non-cash working capital items:		
Receivables	(16,068)	(6,823)
Prepaid	2,860	(37,533)
Assets held for sale	(2,523,087)	-
Trade payables	456,199	25,584
Due to related parties	(15,353)	38,907
Liabilities of discontinued operations	1,096,950	-
Net cash used in operating activities	(9,087,574)	(385,992)
CASH FLOWS FROM INVESTING ACTIVITIES		
Equipment purchase	(10,453)	-
Reclamation deposits	(19,177)	(2,750)
Exploration and evaluation assets	(2,048,003)	(471,620)
Deferred transaction costs	(7,500)	-
Lease payments	(57,875)	-
Net cash used in investing activities	(2,143,008)	(474,370)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of common shares for cash	5,730,000	1,146,000
Share subscriptions received	-	311,500
Share issue costs	(264,266)	(122,338)
Warrants exercised	9,477,204	6,700
Options exercised	235,000	-
Proceeds from loans payable	-	8,000
Repayment of loan payable	-	(8,937)
Net cash provided by financing activities	15,177,938	1,340,925
Change in cash	3,947,356	480,563
Cash, beginning	483,325	2,762
Cash, end	$ 4,430,681	$ 483,325

Supplemental disclosure with respect to cash flows (Note 16)

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

AMERIWEST LITHIUM INC. (FORMERLY OAKLEY VENTURES INC.)
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Shares Subscribed	Reserves	Deficit	Shareholders' Equity
Balance, April 30, 2020	**13,430,000**	**$ 273,250**	**$ -**	**$ -**	**$ (282,069)**	**$ (8,819)**
Shares issued for cash	10,210,000	1,146,000	-	-	-	1,146,000
Shares issued for exploration and evaluation assets	3,000,000	420,000	-	-	-	420,000
Shares subscribed	-	-	311,500	-	-	311,500
Share issue costs	-	(161,215)	-	20,663	-	(140,552)
Exercise of warrants	67,000	10,196	-	(3,496)	-	6,700
Share-based compensation	-	-	-	225,910	-	225,910
Net loss for the year	-	-	-	-	(632,037)	(632,037)
Balance, April 30, 2021	**26,707,000**	**1,688,231**	**311,500**	**243,077**	**(914,106)**	**1,328,702**
Shares issued for cash	12,083,000	6,041,500	(311,500)	-	-	5,730,000
Shares issued for exploration and evaluation assets	2,146,977	1,926,099	-	-	-	1,926,099
Share issue costs	-	(347,497)	-	91,445	-	(256,052)
Exercise of warrants	14,844,738	9,555,835	-	(78,631)	-	9,477,204
Exercise of options	550,000	408,933	-	(173,933)	-	235,000
Share-based compensation	-	-	-	1,372,797	-	1,372,797
Share issued for consulting fees	74,074	74,334	-	-	-	74,334
Net loss for the year	-	-	-	-	(9,602,702)	(9,602,702)
Balance, April 30, 2022	**56,405,789**	**$ 19,347,435**	**$ -**	**$ 1,454,755**	**$(10,516,808)**	**$ 10,285,382**

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Ameriwest Lithium Inc. (formerly Oakley Ventures Inc.) (the "Company") was incorporated under the Business Corporations Act (British Columbia) on May 17, 2017. The Company's head office and principal address is located at Suite 306, 1110 Hamilton Street, Vancouver, BC, Canada, V6B 2S2.

The Company is in the business of the exploration and development of natural resource properties in Canada and the USA.

During the year ended April 30, 2021, the Company completed its initial public offering ("IPO") of 3,960,000 common shares at a price of $0.10 per share for gross proceeds of $396,000. The common shares were approved for listing on the Canadian Securities Exchange (the "CSE") on July 23, 2020 and began trading on July 24, 2020 under the symbol OAKY. On April 16, 2021, the Company's symbol was changed to AWLI. On May 5, 2021, the Company began trading on the Frankfurt Stock Exchange under the symbol 5HV0. On June 29, 2021, the Company began trading on the OTC Market under the symbol AWLIF.

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. As at April 30, 2022, the Company has not generated any revenues from operations, has working capital of $7,029,399 and a deficit of $10,516,808.

The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management believes that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These consolidated financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the statement of financial position.

The coronavirus, also known as "COVID-19", has spread across the globe and is impacting worldwide economic activity. Government authorities have implemented emergency measures to mitigate the spread of the virus. The outbreak and the related mitigation measures may have an adverse impact on global economic conditions as well as on the Company's business activities. The extent to which the coronavirus may impact the Company's business activities will depend on future developments, such as the duration of the outbreak, travel restrictions, business disruptions and the effectiveness of actions taken in Canada and other countries to contain and treat the disease. These events are highly uncertain and, as such, the Company cannot determine their financial impact at this time.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The significant accounting policies applied in these consolidated financial statements are based on the IFRS issued and effective as of April 30, 2022.

These consolidated financial statements have been prepared on a historical cost basis, modified where applicable. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These consolidated financial statements were authorized for issuance on August 29, 2022 by the directors of the Company.

2. BASIS OF PREPARATION (continued)

The functional currency of the Company and its subsidiary is the Canadian dollar. These consolidated financial statements are presented in Canadian dollars, unless otherwise indicated.

Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Oakley Ventures USA Corp. and ISM Resources Corp ("ISM"). All significant intercompany balances and transactions have been eliminated upon consolidation.

Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company possesses power over an investee, has exposure to variable returns from the investee and has the ability to use its power over the investee to affect its returns. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

The subsidiaries of the Company are as follows:

Name of subsidiary	Incorporation	Interest April 30, 2022	Interest April 30, 2021
ISM Resources Corp.	BC, Canada	100%	N/A
Oakley Ventures USA Corp.	Nevada, USA	100%	100%

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the review affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting year that could result in a material adjustment of the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant judgments

i) Impairment of exploration and evaluation assets

Assets or cash-generating units are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's exploration and evaluation assets.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)

ii) Going concern

The Company's assessment of its ability to raise sufficient funds to finance operations involves significant judgments. 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.

iii) Functional currency

The determination of a subsidiary's functional currency often requires significant judgment where the primary economic environment in which they operate may not be clear. This can have a significant impact on the consolidated results of the Company based on the foreign currency translation method.

iv) Recognition of deferred income tax assets

Management is required to assess the recoverability of deferred income tax assets, which arise from the differences between the carrying amount of assets and liabilities and their tax bases in accordance with IAS 12 Income Taxes, to the extent that it is probable future taxable profits will be available against which the temporary differences can be utilized.

Significant estimates and assumptions

i) Share-based compensation

Share-based compensation is determined using the Black-Scholes option pricing model based on the estimated fair value of all share-based awards at the date of grant and is expensed to the statement of loss and comprehensive loss over each award's vesting period. The Black-Scholes option pricing model utilizes subjective assumptions such as expected price volatility and expected life of the option. Changes in these input assumptions can significantly affect the fair value estimate.

4. SIGNIFICANT ACCOUNTING POLICIES

a) Exploration and Evaluation Assets

The Company's exploration and evaluation assets consist of mineral rights acquired and exploration and evaluation expenditures capitalized in respect of projects that are at the exploration and evaluation stage.

No amortization charge is recognized in respect of exploration and evaluation assets. These assets are transferred to mine development assets in property, plant and equipment upon the commencement of mine development.

Exploration and evaluation expenditures in the relevant area of interest are comprised of costs which are directly attributable to:

- Acquisition;
- Assays, Staking, and Mapping;
- Consulting & Professional;
- Drilling;
- Field Work;
- Geological & Geophysical; and
- Travel & Accommodation.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Exploration and Evaluation Assets (continued)

Exploration and evaluation expenditures related to an area of interest where the Company has tenure are capitalized as intangible assets and are initially recorded at cost less impairment.

Exploration and evaluation expenditures also includes the costs incurred in acquiring mineral rights, the entry premiums paid to gain access to areas of interest and amounts payable to third parties to acquire interests in existing projects. Capitalized costs, including general and administrative costs, are only allocated to the extent that those costs can be related directly to operational activities in the relevant area of interest.

Where the Company has entered into option agreements to acquire interests in mineral properties that require periodic share issuances, amounts un-issued are not recorded as liabilities since they are issuable entirely at the Company's option. Option payments are recorded as mineral property costs when the payments are made and share issuances are recorded as mineral property costs using the fair market value of the Company's common shares at the date of the issuance.

All capitalized exploration and evaluation expenditures are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability or facts and circumstances suggest that the carrying amount exceeds the recoverable amount. The following circumstances indicate that an entity should test exploration and evaluation assets for impairment:

- The period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditures on further exploration and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- Exploration and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area; and
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

In circumstances where a property is abandoned, the cumulative capitalized costs relating to the property are written off in the period.

b) Mineral Exploration Tax Credit ("BCMETC")

The Company recognizes BCMETC amounts when the Company's BCMETC application is approved by Canada Revenue Agency or when the amount to be received can be reasonably estimated and collection is reasonably assured.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Impairment of Non-Current Assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit ("CGU") to which the asset belongs. The recoverable amount is the higher of fair value less costs to sell and the asset's value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the year.

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

d) Equipment

Equipment is recorded at cost and depreciated using the declining balance method at the following rates per annum.

Office Furniture and Equipment - 20% per annum

Equipment that is withdrawn from use, or has no reasonable prospect of being recovered through use or sale, are regularly identified and written off. The assets' residual values, deprecation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Subsequent expenditures relating to an item of equipment are capitalized when it is probable that future economic benefits from the use the assets will be increased. All other subsequent expenditures are recognized as repairs and maintenance.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Financial Instruments

The Company recognizes financial assets and liabilities on the statement of financial position when it becomes a party to the contractual provisions of the instrument.

At initial recognition, financial assets are measured at fair value and classified as subsequently measured at amortized cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL"). At initial recognition, financial liabilities are measured at fair value and classified as, subject to certain exceptions, subsequently measured at amortized cost. For financial assets and financial liabilities not at FVTPL, fair value is adjusted for transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

An equity investment that is held for trading is measured at FVTPL. For other equity investments that are not held for trading, the Company may irrevocably elect to designate them as FVTOCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVTOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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 the Company has elected to measure them at FVTPL.

The Company classifies its financial instruments as follows:

Financial Instrument	**IFRS 9 Classification**
Cash	Amortized cost
Receivables, excluding GST	Amortized cost
Reclamation deposits	Amortized cost
Trade payables	Amortized cost
Due to related parties	Amortized cost

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Financial Instruments (continued)

Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial instruments:

Financial assets at FVTPL
These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortized cost
These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Equity investments at FTVOCI
These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Debt investments at FTVOCI
These assets are subsequently measured at fair value. Interest income is calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Impairment of financial instruments

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

For financial assets measured at amortized cost the Company applies the expected credit loss impairment model.

f) Share Issue Costs

Costs directly identifiable with the raising of capital are charged against the related share capital. Costs related to shares not yet issued are recorded as deferred financing costs, and are deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related share capital or charged to operations if the shares are not issued.

g) Valuation of Equity Units Issued in Private Placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the most easily measured component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in a private placement is determined to be the more easily measurable component and are valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Equity-based Compensation

The Company grants stock options and warrants to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options and compensatory warrants are measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

i) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation estimated at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

j) Incomes Taxes

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 year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the asset and 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 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 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 profits 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 set off 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.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Loss Per Share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

l) Disposal groups held for sale and discontinued operations

Disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at their carrying amount, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the disposal group to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of a disposal group, but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the disposal group is recognized at the date of derecognition.

Non-current assets, including those that are part of a disposal group, are not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of comprehensive loss.

m) Right of use asset

The Company recognizes a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use assets are subsequently amortized from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term using the straight line method.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

n) Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following payments during the lease term: fixed payments (including in-substance fixed payments), and the exercise price under a purchase option that the Company is reasonably certain to exercise.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising mainly if the Company changes its assessment of whether it will exercise a purchase, renewal or termination option, or if there is a revised in substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

o) New accounting standards and interpretations

There are new accounting standards, amendments to accounting standards and interpretations that are effective for annual periods beginning on or after May 1, 2021 that have not been applied in preparing the consolidated financial statements for the year ended April 30, 2022. These standards and interpretations are not expected to have a material impact on the Company's consolidated financial statements.

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS

	Koster Dam, Canada	Thunderbird Canada	Quet & Fire, Canada	ESN, USA	Thompson Valley USA	Deer Musk East, USA	Railroad Valley, USA	Edwards Creek Valley, USA	Total
Acquisition Costs									
Balance – April 30, 2020	$ 2,189	$ 846	$ 48,000	$ -	$ -	$ -	$ -	$ -	$ 51,035
Additions	500	-	-	447,048	-	181,490	217,524	-	846,562
Balance – April 30, 2021	2,689	846	48,000	447,048	-	181,490	217,524	-	897,597
Additions	-	-	3,792	2,035,651	7,603	147,975	539,791	613,587	3,348,399
Transferred to Assets held for sale	(2,689)	-	(51,792)	(2,482,699)	-	-	-	-	(2,537,180)
Write-off	-	(846)	-	-	-	-	-	-	(846)
Balance – April 30, 2022	**$ -**	**$ -**	**$ -**	**$ -**	**$ 7,603**	**$ 329,465**	**757,315**	**$ 613,587**	**$ 1,707,970**
Exploration & Evaluation Expenditures									
Balance – April 30, 2020	$ 68,126	$ 4,729	$ -	$ -	$ -	$ -	$ -	$ -	$ 72,855
Consulting & professional	4,425	-	-	30,192	-	14,331	2,744	-	51,692
Field work	11,733	-	-	-	-	631	-	-	12,364
Geological & geophysical	15,550	-	-	-	-	7,515	2,500	-	25,565
Travel and accommodation	938	-	-	-	-	327	-	-	1,265
Cost Recoveries	(9,770)	(247)	-	-	-	-	-	-	(10,017)
Balance – April 30, 2021	91,002	4,482		30,192	-	22,804	5,244	-	153,724
Assays, staking & mapping	952	-	-	-	-	168,801	88,620	-	258,373
Consulting & professional	2,700	-	-	12,452	227,549	70,981	50,662	75,620	439,964
Fieldwork	-	-	-	-	-	-	-	12,077	12,077
Geological & geophysical	51,094	-	-	34,753	6,660	245,879	388,486	125,722	852,594
Travel and accommodation	-	-	-	-	-	159	92	9,242	9,493
Cost recoveries	(9,794)	-	-	-	-	-	-	-	(9,794)
Transferred to Assets held for sale	(135,954)	-	-	(77,397)	-	-	-	-	(213,351)
Write-off	-	(4,482)	-	-	-	-	-	-	(4,482)
Balance – April 30, 2022	**$ -**	**$ -**	**$ -**	**$ -**	**$ 234,209**	**$ 508,624**	**$ 533,104**	**$ 222,661**	**$ 1,498,598**
Exploration & Evaluation Assets									
Balance – April 30, 2021	$ 93,691	$ 5,328	$ 48,000	$ 477,240	$ -	$ 204,294	$ 222,768	$ -	$ 1,051,321
Balance – April 30, 2022	**$ -**	**$ -**	**$ -**	**$ -**	**$ 241,812**	**$ 838,089**	**$ 1,290,419**	**$ 836,248**	**$ 3,206,568**

5. EXPLORATION AND EVALUATION ASSETS (continued)

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristics of many mining properties. The Company has investigated title to all its exploration and evaluation assets and, to the best of its knowledge, title to all of its properties is in good standing. The exploration and evaluation assets in which the Company has committed to earn an interest are located in Canada and the USA.

Koster Dam Property, Canada

On June 30, 2017, the Company entered into an option and joint venture agreement (the "Agreement") with a third party whereby the Company was granted the option to acquire up to a 100% interest in six (6) mineral claims located in the Clinton Mining Division of British Columbia (the "Property"). Pursuant to the Agreement, the Company was granted the sole and exclusive right and option (the "Initial Option") to acquire a 50% right, title and interest in the Property by incurring a total of $110,495 of expenditures on the Property within 12 months (extended to 15 months on April 18, 2018). Upon completing the Initial Option, the Company has the sole and exclusive irrevocable right and option (the "Call Option") to acquire the remaining 50% right, title and interest in the Property by paying $400,000 in cash. Concurrently with the Call Option, the third party has the option (the "Put Option") to dispose of the remaining 50% interest in the Property to the Company. The Company has the right to terminate the Agreement at any time up to the date of exercise of the Initial Option. In the event the Initial Option is completed but neither of the Call Option nor the Put Option are exercised, a joint venture will be formed in accordance with the terms and conditions of the Agreement.

On October 26, 2018, the Agreement was amended and replaced by an amended and restated option and joint venture agreement (the "Amended Agreement") whereby the Company was granted the option to acquire up to a 50% interest in 10 mineral claims. Pursuant to the Amended Agreement, the Company was granted the sole and exclusive right and option (the "Initial Option") to acquire a 45% right, title and interest in the Property by incurring a total of $110,495 of expenditures on the Property within 24 months from June 30, 2017 and the sole and exclusive right and option (the "Second Option") to acquire an additional 5% right, title and interest in the Property by paying $50,000 in cash within 30 days of exercising the Initial Option. At any time after June 30, 2018, the Company has the right to exclude any portion of the Property from the Amended Agreement. The Company has the right to terminate the Amended Agreement at any time up to the date of exercise of the Initial Option. In the event that the Initial Option is exercised, and regardless of whether or not the Second Option is exercised, a joint venture will be formed in accordance with the terms and conditions of the Amended Agreement.

On June 29, 2020, an amendment to the Amended Agreement was entered into whereby the due date for completion of the Initial Option was extended to October 1, 2020.

If, during the term of the Amended Agreement and so long as the joint venture agreement is still in force, either party or any of its affiliates stakes any interest in mineral claims or any other form of mineral tenure (the "AOI Tenure") within two kilometers around the perimeter boundaries of the Property or any part thereof (the Area of Interest or "AOI") located wholly or partly within the AOI, the acquiring party must give notice to the other party of such staking. If staking occurs prior to the formation of the joint venture, the non-acquiring party may elect to require that such AOI Tenure be included in and thereafter form part of the Property. If a non-acquiring party so elects and if the AOI Tenure was staked by the Company or any of its affiliates, the staking or acquisition costs shall constitute expenditures. If a non-acquiring party so elects and if the AOI Tenure was staked by the third party or any of its affiliates, the Company shall reimburse the third party for the staking or acquisition costs and these costs will also constitute expenditures. If such staking occurs after formation of the joint venture, the non-acquiring party may elect to require that such AOI Tenure be included in and thereafter form part of the Property provided that it then holds a participating interest, excluding any interest in any royalty, in the Property. If the AOI Tenure becomes part of the Property, the acquiring party shall be reimbursed its staking costs in proportion to its participating interest and such reimbursement shall be deemed a cost of the joint venture.

5. EXPLORATION AND EVALUATION ASSETS (continued)

Koster Dam Property, Canada (continued)

On September 30, 2020, the Company notified the third party that the Company had completed the minimum expenditure required to exercise the Initial Option and thereby acquired a 45% interest in the Koster Dam property. The parties are negotiating the terms and conditions of a joint venture.

On December 28, 2021, in connection with the arrangement agreement (Note 17), ISM, as transferee, entered into an Assignment and Novation Agreement (the "Koster Dam ANA") with Ameriwest, the transferor, and the third party, the Obligee. Pursuant to the Koster Dam ANA, Ameriwest assigned, transferred, set over and conveyed all of its right, title, estate and interest in and to the Amended Agreement and all rights, benefits, privileges and advantages of Ameriwest to be derived therefrom, to have and to hold the same unto ISM for its sole use and benefit in the same manner and to the same extent as if ISM had been originally named as a party thereto instead of Ameriwest.

On December 29, 2021, the third party and ISM (the "Participants") entered into a Joint Venture Agreement (the "JV Agreement"). Pursuant to the terms of the JV Agreement, each of the Participants will be liable for their share of costs associated with the exploration, development or operation of the property, with each Participant's share of costs being equal to their interest in the property. At inception of the JV Agreement, ISM has a 45% interest in the joint venture.

Each Participant's respective interest will not change so long as each Participant contributes its respective share of costs. At any time after a Participant has elected not to contribute its share of costs, or loses its right to contribute its share of costs, then that Participant's interest will be reduced in accordance with the terms of the JV Agreement. If the interest of one of the Participants is reduced to 10% or less, their remaining interest will be transferred to the other Participant, and the diluted Participant's interest will be converted to a royalty interest, being 3.0% of net profits.

Per the terms of the JV Agreement, the Participants will establish a Management Committee consisting of two members, and two alternate members, representing each Participant. One member of the two members appointed by each Participant will be appointed as a voting member, with their number of votes being equal to the interest held by that Participant.

Pursuant to the JV Agreement, the third party will act as the initial managing operator of the joint venture.

As at April 30, 2022, in connection with the arrangement agreement, the Koster Dam property costs have been reclassified to Assets held for sale (Note 17).

Thunderbird Property, Canada

On May 31, 2017, the Company acquired an interest in one (1) mineral claim known as the Thunderbird Property. During the year ended April 20, 2022, the Company did not renew the claim and has written off all related deferred costs of $5,328.

Quet & Fire Property, Canada

On May 19, 2017, the Company entered into an agreement with an officer and director of the Company whereby the Company purchased the right, title, estate and interest in six (6) claims known as the Quet & Fire Property for a total consideration of $48,000, consisting of $41,750 in cash payments and the issuance of 1,250,000 common shares (issued at a fair value of $6,250).

On December 2, 2021, Ameriwest and ISM entered into an Asset Transfer Agreement whereby ISM purchased from Ameriwest a 100% interest in the 8 claims comprising the Quet & Fire Property for a nominal amount.

On April 2, 2022, six of the claims comprising this property were consolidated into three claims. As a result, the property is comprised of a total of five claims.

5. EXPLORATION AND EVALUATION ASSETS (continued)

As at April 30, 2022, in connection with the arrangement agreement, the Quet & Fire property costs have been reclassified to Assets held for sale (Note 17).

ESN Property, USA

On November 11, 2020, the Company, as transferee, entered into an Assignment and Novation Agreement (the "ANA") with two companies in the State of Nevada, USA, Emigrant Springs Gold Corporation ("ESGC"), the transferor, and Trend Resources L.L.C. ("Trend"), the Obligee. ESGC and Trend are the original parties to a Mining and Lease Option Purchase Agreement dated August 3, 2020, as amended by an Amendment To Mining Lease Option Agreement dated October 31, 2020 (collectively, called the "Subject Agreement") pursuant to which Trend granted an option to ESGC to acquire a 100% undivided interest in and to certain mineral claims comprising the Emigrant Springs Project (collectively, the "Property"). Pursuant to the ANA, ESGC assigned, transferred, set over and conveyed all of its right, title, estate and interest in and to the Subject Agreement and all rights, benefits, privileges and advantages of ESGC to be derived therefrom, to have and to hold the same unto the Company for its sole use and benefit in the same manner and to the same extent as if the Company had been originally named as a party thereto instead of ESGC. The Company agreed to pay the following compensation:

- Issued an aggregate of three million common shares of the Company (the "Assignment Fee") with the shares vesting as follows – 1 million on November 20, 2020, 1 million on May 10, 2021 and 1 million on August 10, 2021;
- On completion of the acquisition of the Property by the Company in accordance with the terms of the Subject Agreement, grant to ESGC a production royalty based on the Net Smelter Returns ("NSR") from the production or sale of minerals from the Property, at the rate of 2% of the NSR, with the Company having the right to repurchase each 1% of the royalty at the rate of US$1 million for each 1% within five years after the date of the acquisition;
- Complete exploration expenditures of at least $300,000 or such other amount as is required to complete a first phase exploration program on any interests comprising the Property which is supported by a technical report in the form required by National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (the "Minimum Exploration Expenditures") by November 11, 2022; and
- On completing the Minimum Exploration Expenditures and acquiring a 100% undivided interest in and to the property from Trend, subject only to the royalties specified in the Subject Agreement, issue an additional 2 million common shares of the Company.

Pursuant to the Subject Agreement, Trend granted ESGC the sole and exclusive right and option to purchase certain mineral claims located in the Emigrant Springs Project (collectively, the "Property"), which includes 17 unpatented mining claims and 16 additional unperfected claims, by paying an aggregate of $125,000 in cash ($15,000 of which was paid by ESGC) on or before August 3, 2025 and incurring an aggregate of $300,000 in exploration expenditures on or in relation to the Property on or before October 31, 2022. ESGC may in its sole discretion at any time accelerate the payment of the cash payment amounts in order to exercise the option and acquire the Property. ESGC will pay Trend a production royalty based on the NSR from the production or sale of all minerals from the Property, including any additions to the Property resulting from the parties' location of unpatented mining claims located in the Area of Interest (as defined). The royalty percentage is 2% of the NSR, with ESGC having the right to repurchase 1% of the NSR for $1 million with Trend retaining the remaining 1%. During the term of the Subject Agreement, ESGC is responsible for paying all required real property taxes and federal mining claim maintenance fees in respect of the Property and performing all required annual claim maintenance assessment work on the Property to satisfy the annual assessment work requirements. The Subject Agreement can be terminated by Trend in the event of an unresolved default and by ESGC by giving 30 days written notice.

5. EXPLORATION AND EVALUATION ASSETS (continued)

ESN Property, USA (continued)

On February 4, 2022, the Company entered into an Amending Agreement with ESGC and Trend, pursuant to which the parties amended the Subject Agreement. As a result of the Amending Agreement, the exercise price was increased from US$125,000 to US$225,000, and requirement to incur $300,000 in exploration expenditures on the property was removed.

Following the execution of the Amending Agreement, the Company paid the balance of the exercise price of US$225,000 and thereby exercised the option and acquired a 100% interest the property. As a result, the Company issued the balance of 2,000,000 restricted common shares from treasury to the order and direction of ESGC in accordance with the terms of the Assignment Agreement.

On February 18, 2022, Ameriwest and ISM entered into an Asset Transfer Agreement whereby ISM purchased from Ameriwest a 100% interest in the 33 claims comprising the ESN Property for a nominal amount.

As at April 30, 2022, in connection with the arrangement agreement, the ESN property costs have been reclassified to Assets held for sale (Note 17).

Deer Musk East Property, USA

On January 28, 2021, the Company acquired (through staking) a lithium property located in Nevada's Clayton Valley consisting of 283 claims, known as the Deer Musk East Property. The claims were staked on behalf of the Company's wholly owned Nevada subsidiary, Oakley Ventures USA Corp.

During the year ended April 30, 2022, the Company acquired (through staking) an additional 88 claims, thereby increasing the size of the property to 371 claims.

Railroad Valley Property, USA

On April 19, 2021, the Company acquired (through staking) a lithium property consisting of 312 claims in the Railroad Valley, Nevada.

During the year ended April 30, 2022, the Company acquired (through staking) an additional 244 claims. The claims were staked on behalf of the Company's wholly owned Nevada subsidiary, Oakley Ventures USA Corp.

On February 16, 2022, the Company acquired 224 claims from American Battery Technology Company (“ABTC”) for $US125,000 ($160,150), plus 67,564 common shares for a fair value of $63,510. The acquisition increases the size of the property to 780 claims.

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS (continued)

Edwards Creek Valley Property, USA

On September 20, 2021, the Company acquired (through staking) a lithium property consisting of 847 placer minerals claims located in the Edwards Creek Valley, Nevada. These claims were staked on behalf of the Company's wholly owned Nevada subsidiary, Oakley Ventures USA Corp.

In February 2022, the Company staked an additional 414 claims and increased the size of the property to 1,243 claims.

Thompson Valley Property, USA

On September 28, 2021, the Company was awarded seven exploration permits by the Arizona State Land Department to allow the Company, through its wholly owned Nevada subsidiary, Oakley Ventures USA Corp., to explore for prospective lithium-bearing clays located on lands in west-central Arizona for a period of one year, subject to renewals, but not to extend beyond September 23, 2026.

Reclamation Bonds

On September 30, 2020, the Company paid half of the $5,500 deposited to the Ministry of Energy and Mines for the reclamation permit of Koster Dam property. During the year ended April 30, 2022, the Company paid the remaining balance of this bond, being $2,750, bringing the total balance to $5,500.

On October 11, 2021, the Company paid CAD$16,427 (US$ 15,000) deposited with the Arizona State Land Department for a blanket bond for reclamation and damage of the Thompson Valley property and any future properties in Arizona.

6. EQUIPMENT

		Office Equipment		Total
Cost				
Balance, April 30, 2020 and 2021		-		-
Additions		10,453		10,453
Balance, April 30, 2022	**$**	**10,453**	**$**	**10,453**
Accumulated amortization				
Balance, April 30, 2020 and 2021		-		-
Additions		1,045		1,045
Balance, April 30, 2022	**$**	**1,045**	**$**	**1,045**
Carrying amounts				
April 30, 2021	$	-	$	-
April 30, 2022	**$**	**9,408**	**$**	**9,408**

(Expressed in Canadian Dollars)

7. RIGHT OF USE ASSET/LEASE LIABILITY

Lease liability

Effective July 1, 2021, the Company entered into an office and services rental agreement. The Company will pay $5,000 per month for the period from July to December 2021, and then $6,575 per month for the period from January to June 2022, with the lease expiring on June 30, 2022. Subsequent to April 30, 2022, the term of this lease was extended to June 30, 2023.

The weighted average incremental borrowing rate applied when calculating the present value of the lease liability was 20%.

For the year ending April 30, 2022, interest on the lease liabilities was $7,222.

Lease liability, April 30, 2020 and 2021	$	-
Additions		63,481
Accretion of interest		7,222
Payment of lease liability		(57,875)
Lease liability, April 30, 2022	$	12,828

Right of use asset

The right of use asset is depreciated on a straight-line basis over the term of the lease. For the year ending April 30, 2022, the depreciation of the right of use assets was $52,901.

Right of use asset, April 30, 2020 and 2021	$	-
Additions		63,481
Depreciation of right of use asset		(52,901)
Right of use asset, April 30, 2022	$	10,580

8. TRADE PAYABLES

A third-party vendor had agreed to postpone the payment due date of $33,286 until August 24, 2021. This amount was classified as non-current liability on the statement of financial position as at April 30, 2020, and was paid in full on August 5, 2020.

9. LOANS PAYABLE

During the year ended April 30, 2021, the Company received a loan in the amount $8,000 from a shareholder of the Company. This loan bore interest at 10% per annum and was repaid on August 6, 2020.

During the year ended April 30, 2020, the Company received a loan in the amount of $8,750 from a shareholder of the Company and repaid $8,000. This loan bore interest at 10% per annum, and the remainder of this loan was repaid on September 18, 2020.

During the year ended April 30, 2021, the recorded interest expense of $213 related to the loans.

10. SHARE CAPITAL

The Company has authorized an unlimited number of common shares without par value, and an unlimited number of preferred shares without par value. At April 30, 2022, 56,405,789 common shares were issued and outstanding.

During the year ended April 30, 2022, the Company:

a) Closed a non-brokered private placement at a price of $0.50 per unit for proceeds of $6,041,500. The Company issued an aggregate of 12,083,000 units, with each unit consisting of one common share and one share purchase warrant. Each warrant is exercisable into one common share of the Company at a price of $0.75 per share for a period of 24 months; Cash finders' fees totalling $250,725 were paid in connection with the private placement, being 10% of $1,200,000 and 7% of $1,867,500 raised. Additionally, the Company granted broker's warrants at a fair value of $91,445 to purchase an aggregate of 261,450 common shares at a price of $0.75 per share, exercisable on or before May 28, 2023.

b) Issued 14,844,738 common shares from the exercise of warrants for total proceeds of $9,477,204, and accordingly, the Company reallocated $78,631 of share-based payment reserve to share capital.

c) Issued 74,074 common shares to a consultant as part of the consulting agreement and recorded $74,334 in share capital.

d) Issued 146,977 common shares as finder's fees to certain consultants. These shares had a fair value of $146,099 and were capitalized to exploration and evaluation assets.

e) Issued 550,000 common shares from the exercise of options for total proceeds of $235,000, and accordingly, the Company reallocated $173,933 of share-based payment reserve to share capital.

f) Issued 2,000,000 common shares in conjunction with the exercise of the ESN property Subject Agreement. These common shares had a fair value of $1,780,000. These shares were restricted from trading until July 9, 2022.

g) ISM incurred additional share issue costs to third parties of $5,327 in connection with shares issued to Ameriwest. These share issue costs have been included in the consolidated statement of shareholders' equity.

(Expressed in Canadian Dollars)

10. SHARE CAPITAL

During the year ended April 30, 2021, the Company:

a) Completed its initial public offering ("IPO") of 3,960,000 common shares at a price of $0.10 per share for gross proceeds of $396,000. Pursuant to an agency agreement dated May 6, 2020, Mackie Research Capital Corporation acted as agent for the IPO. The agent received a cash commission equal to 10% of the gross proceeds of the IPO, or $39,600, and a corporate finance fee of $20,000 plus GST, in addition to reimbursement of reasonable expenses. Additionally, the Company granted agent's warrants at a fair value of $27,087 to purchase an aggregate of 396,000 common shares at a price of $0.10 per share, exercisable on or before July 23, 2022.

b) Closed a non-brokered private placement at a price of $0.12 per unit for proceeds of $750,000. The Company issued an aggregate of 6,250,000 units, with each unit consisting of one common share and one share purchase warrant. Each warrant is exercisable into one common share of the Company at a price of $0.50 per share for a period of 24 months.

c) Issued 3,000,000 common shares with a fair value of $420,000 relating to an exploration and evaluation asset (Note 5).

d) Issued 67,000 common shares from the exercise of agent's warrants for proceeds of $6,700.

Pursuant to an escrow agreement dated December 11, 2019, 2,690,000 common shares of the Company were deposited into escrow. 269,000 of these common shares were released from escrow on the Company's listing on the Canadian Securities Exchange. The remaining common shares will be released in equal instalments 6, 12, 18, 24, 30 and 36 months after the listing date. As at April 30, 2022, 1,210,502 shares were being held in escrow.

Stock options

	Number of Options	Weighted Average Exercise Price ($)
Outstanding, April 30, 2020	-	-
Granted	1,400,000	0.59
Outstanding at April 30, 2021	1,400,000	0.59
Granted	1,700,000	0.93
Exercised	(550,000)	0.43
Outstanding at April 30, 2022	**2,550,000**	**0.86**

The weighted-average remaining contractual life of the options at April 30, 2022 was 4.20 years (2021 – 4.92 years).

(Expressed in Canadian Dollars)

10. SHARE CAPITAL (continued)

Stock options (continued)

Additional information regarding stock options outstanding as at April 30, 2022 is as follows:

Exercise price ($)	Number of options	Exercisable	Expiry Date
0.87	200,000	200,000	June 21, 2023
0.70	850,000	550,000	April 30, 2026
0.82	200,000	200,000	August 16, 2026
0.96	1,300,000	1,300,000	February 9, 2027
	2,550 ,000	2,250,000	

On February 8, 2021, the Company granted 500,000 options to directors and officers of the Company. These options have an exercise price of $0.40, expiring on February 8, 2026 and vested on the grant date.

On April 30, 2021, the Company granted 900,000 options to directors of the Company. These options have an exercise price of $0.70, expiring on April 30, 2026 and vest as follows:

- 150,000 – on the date of grant;
- 450,000 – 12 months from the date of grant;
- 150,000 – 18 months from the date of grant; and
- 150,000 – 24 months from the date of grant.

On June 21, 2021, the Company granted 200,000 options to directors and officers of the Company. These options have an exercise price of $0.87, expiring on June 21, 2023 and vested on the grant date.

On August 16, 2021, the Company granted 200,000 options to a director and a consultant of the Company. These options have an exercise price of $0.82, expiring on August 16, 2026 and vested on the grant date.

On February 9, 2022, the Company granted 1,300,000 stock options to officers and directors of the Company. These options have an exercise price of $0.96, expiring on February 9, 2027 and vested on the grant date.

The fair value of these stock options was calculated using the Black Scholes option pricing model for total share-based payment expense of $1,372,797 (2021 - $225,910) on the vested options based on the following assumptions with no expected dividends or forfeitures:

	Year ended April 30, 2022	Year ended April 30, 2021
Exercise price	$0.82 - $0.96	$0.40 - $0.70
Expected life (in years)	2 - 5	5
Expected volatility	100%	100%
Risk-free interest rate	0.44% - 1.68%	0.50% - 0.93%

(Expressed in Canadian Dollars)

10. SHARE CAPITAL (continued)

Warrants

	Number of Warrants	Weighted Average Exercise Price ($)
Outstanding, April 30, 2020	-	-
Issued	6,646,000	0.48
Exercised	(67,000)	0.10
Outstanding, April 30, 2021	6,579,000	0.48
Issued	12,344,450	0.75
Exercised	(14,844,738)	0.64
Outstanding, April 30, 2022	**4,078,712**	**0.72**

The weighted-average remaining contractual life of warrants at April 30, 2022 was 1.05 years (2021 – 1.74 years).

Additional information regarding warrants outstanding as at April 30, 2022 is as follows:

Exercise price ($)	Number of warrants	Expiry Date
0.50	480,000	February 5, 2023
0.75	85,712	May 28, 2023
0.75	3,513,000	June 1, 2023
	4,078,712	

On May 28, 2021, the Company issued 261,450 agent's warrants. These warrants have an exercise price of $0.75 per share and expire on May 28, 2023. The fair value of these agent's warrants of $91,445 was measured using the Black Scholes option pricing model.

On July 23, 2020, the Company issued 396,000 agent's warrants to Mackie Research Capital Corporation. These warrants have an exercise price of $0.10 per share and expire on July 23, 2022. The fair value of these agent's warrants of $20,663 was measured using the Black Scholes option pricing model.

The following inputs were used for the Black-Scholes valuation of the agent's warrants:

	Year ended April 30, 2022	Year ended April 30, 2021
Exercise price	$ 0.75	$ 0.10
Expected life (in years)	2	2
Expected volatility	100%	100%
Risk-free interest rate	0.32%	0.27%

The fair value of these agent's warrants was recorded as a deduction against share capital.

11. RELATED PARTY TRANSACTIONS

Related party transactions were in the normal course of operations and measured at the exchange amount, which is the amount established and agreed to by the related parties. Key management personnel are the persons responsible for planning, directing and controlling the activities of the Company, and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

As at April 30, 2022, the amount due to the related parties is comprised of the following:

- $Nil (2021 - $26,347) due to Glenn Collick, an officer and director of the Company.
- $15,355 (2021 - $14,657) due to David Watkinson, an officer of the Company.
- $7,537 (2021 - $5,250) due to James Gheyle, a director of the Company.
- $3,009 (2021 - $Nil) due to Saman Eskandari, a director of the Company.

These amounts are non-interest bearing with no stated terms of payment.

During the year ended April 30, 2022, the Company had the following transactions with related parties:

- $99,000 (2021 - $24,000) to Glenn Collick for management services.
- $181,612 (2021 - $14,657) to David Watkinson for management services.
- $35,000 (2021 - $12,500) to Sam Eskandari, a director of the Company, for consulting services;
- $43,000 (2021 - $Nil) to Graeme Wright, an officer of the Company, for accounting services;
- $77,162 (2021 - $5,000) to James Gheyle for geological consulting;
- $21,250 (2021 - $Nil) to Zig Hancyk, director of the Company; and
- $1,197,943 (2021 - $225,910) in share-based compensation to officers and directors of the Company.

<u>Contracts with related parties</u>

On January 1, 2021, the Company entered into a Master Services Agreement (the “MSA”) with a consultant, whereby the consultant will provide services typical of those for an executive officer in the position of Director and Chief Operating Officer (“COO”). Pursuant to the MSA, the consultant will receive a monthly fee of $6,000 as compensation for providing these services. During the year ended April 30, 2022, the monthly fee was increased to $9,000.

On April 1, 2021, the Company entered into a Geological Consulting Services Agreement (the “GCSA”) with a Director of the Company, whereby the consultant will be generally responsible for assisting the geological team for any matters typical of those of a geological consultant. Pursuant to the GCSA, the consultant will receive a monthly fee of $5,000 as compensation for providing these services.

11. RELATED PARTY TRANSACTIONS (continued)

Contracts with related parties (continued)

On April 8, 2021, the Company entered into a Management Services Agreement (the "MSA2") with a consultant, whereby the consultant was appointed to the roles of President and CEO of the Company. Pursuant to the MSA2, the consultant will receive a monthly fee of US$12,000 as compensation for providing these services.

Pursuant to the agreements:

- Each agreement is for an initial term of 12 months and may be renewed for further 12-month increments thereafter, subject to mutual agreement. The agreements can be terminated by either party giving the other 30 days written notice;
- The consultants are eligible for participation in the Company's stock option plan, with the grant of options being subject to recommendation by the Compensation Committee and approval by the Board of Directors;
- For the MSA and MSA2, the Company will review the consultant's remuneration on an annual basis and may adjust the monthly remuneration upon mutual agreement. The Company may also elect to provide performance incentives or bonuses as determined from time to time by the Board of Directors based on performance;
- If the MSA and the GCSA are terminated by the consultants, they are entitled to an amount equal to the monthly fee and, if by the Company, an amount equal to three times the monthly fee. If the MSA2 is terminated by the consultant, he is entitled to an amount equal to the monthly fee and, if by the Company, an amount equal to the remaining months of the current 12-month term but not less than three months; and
- If there is a change of control (as defined) and the MSA and the GCSA are terminated within the current 12-month term, the Company will pay the consultants a lump sum payment equal to three times the monthly fee. If there is a change of control and the MSA2 is terminated, the Company will pay the consultant a lump sum payment equal to three times the monthly fee plus the remaining monthly fee of the current term.

On May 1, 2021, the Company entered into a Management Services Agreement (the "MSA") with a consultant, whereby the consultant will be generally responsible for all matters typical of those for an executive officer in the position of Director and Chief Financial Officer ("CFO"). Pursuant to the MSA, the consultant will receive a monthly fee of $2,000 as compensation for providing these services. The consultant is eligible for participation in the Company's stock option plan, with the grant of options being subject to recommendation by the Compensation Committee and approval by the Board of Directors. The Company will review the consultant's remuneration on an annual basis and may adjust the monthly remuneration upon mutual agreement. The Company may also elect to provide performance incentives or bonuses as determined from time to time by the Board of Directors based on performance. The MSA is for an initial term of 12 months and may be renewed for further 12-month increments thereafter, subject to mutual agreement. The MSA can be terminated by either party giving the other 30 days written notice. If the MSA is terminated by the consultant, he is entitled to an amount equal to the monthly fee and, if by the Company, an amount equal to three times the monthly fee. If there is a change of control (as defined) and the MSA is terminated, the Company will pay the consultant a lump sum payment equal to three times the monthly fee. On June 25, 2021, the consultant resigned as CFO and was appointed to the role of Corporate Secretary.

11. RELATED PARTY TRANSACTIONS (continued)

Contracts with related parties (continued)

On June 21, 2021, the Company entered into a Financial Consulting Services Agreement (the "FCSA") with a consultant, whereby the consultant will provide consulting services and was appointed to the role of CFO of the Company. Pursuant to the FCSA, the consultant will receive a monthly fee of $3,000 as compensation for providing these services. The Company will review the consultant's fee from time to time and may, in its sole and absolute discretion, increase the fee depending on the consultant's performance and the Company's financial circumstances. The Board of Directors may consider payment of reasonable industry standard annual bonuses based upon the performance of the Company and upon the achievement by the consultant and/or the Company of reasonable financial and subjective management objectives to be reasonably established by the Board of Directors. The consultant was also granted an initial and fully vested stock option to purchase an aggregate of up to 100,000 common shares of the Company at an exercise price of $0.87 for a period of two years. The FCSA is for an initial term of 12 months and will automatically renew if not specifically terminated. The consultant can either voluntarily or for any change in control (as defined) terminate the FCSA by giving the Company 30 days written notice. If the Company terminates the FCSA without just cause, the consultant is entitled to an amount equal to six times the monthly fee and the prorated portion of any then declared and/or earned bonus. If the FCSA is terminated as a result of a change of control the consultant is entitled to an amount equal to three times the monthly fee and the prorated portion of any then declared and/or earned bonus. During the year ended April 30, 2022, the monthly fee was increased to $5,000. As of July 31, 2022, the FCSA was terminated.

12. CONTRACTUAL OBLIGATIONS

On January 22, 2021, the Company entered into a Consulting Services Agreement (the "CSA") with the brother of a Director of the Company, whereby the consultant will provide consulting and advisory services to the Company including, but not limited to, financial analysis, advice with respect to any merger, acquisition, joint venture, substantial asset purchase or sale or other transaction contemplated by the Company from time to time, including responding to any offers for such transactions with the Company made by one or more parties. Pursuant to the CSA, the consultant received $50,000, inclusive of GST, on February 8, 2021 as compensation for providing these services.

On April 1, 2021, the Company entered into a Financial Consulting Services Agreement (the "FCSA") with a company controlled by the brother of a Director of the Company, whereby the consultant will provide capital raising advisory services to the Company. Pursuant to the FCSA, the consultant will receive a monthly fee of $6,000 as compensation for providing these services. The FCSA was for an initial term of 12 months, after which the consultant has continued to be paid on a month-by-month basis.

On September 1, 2021, the Company entered into an Investor Relations Consulting Agreement (the "IRCA"), with a consultant, whereby the consultant will provide shareholder and investor relations services. Pursuant to the IRCA, the consultant will receive a monthly fee of $7,500 as compensation for these services. The IRCA is for an initial term of 12 months and may be extended in writing by mutual consent between the consultant and the Company for ensuing one-year terms (an "Extension Term"). During any Extension Term, the IRCA can be terminated by either party giving the other 30 days written notice.

On September 14, 2021, the Company entered into an Independent Contractor Agreement (the "ICA), with a consultant, whereby the consultant will be generally responsible for all matters typical of those for a Corporate Secretary. Pursuant to the ICA the consultant will receive a monthly fee of $4,500 as compensation for these services. The ICA can be terminated by either party giving the other 60 days written notice.

13. CAPITAL DISCLOSURE AND MANAGEMENT

The Company defines its capital as all components of shareholders' equity. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern.

In order to maintain its capital structure, the Company is dependent on equity funding and when necessary, raises capital through the issuance of equity instruments, primarily comprised of common shares. The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will make changes to its capital structure as deemed appropriate under the specific circumstances.

The Company is not subject to any externally imposed capital requirements or debt covenants, and does not presently utilize any quantitative measures to monitor its capital. There were no changes to the Company's approach to managing capital during the period.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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

- Level 1 – 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.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) *Credit risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The Company has deposited the cash with its bank from which management believes the risk of loss is remote.

(b) *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Trade payables are due within the current operating period. There can be no assurance of continued access to significant equity funding. As at April 30, 2022, the Company had cash of $4,430,681 to cover current liabilities of $1,762,759.

(c) *Market ri*sk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. As at April 30, 2022, the Company had the following foreign currency balances – trade payables (US$394,585) and due to related parties (US$12,010). Management does not hedge its foreign exchange risk, and does not believe a change in foreign exchange would materially affect the Company at its current stage.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(d) *Interest rate risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk, from time to time, on its cash balances. Surplus cash, if any, is placed on call with financial institutions.

(e) *Commodity Price Risk*

The ability of the Company to finance the exploration and development of its properties and the future profitability of the Company is directly related to the market price of the primary minerals identified in its mineral properties. Mineral prices fluctuate on a daily basis and are affected by a number of factors beyond the Company's control. A sustained, significant decline in the prices of the primary minerals or in the share prices of junior mineral exploration companies in general, could have a negative impact on the Company's ability to raise additional capital. Sensitivity to commodity price risk is remote since the Company has not established any reserves or production.

15. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration and development of mineral properties. The Company operates in Canada and the United States. The Company's exploration and evaluation assets are located in Canada and the USA. Geographic information is as follows: as at April 30, 2022, $32,988 (2021 – $147,019) of the Company's non-current assets were located in Canada and $3,153,250 (2021 – $904,302) were located in the USA.

16. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

Significant non-cash transactions during the year ended April 30, 2022 included:

(a) granted broker's warrants at a fair value of $91,445 to purchase an aggregate of 261,450 common shares at a price of $0.75 per share.

(b) Included in exploration and evaluation assets is $57,792 which is in trade payables.

(c) Transferred a fair value of $78,631 from reserves to share capital upon exercise of broker's warrants.

(d) Transferred a fair value of $173,933 from reserves to share capital upon exercise of stock options.

(e) Issued 2,146,977 common shares with a fair value of $1,926,099 in relations to the acquisition of exploration and evaluation assets. Of this amount, $1,780,000 was subsequently reclassified to Assets held for sale.

(f) Recognized right of use asset of $63,481 for an office lease.

16. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS (continued)

Significant non-cash transactions during the year ended April 30, 2021 included:

(a) Granted agent's warrants at a fair value of $20,663 to purchase an aggregate of 396,000 common shares at a price of $0.10 per share upon completion of the Company's IPO. This amount was charged against share capital.

(b) Issued 3,000,000 common shares valued at $420,000 for the acquisition of exploration and evaluation assets.

(c) Included in exploration and evaluation assets is $86,319 which is in trade payables and $5,000 which is in due to related parties.

(d) Transferred a fair value of $3,496 from reserves to share capital on the exercise of 67,000 agent's warrants.

(e) $10,000 was transferred from deferred financing costs to share issue costs.

(f) Included in share issue costs is $8,214 which is in trade payables.

17. ARRANGEMENT AGREEMENT AND ASSETS HELD FOR SALE

The Company has entered into an arrangement agreement dated March 31, 2022, with its 100% owned subsidiary, ISM, whereby the company intends to spin off its existing non-lithium assets, being the Koster Dam, ESN and Quet & Fire gold prospects into ISM.

The transaction will be carried out by way of statutory plan of arrangement (the "Spin-Out") pursuant to the Business Corporations Act (British Columbia). Through the Spin-Out, shareholders of the Company will exchange all of the existing issued and outstanding Ameriwest common shares (the "Old Ameriwest Shares") for one new common share of the Company (each, a "New Ameriwest Share") (having identical terms as the existing common shares) and one-quarter of one common share in the capital of ISM ("ISM Shares") for each Old Ameriwest Share. There will be no change in Ameriwest shareholders' holdings in the Company as a result of the Spin-Out.

Holders of options to purchase Ameriwest Shares ("Ameriwest Options") will receive for each Ameriwest Option held one option to purchase from Ameriwest one New Ameriwest Share and one-quarter of one option of ISM (a "ISM Option"), with each whole ISM Option entitling the holder thereof to purchase from ISM one ISM Share.

Holders of warrants to purchase Ameriwest Shares ("Ameriwest Warrants") will receive for each Ameriwest Warrant held one warrant to purchase from Ameriwest one New Ameriwest Share and one-quarter of one warrant of ISM (a "ISM Warrant"), with each whole ISM Warrant entitling the holder thereof to purchase from ISM one ISM Share.

The disposal group reclassified for distribution to shareholders at April 30, 2022 consists of the Company's Canadian subsidiary, ISM, and certain exploration and evaluation assets which will be spun-out subsequent to April 30, 2022. The disposal group is part of the Company's only segment, which is the exploration of exploration and evaluation assets (Note 5).

IFRS 5 *Non-Current Assets Held for Sale and Discontinued Operations* requires that assets meeting the criteria to be classified as held for sale be presented separately in the consolidated statement of financial position and the results of discontinued operations be presented separately in the consolidated statements of comprehensive loss. Accordingly, the assets and directly associated liabilities relating to the business units being spun out to ISM have been presented as "Assets held for sale" and "Liabilities of discontinued operations" in the consolidated statement of financial position and the net loss relating to this business unit has been presented as "Net loss from discontinued operations" in the consolidated statements of comprehensive loss.

(Expressed in Canadian Dollars)

17. ARRANGEMENT AGREEMENT AND ASSETS HELD FOR SALE (continued)

The assets and liabilities of ISM as at April 30, 2022 and the expenses and cash flows for the year ended April 30, 2022 are presented in the following tables.

Assets held for sale and liabilities of discontinued operations:		April 30, 2022
Cash	$	1,525,128
Receivables		1,428
Prepaid		26,000
Exploration and evaluation assets (Note 5)		2,750,531
Total assets held for sale	$	4,303,087
Accounts payable and accrued liabilities	$	41,950
Subscriptions received in advance		1,055,000
Total liabilities of discontinued operations	$	1,096,950

Operating expenses:		For the Year Ended April 30, 2022
Accounting and audit	$	9,500
Legal fees		24,426
Office and administration		4,210
Transfer agent and filing fees		165
Total	$	38,301

Cash flows provided by (used in) discontinued operations:		For the Year Ended April 30, 2022
Net cash used in operating activities	$	(23,779)
Net cash used in investing activities		(766)
Net cash provided by financing activities		1,549,673
Net cash flow for the year	$	1,525,128

In connection with the Spin-Out, ISM intends to complete a non-brokered private placement of up to 10,550,000 units of ISM at a price of $0.10 per unit for aggregate gross proceeds of up to $1,055,000. Each unit will be comprised of one ISM Share and one common share purchase warrant of ISM ("Warrant"). Each Warrant will entitle the holder thereof to purchase one ISM Share at an exercise price of $0.20 for a period of 24 months from the date of issuance. In connection with the private placement, ISM has received subscription proceeds of $1,055,000 as at April 30, 2022.

As at April 30, 2022, the Company has accrued $7,500 in transaction costs associated with the plan of arrangement.

(Expressed in Canadian Dollars)

17. ARRANGEMENT AGREEMENT AND ASSETS HELD FOR SALE (continued)

On July 5, 2022, the Spin-Out received the approval of the Company's shareholders at an annual general and special meeting.

On July 11, 2022, the Company received approval from the Supreme Court of British Columbia for the Spin-Out.

In order to complete the Spin-Out, the Company will also require the approval of the CSE, at which time the Company will separate into two companies, with Ameriwest continuing to be traded on the CSE and with ISM applying to have its common shares listed for trading on the CSE.

18. INCOME TAXES

A reconciliation of income taxes at statutory rates of 27% (2020 – 27%) with the reported taxes is as follows:

	Year ended April 30, 2022	Year ended April 30, 2021
Expected income tax recovery	$ (2,592,729)	$ (170,650)
Effect of deductible and non-deductible amounts	313,785	22,124
Change in deferred tax assets not recognized	2,278,944	148,526
Deferred income tax recovery	$ -	$ -

The Company's deductible temporary differences and unused tax losses consist of the following amounts:

	April 30, 2022	April 30, 2021
Non-capital losses	$ 8,999,053	$ 732,873
Exploration and evaluation assets	(494,118)	(15,577)
Equipment	1,045	-
Share issue costs	289,573	116,992
	$ 8,795,553	$ 834,288

The Company has available for deduction against future taxable income Canadian non-capital losses of approximately $8,965,000. These losses, if not utilized, will expire between 2038 and 2042. The Company also US non-capital losses of approximately $34,000.

Subject to certain restrictions, the Company also has Canadian exploration and evaluation expenditures at April 30, 2022 of approximately $2,256,000 available to reduce taxable income in future years.

19. SUBSEQUENT EVENTS

On June 7, 2022, the Company acquired (through staking) 104 mineral claims in Little Smoky Valley, Nevada.

On July 18, 2022, the Company entered into an agreement to acquire a 100% interest in 184 mineral claims expanding its Smoky Valley Property in Nevada. Consideration included USD$150,000 (paid) and the issuance of 2,300,000 common shares (issued). This increased the size of the Little Smokey Valley Property to 288 mineral claims.

Subsequent to April 30, 2022, the Company issued 720,000 common shares from the exercise of warrants for total proceeds of $465,000.