VOLTAGE METALS CORP. (FORMERLY MANSA EXPLORATION INC.)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

DECEMBER 31, 2021 AND 2020

VOLTAGE METALS CORP. (FORMERLY MANSA EXPLORATION INC.)
Index to the Consolidated Financial Statements
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in Canadian Dollars)

p | 604.683.3277
f | 604.684.8464

SUITE 1735, TWO BENTALL CENTRE
555 BURRARD STREET
BOX 243
VANCOUVER, BC V7X 1M9

charlton

charlton & company
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Voltage Metals Corp. (formerly Mansa Exploration Inc.)

Opinion
We have audited the accompanying consolidated financial statements of Voltage Metals Corp. (formerly Mansa Exploration Inc.) (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2021, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021, and its financial performance and its cash flows for the year 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 other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters
The consolidated financial statements of Voltage Metals Corp. (formerly Mansa Exploration Inc.) for the year ended December 31, 2020 were audited by another auditor who expressed an unmodified opinion on those statements on March 15, 2021.

Other Information
Management is responsible for the other information. The other information comprises the Management Discussion and Analysis. 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. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 though to bear on our independence, and where applicable, related safeguards.

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

Charlton & Company

Charlton & Company Chartered Professional Accountants
Vancouver, Canada
April 25, 2022

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VOLTAGE METALS CORP. (FORMERLY MANSA EXPLORATION INC.)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	December 31, 2021	**December 31, 2020**
	$	**$**
ASSETS		
CURRENT		
Cash and cash equivalents	1,938,674	364,178
Sales taxes receivable	24,851	5,920
Prepaid expenses (Note 8)	37,500	-
Total current assets	2,001,025	370,098
Reclamation bond (Note 6)	3,000	-
Exploration advances	13,200	25,000
Exploration and evaluation assets (Note 5 and 6)	2,347,642	438,356
TOTAL ASSETS	**4,364,867**	**833,454**
LIABILITIES		
CURRENT		
Accounts payable and accrued expenses (Notes 7 and 8)	207,541	117,304
Flow-through share premium liability (Note 9 and 10)	219,750	-
TOTAL LIABILITIES	**427,291**	**117,304**
SHAREHOLDERS' EQUITY		
Share capital (Note 10)	4,797,961	1,201,954
Reserves (Note 10)	72,905	31,000
Subscription receivable (Note 10)	(4,700)	-
Deficit	(928,590)	(516,804)
TOTAL SHAREHOLDERS' EQUITY	**3,937,576**	**716,150**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**4,364,867**	**833,454**

NATURE OF OPERATIONS (Note 1)
GOING CONCERN (Note 2)
COMMITMENTS AND CONTINGENCIES (Note 6)
SUBSEQUENT EVENTS (Note 15)

Approved on behalf of the Board:

/s/ Darryl Levitt
Director

/s/ Robert Barlow
Director

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

VOLTAGE METALS CORP. (FORMERLY MANSA EXPLORATION INC.)
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian dollars)

	Share Capital		Subscription			
	Deficit	**Amount**	**receivable**	**Reserves**	**Deficit**	**Total**
		$	$	$	$	$
Balance, December 31, 2019	**13,454,245**	**689,175**	**-**	**-**	**(435,721)**	**253,454**
Initial public offering:						
Gross proceeds	6,525,000	652,500	-	-	-	652,500
Finders fee – cash	-	(52,200)	-	-	-	(52,200)
Finders fee – warrants	-	(31,000)	-	31,000	-	-
Share issuance costs	-	(56,521)	-	-	-	(56,521)
Loss for the year	-	-	-	-	(81,083)	(81,083)
Balance, December 31, 2020	**19,979,245**	**1,201,954**	**-**	**31,000**	**(516,804)**	**716,150**
Balance, December 31, 2020	**19,979,245**	**1,201,954**	**-**	**31,000**	**(516,804)**	**716,150**
Private placement proceeds	11,507,665	1,945,900	(4,700)	-	-	1,941,200
Flow-through share premium	-	(219,750)	-	-	-	(219,750)
Finders fees - cash	-	(111,748)	-	-	-	(111,748)
Finders fees - warrants	-	(43,900)	-	43,900	-	-
Share issuance costs	-	(5,000)	-	-	-	(5,000)
Shares issued for debt	400,000	38,000	-	-	-	38,000
Shares issued on vesting of RSUs	1,600,000	152,000	-	-	-	152,000
Shares issued for Wheeler Resources Inc.	10,795,001	1,835,150	-	-	-	1,835,150
Warrant exercise	33,600	3,360	-	-	-	3,360
Fair value of warrants exercised	-	1,995	-	(1,995)	-	-
Loss for the year	-	-	-	-	(411,786)	(411,786)
Balance, December 31, 2021	**44,315,511**	**4,797,961**	**(4,700)**	**72,905**	**(928,590)**	**3,937,576**

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

VOLTAGE METALS CORP. (FORMERLY MANSA EXPLORATION INC.)
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

For the years ended	**December 31, 2021**	December 31, 2020
	$	$
EXPENSES		
Consulting (Note 8)	**67,535**	-
Filing fees	**36,199**	42,844
Marketing and advertising	**5,494**	-
Office and administration	**13,681**	1,075
Professional fees (Note 8)	**138,877**	44,664
Share-based compensation (Note 8 and 10)	**152,000**	-
	(413,786)	(88,583)
Gain on settlement of debt (Note 10)	**2,000**	7,500
Loss and comprehensive loss for the year	**(411,786)**	(81,083)
Basic and diluted earnings loss per common share	**(0.02)**	(0.01)
Weighted average number of common shares outstanding – basic and diluted	**27,103,589**	13,703,835

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

(Expressed in Canadian dollars)

For the years ended	**December 31, 2021**	December 31, 2020
	$	$
OPERATING ACTIVITIES		
Loss for the year	**(411,786)**	(81,083)
Share-based compensation	**152,000**	-
Debt forgiveness	**-**	(7,500)
Gain on settlement of debt	**(2,000)**	-
Changes in non-cash working capital items:		
Sales taxes receivable	**(18,931)**	2,043
Prepaid expenses	**(37,500)**	-
Reclamation bond	**(3,000)**	-
Accounts payable and accrued expenses	**110,764**	(129,434)
Net cash used in operating activities	**(210,453)**	(215,974)
INVESTING ACTIVITIES		
Cash acquired on acquisition of Wheeler Resources Inc.	**153,751**	-
Exploration and evaluation assets	**(130,971)**	-
Transaction costs	**(65,643)**	-
Net cash used in investing activities	**(42,863)**	-
FINANCING ACTIVITIES		
Proceeds for exercise of warrants	**3,360**	-
Private placement	**1,941,200**	652,500
Finder's fees	**(111,748)**	(52,200)
Share issuance costs	**(5,000)**	(56,521)
Net cash provided by financing activities	**1,827,812**	543,779
Net change in cash and cash equivalents	**1,574,496**	327,805
Cash and cash equivalents, beginning of the year	**364,178**	36,373
Cash and cash equivalents, end of the year	**1,938,674**	364,178
Cash	**40,090**	364,178
Cash equivalents	**1,898,584**	-

Supplemental cash flow information (Note 13)

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

1. NATURE OF OPERATIONS

Voltage Metals Corp. (formerly Mansa Exploration Inc.) (the "Company") was incorporated on June 10, 2016 under the laws of British Columbia. The head office, principal address, records office, and registered address of the Company is located at 401-217 Queen Street West, Toronto, Ontario, M5V 0R2. On December 21, 2020, the Company's common shares began trading publicly on the Canadian Stock Exchange under the stock symbol "MANS". Subsequent to year end, the Company completed a reverse takeover transaction and as a result, it changed its name to Voltage Metals Corp. and now trades under the stock symbol "VOLT" (Note 15).

The Company's principal business activities include the acquisition and exploration of mineral property assets located in British Columbia and Newfoundland and Labrador, Canada. The Company has entered into option agreements to acquire 100% rights over certain mineral claims (Note 6).

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current operations, including exploration and evaluation programs will result in profitable mining operations. The recoverability of the carrying value of exploration and evaluation assets and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, political uncertainty and currency exchange fluctuations and restrictions.

2. GOING CONCERN

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

As at December 31, 2021, the Company had working capital of $1,573,734 (December 31, 2020: working capital of $252,794 and an accumulated deficit of $928,590 (December 31, 2020: $516,804), had not advanced its exploration and evaluation assets to commercial production and is not able to finance day to day activities through operations. The Company's continuation as a going concern is dependent upon the successful exercise of its mineral property option agreement, results from its exploration activities and its ability to attain profitable operations and generate funds from and/or raise equity capital or borrowings sufficient to meet current and future obligations and ongoing operating losses. Management estimates that the Company has sufficient funds to maintain its operations and activities for the upcoming year.

These consolidated financial statements do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

2. GOING CONCERN *(continued)*

Novel Coronavirus ("COVID-19")

The Company's operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company's operations and ability to finance its operations. While the extent of the impact is unknown, we anticipate that the outbreak may cause a variety of disruptions, all of which may negatively impact the Company's business and financial condition.

3. BASIS OF PRESENTATION

Statement of compliance

These consolidated financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The consolidated financial statements were authorized for issue by the Board of Directors on April 25, 2022.

Basis of measurement

The consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency. The consolidated financial statements of the Company have been prepared on an accrual basis, except for cash flow information, and are based on historical costs. The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4(j).

Basis of consolidation

These consolidated financial statements incorporate the financial statements of the Company and its wholly controlled subsidiary 1303889 B.C. Ltd., a company incorporated in British Columbia. Control exits when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. These consolidated financial statements include the accounts of the Company and its direct wholly-owned subsidiary. All significant intercompany transactions and balances have been eliminated.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Exploration and evaluation assets

i. Pre-license expenditures
   Pre-license expenditures are costs incurred before the legal rights to explore a specific area have been obtained. These costs are expensed in the period in which they are incurred as exploration and evaluation expense.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

a) Exploration and evaluation assets (continued)

Once the legal right to explore has been acquired, costs directly associated with the exploration project are capitalized as either tangible or intangible exploration and evaluation ("E&E") assets according to the nature of the asset acquired. Such E&E costs may include undeveloped land acquisition, geological, geophysical and seismic, exploratory drilling and completion, testing, decommissioning and directly attributable internal costs. E&E costs are not depleted and are carried forward until technical feasibility and commercial viability of extracting a mineral resource is considered to be determined. The technical feasibility and commercial viability of a mineral resource is considered to be established when proved or probable mineral reserves are determined to exist. All such carried costs are subject to technical, commercial and management's review at least once a year to confirm the continued intent to develop or otherwise extract value from the exploratory activity. When this is no longer the case, impairment costs are charged to exploration and evaluation expense. Upon determination of mineral reserves, E&E assets attributed to those reserves are first tested for impairment and then reclassified to development and production assets within property, plant and equipment, net of any impairment. Expired land costs are also expensed to exploration and evaluation expense as they occur.

The Company has not established any NI 43-101 compliant proven or probable reserves on any of its mineral properties which have been determined to be economically viable.

ii. Impairment

Exploration and evaluation assets are assessed for impairment when indicators and circumstances suggest that the carrying amount may exceed its recoverable amount. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount is the higher of fair value less costs to sell and 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 is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period.

Industry-specific indicators for an impairment review arise typically when one of the following circumstances applies:

- Substantive expenditure or further exploration and evaluation activities is neither budgeted nor planned;
- Title to the asset is compromised, has expired or is expected to expire;
- Exploration and evaluation activities have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue activities on that asset; and
- Sufficient data exists to indicate that the carrying amount is unlikely to be recovered in full from successful development or by sale.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

a) Exploration and evaluation assets (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but 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 cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

b) Restoration, rehabilitation, and environmental obligations

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arise from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss. While the Company holds a reclamation bond as at December 31, 2021, it does not have any significant restoration, rehabilitation and environmental obligations as at December 31, 2021 and 2020.

c) Cash and cash equivalents

Cash and cash equivalents may include cash on hand, demand deposits and short-term highly liquid investments that are readily convertible into known amounts of cash, with maturities of 90 days or less when acquired. As at December 31, 2021, the Company a total of $1,898,584 held in trust which has been classified as cash equivalents.

d) Income taxes

Income tax on the profit or loss for the years presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income of loss or directly in equity, in which case it is recognized in other comprehensive income or loss or 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 for unused tax loss carry-forwards and 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 end of the reporting period 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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

d) Income taxes (continued)

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend.

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 tax authority and the group intends to settle its current tax assets and liabilities on a net basis.

e) Share capital

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 the value to the more easily measurable component based on fair value and then the residual value, if any, to the less measurable component. The Company considers the fair value of common shares issued in a unit private placement to be the more easily measurable component. Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred share issuance costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise, they are expensed as incurred. Share issuance costs are charged to share capital when the related shares are issued. Deferred share issuance costs related to financing transactions that are not completed are charged to expenses.

f) Flow-through shares

Under the Canadian Income Tax Act, an enterprise may issue securities referred to as flow-through shares, whereby the investor may claim the tax deductions arising from qualifying expenditures that the company made with the proceeds. The increase to share capital when flow-through shares are issued is measured based on the current market price of common shares. The incremental proceeds or “premium” are recorded as a deferred credit. When eligible expenditures are incurred, a deferred tax liability is recognized, and the deferred credit is reversed. The net amount is recognized as a deferred income tax recovery. Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period.

The Company may also be subjected to a Part XII.6 tax on flow-through proceeds renounced under the Lookback Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

g) 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 year. The diluted loss per share calculation assumes that any proceeds from the exercise of dilutive stock options and warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted loss per share calculation. 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. During the years ended December 31, 2021 and 2020, all outstanding warrants were considered anti-dilutive and were therefore excluded from the diluted loss per share calculation.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

h) Financial assets and liabilities

Financial assets

Initial recognition and measurement
Non-derivative financial assets within the scope of IFRS 9 are classified and measured as “financial assets at fair value”, as either fair value through profit or loss (“FVPL”) or fair value through other comprehensive income (“FVOCI”), and “financial assets at amortized costs”, as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company’s business model and the contractual terms of the cash flows.

All financial assets are recognized initially at fair value plus, in the case of financial assets not at FVPL, directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument. Financial assets with embedded derivatives are considered in their entirety when determining their classification at FVPL or at amortized cost. Cash and amounts receivable held for collection of contractual cash flows are measured at amortized cost.

Subsequent measurement – financial assets at amortized cost
After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate (“EIR”) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

Subsequent measurement – financial assets at FVPL
Financial assets measured at FVPL include financial assets management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVPL are carried at fair value in the statements of financial position with changes in fair value recognized in other income or expense in the statements of loss.

As at December 31, 2021 and 2020, the Company had no financial instruments under this classification.

Subsequent measurement – financial assets at FVOCI
Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading and the Company has made an irrevocable election at the time of initial recognition to measure the assets at FVOCI.

After initial measurement, investments measured at FVOCI are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive income or loss in the statements of comprehensive loss. When the investment is sold, the cumulative gain or loss remains in accumulated other comprehensive income or loss and is not reclassified to profit or loss.

Dividends from such investments are recognized in other income in the statements of loss and comprehensive loss when the right to receive payments is established.

As at December 31, 2021 and 2020, the Company had no financial instruments under this classification.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

g) Financial assets and liabilities *(continued)*

Derecognition
A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company no longer retains substantially all the risks and rewards of ownership.

Impairment of financial assets
The Company has elected to apply the simplified approach to impairment as permitted by IFRS 9, which requires the expected lifetime loss to be recognized at the time of initial recognition of the receivable. To measure estimated credit losses, amounts receivable have been grouped based on shared credit risk characteristics, including the number of days past due. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases and the decrease can be objectively related to an event occurring after the initial impairment was recognized.

Financial liabilities

Initial recognition and measurement
Financial liabilities are measured at amortized cost, unless they are required to be measured at FVPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at FVPL. The Company's financial liabilities include accounts payable and accrued expenses which are measured at amortized cost. All financial liabilities are recognized initially at fair value and in the case of long-term debt, net of directly attributable transaction costs.

Subsequent measurement – financial liabilities at amortized cost
After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any associated gain or loss recognized in other income or expense in the statements of loss and comprehensive loss.

Fair value hierarchy
Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

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

The carrying value of the Company's financial instruments approximate their fair value due to the short term to maturity of these instruments. The Company had no financial instruments to classify in the fair value hierarchy at December 31, 2021 and 2020.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

h) Share-based payments

Share-based payment transactions with employees are measured based on the fair value of the share-based payment issued. The Company may grant stock options to certain employees under the terms of the Company's stock option plan. Each tranche in an option award is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model. The Black-Scholes option pricing model requires estimates for the expected life of options and stock price volatility which can materially affect the fair value estimate. Volatility and expected life of each option is estimated based on an analysis of factors such as the Company's historical price trends, history of option holder activity, and peer and industry benchmarks for similar transactions.

Share-based payments expense is recognized over the vesting period of the grant by increasing reserves based on the number of awards expected to vest. This number is reviewed at least annually, with any change in estimate recognized immediately in share-based payments expense with a corresponding adjustment to contributed surplus. Upon exercise, the original value of the options, together with the proceeds received, is recorded in share capital. The value associated with expired options remain permanently in reserves.

Share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

i) New and revised accounting standards issued but not yet effective

During the year ended December 31, 2021, there are no new standards adopted in the year. The following accounting standards interpretations have been issued but are not yet effective.

IAS 1 – Presentation of Financial Statements (“IAS 1”) was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company’s right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company’s own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2023.

j) Critical accounting estimates and judgments

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions.

The effect of a change in accounting estimate is recognized prospectively by including it in the statement of loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

j) Critical accounting estimates and judgments (continued)

<u>*Judgements*</u>

Going concern
The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that these financial statements should be presented under the going concern assumption. The factors considered by management are disclosed in Note 2.

Title to Mineral Property Interest
Although the Company has taken steps to verify title to mineral properties that it currently has under option, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfer and title may be affected by undetected defects.

Flow-through shares
The Company determines the flow-through share premium by allocating the total funds received between common share and flow-through premium liability by first assessing the fair value of the common shares issued, based on market price at issuance, with any excess considered being allocated to flow-through premium.

<u>*Estimates*</u>

Share-based payment transactions
The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Income, value added, withholding and other taxes
The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Impairment
Management assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of any such assets may exceed their recoverable amount. When facts and circumstances suggest that the carrying amount exceeds the recoverable amount, the Company shall measure, present and disclose any resulting impairment.

(Expressed in Canadian dollars)

5. ACQUISITIONS

Wheeler Resources Inc.

Only July 7, 2021, the Company completed an acquisition whereby 1303889 B.C. Ltd., a wholly-owned subsidiary of the Company, and Wheeler Resources Inc. ("Wheeler") completed a three-cornered amalgamation, pursuant to which the Company acquired 100% of the issued and outstanding common shares in the capital of Wheeler Resources Inc. The asset purchase agreement did not meet the definition of a business combination and therefore, was accounted for as an asset acquisition in accordance with IFRS 2. On the Completion of the transaction, the Company maintained control over the resulting issuer.

Under the terms of the agreement, an aggregate of 10,795,001 common shares of the Company were issued to the shareholders of Wheeler as consideration. In connection with the transaction, the Company paid $65,643 in legal fees.

Consideration:	$
Common shares (10,795,001 units – issued on July 7, 2021)	1,835,150
Legal fees	65,643
	1,900,793
Net assets acquired:	
Cash	153,751
Exploration advances	71,200
Exploration and evaluation assets	1,704,308
Accounts payable and accrued liabilities	(28,466)
Net assets acquired	1,900,793

The fair value of the shares issued was estimated based on the quoted market share price of the shares on the date of issuance.

Voltage Metals Inc.

On August 13, 2021, the Company entered into a binding letter of intent ("LOI") with Voltage Metals Inc. ("Voltage") (the "Proposed Transaction"). Pursuant to the LOI, the Company would issue 36,000,000 common shares of the Company in exchange for all the shares of Voltage. The Proposed Transaction closed on March 11, 2022 (Note 15).

6. EXPLORATION AND EVALUATION ASSETS

Skyfire Mineral Property

On October 13, 2016, a group of third parties (collectively, the "Optionee") entered into a property option agreement ("the Option Agreement") to acquire a 100% interest in certain mineral claims ("the Mineral Claims"). The Mineral Claims are located at Skyfire Mineral Property, located in central British Columbia.

On October 13, 2016, the Company entered into an assignment and assumption agreement with the Optionee (the "Assignment Agreement"). The Optionee agreed to assign to the Company all its rights, obligations, interests and assets in respects of the Option Agreement. As consideration for the Assignment Agreement, the Company issued 4,000,000 common shares. In order to earn the 100% interest in the Skyfire Property, the Company was required to issue 1,450,000 common shares to the initial optionors of the Option Agreement (the "Optionors") (issued) and incur exploration expenditures of $1,250,000 over a period of four years.

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS *(continued)*

On January 31, 2020, the option agreement was amended, whereby the timeline to complete the annual expenditure commitments were extended. On November 21, 2021, the Company entered into an additional extension agreement to extend the expenditure obligations, in exchange the Company paid $5,000 in cash. The table below reflects the amended timeline.

The Optionee must meet minimum exploration expenditures as follows:

June 30, 2021 (met)	$	100,000
December 31, 2021 (met)		150,000
June 30, 2022		250,000
December 31, 2022		750,000
	$	1,250,000

The Company is required to incur these costs in order to earn the interest in the property from the Optionee. Upon completion of a positive feasibility study, the Company has an obligation to issue 1,000,000 common shares to the Optionors of the Option Agreement.

The property is subject to a 2% net smelter royalty ("NSR"). Beginning on December 31, 2019, and annually thereafter, the Company was previously obligated to make $50,000 cash annual advance minimum royalty payment to the Optionors. On November 7, 2019, this obligation was cancelled by the Optionors and the Company.

<u>Wheeler Property</u>

On July 7, 2021, the Company acquired Wheeler Resources Inc., a private company incorporated under the laws of British Columbia, Canada, which owns a 100% interest in 760 claims on the Wheeler Property located in Newfoundland and Labrador, Canada (Note 5). To earn the 100% interest, Wheeler Resources Inc. issued 1,000,000 common shares of Wheeler and paid $50,000 in cash. The original vendor retained a 2.0% NSR on the property, of which 1% may be purchased by the Company for $1,000,000.

<u>Rope Cove Property</u>

On July 7, 2021, the Company acquired Wheeler Resources Inc., a private company incorporated under the laws of British Columbia, Canada, who holds a 100% ownership interest in 30 claims on the Rope Cove property located in Newfoundland and Labrador, Canada (Note 5). To earn the 100% interest, Wheeler Resources Inc. issued 300,000 common shares of Wheeler. The original vendor retained a 2.0% NSR on the property, of which 1% may be purchased by the Company for $1,000,000. (Note 5).

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS *(continued)*

	Skyfire Property	Wheeler Property	Rope Cove Property	Total
	$	$	$	$
Balance, December 31, 2019	**438,356**	**-**	**-**	**438,356**
Acquisition costs	**-**	**-**	**-**	**-**
Geological costs	**-**	**-**	**-**	**-**
Balance, December 31, 2020	**438,356**	**-**	**-**	**438,356**
Acquisition costs	**5,000**	**-**	**-**	**5,000**
Wheeler Resources Inc acquisition	**-**	**1,623,150**	**81,158**	**1,704,308**
Airborne costs	**-**	**116,619**	**-**	**116,619**
Geological costs	**5,262**	**16,352**	**-**	**21,614**
Geophysical costs	**61,745**	**-**	**-**	**61,745**
Balance, December 31, 2021	**510,363**	**1,756,121**	**81,158**	**2,347,642**

Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates. The Company believes it conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

Environmental legislation is becoming increasingly stringent and the expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the exploration and evaluation assets, the potential for production on the property may be diminished or negated.

On July 27, 2021, the Company entered into a safekeeping agreement with Bank of Montreal, whereby the bank agrees to maintain the securities for safekeeping as a trust deposit for the province of British Columbia. The Company deposited $3,000 in the form of a GIC investment which is held as collateral for the reclamation bond obligation relating to the Skyfire Property.

7. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

	December 31, 2021	December 31, 2020
Trades payable	$ 127,049	$ 107,304
Accrual for accounting, audit and legal fees	80,492	10,000
	$ 207,541	**$ 117,304**

8. RELATED PARTY TRANSACTIONS AND BALANCES

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Related parties or transactions with related parties are assessed in accordance with IAS 24 “Related Party Disclosures”. Related parties may enter into transactions which unrelated parties might not.

When considering each possible related party, not only their legal status is taken in account, but also the substance of the relationship between these parties.

During the year ended December 31, 2021, the Chief Financial Officer charged $31,000 in professional fees to the Company (2020 - $15,000), of which $7,500 relates to deferred costs related to the RTO transaction entered with Voltage Metals Inc. and the amount was included in prepaid. The remaining $23,500 was included in professional fees. As of December 31, 2021, the Company owed the CFO $7,875 in unpaid fees (December 31, 2020 - $39,275) in unpaid professional fees.

During the period ended December 31, 2021, the former director and CEO of the Company charged $11,000 in consulting fees to the Company (2020 - $Nil). During the period ended December 31, 2021, the current Chief Executive Officer and Director of the Company charged $25,000 (2020 - $Nil) in consulting fees to the Company.

During the period ended December 31, 2021, an independent director charged $10,000 in consulting fees to the Company (2020 - $Nil).

During the period ended December 31, 2021, the Corporate Secretary and Director of the Company charged $35,000 in professional fees to the Company (2020 - $Nil), of which $5,000 was recorded as share issuance costs and $30,000 relates to deferred costs related to the RTO transaction entered with Voltage Metals Inc. and the amount was included in prepaid.

During the period ended December 31, 2021, $152,000 in share-based compensation was recognized for shares issued because of an issuance of 1,600,000 Restricted Share Units (“RSU”) to officers and directors of the Company (Note 10). Of these RSU’s 500,000 were issued to a former officer and director who resigned from the Company in March 2021.

On December 29, 2021, management and board members participated in a non-brokered private placement financing of non-flow-through shares for gross proceeds of $36,000 at a price of $0.15 per share. Each unit consist of one common share and one-half purchase warrant, with each whole warrant entitling the holder thereof to purchase one common share in the capital of the Company at a price of $0.25 per share for a period of two years from closing.

On January 20, 2021, the Company issued 300,000 common shares with a fair value of $28,500 to settle certain accounts payable with an officer of the Company in the amount of $30,000 (Note 10).

(Expressed in Canadian dollars)

9. FLOW-THROUGH SHARE PREMIUM LIABILITY

A summary of the changes in the Company's flow-through share premium liability is as follows:

	December 31, 2021	December 31, 2020
	$	$
Opening balance	-	-
Flow-through share premium on the issuance of flow-through common shares units (Note 10)	219,750	-
Settlement of flow-through share premium liability on expenditures incurred	-	-
Ending balance	219,750	-

10. SHARE CAPITAL

a) Authorized

Unlimited common shares without par value.

b) Share capital activity

As at December 31, 2021, the Company had issued and outstanding 44,315,511 common shares (December 31, 2020: 19,979,245).

During the year ended December 31, 2021:

On December 29, 2021, the Company closed the first tranche of a private placement for total gross proceeds of $1,945,900 through the issuance of: 1) 7,112,665 units at a price of $0.15 per unit for proceeds of $1,066,900. Each unit is comprised of one common share and one-half share purchase warrant at an exercise price of $0.25 per share for two years; 2) 4,395,000 flow through shares at a price of $0.20 per share for proceeds of $879,000. Each flow through unit is comprised of one flow through common share and one-half share purchase warrant at an exercise price of $0.25 per share for two years. Finder's fees of $111,748 were paid in cash and legal fees of $5,000 was paid to a Director of the Company. In addition, a total of 593,460 non-transferable finder's warrants were issuable, with 335,160 finder's warrants having an exercise price of $0.15 per share and 258,300 finder's warrants having an exercise price of $0.20 per share. Each finder's warrants entitles a finder to purchase one common share at the applicable exercise price for two years from the date of issue, expiring on December 29, 2023. The fair value of the finders' warrants was $43,900. As at December 31, 2021, a balance of $4,700 remains outstanding and was included in subscription receivable.

In addition, a value of $219,750 was attributed to the flow-through premium liability in connection with the flow-through shares.

On July 7, 2021, the Company issued 10,795,001 common shares with a fair value of $1,835,150 to acquire Wheeler Resources Inc. (Note 5).

On April 14, 2021, the Company issued 33,600 common shares for the exercise of broker warrants at $0.10 per share for gross proceeds of $3,360. The fair value of broker warrants exercised of $1,995 was reclassified to share capital from reserves.

(Expressed in Canadian dollars)

10. SHARE CAPITAL *(continued)*

On January 28, 2021, 1,600,000 RSUs were exercised. Each RSU was converted into one common share of the Company with a fair value of $152,000.

On January 20, 2021, the Company settled $40,000 in historical trade payables debt through the issuance of 400,000 common shares with a fair value of $38,000. Of this amount, $30,000 of trade payables were settled with an officer of the Company. The Company recorded a gain on settlement in the amount of $2,000 (Note 8).

During the year ended December 31, 2020:

On December 17, 2020, the Company completed an initial public offering of 6,525,000 shares at a price of $0.10 per share for total gross proceeds of $652,500. The Company paid a finders' fee of $52,200, share issuance costs of $56,521, and issued 522,000 broker warrants valued at $31,000.

c) Warrants

On December 29, 2021, the Company issued 335,160 and 258,300 broker warrants at an exercise price of $0.15 per share and $0.20 per share, respectively, expiring two years from the date of grant. These broker warrants had an estimated fair value of $43,900 using the Black Scholes model with the following inputs: i) exercise price: $0.15 and $0.20; ii) share price: $0.15; iii) term: 2 years; iv) volatility: 100%; v) discount rate: 0.67%. The underlying expected stock price volatility is based on historical data of similar companies, as the Company has limited historical data itself on which it could be based. The risk-free interest rate is based on the yield of a Government of Canada benchmark bond in effect at the time of grant with an expiry commensurate with the expected life of the options.

On December 17, 2020, the Company issued 522,000 broker warrants at an exercise price of $0.10 per share, expiring two years from the date of grant. These broker warrants had an estimated fair value of $31,000 using the Black Scholes model with the following inputs: i) exercise price: $0.10; ii) share price: $0.10; iii) term: 2 years; iv) volatility: 117%; v) discount rate: 0.27%. The underlying expected stock price volatility is based on historical data of similar companies, as the Company has limited historical data itself on which it could be based. The risk-free interest rate is based on the yield of a Government of Canada benchmark bond in effect at the time of grant with an expiry commensurate with the expected life of the options.

The Company issued the following warrants:

	Number of Warrants	Weight Average Exercise Price	Weighted Average Life (years)
Balance, December 31, 2019	**-**	**-**	**-**
Issued	522,000	0.10	-
Balance, December 31, 2020	**522,000**	**0.10**	**1.96**
Exercised	(33,600)	0.10	-
Issued	6,347,293	0.24	-
Balance, December 31, 2021	**6,835,693**	**0.23**	**1.92**

(Expressed in Canadian dollars)

10.SHARE CAPITAL (continued)

The following warrants were outstanding and exercisable at December 31, 2021:

Number	Exercise Price	Expiry Date
488,400	$0.10	December 17, 2022
5,753,833	$0.25	December 29, 2023
335,160	$0.15	December 29, 2023
258,300	$0.20	December 29, 2023

d) Stock option plan

The Company has adopted a stock option plan (the "Option Plan"), which provides that the Board of Directors of the Company may, from time to time, grant to directors, officers, employees and technical consultants of the Company, non-transferable options to purchase common shares. The expiry date for each option shall be set by the Board of Directors at the time of issue. A vesting schedule may be imposed at the discretion of the Board of Directors at the time of issue. The number of shares that may be reserved for issuance shall not exceed 10% of the total number of issued and outstanding shares of the Company. There were no stock options outstanding at December 31, 2021 and 2020.

e) Restricted share unit plan

The Company has adopted a restricted share unit plan (the "RSU Plan"), which provides that the Board of Directors of the Company may, from time to time, grant to directors, officers, employees and technical consultants of the Company, non-transferable restricted share units. The expiry date for each restricted share unit shall be set by the Board of Directors at the time of issue. A vesting schedule may be imposed at the discretion of the Board of Directors at the time of issue. The number of shares that may be reserved for issuance shall not exceed 10% of the total number of issued and outstanding shares of the Company. Upon vesting, the Company may choose to either issue one share for each vested restricted share unit, or pay cash amount equal to the fair market value of the vested restricted share unit.

On January 19, 2021, the Company granted 1,600,000 RSU's to certain directors and officers of the Company pursuant to the Company's amended restricted share unit plan dated effective September 9, 2020. The RSU Plan was approved by the shareholders of the Company on January 8, 2021. The RSU's vested immediately and will expire on September 30, 2023. The total fair value of the RSU granted was $152,000 based on the market value of the Company's shares at the grant date. The fair value of each RSU is recorded as a share-based payments expense over the vesting period.

The Company issued the following RSU's:

	Number of outstanding RSUs
Balance, December 31, 2019 and 2020	**-**
Granted	1,600,000
Vested and converted to common shares	(1,600,000)
Balance, December 31, 2021	**-**

11. CAPITAL MANAGEMENT

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital to include its share capital and equity reserves. To maintain or adjust the capital structure, the Company may attempt to issue new shares and reserves. Although the Company has been successful at raising funds in the past through the issuance of share capital, it is uncertain whether it will continue this method of financing due to the current difficult market conditions.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

Management reviews the capital structure on a regular basis to ensure that the above objectives are met. There have been no changes to the Company’s approach to capital management during the years ended December 31, 2021 and 2020. The Company is not subject to external restrictions on its capital.

12. FINANCIAL RISK MANAGEMENT

Management of Industry and Financial Risk

The Company is engaged primarily in mineral exploration and manages related industry risk issues directly. The Company may be at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations.

The Company’s financial instruments are exposed to certain financial risks, which include the following:

Credit risk
Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company’s exposure to credit risk is on its cash and cash equivalents. Risk associated with cash and cash equivalents are managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies.

Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company endeavors to ensure that there is sufficient capital in order to meet short-term operating requirements, after taking into account the Company’s holdings of cash. The Company’s cash is held in corporate bank accounts available on demand. The Company’s accounts payable and accrued expenses generally have contractual maturities of less than 30 days and are subject to normal trade terms.

Market Risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

(Expressed in Canadian dollars)

12. FINANCIAL RISK MANAGEMENT *(continued)*

Currency Risk

The Company is subject to normal market risks including fluctuations in foreign exchange rates and interest rates. While the Company manages its operations in order to minimize exposure to these risks, the Company has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure. The Company is not exposed to significant currency risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as it has no interest bearing debt.

Price Risk

The Company is exposed to price risk with respect to equity prices. Price risk as it relates to the Company is defined as the potential adverse impact on the Company's ability to raise financing due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

13. SUPPLEMENTAL CASH FLOW INFORMATION

	December 31, 2021	**December 31, 2020**
Supplemental cash flow information:	**$**	$
Shares issued for debt	38,000	-
Shares issued for Wheeler Resources Inc.	1,835,150	-
Fair value of warrants exercised	1,995	-
Flow-through share premium	219,750	-
Broker warrants	43,900	31,000
Accrued property expenditures	16,006	25,000

During the year ended December 31, 2021 the Company paid $nil (2020 - $nil) in interest and taxes.

14. INCOME TAX

Provision for Income Taxes

Income tax expense differs from the amount that would be computed by applying the Canadian statutory income tax rate of 27.0% (2020: 27.0%) to income before income taxes. A reconciliation of income taxes at statutory rates with reported taxes is as follows:

(Expressed in Canadian dollars)

14. INCOME TAX *(continued)*

	December 31, 2021	December 31, 2020
	$	$
Loss for the year	(411,786)	(81,083)
Expected income tax recovery	(111,000)	(21,000)
Share issuance costs	(49,000)	(6,000)
Change in statutory and other	(11,000)	-
Permanent differences	41,000	-
Change in unrecorded deferred tax asset	130,000	27,000
Total tax expense	-	-

The significant components of the Company's deferred tax assets are as follows:

Deferred tax assets (liabilities)	December 31, 2021	December 31, 2020
	$	$
Exploration and evaluation assets	7,000	-
Share issue costs	57,000	23,000
Non-capital losses available for future period	232,000	143,000
	296,000	166,000
Unrecognized deferred tax assets	(296,000)	(166,000)
Net deferred tax assets	**-**	**-**

Deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilized.

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have no been included on the consolidated statement of financial position are as follows:

	2021	Expiry date	2020	Expiry date
Temporary Differences	$		$	
Share issuance costs	211,000	2024 to 2025	87,000	2024
Exploration and evaluation assets	10,000	2041	-	-
Non-capital losses available for future periods	858,000	2036 to 2041	539,000	2036 to 2040

Tax attributes are subject to review, and potential adjustment, by tax authorities.

15. SUBSEQUENT EVENTS

On January 6, 2022, the Company advanced $200,000 to Voltage Metals Inc. The advance is unsecured, non-interest bearing with no fixed terms of repayment. The loan shall become an intercompany loan upon completion of the transaction between the Company and Voltage Metals Inc.

15. SUBSEQUENT EVENTS *(continued)*

On February 17, 2022, the Company closed a second tranche of the December 2021 private placement for gross proceeds of $265,950 through the issuance of: 1) 1,606,333 units; and 2) 125,000 flow-through shares.

Finder's fees of $13,646 were payable in cash. In addition, a total of 88,060 non-transferable finder's warrants were issued with 79,310 finder's warrants having an exercise price of $0.15 per share and 8,750 finder's warrants having an exercise price of $0.20 per share. The other terms of the shares, units and finder's warrants issued are the same as in the first tranche (Note 10). As of the date of this financial statements, the total proceeds received were $235,703.

On March 11, 2022, the Company completed the acquisition of Voltage Metals Inc., a private company incorporated under the laws of Ontario, Canada, who holds interest in four mineral properties located in Ontario, Canada. Pursuant to the Securities Exchange Agreement, the Company acquire all the issued and outstanding common shares of Voltage Metals Inc. **In exchange, t**he **C**ompany issued a total of 36,000,000 common shares to Voltage Metals Inc.'s shareholders, as a result of which Voltage Metals Inc. became a wholly-owned subsidiary of the Company. The Company applied reverse acquisition accounting in accordance with IFRS 3 on the completion of the transaction. **Effective March 11, 2022, the Company changed its name to Voltage Metals Corp.**

A finder's fee of 750,000 common shares was also issued to an arm's length party in connection with the completion of the transaction.

On April 5, 2022, the Company granted 795,000 stock options to certain directors and officers. The stock options are exercisable for a period of two years from the date of grant at a price of $0.18 per share. 265,000 stock options will vest immediately, and 530,000 stock options will vest 25% equally each quarter over the first 12 months.

On April 8, 2022, the Company entered option agreement with arms-length private company ("Optionor") to acquire the Jerry Lake nickel/copper property located 140 km northeast of Timmins Ontario. To acquire 100% of the property, the Company must make cash payments totaling $150,000 and issue 1,700,000 common shares, over a three-year period. The mining claims are subject to a 2.5% NSR with a buyback of 1% of the NSR for $1,000,000.