

**AMMPOWER CORP. (formerly SOLDERA MINING CORP.)**

CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended February 28, 2021

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

**NOTICE OF NO AUDITOR REVIEW OF THE  
CONDENSED INTERIM FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed interim financial statements of the Company for the nine months ended February 28, 2021 have been prepared by and are the responsibility of the Company's management, and have not been reviewed by the Company's auditors.

**AMMPOWER CORP.**  
**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**  
As at February 28, 2021 and May 31, 2020  
(Expressed in Canadian Dollars)  
(Unaudited – Prepared by Management)

	<b>February 28, 2021</b>	<b>May 31, 2020</b>
<b>ASSETS</b>		
Current		
Cash and cash equivalents	\$ 246,150	\$ 531,516
Amounts receivable	33,146	2,334
Prepaid expense	33,985	-
	<u>313,281</u>	<u>533,850</u>
Exploration and evaluation assets (Note 5)	40,000	40,000
	<u>\$ 353,281</u>	<u>\$ 573,850</u>
<b>LIABILITIES</b>		
Current		
Accounts payable and accrued liabilities (Note 7)	\$ 631,639	\$ 12,750
<b>SHAREHOLDERS' EQUITY (DEFICIT)</b>		
Share capital (Note 6)	2,030,950	420,500
Shares to be returned to treasury (Note 5)	(1,020,000)	-
Special warrants (Note 6)	-	216,450
Deficit	(1,289,308)	(75,850)
	<u>(278,358)</u>	<u>561,100</u>
	<u>\$ 353,281</u>	<u>\$ 573,850</u>

Going concern (Note 2)  
Commitments (Notes 5 and 6)  
Subsequent event (Note 10)

APPROVED ON BEHALF OF THE BOARD:

"Faizaan Lalani" Director  
Faizaan Lalani

"Gary Benninger" Director  
Gary Benninger

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**AMMPOWER CORP.****CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

For the three and nine months ended February 28, 2021

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

	<b>For the three months ended February 28, 2021</b>	<b>For the nine months ended February 28, 2021</b>
Administrative expenses		
Consulting fees (Note 7)	\$ 45,023	\$ 124,523
Filing fees	3,807	38,663
General exploration cost	110,000	144,519
Impairment of mineral property (Note 5)	660,000	660,000
Insurance	7,500	9,583
Marketing	57,000	93,000
Office and general	1,061	8,498
Professional fees	15,361	125,818
Transfer agent	1,531	8,854
Net loss and comprehensive loss for the period	\$ (901,283)	\$ (1,213,458)
Basic and diluted loss per share	(0.03)	\$ (0.04)
Weighted average number of common shares outstanding	35,428,823	31,604,677

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**AMMPOWER CORP.****CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

For the nine months ended February 28, 2021 and period ended May 31, 2020

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

	<b>Number of Shares</b>	<b>Capital Stock</b>	<b>Special Warrants</b>	<b>Shares to be returned to Treasury</b>	<b>Deficit</b>	<b>Total Shareholders' Equity</b>
Balance, December 3, 2019	2	\$ -	\$ -	\$ -	\$ -	\$ -
Share issuances						
Private placement (Note 6)	2,000,000	20,000	-	-	-	20,000
Private placement (Note 6)	20,050,000	200,500	-	-	-	200,500
Private placement (Note 6)	8,000,000	200,000	-	-	-	200,000
Special warrants received (Note 6)	-	-	216,450	-	-	216,450
Net loss for the period	-	-	-	-	(75,850)	(75,850)
<b>Balance, May 31, 2020</b>	<b>30,050,002</b>	<b>\$ 420,500</b>	<b>\$ 216,450</b>	<b>\$ -</b>	<b>\$ (75,850)</b>	<b>\$ 561,100</b>
Balance, May 31, 2020	30,050,002	\$ 420,500	\$ 216,450	\$ -	\$ (75,850)	\$ 561,100
Shares issued in error on forward split	1,000	-	-	-	-	-
Conversion of special warrants (Note 6)	4,328,988	216,450	(216,450)	-	-	-
Exercise of share purchase warrants	140,000	14,000	-	-	-	14,000
Shares issued pursuant to mineral property agreement (Note 6)	2,000,000	920,000	-	-	-	920,000
Finder's fee (Note 6)	1,000,000	460,000	-	-	-	460,000
Shares to be returned to treasury	-	-	-	(1,020,000)	-	(1,020,000)
Net loss for the period	-	-	-	-	(1,213,458)	(1,213,458)
<b>Balance, February 28, 2021</b>	<b>37,518,990</b>	<b>\$ 2,030,950</b>	<b>\$ -</b>	<b>\$ (1,020,000)</b>	<b>\$ (1,289,308)</b>	<b>\$ (278,358)</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**AMMPower Corp.**  
**CONDENSED INTERIM STATEMENTS OF CASH FLOWS**  
For the three and nine months ended February 28, 2021  
(Expressed in Canadian Dollars)  
(Unaudited – Prepared by Management)

	<b>For the three months ended February 28, 2021</b>	<b>For the nine months ended February 28, 2021</b>
<b>Operating Activities</b>		
Net loss for the period	\$ (901,283)	\$ (1,213,458)
Items not affecting cash:		
Impairment of mineral property	660,000	660,000
Changes in non-cash working capital items related to operations:		
Amounts receivable	(19,099)	(30,812)
Prepaid expenses	(11,069)	(33,985)
Accounts payable and accrued liabilities	519,336	618,889
Cash used in operating activities	247,885	634
<b>Investing Activity</b>		
Mineral property acquisition	(200,000)	(200,000)
Cash used in investing activity	(200,000)	(200,000)
<b>Financing Activities</b>		
Shares issued for cash	6,800	14,000
Cash paid in share repurchased	(100,000)	(100,000)
Cash provided by financing activities	(93,200)	(86,000)
Change in cash during the period	(45,315)	(285,366)
Cash, beginning of period	291,465	531,516
Cash, end of the period	\$ 246,150	\$ 246,150
<b>Supplemental Disclosure of Cash Flow Information:</b>		
Cash paid during the period:		
Interest	\$ -	\$ -
Income taxes	\$ -	\$ -

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

## **AMMPOWER CORP.**

Notes to the Condensed Interim Financial Statements

February 28, 2021

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

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### **1. CORPORATE INFORMATION**

AMMPOWER CORP. (formerly SOLDERA MINING CORP.) (the “Company”) is a resource exploration company with an increasing focus on clean energy. On September 18, 2020, the Company received conditional approval from the Canadian Securities Exchange (“CSE”) for the listing of its common shares on the CSE and on October 6, 2020, commenced trading on the CSE under the symbol “SOLD”.

The Company has an option agreement to earn an interest in a mineral property located in the Klotz Lake Area located in Northwestern Ontario (Note 5) and has not yet determined whether this property contains reserves that are economically recoverable. The recoverability of the carrying amount from the property is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying property, the ability of the Company to obtain necessary financing to satisfy the expenditure requirements under the property option agreement and to complete the development of the property and upon future profitable production or proceeds for the sale thereof.

The Company was incorporated on December 3, 2019 in British Columbia. The head office and principal address of the Company are located at 1000 – 409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2. The Company’s registered and records office is located at 2200 HSBC Building, 885 West Georgia Street, Vancouver, BC, V6C 3E8.

### **2. BASIS OF PREPARATION**

#### **(a) Statement of Compliance**

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”) and in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting.

The condensed interim financial statements were authorized for issue by the Board of Directors on April 29, 2021.

#### **(b) Basis of Measurement**

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The financial statements of the Company are presented in Canadian dollars, which is the functional currency of the Company.

## **AMMPOWER CORP.**

Notes to the Condensed Interim Financial Statements

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(Expressed in Canadian Dollars)

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### **2. BASIS OF PREPARATION – (cont'd)**

#### **(c) Going Concern**

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At February 28, 2021, the Company has not achieved profitable operations, has accumulated losses of \$1,289,308 since inception and expects to incur further losses in the development of its business. The above material uncertainties cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon successful results from its exploration and evaluation activities, its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

There was a global pandemic outbreak of COVID-19. To date, there have been a large number of temporary business closures, quarantines and a general reduction in consumer activity in Canada. The outbreak has caused companies and various governmental bodies to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time. Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend. At this point, the extent to which COVID-19 will or may impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations and financial condition.

### **3. SIGNIFICANT ACCOUNTING POLICIES**

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited financial statements as at May 31, 2020.

### **4. 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. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in net loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

#### **Critical judgments in applying accounting policies**

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:



**AMMPOWER CORP.**

Notes to the Condensed Interim Financial Statements

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**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS – (cont'd)****Exploration and Evaluation Asset and Impairment**

The application of the Company's accounting policy for exploration and evaluation assets and impairment of the capitalized expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in profit or loss in the year the new information becomes available.

**Going Concern**

The assessment of the Company's ability to continue as a going concern require significant judgement. See Note 2(c).

**Title to Mineral Property Interests**

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

**5. EXPLORATION AND EVALUATION ASSETS**

	Klotz Lake Property	Tuscarora Property	Total
Balance, as at May 31, 2020	\$ 40,000	\$ -	\$ 40,000
Shares issued for property	-	920,000	920,000
Shares issued as finders fees	-	460,000	460,000
Shares repurchased	-	(920,000)	(920,000)
Cash	-	200,000	200,000
Impairment of mineral property	-	(660,000)	(660,000)
Balance, as at November 30, 2020	\$ 40,000	\$ -	\$ 40,000

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### **5. EXPLORATION AND EVALUATION ASSETS – (cont'd)**

#### Klotz Lake Property

By a mineral property option agreement dated May 7, 2020, the Company may acquire up to a 100% interest in the Klotz Lake Property. This property consists of 34 mineral tenures and is located in the Klotz Lake Area Northwestern Ontario. As consideration the Company will pay cash of \$140,000, issue 1,800,000 (900,000 pre-forward split) common shares of the Company and incur \$360,000 in exploration expenditures as follows:

- a) Cash payment of \$40,000 within seven days of signing of the Agreement (Paid);
- b) Incur a minimum of \$110,000 in exploration expenditures within the first year from the agreement date (Paid);
- c) Cash payment of \$40,000 and issuance of 600,000 (300,000 pre-forward split) common shares of the Company on or before the first anniversary of the listing of the Company on a Canadian securities exchange; and
- d) Cash payment of \$60,000, issuance of 1,200,000 (600,000 pre-forward split) common shares of the company and incur a minimum of \$250,000 of exploration expenditures on or before the second anniversary date of the agreement.

Should the Company acquire 100% of the property the optionor will retain a 2% Net Smelter Returns (“NSR”) royalty. 1% of this royalty may be purchased by the Company for \$500,000.

#### Tuscarora Property

On November 3, 2020, the Company entered into an assignment agreement with Elko Sun Mining Corp (“Elko” or “Assignor”) whereby Elko and American Pacific Mining (US) Inc. are parties to an earn-in option to form joint venture agreement (the “Option Agreement”) dated July 31, 2020, which provides for the grant to the Assignor of an option (the “Option”) to acquire an 80% interest in and to 34 unpatented mining claims located Elkco County, state of Nevada comprising the Tuscarora property. The Company wishes to assume the Assignor’s rights and obligations under the Option Agreement.

Pursuant to the terms of the July 31, 2020 Option agreement, the Company has agreed to assume the following: to earn the initial 51%, the Company is required on or before January 31, 2021, make a cash payment of \$200,000, issue 2,000,000 common shares of the Company and fund exploration expenditures of \$1,350,000 in within 24 months from the date of the Option agreement. On November 4, 2020, the Company issued the 2,000,000 common shares and were fair valued at \$920,000 the date the shares were issued.

After completion of the 51%, the Company has the option to earn another 14% interest by issuing an additional 1,000,000 common shares of the Company and fund a further minimum \$3,000,000 in exploration expenditures on the property and earn the final 15% interest by completing a pre-feasibility study on the property before the end of the Option period.

In addition, the Company will also be responsible for making the payments to the Tuscarora property holders and paying the claim fees. As at November 30, 2020, the Company had paid \$21,220 in claim fees and \$5,257 in anniversary payment and was recorded in the statement of loss and comprehensive loss.

In connection with the assignment agreement the Company issued 1,000,000 common shares as finders fee. This was fair valued at \$460,000 the date the shares were issued.

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### **5. EXPLORATION AND EVALUATION ASSETS – (cont'd)**

#### Tuscarora Property

On January 28, 2021, the Company entered into a share purchase agreement with American Pacific Mining (US) Inc. to buy back its 2,000,000 common shares for \$100,000 in cash. Accordingly, at February 28, 2021, the Company has recorded \$1,020,000 as shares to be returned to treasury consisting of \$920,000 for the original value of the shares plus the \$100,000 cash payment. Subsequent to February 28, 2021, these shares have been returned to treasury for cancellation. In addition, the Company has decided not to pursue with the Tuscarora Property and recorded an impairment on the property of \$660,000 at February 28, 2021.

### **6. SHARE CAPITAL**

#### **(a) Authorized**

Unlimited common shares with no par value.

On October 21, 2020, the Company announced a forward stock split on the basis of 2 new for 1 old effective October 26, 2020. The forward stock split has been retroactively presented in the financial statements and all share amounts, including per share amounts, reflect the forward stock split.

#### **(b) Issued**

During the nine months ended February 28, 2021:

On October 6 2020, 4,328,988 (2,164,494 pre-forward split) Special Warrants were converted into 4,328,988 units. Each unit will be comprised of one common share of the Company and one share purchase warrant, exercisable into one common share of the Company at an exercise price of \$0.05 (\$0.10 pre-forward split) expiring on October 6, 2022.

On November 5, 2020, the Company issued 2,000,000 common shares pursuant to the option agreement fair valued at \$0.46 per share for total proceeds of \$920,000.

On November 5, 2020, the Company issued 1,000,000 common shares pursuant to the finder's agreement fair valued at \$0.46 per share for total proceeds of \$460,000.

During the nine months ended February 28, 2021, the Company issued an aggregate of 140,000 common shares for total proceeds of \$14,000 pursuant to the exercise of share purchase warrants.

During the period ended May 31, 2020:

On December 3, 2019, the Company issued 2 (1 pre-forward split) common shares for total proceeds of \$0.10.

On December 16, 2019, the Company issued 2,000,000 (1,000,000 pre-forward split) common shares at \$0.0025 (\$0.005 pre-forward split) per share for total proceeds of \$5,000 and recognized a share-based payment of \$0.0075 (\$0.015 pre-forward split) per share for a total of \$15,000. The 2,000,000 (1,000,000 pre-forward split) common shares will be held in escrow upon the completion of the IPO share.

**AMMPOWER CORP.**

Notes to the Condensed Interim Financial Statements

February 28, 2021

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

**6. SHARE CAPITAL – (cont'd)****(b) Issued – (cont'd)**

During the period ended May 31, 2020: - (cont'd)

On February 3, 2020, the Company issued 20,050,000 (10,025,000 pre-forward split) common shares at \$0.01 (\$0.02 pre-forward split) per share for total proceeds of \$200,500.

On February 24, 2020, the Company issued 8,000,000 (4,000,000 pre-forward split) units at \$0.025 (\$0.05 pre-forward split) per unit for total proceeds of \$200,000. Each unit is comprised of one common share and one share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at \$0.05 (\$0.10 pre-forward split) per share expiring two years from the date the Company's shares commence trading on a Canadian securities exchange.

**(c) Share Purchase Warrants**

The changes in warrants were as follows:

	February 28, 2021	Weighted Average Exercise Price	May 31, 2020	Weighted Average Exercise Price
Balance, beginning of period	8,000,000	\$0.05	-	\$-
Issued	4,328,988	0.10	8,000,000	0.05
Exercised	(140,000)	0.10	-	
Balance, end of period	12,188,988	\$0.07	8,000,000	\$0.05

As at February 28, 2021, the Company had 12,188,988 share purchase warrants outstanding as follows:

Outstanding	Exercise Price	Expiry Date
8,000,000	\$0.05	October 6, 2022
4,188,988	\$0.10	October 6, 2022
12,188,988		

Subsequent to February 28, 2021, 1,020,000 share purchase warrants have been exercised for total proceeds of \$102,000.

**(d) Escrow Shares**

Pursuant to an escrow agreement dated September 22, 2020, an aggregate of 2,050,000 (1,025,000 pre-forward split) common shares will be placed into escrow to be released as to 10% on the Listing Date with the remaining 90% to be released in equal tranches at six-month intervals over the 36 months following the Listing Date. As at February 28, 2021, 1,845,000 (May 31, 2020 – 2,050,000) common shares are in escrow with the next release on April 6, 2021.

## AMMPOWER CORP.

Notes to the Condensed Interim Financial Statements

February 28, 2021

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

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### 6. SHARE CAPITAL – (cont'd)

#### (e) Special Warrants

On May 29, 2020, the Company issued an aggregate of 4,328,988 (2,164,494 forward pre-split) Special Warrants at a price of \$0.05 (\$0.10 pre-forward split) per Special Warrant and received gross proceeds of \$216,450. Each Special Warrant entitles the holder to acquire, without further payment, one unit. Each unit will be comprised of one common share of the Company and one warrant, exercisable into one common share of the Company at an exercise price of \$0.05 (\$0.10 pre-forward split) for two years from the date the Company's shares commence trading on a Canadian securities exchange. On October 6, 2020, 4,328,988 Special Warrants were converted into 4,328,988 units.

### 7. RELATED PARTY TRANSACTIONS AND BALANCES

The following expenses were incurred with key management personnel of the Company. Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers. Key management compensation comprises:

<b>Relationship</b>		<b>For the three months ended February 28, 2021</b>	<b>For the nine months ended February 28, 2021</b>
Consulting fees			
Ireton Consulting Inc.	Mark Ireton, former Director	\$ -	\$ 10,000
695809 B.C. Ltd.	Robert Krause, Director	1,000	8,000
Arthur Brown	Director	1,000	8,000
Gary Benninger	Director, President and CEO	10,000	37,500
1196016 B.C. Ltd.	Faizaan, Lalani, CFO	21,000	34,000
		\$ 33,000	\$ 97,500

Included in accounts payable and accrued liabilities as at February 28, 2021, was \$19,250 (May 31, 2020 - \$Nil) in unpaid consulting fees to directors and officers of the Company and to companies controlled by directors or officers of the Company.

### 8. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to identify, pursue and complete the exploration and development of resource properties, to maintain financial strength, to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain credit worthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject to. Capital of the Company comprises of cash and cash equivalents and shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares.

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### **8. CAPITAL MANAGEMENT – (cont'd)**

The Company's investment policy is to invest its cash in financial instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected timing of expenditures from continuing operations.

There were no changes to the Company's approach to capital management during the period ended February 28, 2021.

### **9. FINANCIAL INSTRUMENTS AND RISKS**

The company is exposed through its operations to the following financial risks:

- Liquidity risk
- Market risk
- Credit risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them unless otherwise stated in the note.

#### **Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections.

The Company monitors its cash flows to meet the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As at February 28, 2021, the Company had a working capital deficit of \$318,358.

#### **Market Risk**

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. The Company's ability to raise capital to fund mineral resource exploration is subject to risks associated with fluctuations in mineral resource prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

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**9. FINANCIAL INSTRUMENTS AND RISKS – (cont'd)****Interest rate risk**

The Company is not exposed to significant interest rate risk.

**Price risk**

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

**Credit Risk**

Financial instruments that potentially expose the Company to credit risk is cash and cash equivalents. To minimize the credit risk on cash the Company places the instrument with a high credit quality financial institution. The maximum exposure to loss arising from these advances is equal to their total carrying amounts.

**Fair Values**

The Company's financial instruments include cash and cash equivalents and accounts payable and accrued liabilities. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature. It is impractical to determine the fair value of these financial instruments with sufficient reliability due to the nature of these financial instruments, the absence of secondary market and the significant cost of obtaining external appraisals. The fair value of these financial instruments approximates their carrying value under the effective interest method.

**Fair Value Hierarchy**

The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**AMMPOWER CORP.**

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**10. SUBSEQUENT EVENTS**

On March 12, 2021, the Company completed its private placement of 9,522,952 units at a price of \$0.42 per unit for gross proceeds of \$3,999,640. Each unit consists of one common share and one share purchase warrant. Each warrant is exercisable into one common share at a price of \$0.60 per share expiring three years from issuance. In connection with the private placement, the Company paid a cash finders' fee of \$133,664 and issued 318,248 finders' warrants exercisable at \$0.42 per share for a period of two years from the date of issuance.

On March 22, 2021, the Company announced that it has completed the acquisition of all of the outstanding common shares of AmTek Inc. ("AmTek") As consideration, the Company issued 12,000,000 common shares of the Company. Amtek is the owner of the Whabouchi South lithium exploration property located in the James Bay/Eeyou Istche region of Quebec and is working on the development of a proprietary technology to produce green ammonia, a potential carbon-free energy source. The Company also issued 960,000 common shares as finders fee.