AMMPOWER CORP. (formerly SOLDERA MINING CORPORATION)

CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended February 28, 2021

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

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

	February 28, 2021	May 31, 2020
	(Unaudited)	(Audited)
ASSETS		
Current		
Cash and cash equivalents	$ 246,150	$ 531,516
Amounts receivable	33,146	2,334
Prepaid expense	33,985	-
	313,281	533,850
Exploration and evaluation assets (Note 5)	40,000	40,000
	$ 353,281	$ 573,850
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 7)	$ 631,639	$ 12,750
SHAREHOLDERS' EQUITY (DEFICIT)		
Share capital (Note 6)	2,030,950	420,500
Shares to be returned to treasury (Note 5)	(100,000)	-
Special warrants (Note 6)	-	216,450
Accumulated deficit	(2,209,308)	(75,850)
	(278,358)	561,100
	$ 353,281	$ 573,850

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

APPROVED ON BEHALF OF THE BOARD ON SEPTEMBER 07, 2021:

"Faizaan Lalani"	Director	*"Gary Benninger"*	Director
Faizaan Lalani		Gary Benninger	

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

AMMPOWER CORP. (formerly SOLDERA MINING CORPORATION)
CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
For the three and nine months ended February 28, 2021 and
for the three and nine months from December 3, 2019 (date of incorporation) to February 29, 2020
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	For the three months ended February 28, 2021	For the period December 3, 2019 (date of incorporation) to February 29, 2020	For the nine months ended February 28, 2021	For the period December 3, 2019 (date of incorporation) to February 29, 2020
Administrative expenses				
Consulting fees (Note 7)	$ 45,023	$ 7,500	$ 124,523	$ 7,500
Filing fees	3,807	-	38,663	-
General exploration cost (Note 5)	110,000	-	144,519	-
Impairment of mineral property (Note 5)	1,580,000	-	1,580,000	-
Insurance	7,500	-	9,583	-
Marketing	57,000	-	93,000	-
Office and general	745	654	8,498	654
Professional fees	15,677	6,184	125,818	6,184
Share-based payments	-	15,000	-	15,000
Transfer agent	1,531	-	8,854	-
Net loss and comprehensive loss for the period	$ (1,821,283)	$ (29,338)	$ (2,133,458)	$ (29,338)
Basic and diluted loss per share	$ (0.05)	$ (0.00)	$ (0.06)	$ (0.00)
Weighted average number of common shares outstanding basic and diluted	37,478,823	8,082,956	33,654,677	8,082,956

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

AMMPOWER CORP. (formerly SOLDERA MINING CORPORATION)
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIT)
For the nine months ended February 28, 2021 and period from December 3, 2019 (date of incorporation) to February 29, 2020
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	Number of Shares	Capital Stock	Special Warrants	Shares to be Returned to Treasury	Deficit	Total Shareholders' Equity (Deficit)
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
Net loss for the period	-	-	-	-	(29,338)	(29,338)
Balance, February 29, 2020	30,050,002	$ 420,500	$ -	$ -	$ (29,338)	$ 391,162
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 (Note 5)	-	-	-	(100,000)	-	(100,000)
Net loss for the period	-	-	-	-	(2,133,458)	(2,133,458)
Balance, February 28, 2021	37,519,990	$ 2,030,950	$ -	$ (100,000)	$ (2,209,308)	$ (278,358)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

AMMPOWER CORP. (formerly SOLDERA MINING CORPORATION)
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
For the nine months ended February 28, 2021 and
for the period December 3, 2019 (date of incorporation) to February 29, 2020
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	For the nine months ended February 28, 2021	For the period December 3, 2019 (date of incorporation) to February 29, 2020
Operating Activities		
Net loss for the period	$ (2,133,458)	$ (29,338)
Items not affecting cash:		
Impairment of mineral property	1,580,000	-
Share-based payments	-	15,000
Changes in non-cash working capital items related to operations:		
Amounts receivable	(30,812)	(666)
Prepaid expenses	(33,985)	-
Accounts payable and accrued liabilities	618,889	8,401
Cash provided by (used in) operating activities	634	(6,603)
Investing Activity		
Mineral property acquisition	(200,000)	-
Cash used in investing activity	(200,000)	-
Financing Activities		
Shares issued for cash	14,000	405,500
Cash paid in share repurchased	(100,000)	-
Cash (used in) provided by financing activities	(86,000)	405,500
Change in cash and cash equivalents during the period	(285,366)	398,897
Cash and cash equivalents, beginning of period	531,516	-
Cash and cash equivalents, end of the period	$ 246,150	$ 398,897
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the period:		
Interest	$ -	$ -
Income taxes	$ -	$ -
Non-cash investing and financing activities:		
Shares issued for Exploration and evaluation assets	$ 1,380,000	$ -

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

AMMPOWER CORP. (formerly SOLDERA MINING CORPORATION.) (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" which was subsequently changed to "AMMP". The Company is also listed on the Frankfurt stock exchange under "601A" and OTC under "AMMPF".

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.

(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.

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 $2,209,308 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:

(Expressed in Canadian Dollars)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS – (cont'd)

Exploration and Evaluation Assets 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

	Titan Gold 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
Cash	-	200,000	200,000
Impairment of mineral property	-	(1,580,000)	(1,580,000)
Balance, as at February 28, 2021	$ 40,000	$ -	$ 40,000

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

Titan Gold Property

By a mineral property option agreement dated May 7, 2020, the Company may acquire up to a 100% interest in the Titan Gold 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 (Incurred);
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 (the "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 24 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 Assignment 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 (paid), 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 5, 2020, the Company issued the 2,000,000 common shares which were fair valued at $920,000 on 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 July 31, 2024.

In addition, the Company will also be responsible for making the payments to the Tuscarora property holders and paying the claim fees. As at February 28, 2021, the Company had paid $21,220 in claim fees and $5,257 in anniversary payment, which were 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. These were fair valued at $460,000 on the date the shares were issued.

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

Tuscarora Property – (cont'd)

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 (paid). Accordingly, at February 28, 2021, the Company has recorded the $100,000 as shares to be returned to treasury. 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 $1,580,000 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 (Note 6(e)) were converted into 4,328,988 units. Each unit is 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 $0.10 ($0.20 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 fair value 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 fair value 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.

(Expressed in Canadian Dollars)

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, 12,792,288 share purchase warrants have been exercised for total proceeds of $1,600,479.

(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 were 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 common shares are in escrow with the next release on April 6, 2021.

(Expressed in Canadian Dollars)

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 $0.10 ($0.20 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:

	Relationship	For the nine months ended February 28, 2021	For the nine months ended February 28, 2020
Consulting fees			
Ireton Consulting Inc.	Mark Ireton, former Director	$ 10,000	$ -
695809 B.C. Ltd.	Robert Krause, Director	8,000	5,000
Arthur Brown	Director	8,000	5,000
Robert Baxter	Former Director, President and CEO	37,500	-
1196016 B.C. Ltd.	Faizaan, Lalani, CFO	34,000	-
Share-based payments			
Faizaan Lalani		-	7,500
Mark Ireton		-	7,500
		$ 97,500	$ 25,000

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 (deficit).

8. CAPITAL MANAGEMENT – (cont'd)

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.

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, polices 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 deficiency of $318,358 (May 31, 2020 – working capital of $521,100).

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.

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).

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 $150,449 and issued 370,118 finders' warrants exercisable at $0.60 per share for a period of three years from the date of issuance.

On April 1, 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. The Company has reorganized its business and assets into two distinct corporate divisions Ammpower Lithium & Mineral Resources and Ammpower Ammonia & Alternative Energy.

On June 4, 2021, the Company completed its private placement of 5,877,384 units at a price of $0.72 per unit for gross proceeds of $4,231,716. Each unit consists of one common share and one-half share purchase warrant. Each whole warrant is exercisable into one common share at a price of $1.00 per share expiring two years from issuance. In connection with the private placement, the Company paid a cash finders' fee of $136,483 and issued 189,560 finders' warrants exercisable at $1.00 per share for a period of two years from the date of issuance.

On April 12, 2021, the Company adopted an equity incentive plan under which it is authorized to grant to officers, directors, employees and consultants stock options, enabling them to acquire up to 20% of the issued and outstanding common share of the Company. The options can be granted for a maximum of 10 years and vest as determined by the Board of Directors. The exercise price of each option granted may not be less than the fair market value of the common shares.

Subsequent to February 28, 2021, the Company granted an aggregate of 5,125,000 stock options to directors, officers and consultants with exercise prices ranging from $0.77 to $2.07 per share expiring five years from the date of grant with various vesting terms.

The Company also granted to directors, officers and consultants 4,825,000 Restricted Share Units ("RSU") for the issuance of 4,825,000 common shares of which 2,125,000 have been issued. These RSU have various vesting terms.

On July 16, 2021, the Company issued 215,547 common shares to settle debt of $318,024.

On April 21, 2021, the Company entered into an agreement with Process Research ORTECH Inc. ("Ortech") to develop proprietary scientific solutions, methodologies, and technologies (collectively, the "Technologies") for the production of green ammonia. The Company will pay for all mutually agreed upon reasonable costs, and have the sole right to use, and market and sell, the Technologies. The Company agreed to grant Ortech a 1% royalty of revenues derived from the Technologies, which may be reduced to 0% by the Company by making a payment of $1,000,000 at any time.

On August 2, 2021, the Company entered into an agreement to lease a facility in Michigan, USA. The lease has a 86-month term with an optional 5 year extension and the first payment commencing October 1, 2021. The annual cost of the monthly payment is US$179,304, which will increase by 3% annually. In accordance with IFRS 16, the Company will recognize a right-of-use asset and lease liability on the lease commencement date.