

POWR LITHIUM CORP. (formerly Clear Sky Lithium Corp.)

Condensed Interim Consolidated Financial Statements

For the three months ended November 30, 2023 and 2022

(Unaudited - Expressed in Canadian dollars)

Notice of Disclosure of Non-auditor Review of the Condensed Interim Consolidated Financial Statements for the Three Months Ended November 30, 2023 and 2022

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*, part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of POWR Lithium Corp. for the interim periods ended November 30, 2023 and 2022, have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as issued by the International Accounting Standards Board, and are the responsibility of management.

The independent auditors, Dale Matheson Carr-Hilton Labonte LLP Chartered Professional Accountants, have not performed a review of these unaudited condensed interim consolidated financial statements.

January 26, 2024

POWR LITHIUM CORP. (formerly Clear Sky Lithium Corp.)
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian dollars)

	Note	November 30, 2023	August 31, 2023
		\$	\$
ASSETS			
Current			
Cash		693,209	75,124
Prepaid expense	5	576,129	13,935
GST receivable		78,513	84,206
		1,347,851	173,265
Exploration and evaluation assets	6	2,401,806	2,401,806
Total assets		3,749,657	2,575,071
LIABILITIES			
Current			
Accounts payable and accrued liabilities	8,10	615,202	642,345
Obligation to issue shares		-	20,000
Total liabilities		615,202	662,345
SHAREHOLDERS' EQUITY			
Share capital	9(b)	6,635,935	4,969,868
Obligation to issue shares	6(a)	38,951	38,951
Reserves		2,639,624	1,539,139
Deficit		(6,180,055)	(4,635,232)
Total shareholders' equity		3,134,455	1,912,726
Total liabilities and shareholders' equity		3,749,657	2,575,071

Nature of operations and going concern (Note 1)
Subsequent event (Note 14)

Approved and authorized for issue on behalf of the Board of Directors:

<u>/s/ "Marco Montecinos"</u>	<u>/s/ "Mark Mukhija"</u>
Director	Director

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

POWR LITHIUM CORP. (formerly Clear Sky Lithium Corp.)
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian dollars, except number of shares)

		Three months ended November 30,	
	Note	2023	2022
		\$	\$
Operating expenses			
Bank charges		349	755
Consulting and management fees	10	129,688	178,633
Exploration and evaluation expenditures	7,10	345,259	129,033
General and administrative		49,701	48,974
Legal and professional fees	10	53,864	64,315
Marketing		259,608	192,482
Share-based compensation	9,10	659,525	73,408
Transfer agent and regulatory fees		9,634	11,950
		1,507,628	699,550
Other income (expenses)			
Foreign exchange		(1,380)	(2,357)
Interest income		1,465	-
Net loss and comprehensive loss		(1,507,543)	(701,907)
Net loss per share:			
Basic and diluted		(0.03)	(0.02)
Weighted average number of common shares:			
Basic and diluted		45,300,680	30,254,939

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

POWR LITHIUM CORP. (formerly Clear Sky Lithium Corp.)
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited - Expressed in Canadian dollars)

	Note	Three months ended November 30,	
		2023	2022
		\$	\$
Operating activities:			
Net loss for the period		(1,507,543)	(701,907)
Adjustment for:			
Share-based compensation		659,525	73,408
Changes in non-cash working capital:			
Prepaid expense		(562,194)	154,698
GST receivable		5,693	(15,479)
Accounts payable and accrued liabilities		115,607	46,300
Cash used in operating activities		(1,288,912)	(442,980)
Financing activities:			
Proceeds from exercise of stock options		-	31,375
Proceeds from exercise of warrants		-	286,414
Repayment of the promissory note		-	(26,222)
Proceeds from private placement of units		1,980,000	-
Unit issuance costs		(73,003)	-
Cash provided by financing activities		1,906,997	291,567
Change in cash		618,085	(151,413)
Cash, beginning of period		75,124	444,917
Cash, end of period		693,209	293,504
Supplemental cash flow information			
Common share units issued to settle accounts payable and accrued liabilities	9(a)	142,750	-

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

POWR LITHIUM CORP. (formerly Clear Sky Lithium Corp.)

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Unaudited - Expressed in Canadian dollars, except number of shares)

	Common shares	Share capital	Obligation to issue shares	Reserves	Deficit	Total shareholders' equity
	#	\$	\$	\$	\$	\$
Balance, August 31, 2022	28,476,739	3,769,004	38,951	1,173,415	(2,686,876)	2,294,494
Warrants exercised	2,864,138	323,577	-	(37,163)	-	286,414
Stock options exercised	185,500	44,852	-	(13,477)	-	31,375
Share-based compensation	-	-	-	73,408	-	73,408
Net loss and comprehensive loss for the period	-	-	-	-	(701,907)	(701,907)
Balance, November 30, 2022	31,526,377	4,137,433	38,951	1,196,183	(3,388,783)	1,983,784
Warrants exercised	1,244,751	130,832	-	(6,357)	-	124,475
Stock options exercised	104,500	12,579	-	(1,454)	-	11,125
Conversion of fully vested RSUs	100,000	53,000	-	(53,000)	-	-
Share issued in a private placement	3,500,000	350,000	-	-	-	350,000
Share issuance costs	-	(16,662)	-	-	-	(16,662)
Share issued for the purchase of Halo Project	1,250,000	268,750	-	-	-	268,750
Share issued for finders' fees	157,840	33,936	-	-	-	33,936
Share-based compensation	-	-	-	403,767	-	403,767
Net loss and comprehensive loss for the period	-	-	-	-	(1,246,449)	(1,246,449)
Balance, August 31, 2023	37,883,468	4,969,868	38,951	1,539,139	(4,635,232)	1,912,726
Unit issued in a private placement	10,000,000	1,659,231	-	340,769	-	2,000,000
Unit issuance costs	-	(111,592)	-	38,589	-	(73,003)
Unit issued for debt settlement	713,750	118,428	-	24,322	-	142,750
Share-based compensation	-	-	-	659,525	-	659,525
Warrant modification	-	-	-	37,280	(37,280)	-
Net loss and comprehensive loss for the period	-	-	-	-	(1,507,543)	(1,507,543)
Balance, November 30, 2023	48,597,218	6,635,935	38,951	2,639,624	(6,180,055)	3,134,455

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

1. NATURE OF OPERATIONS AND GOING CONCERN

POWR Lithium Corp. (formerly Clear Sky Lithium Corp.) (the "Company") is in the business of the exploration and evaluation of mineral properties. The Company was incorporated under the Business Corporations Act of British Columbia on June 25, 2018 and changed its name from Clear Sky Lithium Corp. to POWR Lithium Corp. on January 30, 2023. The address of the Company's registered and records office is 1021 West Hastings Street, 9th floor, Vancouver, BC, V6E 0C3.

The Company's common shares trade on the Canadian Securities Exchange (the "CSE") under the symbol "POWR", on the OTC Markets Exchange under the symbol "CSKYF", and on the Frankfurt Stock Exchange under the symbol "6JX".

a) Going concern

These condensed interim consolidated financial statements for the three months ended November 30, 2023 and 2022 (the "financial statements") have been prepared on a going concern basis, which assumes the Company will continue in operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. During the three months ended November 30, 2023, the Company incurred a net loss and comprehensive loss of \$1,507,543 (2022 - \$701,907). As at November 30, 2023, the Company had working capital of \$732,649, and accumulated deficit of \$6,180,055 (August 31, 2023 - working capital deficiency of \$489,080 and \$4,635,232, respectively). The Company has no source of operating cash flows, and there is no assurance that sufficient funding (including adequate financing) will be available to conduct the required exploration and development of mineral property projects. These factors present a material uncertainty that may cast significant doubt over the Company's ability to continue as a going concern.

The application of the going concern assumption is dependent on the Company's ability to generate future profitable operations and receive continued financial support from its creditors and shareholders. These financial statements do not give effect to any adjustments that might be required should the Company be unable to continue as a going concern. These adjustments could be material.

2. BASIS OF PRESENTATION

a) Statement of compliance

These financial statements were approved by the Board of Directors and authorized for issue on January 26, 2024.

These financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee applicable to the preparation of interim financial statements including International Accounting Standard 34 *Interim Financial Reporting*. These financial statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited financial statements for the years ended August 31, 2023 and 2022 (the "Annual Financial Statements"), which include the information necessary or useful to understanding the Company's business and financial statement presentation.

b) Basis of presentation

These financial statements have been prepared on an historical cost basis, except for financial instruments measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

c) Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiaries. The functional currency is the currency of the primary economic environment in which an entity operates. References to "US\$" are United States dollars.

2. BASIS OF PRESENTATION (continued)

d) Basis of consolidation

These financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances are eliminated on consolidation. Control exists where the parent entity has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are included in the financial statements from the date control commences until the date control ceases.

A summary of the Company's subsidiaries included in these financial statements as at November 30, 2023 is as follows:

Name of subsidiary	Country of incorporation	Percentage ownership	Principal activity
1291455 B.C. LTD	Canada	100%	Holding company and mineral exploration
Clear Sky Lithium Nevada Inc	US	100%	Mineral exploration

3. SIGNIFICANT ACCOUNTING POLICIES

The same accounting policies and methods of computation are followed in these financial statements as compared with the Annual Financial Statements.

4. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements under IFRS requires management to make judgements in applying its accounting policies and estimates that affect the reported amounts of assets and liabilities at the period end date and reported amounts of expenses during the reporting period. Such judgements and estimates are, by their nature, uncertain. Actual outcomes could differ from these estimates.

The impact of such judgements and estimates are pervasive throughout these financial statements and may require accounting adjustments based on future occurrences. These judgements and estimates are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and are accounted for prospectively.

In preparing these financial statements, the Company applied the same significant judgements in applying its accounting policies and is exposed to the same sources of estimation uncertainty as disclosed its Annual Financial Statements.

5. PREPAID EXPENSE

A summary of the Company's prepaid expense is as follows:

	November 30, 2023	August 31, 2023
	\$	\$
Exploration and evaluation expenditures	68,990	-
Legal and professional fees	12,888	10,000
Marketing	475,592	-
Transfer agent and regulatory fees	18,659	3,935
	576,129	13,935

6. EXPLORATION AND EVALUATION ASSETS

A summary of the Company's exploration and evaluation assets activity is as follows:

	ELi Property	Halo Project	Total
	\$	\$	\$
Balance, August 31, 2022	127,500	1,707,220	1,834,720
Acquisition costs	-	533,150	533,150
Finder's fee shares	-	33,936	33,936
Balance, November 30, 2023 and August 31, 2023	127,500	2,274,306	2,401,806

a) ELi Property

As a result of the SPA Transaction, on December 23, 2021, the Company acquired a 100% interest in 26 unpatented mining claims situated in Eureka County and Nye County, Nevada, (the "ELi Property") with a fair value of \$127,500. The fair value on acquisition was determined based on the price that was paid by 1291455BC in an arm's length transaction prior to it being acquired by the Company.

On November 16, 2021, 1291455BC purchased a 100% interest in the ELi Property for purchase consideration comprising US\$50,000 cash and 100,000 common shares of 1291455BC with a contractual value of US\$50,000 (the "share contractual value") or US\$0.50 per share. On June 13, 2022, the Company completed the initial public offering process and was listed on CSE with the share price of \$0.25, which was lower than the share contractual value of US\$0.50. Pursuant to the agreement, an obligation to issue shares of \$38,951 was recognized in connection with this requirement. In addition, the Company agreed to provide the seller with a gross returns mineral production royalty of 2% from the production of minerals from the ELi Property and any unpatented mining claims that the Company locates in an identified area of interest.

b) Halo Project

On August 4, 2022, the Company entered into an option agreement with Halo Lithium LLC (the "Optionor") to acquire a 100% interest in 98 mineral claims located in Esmeralda and Nye Counties, Nevada, (the "Halo Project"). The option agreement requires a series of cash payments, reimbursement of expenses and share consideration as follows:

- \$319,914 (US\$250,000) cash, \$97,917 (US\$76,518) reimbursement of expenses, and 1,865,269 common shares of the Company payable on or before August 9, 2022 (fully paid and issued). The fair value of this first tranche of shares was measured as \$1,212,425 based on a \$0.65 per share market price on the date of issuance.
- US\$200,000 cash and 1,250,000 common shares of the Company payable on or before the August 4, 2023 (fully paid and issued). The fair value of this second tranche of shares was measured as \$268,750 based on a \$0.22 per share market price on the date of issuance.
- US\$200,000 cash and 500,000 common shares of the Company payable on or before the August 4, 2024.

The claims are subject to a 1% net smelter royalty ("NSR") to the Optionor, subject to a buyback right whereby the Company is entitled to purchase one half of the NSR from the Optionor for a cash payment of US\$1,000,000 any time prior to the commencement of commercial production.

Pursuant to the Halo Project option agreement, the Company incurred finder's fees requiring the issuance of common shares ("Finder's fee shares") in separate tranches as follows:

- 118,406 common shares due within five days of the effective date of the agreement (issued).
- 75,000 common shares and common shares equal to US\$12,000 due on August 4, 2023 (issued).
- 30,000 common shares and common shares equal to US\$12,000 due on August 4, 2024.

The fair value of the first tranche of the Finder's fee shares was measured as \$76,964 based on the \$0.65 per share market price on August 9, 2022, the date of issuance. The fair value of the second tranche of the Finder's fee shares was measured at \$33,936 based on the \$0.22 per share market price on August 4, 2023, the date of issuance.

7. EXPLORATION AND EVALUATION EXPENDITURES

A summary of the Company's exploration and evaluation expenditures for the three months ended November 30, 2023 is as follows:

	ELi Property	Halo Project	Total
	\$	\$	\$
Mining claims and maintenance	115	228	343
Drilling	-	344,916	344,916
	115	345,144	345,259

A summary of the Company's exploration and evaluation expenditures for the three months ended November 30, 2022 is as follows:

	ELi Property	Halo Project	Total
	\$	\$	\$
Geological	59,235	7,247	66,482
Geophysics	5,390	55,492	60,882
Mining claims and maintenance	-	1,669	1,669
	64,625	64,408	129,033

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

A summary of the Company's accounts payable and accrued liabilities is as follows:

	November 30, 2023	August 31, 2023
	\$	\$
Accounts payables	615,202	638,145
Accrued liabilities	-	4,200
	615,202	642,345

9. SHARE CAPITAL

a) Authorized share capital

The Company is authorized to issue an unlimited number of common shares without par value.

b) Issued share capital

As at November 30, 2023, there were 48,597,218 issued and fully paid common shares outstanding (August 31, 2023 - 37,883,468).

During the three months ended November 30, 2023, the Company had the following share capital transactions:

- On September 29, 2023, the Company issued 10,000,000 units at \$0.20 per unit for gross proceeds of \$2,000,000. Of the \$2,000,000 gross proceeds, \$20,000 was received during the year ended August 31, 2023, and is included under obligation to issue shares within current liabilities as at August 31, 2023. Each unit comprises one common share and one-half of one share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at an exercise price of \$0.40 until September 27, 2025. The warrants were valued using a Black-Scholes option pricing model with the following inputs: a share price of \$0.20, an exercise price of \$0.40, a risk-free interest rate of 4.87%, an expected life of two years, an expected volatility of 114%, and an expected dividend yield of 0%. Applying the relative fair value approach, each common share has a \$0.166 fair value, and each warrant has a \$0.034 fair value. As a result, the fair value of share capital on the date of issuance was \$1,659,231 and the fair value allocated to the warrant reserve was \$340,769.

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Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended November 30, 2023 and 2022
(Unaudited - Expressed in Canadian dollars, except where noted)

9. SHARE CAPITAL (continued)

- The Company paid cash for finders' fees of \$73,003 and issued 427,777 finder's warrants in connection with this transaction. The fair value of the finder's warrants was determined to be \$38,589 using the Black-Scholes option pricing model with the following inputs: a share price of \$0.20, an exercise price of \$0.40, a risk-free interest rate of 4.87%, an expected life of two years, an expected volatility of 114%, and an expected dividend yield of 0%. Therefore, total share issuance costs recorded as a reduction to share capital in connection with this unit issuance was \$111,592.
- Concurrent with the September 29, 2023 private placement, the Company settled outstanding payables totaling \$142,750 for consideration of 713,750 units at a price of \$0.20. Each unit comprises one common share and one-half of one share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at an exercise price of \$0.40 until September 27, 2025. The warrants were valued using a Black-Scholes option pricing model with the following inputs: a share price of \$0.20, an exercise price of \$0.40, a risk-free interest rate of 4.87%, an expected life of two years, an expected volatility of 114%, and an expected dividend yield of 0%. Applying the relative fair value approach, each common share has a \$0.166 fair value, and each warrant has a \$0.034 fair value. As a result, the fair value of share capital on the date of issuance was \$118,428 and the fair value allocated to the warrant reserve was \$24,322. 196,678 of these units were issued to the CEO of the Company to settle \$39,375 in accounts payables which were outstanding at August 31, 2023.

During the year ended August 31, 2023, the Company had the following share capital transactions:

- The Company issued 4,108,889 common shares pursuant to the exercise of outstanding warrants for cash proceeds of \$410,889. In connection with the exercised warrants, \$43,520 was transferred from reserves to share capital.
- The Company issued 290,000 common shares pursuant to the exercise of outstanding stock options for cash proceeds of \$42,500. In connection with the exercised stock options, \$14,931 was transferred from reserves to share capital.
- On August 22, 2023, the Company issued 50,000 common shares pursuant to the conversion of 50,000 restricted share units.
- On August 4, 2023, the Company issued 1,250,000 and 157,840 common shares as consideration for the Halo project mineral property option and related finder's fee respectively (Note 7(b)).
- On July 21, 2023, the Company issued 3,500,000 common shares pursuant to a private placement for cash proceeds of \$333,338, net of share issuance costs.
- On February 21, 2023, the Company issued 50,000 common shares pursuant to the conversion of 50,000 restricted share units.

c) Warrants

A summary of the Company's warrants activity is as follows:

	Number of warrants	Weighted average exercise price
	#	\$
Balance, August 31, 2022	15,518,017	0.21
Exercised	(4,108,889)	0.14
Balance, August 31, 2023	11,409,128	0.25
Granted	5,784,653	0.40
Balance, November 30, 2023	17,193,781	0.30

A summary of the Company's outstanding and exercisable warrants as at November 30, 2023 is as follows:

Expiry date	Number of warrants	Weighted average exercise price	Weighted average contractual remaining life
	#	\$	Years
September 28, 2024	2,931,692	0.10	0.83
December 23, 2024	2,744,236	0.10	1.06
January 17, 2025	5,733,200	0.25	1.13
September 27, 2025	5,784,653	0.40	1.83
	17,193,781	0.30	1.30

9. SHARE CAPITAL (continued)

On October 5, 2023, the Company amended the terms of a series of 5,733,200 outstanding warrants which were issued on January 17, 2022 in a private placement of units. None of the warrants had been exercised on the date of the amendment. Each warrant outstanding previously entitled the holder to purchase one common share of the Company at a price of \$0.40 until January 17, 2025. Under the terms of the amendment, the exercise price of the warrants has been reduced to \$0.25. There was no change made to the expiry date of the warrants. The amendment was accounted for as a \$37,280 increase in reserves, with a corresponding decrease in deficit.

d) Stock options

The Company established a stock option plan (the "Option Plan") for the benefit of full-time and part-time employees, officers, directors, and consultants of the Company and its affiliates. The maximum number of shares available under the Option Plan is limited to 10% of the issued common shares of the Company and are exercisable within a maximum of ten years. The Board of Directors has the exclusive power over the granting of stock options, the exercise price, the term, and their vesting and cancellation provisions.

During the three months ended November 30, 2023, the Company recorded share-based compensation expense of \$254,853 (2022 - \$16,415) related to the vesting of stock options.

A summary of the Company's stock options activity is as follows:

	Number of stock options	Weighted average exercise price
	#	\$
Balance, August 31, 2022	2,090,000	0.24
Granted	1,350,000	0.33
Exercised	(290,000)	0.33
Expired	(25,000)	0.33
Balance, August 31, 2023	3,125,000	0.33
Granted	1,350,000	0.23
Balance, November 30, 2023	4,475,000	0.30

On September 29, 2023, the Company granted 1,350,000 stock options to consultants of the Company. Each stock option entitles the holder to purchase one common share at an exercise price of \$0.23. All the stock options vested and were exercisable upon issuance and expire on September 29, 2028. The fair value of the options was determined to be \$254,853 using the Black-Scholes option pricing model with the following assumptions: expected life of 5 years, a risk-free interest rate of 4.83%, expected volatility of 114%, and 0% expected dividend yield.

On January 10, 2023, the Company granted 1,300,000 stock options to certain directors, officers, and consultants of the Company. Each stock option entitles the holder to purchase one common share at an exercise price of \$0.435. All the stock options vested and were exercisable upon issuance. The stock options expire on January 10, 2025. The fair value of the options was determined to be \$306,022 using the Black-Scholes option pricing model with the following assumptions: expected life of 2 years, a risk-free interest rate of 3.95%, expected volatility of 114%, and 0% expected dividend yield.

On October 25, 2022, the Company granted 50,000 fully vested stock options to a director of the Company. Each stock option entitles the holder to purchase one common share at an exercise price of \$0.55. All the stock options vested and were exercisable upon issuance. The stock options expire on October 25, 2024. The fair value of the options was determined to be \$16,415 using the Black-Scholes option pricing model with the following assumptions: expected life of 2 years, a risk-free interest rate of 4.14%, expected volatility of 114%, and 0% expected dividend yield.

During the three months ended November 30, 2023, the weighted average share price on the date of exercise of the share purchase options was \$0.30 per share (2022 - \$0.20).

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9. SHARE CAPITAL (continued)

A summary of the Company's assumptions used in the Black-Scholes option pricing model for stock options granted is as follows:

	November 30, 2023	August 31, 2023
Expected life	2-5 years	2 - 3 years
Dividend yield	0%	0%
Volatility rate	114%	114%
Risk-free interest rate	0.64% - 4.83%	0.64% - 4.14%

The expected life in years represents the period of time the options granted are expected to be outstanding. The volatility rate is based on comparable companies with a historical volatility. The risk-free rate is based on Canada government bonds with a remaining term equal to the expected life of the options.

A summary of the Company's outstanding and exercisable stock options as at November 30, 2023, is as follows:

Expiry date	Outstanding and exercisable #	Weighted average exercise price \$	Weighted average remaining life Years
September 28, 2024	300,000	0.10	0.83
June 13, 2024	1,195,000	0.25	0.54
June 30, 2024	140,000	0.25	0.58
August 18, 2024	150,000	0.53	0.72
October 25, 2024	50,000	0.55	0.90
January 10, 2025	1,290,000	0.44	1.12
September 29, 2028	1,350,000	0.23	4.84
	4,475,000	0.30	2.03

e) Restricted share units

Each restricted share unit ("RSU") is comprised of one common share of the Company.

On September 29, 2023, the Company granted 3,275,000 RSU's to certain consultants and an officer of the Company. These RSU's will vest on January 30, 2024. The fair value of the RSU is the market price at the date of grant of \$0.23.

On September 29, 2023, the Company granted 250,000 RSUs to a consultant of the Company. 50,000 of RSU's will vest on March 29, 2024, 100,000 of the RSU's will vest on September 29, 2024, and the remaining 100,000 RSU's will vest on March 29, 2025. The fair value of the RSU is the market price at the date of grant of \$0.23.

On September 23, 2022, the Company granted 200,000 RSUs to a consultant of the Company. These 200,000 RSUs vest in five equal instalments of 40,000 RSUs on September 23, 2022, and at the end of each six-month period thereafter. The fair value of the RSU is the market price at the date of grant of \$0.49.

On August 18, 2022, the Company granted 250,000 RSUs to an officer of the Company. These 250,000 RSUs vest in five equal instalments of 50,000 RSUs on August 18, 2022, and at the end of each six-month period thereafter. The fair value of the RSU is the market price at the date of grant of \$0.53.

During the three months ended November 30, 2023, the Company recorded share-based compensation expense \$404,672 (2022 - \$56,993) related to the vesting of these RSUs.

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Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended November 30, 2023 and 2022
(Unaudited - Expressed in Canadian dollars, except where noted)

9. SHARE CAPITAL (continued)

A summary of the Company's RSUs activity is as follows:

	Number of RSUs	Weighted average exercise price
	#	\$
Balance, August 31, 2022	200,000	0.53
Granted	200,000	0.49
Converted	(100,000)	0.53
Balance, August 31, 2023	300,000	0.50
Granted	3,525,000	0.23
Balance, November 30, 2023	3,825,000	0.25

The weighted average contractual life remaining of RSU's outstanding as at November 30, 2023 is 0.27 years.

10. RELATED PARTY TRANSACTIONS

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.

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

A summary of the Company's amounts paid to key management personnel and/or entities over which they have control for the three months ended November 30, 2023 and 2022 are as follows:

	2023	2022
	\$	\$
Consulting and management fees provided by a company owned by an officer	37,500	37,500
Exploration and evaluation expenditures provided by a company owned by a director	-	14,494
Legal and professional fees provided by a company owned by an officer	26,650	24,344
Share-based compensation	10,590	38,533
	74,740	114,871

A summary of the Company's balances due to related parties is as follows:

	November 30, 2023	August 31, 2023
	\$	\$
Accounts payable and accrued liabilities	383,875	76,388

Accounts payable and accrued liabilities due to related parties are non-interest bearing and due on demand.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company provides disclosures that enable users to evaluate (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the date of the statement of financial position, and how the entity manages these risks.

Company's financial instruments consist of cash, accounts payables and accrued liabilities, obligation to issue shares (presented under current liabilities). The carrying values of these financial instruments approximate their respective fair values due to the term of these instruments.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty fails to meet an obligation under contract. The Company's cash is exposed to credit risk. The Company reduces its credit risk by placing cash with financial institutions of high credit worthiness.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. As the Company's operations do not generate cash, financial liabilities are discharged using funding through the issuance of common shares or debt as required. The Company is exposed to liquidity risk through its accounts payable and accrued liabilities, and obligation to issue shares (presented in current liabilities). Management mitigates this risk by monitoring its cash position and issuing shares or debt as required.

At November 30, 2023, the Company had cash of \$693,209 (August 31, 2023 - \$75,124) and accounts payable and accrued liabilities of \$615,202 (August 31, 2023 - \$642,345) with contractual maturities of less than one year.

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company is not significantly exposed to market risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's financial assets and financial liabilities are not exposed to interest rate risk as the Company has no financial instruments that are subject to variable interest rates. The Company is not exposed to interest rate risk as at November 30, 2023.

Foreign currency risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies (US\$).

A summary of the Company's financial liabilities that are denominated in US\$ is as follows:

	November 30, 2023	August 31, 2023
	\$	\$
Accounts payable and accrued liabilities	344,007	29,147

As at November 30, 2023, the Company had exposure to foreign currency risk, as accounts payable and accrued liabilities of \$344,007 were denominated in US\$. A 5% change in the foreign exchange rates would result in an impact of approximately \$17,244 to the Company's net loss.

12. CAPITAL MANAGEMENT

The Company's capital structure consists of all components of shareholders' equity. The Company's objective when managing capital is to maintain its ability to continue as a going concern.

The Company manages its capital structure and adjusts it based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. 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 and consultants to sustain future development of the business.

The Company's properties are in the exploration stage and as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds required.

Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the relative size of the Company. There were no changes to the Company's approach to capital management during the three months ended November 30, 2023. The Company is not subject to any external covenants.

13. SEGMENTED INFORMATION

The Company operates in one business segment being the exploration and development of resource properties located in Nevada, the United States of America.

14. SUBSEQUENT EVENT

On January 2, 2024, there were 109,500 warrants exercised for gross proceeds of \$10,950.