FINAL PROSPECTUS

NON-OFFERING PROSPECTUS **JULY 11, 2022**

NOVA LITHIUM CORP.

No securities are being offered pursuant to this Prospectus.

This non-offering prospectus (this "**Prospectus**") is being filed by Nova Lithium Corp. ("**Nova**" or the "**Company**") with the British Columbia Securities Commission (the "**BCSC**") for the purpose of allowing the Company to comply with Policy 2 – *Qualification for Listing* of the Canadian Securities Exchange (the "**CSE**") in order to meet one of the eligibility requirements for listing the common shares of the Company (the "**Common Shares**") for trading on the CSE.

Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised, and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Company.

There is currently no market through which any of the securities of the Company may be sold and holders of the Company's securities may not be able to resell any such securities. This may affect the pricing of the Company's securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See "*Risk Factors*".

As of the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

The CSE has conditionally approved the listing of the Common Shares for trading on the CSE. Listing will be subject to the Company fulfilling all of the listing requirements of the CSE, including meeting certain financial and other requirements.

No underwriter or selling agent has been involved in the preparation of this Prospectus or performed any review or independent due diligence investigations of the contents of this Prospectus.

Any investment in the Common Shares is speculative and involves a high degree of risk due to various factors, including the nature of the Company's business. An investment in the Common Shares should only be made by persons who can afford a total loss of their investment. See "*Risk Factors*".

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities.

The head office of the Company is located at Suite 306 – 1110 Hamilton Street, Vancouver, BC V6B 2S2.

TABLE OF CONTENTS

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus contains "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information may include, but is not limited to, statements with respect to the future price of metals, historical estimates of mineralization, capital expenditures, success of exploration activities, permitting timelines, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage, the completion of regulatory approvals, and risks arising from the novel coronavirus ("**COVID-19**"). In certain cases, forward-looking information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information in this Prospectus includes, among other things, proposed expenditures for exploration work on the Property (as defined below), general and administrative expenses, the ability of the Company to raise further capital for corporate purposes, the utilization of the funds available to the Company and treatment under applicable governmental regimes for permitting and approvals. See "*Description of Business – The Property – Recommendations*", "*Use of Available Funds*" and "*Risk Factors*".

Such forward-looking information is based on a number of material factors and assumptions, including, but not limited to, those disclosed in any other of the Company's public filings and include that costs for exploration activities will not deviate significantly from recent trends; the ultimate determination of mineral reserves, if any; the availability and final receipt of required approvals, licenses and permits; sufficient working capital to develop and operate any proposed mine; access to adequate services and supplies; economic conditions; commodity prices; foreign currency exchange rates; interest rates; access to capital and debt markets and associated costs of funds; availability of a qualified work force; and the ultimate ability to mine, process and sell mineral products on economically favourable terms. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to, risks and uncertainties disclosed in this Prospectus. See "*Risk Factors*". The Company has no specific policies or procedures for updating forward-looking information. Forward-looking information is based upon management's beliefs, estimates and opinions on the date the statements are made and, other than as required by law, the Company does not intend, and undertakes no obligation, to update any forward-looking information to reflect, among other things, new information or future events.

Investors are cautioned against placing undue reliance on forward-looking information.

CURRENCY

In this Prospectus, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and references to $ are to Canadian dollars. On July 4, 2022, the closing exchange rate for Canadian dollars as quoted by the Bank of Canada was US$1.00 = C$1.2867, or C$1.00 = US$0.7772.

GENERAL DISCLOSURE

The Company is not offering to sell securities under this Prospectus. An investor should rely only on the information contained in this Prospectus. No person has been authorized by the Company to give any information or make any representations on the Company's behalf other than those contained in this Prospectus and, if given or made, any such information or representations must not be relied upon as having been authorized by the Company. The information contained in this Prospectus is accurate only as of the date of this Prospectus or the date indicated, regardless of the time of delivery of this Prospectus.

GLOSSARY OF TERMS

In this Prospectus, the following terms shall have the meanings set out below, unless otherwise indicated or the context otherwise requires:

"**Annual Financial Statements**" has the meaning given to that term under the heading "*Prospectus Summary*".

"**APA**" has the meaning given to that term under the heading "*Description of Business – Development of the Business*".

"**BCSC**" has the meaning given to that term on the cover page.

"**Common Shares**" has the meaning given to that term on the cover page.

"**Company**" has the meaning given to that term on the cover page.

"**Consultant**" has the meaning given to that term under the heading "*Executive Compensation – Employment, Consulting and Management Agreements*".

"**Consulting Agreement**" has the meaning given to that term under the heading "*Executive Compensation – Employment, Consulting and Management Agreements*".

"**COVID-19**" has the meaning given to that term under the heading "*Caution Regarding Forward-Looking Statements*".

"**CRA**" means the Canada Revenue Agency.

"**DMW**" has the meaning given to that term under the heading "*Prospectus Summary*".

"**Escrow Holders**" has the meaning given to that term under the heading "*Escrowed Securities and Securities Subject to Contractual Restrictions on Transfer*".

"**Escrowed Securities**" has the meaning given to that term under the heading "*Escrowed Securities and Securities Subject to Contractual Restrictions on Transfer*".

"**ESGC**" has the meaning given to that term under the heading "*Description of Business – Development of the Business*".

"**Interim Financial Statements**" has the meaning given to that term under the heading "*Prospectus Summary*".

"**NI 41-101**" means National Instrument 41-101 *General Prospectus Requirements*.

"**NI 43-101**" means National Instrument 43-101 *Standards of Disclosure for Mineral Projects*.

"**NI 52-110**" means National Instrument 52-110 *Audit Committees*.

"**NI 58-101**" means National Instrument 58-101 *Disclosure of Corporate Governance Practices*.

"**Nova**" has the meaning given to that term on the cover page.

"**Nova USA**" has the meaning given to that term under the heading "*Corporate Structure*".

"**NP 46-201**" means National Policy 46-201 *Escrow for Initial Public Offerings*.

“**Principals**” has the meaning given to that term under the heading “*Escrowed Securities and Securities Subject to Contractual Restrictions on Transfer”*.

“**Property**” has the meaning given to that term under the heading “*Prospectus Summary*”.

“**Prospectus**” has the meaning given to that term on the cover page.

“**Stock Option Plan**” has the meaning given to that term under the heading “*Description of Business – Development of the Business*”.

“**Warrant**” has the meaning given to that term under the heading “*Description of Business – Development of the Business*”.

GLOSSARY OF TECHNICAL TERMS

alluvial fan	A triangle-shaped deposit of gravel, sand and smaller pieces of sediment
breccia	A sedimentary rock composed of large, angular fragments
carbonate	Any member of two classes of chemical compounds derived from carbonic acid or carbon dioxide
clastic	Denoting rocks composed of broken pieces of older rocks
ejecta	Particles ejected from an area
felsic	Igneous rocks that are relatively rich in elements that form feldspar and quartz
Granitoid	A generic term for a diverse category of coarse-grained igneous rocks
gypsum	A sulfate mineral widely mined and used as fertilizer
halite	A type of salt commonly known as rock salt
hectorite	A relatively rare, naturally occurring clay mineral
igneous rock	A rock formed by the crystallization of magma or lava
lacustrine	Relating to or associated with lakes
orogeny	The primary mechanism by which mountains are formed on continents
pegmatite	An igneous rock showing a very coarse texture
placer claim	A mineral claim that grants the claimant the right to mine minerals contained in loose material such as sand or gravel
ppm	Parts per million
quarternary	Relating to or denoting the most recent period in the Cenozoic era
rhyolitte	An igneous, volcanic rock of felsic composition

sedimentary rock	A type of rock that is formed by the accumulation or deposition of small particles and the subsequent cementation of mineral or organic particles on the floor of bodies of water
strata	A layer of sedimentary rock or soil, or igneous rock that was formed at the Earth's surface
travertine	A form of terrestrial limestone deposited around mineral springs
tuff	Light, porous rock formed by the consolidation of volcanic ash

PROSPECTUS SUMMARY

The following is a summary of the principal features of this Prospectus and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus.

The Company: The Company was incorporated under the *Business Corporations Act* (British Columbia) on March 3, 2017 under the name Halcyon Ventures Ltd. On June 11, 2021, the Company changed its name to Nova Lithium Corp. The Company has one wholly owned subsidiary, Nova Lithium USA Corp, a Nevada corporation that was incorporated on May 12, 2022.

The Company's head office is located at Suite 306 – 1110 Hamilton Street, Vancouver, BC V6B 2S2 and its registered and records offices are located at 3148 Highland Boulevard, North Vancouver, BC V7R 2X6.

The Business of the Company: The Company is engaged in the business of mineral resource exploration and the acquisition of mineral property assets. Its primary objective is to locate and develop economic precious and base metal properties of merit and to conduct exploration programs on any properties in which it acquires an interest.

On March 12, 2021, the Company acquired 100% of the right, title and interest in and to 190 mineral claims located in southern Clayton Valley, Nevada, USA, and generally known as the Deer Musk West project ("**DMW**" or the "**Property**") in consideration for the payment of $40,000 to the vendor of the Property in the form of 2,000,000 Common Shares at a deemed price of $0.02 per Common Share.

See "*Description of Business*" for further details.

Listing: The CSE has conditionally approved the listing of the Common Shares for trading on the CSE. Listing will be subject to the Company fulfilling all of the listing requirements of the CSE, including meeting certain financial and other requirements. See "*Plan of Distribution*".

Use of Available Funds: As at June 30, 2022, the Company had approximately $364,000 in cash.

Over the next 12 months, the Company plans to use the total funds available, including its working capital of approximately $305,000 as at June 30, 2022, substantially as follows:

Principal Purpose	Amount ($)
Completion of work program on the Property	128,700
Consulting fees	36,000
Professional fees (including audit, accounting and legal)	50,000
Transfer agent fees	10,000
Filing and regulatory expenses	25,000
Office expenses (including rent)	30,000
Other general and administrative expenses	10,000
Unallocated working capital	15,300
Total	**305,000**

The Company intends to spend the funds available to it as stated in this Prospectus. However, there may be circumstances where for sound business reasons, a reallocation of funds may be necessary. See “*Use of Available Funds*”.

The Offering: No securities are being offered pursuant to this Prospectus. The Company is filing this Prospectus with the BCSC for the purpose of listing the Common Shares for trading on the CSE and enabling the Company to develop an organized market for its securities. Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Company.

Directors and Executive Officers:

Glenn Collick – CEO, Director
Patrick O’Flaherty – CFO, Director
Saman Eskandari – Corporate Secretary, Director
Ryan Arthur – Director
Hayden Mackenzie – Director

See “*Directors and Officers*” for additional information.

Risk Factors: The activities of the Company are subject to the risks normally encountered in a junior mining issuer, including: negative cash flow; dependence on one principal property; complexity of regulatory compliance; inexperienced management; liquidity concerns and future financing requirements to sustain operations; dilution; no history of operations and revenues, and no history of earnings or dividends; competition; economic changes; and uninsured risks.

There is currently no public market for the Common Shares and there can be no assurance that an active market for the Common Shares will develop or be sustained. The value of the Common Shares is subject to volatility in market trends and conditions generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings. See “*Risk Factors*”.

Summary of Financial Information: The tables below summarize selected financial data for the periods indicated and should be read in conjunction with the interim unaudited financial statements of the Company for the period ended March 31, 2022 (the “**Interim Financial Statements**”) and the audited financial statements of the Company for the years ended June 30, 2021 and 2020 (together, the “**Annual Financial Statements**”) and the management’s discussion and analysis in respect of the Interim Financial Statements and Annual Financial Statements included elsewhere in this Prospectus. See “*Management’s Discussion and Analysis*”.

Statement of Comprehensive Income (Loss)	**For the nine months ended March 31, 2022 ($)**	**For the year ended June 30, 2021 ($)**	**For the year ended June 30, 2020 ($)**
Revenue	-	-	-
Expenses	101,368	200,927	764
Net and comprehensive income (loss)	(101,368)	(200,927)	(764)
Basic and diluted earnings (loss) per Common Share	(0.00)	(0.04)	(0.01)

Statement of Financial Position	March 31, 2022 ($)	June 30, 2021 ($)	June 30, 2020 ($)
Current assets	392,285	532,094	287
Total assets	794,276	860,017	287
Current and total liabilities	28,584	37,457	1,150
Working capital (deficiency)	363,701	494,637	(863)
Accumulated deficit	(303,659)	(202,291)	(1,364)

CORPORATE STRUCTURE

Name, Address and Incorporation; Intercorporate Relationships

The Company was incorporated as Halcyon Ventures Ltd. under the *Business Corporations Act* (British Columbia) on March 7, 2017. On June 11, 2021, the Company changed its name to Nova Lithium Corp. The Company has one wholly owned subsidiary, Nova Lithium USA Corp, a Nevada corporation that was incorporated on May 12, 2022 ("**Nova USA**").

The head office of both the Company and Nova USA is located at Suite 306 – 1110 Hamilton Street, Vancouver, BC V6B 2S2. The registered and records offices of the Company are located at 3148 Highland Boulevard, North Vancouver, BC V7R 2X6. The address of registered agent for Nova USA is 3773 Howard Hughes Parkway, Suite 500S, Las Vegas, NV 89169.

The Company's fiscal year end is June 30.

DESCRIPTION OF BUSINESS

Introduction

The Company is engaged in the acquisition and exploration of mineral properties. The Company currently owns a 100% interest in the Property through Nova USA.

Development of the Business

Since its inception, Nova has generally concentrated its efforts on capital raising activities and the acquisition of the Property. During that time, the Company developed its business as follows:

On March 7, 2017, the Company issued 100 Common Shares at a price of $0.01 per Common Share for proceeds of $1.

On June 7, 2018, the Company issued 100,000 Common Shares at a price of $0.005 per Common Share for proceeds of $500.

On March 9, 2021, the Company issued an aggregate of 10,000,000 units of the Company (each, a "**Unit**") at a price of $0.02 per Unit in exchange for proceeds of $200,000. Each Unit consisted of one Common Share and one warrant (each, a "**Warrant**"), with each Warrant exercisable into one Common Share at a price of $0.10 per Common Share for a period of 36 months.

On March 12, 2021, the Company entered into an asset purchase agreement (the "**APA**") with Emigrant Springs Gold Corporation, a Nevada corporation ("**ESGC**"), pursuant to which the Company acquired a 100% interest in the Property, together with certain related assets, in exchange for the sum of $40,000 payable in the form of 2,000,000 Common Shares at a deemed price of $0.02 per Common Share.

On April 30, 2021, the Company issued an aggregate of 827,000 Common Shares at a price of $0.05 per Common Share in exchange for proceeds of $41,350.

Also on April 30, 2021, the Company issued an aggregate of 100,000 Common Shares at a price of $0.05 per Common Share upon the conversion of $5,000 in debt.

On May 24, 2021, the Company appointed Glenn Collick as its Chief Executive Officer and a director. Mr. Collick replaced Saman Eskandari in the CEO role.

On May 31, 2021, the Company issued an aggregate of 7,110,000 Units at a price of $0.10 per Unit in exchange for proceeds of $711,000. Each unit consisted of one Common Share and one Warrant, with each Warrant exercisable into one Common Share at a price of $0.50 per Common Share for a period of 24 months.

Also on May 31, 2021, the Company issued an aggregate of 300,000 Units at a price of $0.10 per Unit in upon the conversion of $30,000 in debt.

On October 19, 2021, the Company appointed Patrick O'Flaherty as its Chief Financial Officer and a director. Mr. O'Flaherty replaced Saman Eskandari in the CFO role.

On November 16, 2021, the Company adopted a stock option plan (the "**Stock Option Plan**") and granted an aggregate of 600,000 options under the Stock Option Plan to five directors and officers of the Company.

On May 9, 2022, the Company appointed Mr. Eskandari as its Corporate Secretary.

Trends

As a junior mining company, the Company is highly susceptible to the cycles of the mineral resource sector and the financial markets as they relate to junior companies.

The Company's financial performance is dependent upon many external factors. Both prices and markets for metals are volatile, difficult to predict and subject to changes in domestic and international, political, social and economic environments. Circumstances and events beyond its control could materially affect the financial performance of the Company. Apart from this risk and the risk factors noted under the heading "*Risk Factors*", the Company is not aware of any other trends, commitments, events or uncertainties that are reasonably likely to have a material adverse effect on the Company's business, financial conditions or result of operations.

Intellectual Property

The Company claims common law trademark rights in its corporate name and website. Other than as described above, it does not hold any registered copyright, trademark, patent or other intellectual property right.

Employees

Nova currently has no employees, either full-time or part-time. The Company plans to rely the efforts of a number of independent consultants to manage the Company's operations for the foreseeable future.

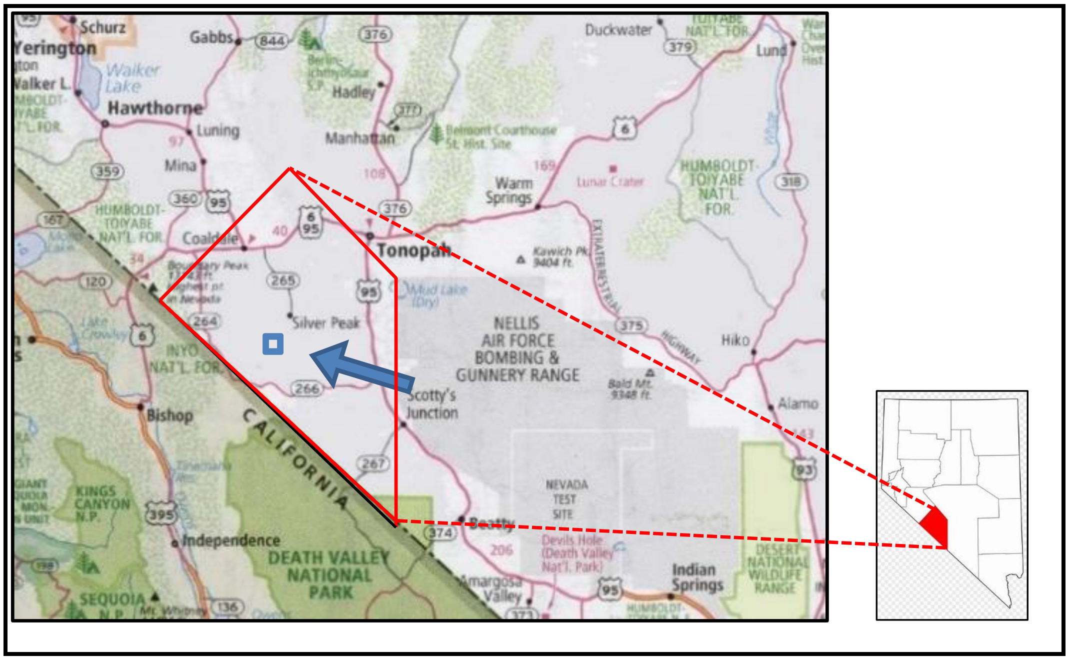
THE PROPERTY

The following disclosure represents information summarized from the Technical Report on the Property dated June 23, 2022, with an effective date of June 20, 2022 (the "**Technical Report**"), prepared by Raymond P. Spanjers, MS, SME RPG and Gregory J. Bell, MS, PE, CGWP, each of whom is a "qualified person" as defined under NI 43-101, prepared in accordance with the requirements of NI 43-101. Not all of the figures and tables from the Technical Report are reproduced in and form part of this Prospectus. The remaining information is contained in the Technical Report which is available under the Company's profile on the SEDAR website at www.sedar.com.

Property Description and Location

The Property, held 100% by the Company, is located in Clayton Valley, Esmerelda County, Nevada (Figure 1).

Figure 1. Deer Musk West Property Location, Nevada, USA



The Property consists of 190 contiguous unpatented placer claims that have an approximate area of 1,550 ha (3832 ac). The claims, each ±20 acres (8.1 hectares), are located in Sections 18, 19, 20, 29, 30, 31 and 32, Township 3 South, Range 39 East on U.S. Government land administrated by the Bureau of Land Management (BLM) (Figure 2). The claim block is adjacent to the large placer claim blocks of LT Capital Holdings and ELON on the east, and Scotch Creek Ventures on the north; there are no placer claimants on the south or west (Figure 4). The claims were staked by Advanced Geologic Exploration Inc. ("**Advanced Geologic**") in February and March of 2021 on behalf of ESGC, who subsequently sold them to Nova. The claims summary is shown in Table 2.

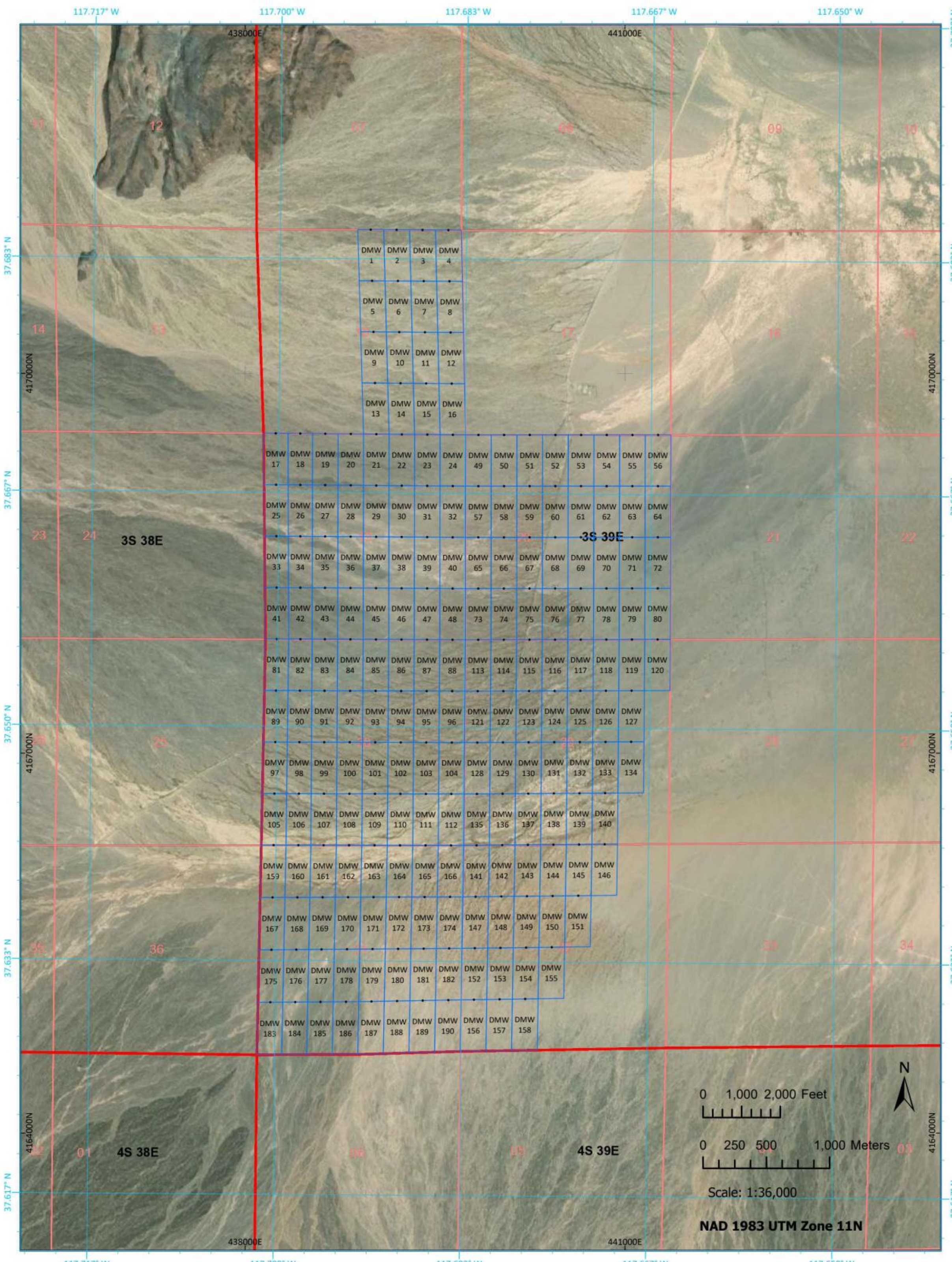
Table 2. Deer Musk West Claim Information (BLM LR 2000 website, 2021)

Serial Number	Lead File Number	Claim Name	County	Case Disposition	Claim Type	Next Payment Due Date	Date Of Location
NV105235123 to NV105235312	NV105235123	DMW1 to DMW190	Esmeralda	Filed	Placer	9/1/2021	2/15/2021-3/8/2021

The property is located on the southwest flank of Clayton Valley, as shown in Figure 1. The nearest settlement is the town of Silver Peak, which lies approximately 5 km (3 mi) to the NW. Access to Silver Peak is from Highway 265, which is a road that links Silver Peak to Highway 95. Highway 95 links Las Vegas to Reno. The site is equidistant to both main cities (approximately 270 km/170 mi from each main city). Silver Peak is approximately 61 km (38 mi) from Tonopah, which is the regional commercial centre, and approximately 45 km (28 mi) from Goldfield, the County Seat of Esmeralda County. Access to and across the site from Silver Peak is via a series of gravel/dirt roads. The geographic coordinates at the approximate center of the property are N37.2022 by E 117.548971.

The claims are located approximately eight miles southwest of Albemarle Corporation's ("**Albemarle**") Silver Peak Operations, a lithium brine processing evaporation pond/plant complex that has been in operation since 1967.

Figure 2. Deer Musk West Claim Locations in Clayton Valley, Nevada



Accessibility, Climate, Local Resources, Infrastructure and Physiography

Accessibility

The placer claims are accessed from the small township of Silver Peak and lie to the southwest of the long-established lithium operations, currently owned and operated by Albemarle. Silver Peak is approximately 61 km (38 mi) from Tonopah, which is the regional commercial centre, and approximately 45 km (28 mi) from Goldfield, which is the County Seat of Esmeralda County. Access to and across the site from Silver Peak is via a series of gravel/dirt roads. The main gravel roads that run south and southwest from Silver Peak into the project area are well maintained and easily accessible with a normal 2WD vehicle. The minor gravel/dirt roads that criss-cross the property are typically not maintained and require 4WD to negotiate safely, particularly after high winds have caused drifting sand to form on the roads. Most of the property requires the use of an ATV for access.

Climate and Vegetation

Clayton Valley has a generally arid to semi-arid climate, characterised by hot dry summers and cold winters. The climate is influenced strongly by the Sierra Nevada Mountains to the west, which produce a pronounced rain shadow, and have the general effect of making Nevada the driest state in the U.S. Precipitation is scattered throughout the year, with slightly more precipitation in late winter/early spring. During the winter months high-pressure conditions predominate, resulting in west-to-east trending winds and precipitation patterns. During the summer months, low-pressure conditions predominate, resulting in southwest-to-northeast trending precipitation patterns. Winter storm events tend to last longer and produce more precipitation than the summer events, which tend to produce widely scattered showers of short duration; drought is common and can last for more than 100 days.

Localized dust storms are common in Clayton Valley, and typically form later in the day after pronounced solar heating of the ground surface.

The exploration season is effectively year-round. There are periods where heavy rainfall may cause minor localized flooding of access roads. In this instance, access may be limited onto the playa floor for a few days.

Vegetation coverage across the site area is generally very sparse. Vegetation consists of a mixture of low scrub and grasses forming high desert, prairie, or shrub-steppe vegetation populations. Previous biological fieldwork completed at the site reported a mix of Saltbush, Greasewood Bush, Pickleweed, Saltgrass and Russian Thistle, with other occasional minor species. Many areas on the flat playa floor and the sand dune area have effectively no vegetation cover at all.

Local Resources

Silver Peak is the nearest census-designated settlement, with a population of 142 in 2021. The unincorporated town has a U.S. Post Office (ZIP code 89047), fire/EMS station, small school and a tavern. There are no significant services/shops in Silver Peak. The main employers are the lithium-brine operation of Albemarle and other hard-rock mining operations in the Clayton Valley area.

Goldfield is the County Seat for Esmeralda County with a population of 298 at the last census in 2020. It has a series of small convenience stores, a small restaurant, motel and a gas station. As with Silver Peak, the population fluctuates depending on economic factors, as there are several small mining operations close to Goldfield that open and close with varying commodity prices. The County buildings in Goldfield house all the claim records for the various mining claims in Clayton Valley.

Tonopah is the main commercial centre close to Clayton Valley and has a full range of services, including grocery stores, restaurants, hotels/motels, banks, hardware stores and government offices (e.g. local BLM office for recording claims, making permit applications, etc.). The population of Tonopah was 2,478 in the 2010 census, and is the County Seat of Nye County. Employment in Tonopah is a mixture of service jobs, military (Tonopah Test Range), mining and industrial jobs related to the nearby Crescent Dunes concentrating solar plant.

Infrastructure

A series of well-maintained state highways connect Silver Peak to the main road network in Nevada and beyond, and graded and maintained gravel roads link Silver Peak to the southern half of Clayton Valley. A gravel road from Goldfield to Clayton Valley has been paved. These roads connect Silver Peak to the local community of Lida in the south and allow year-round access to the project area. Access to the DMW claims will require additional road construction off of existing roads or the use of ATVs.

The nearest rail system is in Hawthorne, Nevada, approximately 145 km (90 miles) by road to the north of Silver Peak. This rail system is operated by Union Pacific and links northward toward the main Union Pacific rail system in the Sparks/Reno area. There is a County-owned public use airport in Tonopah that has two runways, each approximately 2 km (7,000 ft) long.

Electrical connection is possible at the sub-station in Silver Peak. This sub-station connects a pair of 55kV lines that form an electrical intertie between the Nevada and California electrical systems (maximum power capacity exchange allowed of 17 MW across the intertie), with two 55kV lines that link the sub-station to the main electrical grid in Nevada. One of the 55kV lines from the sub-station runs northwards to the Millers sub-station that lies approximately 47 km (29 mi) northeast from Silver Peak. At this point, the 55kV line interconnects to the 120kV transmission system (and then the 230kV system just north at the Crescent Dunes plant and Anaconda Moly sub-station). The other 55kV line runs east from Silver Peak and feeds back into Goldfield and Tonopah. Total electricity usage by the existing Albemarle lithium facility is reported as averaging 1.89 MW, with maximum usage of 2.54 MW (DOE/EA-1715, Sept 2010); note that a typical 55kV line is capable of transferring 10-40 MW of power depending on local factors.

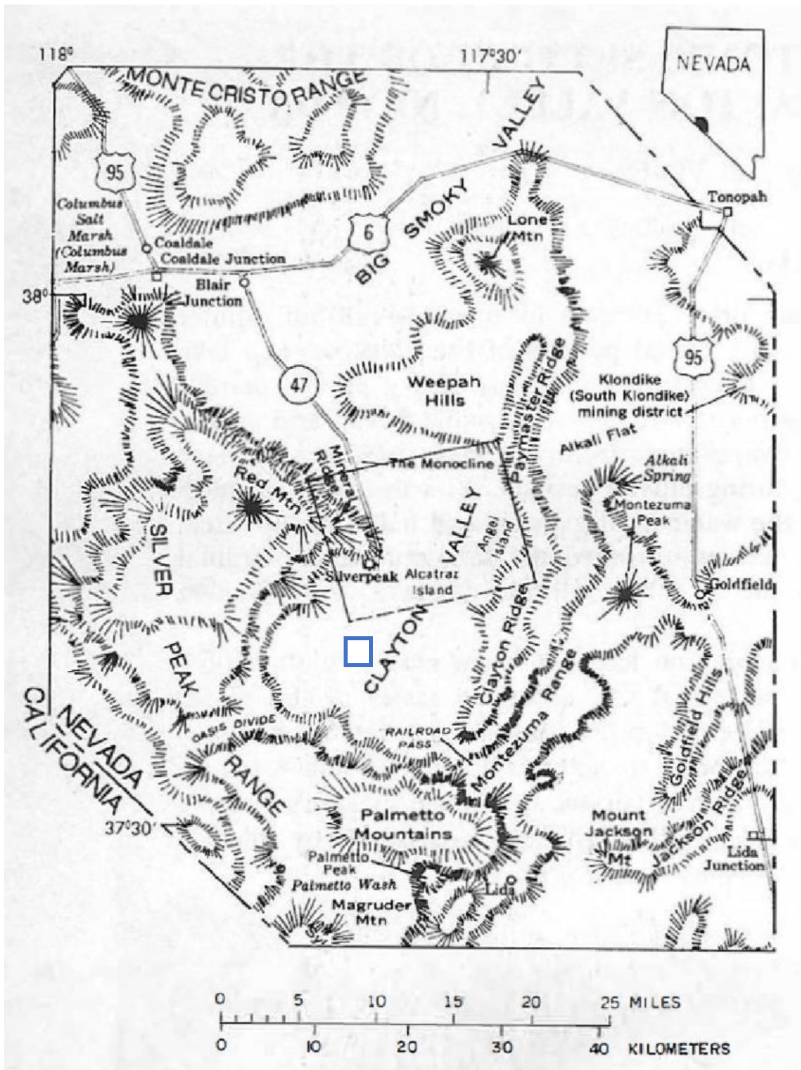
Water supply is currently served by the Silver Peak municipal water supply. This is serviced by three wells that abstract water from alluvial fans on the western flank of Clayton Valley, approximately 1 km (0.62 mi) southwest of the town.

Physiography

Clayton Valley Physiography

Clayton Valley lies in a complex zone of disrupted structure between the northwest trending Sierra Nevada Mountain Range to the west, and the north-south trending Basin and Range province to the north and east. The valley has a total watershed area of 1,437 km^2 (555 mi^2) and the floor of the valley lies at an altitude of approximately 1,320 m ASL (4,320 ft ASL). The surrounding mountains rise generally several hundred meters above the valley floor, with the highest surrounding mountain being Silver Peak at 2,859 m ASL (9,380 ft ASL). The valley is bounded to the west by the Silver Peak Mountain Range, to the south by the Palmetto Mountains, to the east by Clayton Ridge and the Montezuma Range, and to the north by the Weepah Hills as shown in Figure 5.

Figure 5. Physiographic Map of Clayton Valley and Environs (Zampirro, 2005) and Approximate Location of the DMW Claims



There is no permanent surface water in the Clayton Valley watershed, with the exception of the man-made evaporation ponds operated by Albemarle. All watercourses are ephemeral and only active during periods of intense precipitation.

Clayton Valley lies at a lower elevation than the surrounding basins (Big Smoky Valley lies approximately 122 m (400 ft) higher; Alkali Flats Valley lies approximately 140 m (460 ft) higher), and it is interpreted to receive some sub-surface groundwater flow from these basins based on regional static groundwater levels.

Deer Musk West Physiography

The physiography of the Property (Figure 2) consists of two major quaternary fan complexes that emanate from the Silver Peak Range. The alluvial fans start high in the mountains of the Silver Peak Range and cascade through two principal canyons, the northern Nivloc and southern Sunshine. The Nivloc fan receives more sedimentary material than the Sunshine fan.

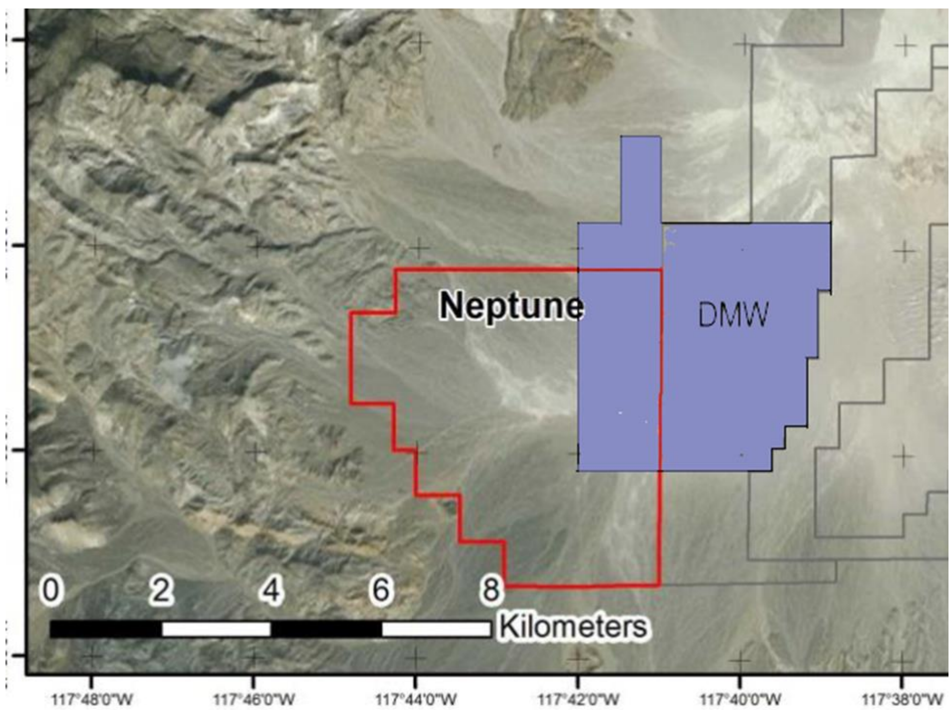
History

Nevada Sunrise Gold Corp./Resolve Ventures Inc. Neptune Lithium Project

A portion of the claims was investigated by Nevada Sunrise Gold Corp. (TSXV: NEV) ("**Nevada Sunrise**") and Resolve Ventures Inc. (TSXV: RSV) ("**Resolve**") and is shown in Figure 7. The joint venture Neptune project was comprised of 316 unpatented 20 ac (8.1 ha) placer claims totaling 6,640 ac (2,557 ha) directly west and adjacent to the DMW claims. Geophysical studies, biologeochemical sampling, and drilling were used to evaluate the property.

The covered area was approximately 85 square kilometers. J.L. Wright Geophysics of Sparks, Nevada analyzed the data and interpreted the results, which described a fault-bounded basin, elongate in a northwest-southeast direction (Figure 7).

Figure 7. Location of Neptune Project of DMW Claims

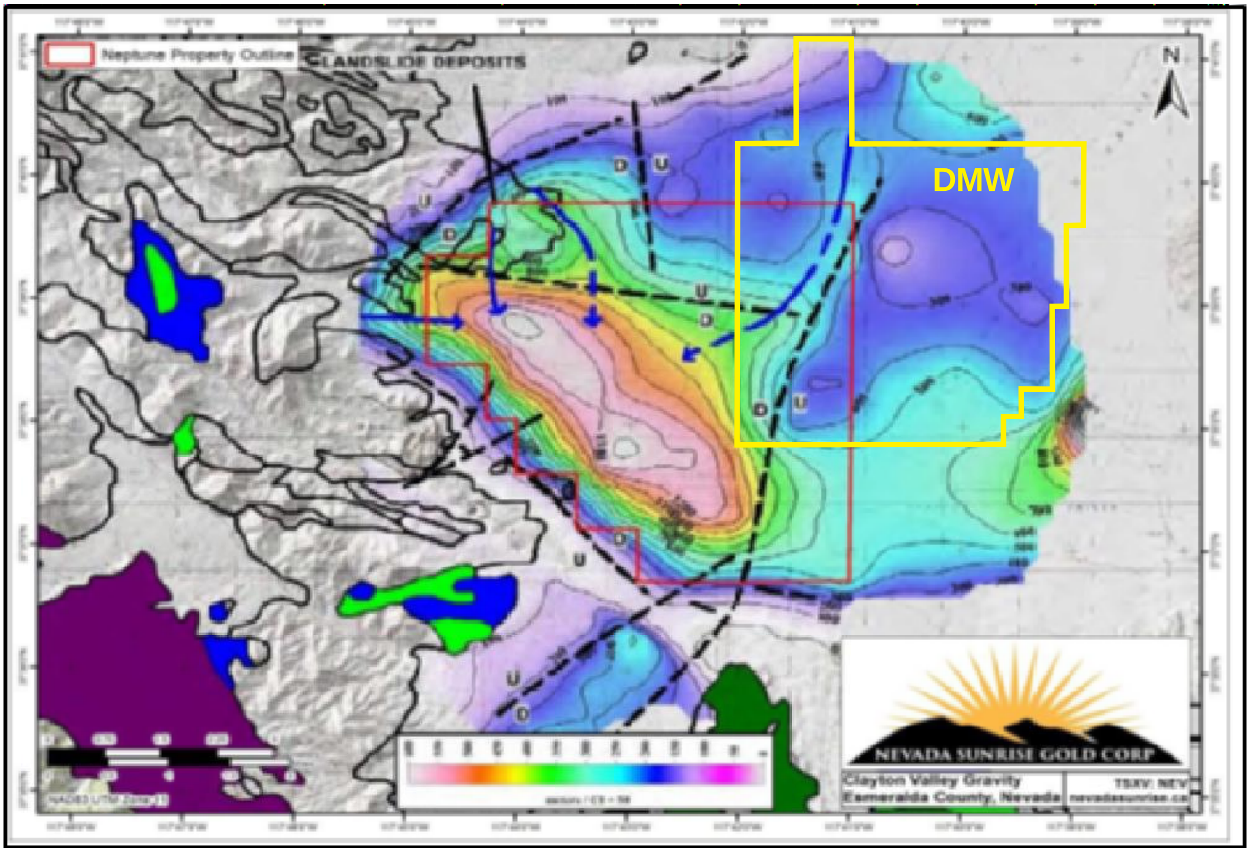


Geophysical Studies

Gravity Survey

A gravity survey of the Neptune property was conducted by Magee Geophysical Services, LLC of Reno, Nevada from April 15 to April 17, 2011. The survey consisted of gravity data from 144 new gravity stations and 18 reprocessed from archival US Geological Survey data. The covered area was approximately 85 square kilometers. J.L. Wright Geophysics of Sparks, Nevada analyzed the data and interpreted the results, which described a fault-bounded basin, elongate in a northwest-southeast direction (Figure 8). The figure shows the DMW area superimposed at the northeast of the survey.

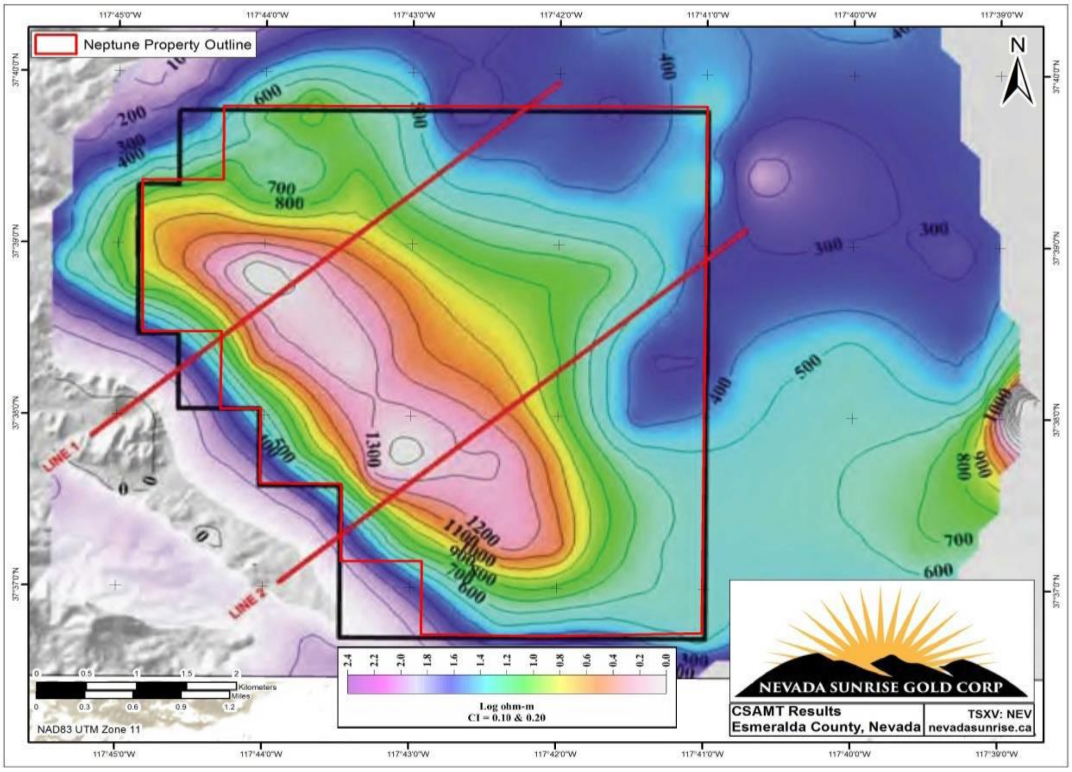
Figure 8. Neptune Project Gravity Survey Map (Allender, 2011)



CSAMT Survey

Resolve completed a controlled source audio-frequency magnetotellurics (CSAMT) survey on the Neptune claims in 2011 based on the gravity survey. Two survey lines were “anchored” to bedrock on the southwest end and oriented to cut the basin axis at right angles and to cut the two deepest portions of the basin (Figure 9). A significant finding of the survey was the presence of a low-resistivity layer approximately 150 meters thick lying between 100 and 250 meters below the surface. This layer dips slightly to the northeast at the southern end of survey Line 1 but is nearly flat-lying across the extent of the identified Neptune basin.

Figure 9. Neptune CSAMT Map (Allender, 2016)



Biochemical Sampling

Resolve collected 16 vegetation samples of *Spiny Menodora,* five from each of three recommended drill sites, with one control sample. All of the samples were located on the western side of the Neptune project off of the DMW leases. Approximately 20 cm of branch tips and leaves were cut and bagged, totaling 15 samples. A single control sample was taken approximately 6 kilometers south of Goldfield, 45 kilometers east of the Neptune property. The samples were clipped and bagged and sent to Bureau Veritas Mineral Laboratories Canada for analysis. The geochemical results showed lithium values in the plant tissues ranging from 10.57 ppm to 35.39 ppm.

Drilling

Two exploration holes were completed on the Neptune claims in late March 2016. Drill targets were generated from the integration of the results of: (1) a detailed gravity survey by a previous operator that outlined a deep, faulted sub-basin, and (2) a controlled source audio magneto telluric (CSAMT) follow-up survey that detected conductive horizons within the sub-basin (Figure 8).

In each of the completed holes, permeable sedimentary, lacustrine strata interbedded with volcanic ash and ejecta were logged at various levels throughout the holes. This type of sedimentary strata was interpreted as a requisite host horizon for lithium-bearing brines as seen in the northern Clayton Valley. A total of 45 water samples and 256 sediment cuttings samples were collected and submitted for multi-element analysis.

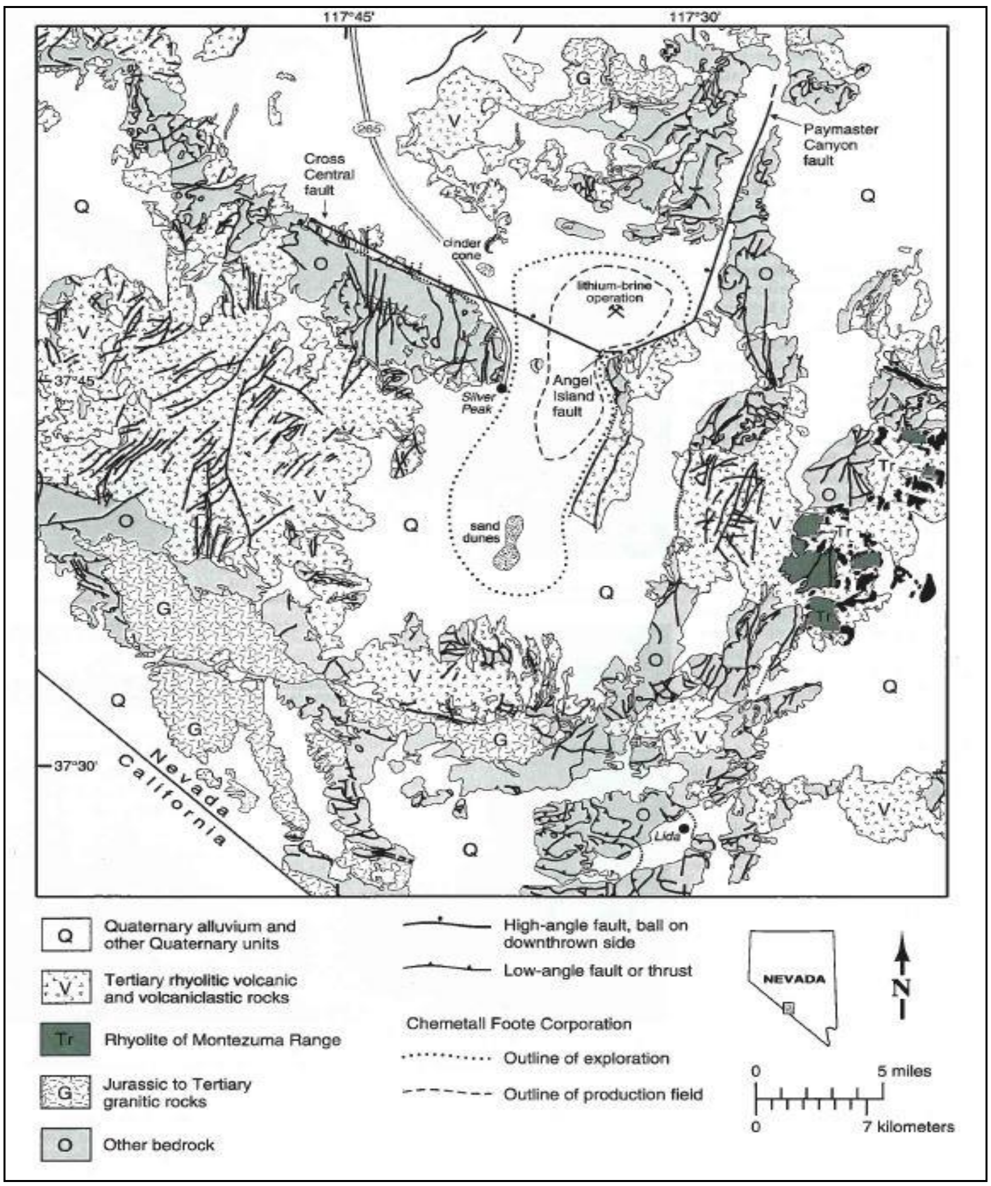
Preliminary analytical results indicate the water samples collected from the two completed holes contain sub-economic contents of lithium. Composite samples in hole N-2016-1 were collected from the intersected strata contained lithium-bearing sediments that averaged 156 ppm lithium over 215 ft (65.5 m) from 1285 ft (392.7 m) to the end of hole at 1,500 ft (457.2 m), reaching a peak value of 217 ppm lithium from 1365 to 1385 feet. A sharp increase of acidity was noted in several of the last water samples of hole N-2016-1, which Nevada Sunrise interpreted as a potentially fertile leaching environment for the creation of lithium-bearing brines. A third hole up to 2,000 m deep was planned approximately 1 mi (1.6 km) to the east of hole N-2016-1 in an area interpreted from a 2016 geophysical survey to be a potential trap where denser, lithium-bearing brines could migrate and pool.

Geological Setting, Mineralization and Deposit Types

<u>Regional Geology</u>

Clayton Valley is located within the Basin and Range Province in southern Nevada. It is a closed-basin that is fault bounded on the north by the Weepah Hills, the east by Clayton Ridge, the south by the Palmetto Mountains and the west by the Silver Peak Range and Mineral Ridge as shown in Figure 5. The general geology of Clayton Valley is illustrated in Figure 10.

Figure 10: Geologic Map of Clayton Valley and Surrounding Area (Zampirro, 2005)



This area has been the focus of several tectonic and structural investigations because of its position relative to Walker Lane, the Mina Deflection and the Eastern California Shear Zone (McGuire, 2012; Burris, 2013). The basement rock of Clayton Valley consists of late Neoproterozoic to Ordovician carbonate and clastic rocks that were deposited along the ancient western passive margin of North America. During late Paleozoic and Mesozoic orogenies, the region was shortened and subjected to low-grade metamorphism (Oldow et al., 1989; Oldow et al., 2009) and granitoids were emplaced at ca. 155 and 85 Ma. Extension commenced at ca. 16 Ma and has continued to the present, with changes in structural style as documented in the Silver Peak-Lone Mountain Extensional Complex (Oldow et al., 2009; Burris, 2013). A metamorphic core complex just west of Clayton Valley was exhumed from mid-crustal depths during Neogene extension. There is a Quaternary cinder cone and associated basaltic lava flows in the northwest part of the basin.

The basin is bounded to the east by a steep normal fault system toward which basin strata thicken (Davis et al., 1986). These basin-filling strata compose the aquifer system which hosts and produces the lithium-rich brine (Zampirro, 2004; Munk et al., 2011). The north and east parts of Clayton Valley are flanked with Miocene to Pliocene sediments containing multiple primary and reworked volcanic ash deposits within fine-grained clay and silt units.

These deposits are a part of the Esmeralda Formation ("**Fm**") first described by Turner (1900) and later by Stewart (1989) and Stewart and Diamond (1990). The Esmeralda Fm is a sedimentary sequence grading from coal-bearing siltstones, sandstones and conglomerates at the base to fine-grained tuffaceous lacustrine sediments at the top of the section. This formation is primarily mapped in the areas north of Clayton Valley (Stewart and Diamond, 1990) but there are also lacustrine deposits composed primarily of clays and fine-grained sediments with volcanic ash layers on the east side of Clayton Valley described as Esmeralda Fm by Kunasz (1974) and Davis (1981).

Recent work by Burris (2013), aimed at unravelling the tectonic and structural history of the Weepah Hills area to the north of Clayton Valley, reports a series of zircon helium ages for three volcanic-sedimentary depositional units from the upper plate in the Weepah Hills area. These are considered eruptive ages and include the Lone Mountain (23-18 Ma) unit, the Esmeralda Fm (12-10 Ma), and the Alum Mine Fm (10-6 Ma). Ongoing work by Munk (personal communication) includes efforts to date volcanic-sedimentary units from the east side of the basin as well as from downhole samples in order to further understand the depositional history of these units and possible correlation with surface outcrops.

Multiple wetting and drying periods during the Pleistocene resulted in the formation of lacustrine deposits, salt beds, and lithium-rich brines in the Clayton Valley basin. The Late Miocene to Pliocene tuffaceous lacustrine facies of the Esmeralda Fm contain up to 1,300 ppm lithium and an average of 100 ppm lithium (Kunasz, 1974; Davis and Vine, 1979). Hectorite (lithium bearing smectite) in the surface playa sediments contains from 350 to 1,171 ppm lithium (Kunasz, 1974).

Recent work by Morissette (2012) confirms elevated lithium concentrations in hectorite in the range of 160-910 ppm from samples collected on the northeast side of Clayton Valley. Miocene silicic tuffs and rhyolites along the basin's eastern flank have lithium concentrations up to 228 ppm (Price et al., 2000).

Prior to development of the brine resource in Clayton Valley, a salt flat and brine pool existed in the northern part of the basin. Groundwater pumping has eliminated the surface brine pool. The presence of travertine deposits which occur in the northeast part of the valley, as well as the west and central parts of the valley, are also evidence of past hot spring activity on the valley floor. At the base of Paymaster Canyon, gravity and seismic surveys have been used to map the Weepah Hills detachment fault but also reveal the presence of tufa at depth coincident with a geothermal anomaly (McGuire, 2012). This area and another just north of the town of Silver Peak are underlain by aquifers that contain hot water (~50-60°C) and approximately 40 ppm lithium (Munk, personal communication). Hot spring deposits in these locations and others in the basin have also been mapped by Hulen (2008).

DMW Property Geology

The surface geology of the Property consists two major quaternary fan complexes that emanate from the Silver Peak Range (Charles Watson, personnel communication).The alluvial fans start high in the mountains of the Silver Peak Range and cascade through two principal canyons, the northern Nivloc fan and southern Sunshine fan. The Nivloc fan receives more sedimentary material than the Sunshine fan.

The upper slopes of the alluvial fans contain boulders the size of cars and are highly dissected and deeply entrenched. The lower slopes are gently sloping and typically fine-grained with gravels and pebbles. The distal parts sometimes contain pebbles and cobbles stringers, which are related to the more vigorous flooding events. Both the Nivloc and Sunshine fans appear unweathered with sparse vegetation. Fan material is light brown or tan versus the dark chocolate-brown to black of the desert varnish-coated fan surfaces. The fans appear to be multi-generational, as reported in deposits across the valley.

Foy et al. (2016) mapped a portion of southeast Clayton Valley, and characterized the alluvium into eight age-dated and two undated Quaternary units. Undivided bedrock, consisting of sandstone, shale, marl, conglomerate, and breccia and white volcanic ash deposits of unknown age, were mapped through portions of the valley, some of which also appear to have been deformed by earlier Cenozoic faults. Mapped faults in the alluvium indicates that active faulting in the area continues.

There is no Miocene Esmeralda Fm exposed on the claims but the abrupt absence of the Esmeralda Fm siltstones, clays and altered tuffs to the north of the DMW claims suggests that they are buried beneath the large alluvial fans on the claims.

Lithium mineralization in Clayton Valley occurs as lithium rich brine in Pleistocene lake sediments and in older uplifted Esmeralda Fm lacustrine clays, ash and tuffs. Both occurrences are applicable to DMW.

Brine Mineralization

Lithium mineralization is present within the finer-grained clastic sediments and ash/tuff layers that were deposited as part of a Pleistocene lake. Zampirro (2005) noted that these sediments are typically found in the eastern half of the elongated Clayton Valley. The mineralization is present as a series of aquifers that contain brines with varying concentrations of lithium. Where data exist, they tend to show that the aquifers are closer to the surface in the northern part of Clayton Valley, and that they deepen in the southern half, as the total thickness of the basin increases to the south, as does the thickness of the overlying alluvial sediments which do not contain mineralization.

Deposit Types

Lithium is found in five main types of deposits: pegmatites, continental brines, clays, oil well field brines, and lithium-borate evaporites. Continental brines, the best potential exploration target on the DMW claims, are found in Clayton Valley.

Continental Brines

Lithium brine deposit models have been discussed by Houston et al. (2011), Bradley et al. (2013) and more extensively by Munk et al. (2016). Houston et al. (2011) classified the salars in the Altiplano-Puna region of the Central Andes, South America in terms of two end members, “immature clastic” or “mature halite,” primarily using (1) the relative amount of clastic versus evaporate sediment; (2) climatic and tectonic influences, as related to altitude and latitude; and (3) basic hydrology, which controls the influx of fresh water. The immature classification refers to basins that generally occur at higher (wetter) elevations in the north and east of the region, contain alternating clastic and evaporite sedimentary sequences dominated by gypsum, have recycled salts, and a general low abundance of halite. Mature refers to salars in arid to hyperarid climates, which occur in the lower elevations of the region, reach halite saturation, and have intercalated clay and silt and/or volcanic deposits. An important point made by

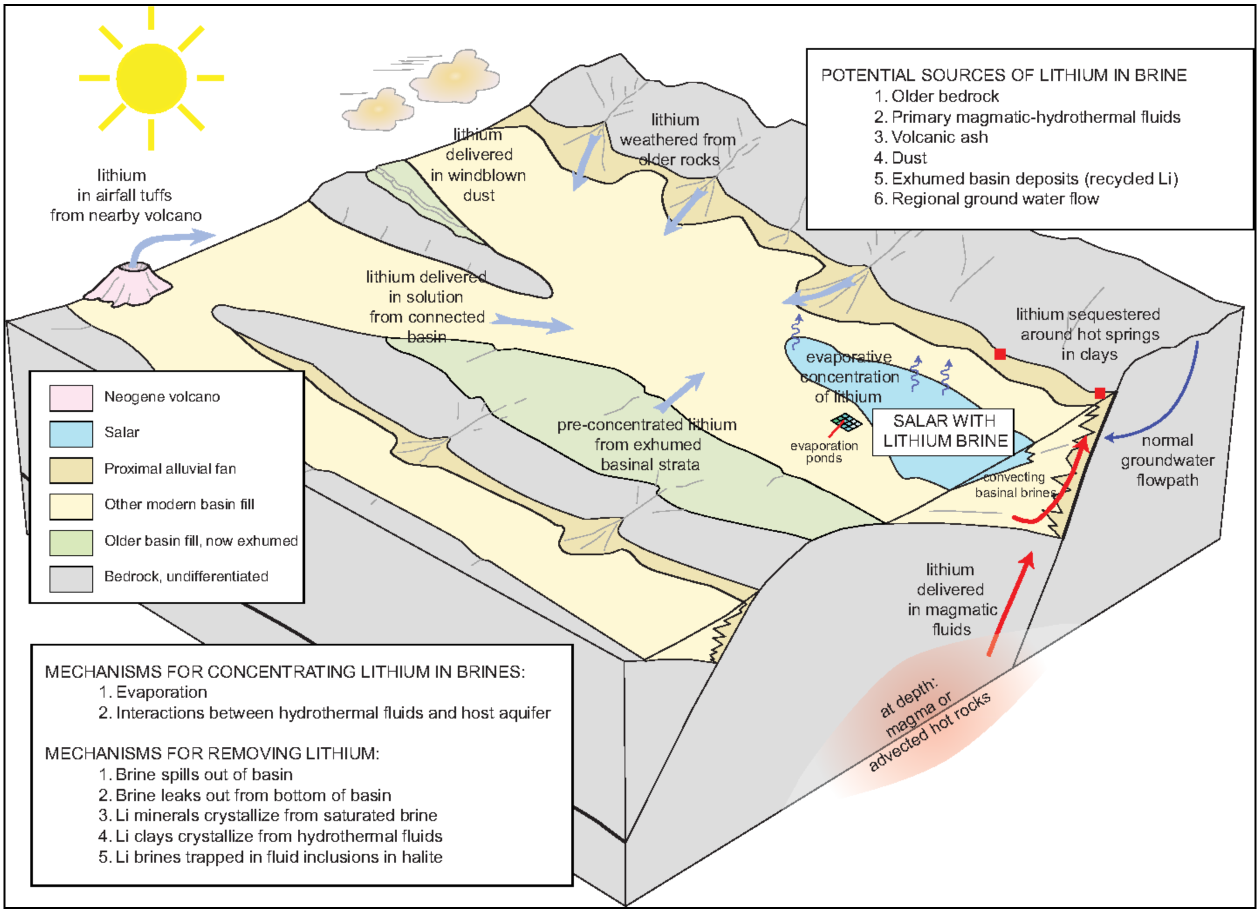
Houston et al. (2011) is the relative significance of aquifer permeability which is controlled by the geological and geochemical composition of the aquifers. For example, immature salars may contain large volumes of easily extractable lithium rich brines simply because they are comprised of a mixture of clastic and evaporite aquifer materials that have higher porosity and permeability. The Salar de Atacama could be classified as a mature salar whereas the Clayton Valley salar has characteristics more like an immature salar.

Continental brines are the primary source of lithium products worldwide. Bradley et al. (2013) noted that "all producing lithium brine deposits share a number of first-order characteristics: (1) arid climate; (2) closed basin containing a playa or salar; (3) tectonically driven subsidence; (4) associated igneous or geothermal activity; (5) suitable lithium source-rocks; (6) one or more adequate aquifers; and (7) sufficient time to concentrate a brine."

The lithium brine geochemistry and composition were first investigated by Davis and Vine (1979), Davis et al. (1986), Munk et al. (2011) and Jochens and Munk (2011). A model for continental Li-rich brine systems was proposed by Munk et al. (2016), which described six common characteristics that provide clues to deposit genesis while also serving as exploration guidelines (Figure 11). They are: (1) arid climate; (2) closed basin containing a salar (salt crust), a salt lake, or both; (3) associated igneous and/or geothermal activity; (4) tectonically driven subsidence; (5) suitable lithium sources; and (6) sufficient time to concentrate brine. In general, the brines from the north part of Clayton Valley are Na-Cl in composition and have lithium concentrations in the range of 60-400 mg/L Li.

The lithium atom does not readily form evaporite minerals, remains in solution and concentrates to high levels, reaching 4,000 ppm at Salar de Atacama. Large deposits are mined in the Salar de Atacama, Chile (SQM and Albemarle), Salar de Hombre Muerto, Argentina (Livent Corporation, formerly FMC) and Clayton Valley, Nevada (Albemarle), the only North American producer. Pure Energy Minerals Limited ("**Pure Energy**") has a lithium brine property south of Abermarle's Silver Peak Operation that is being advanced toward production and is at the pilot plant stage.

Figure 11. Continental Lithium Brine Formation (L. Munk at al., 2016)



Clay Mineralization

Li-bearing sediments have been recognized in Clayton Valley for some time in uplifted paleo Miocene Esmeralda Fm lacustrine clays, ash and tuffs. Kunasz (1974) reported up to 623 ppm lithium in a sequence of altered volcanic ashes on the east side of Clayton Valley with a bulk lithium concentration ranging from 496-2,740 ppm. Morissette (2012) measured lithium concentration in the clay size fraction from samples collected in the upper member of the Esmeralda Fm in the range of 1,140-4,950 ppm for six samples, whereas Kunasz (1974) reports up to 140 mg/L water soluble lithium from the clay-sized fraction in the Esmeralda Fm on the east side of the basin.

Recent exploration programs by several companies on the east side of Clayton Valley have confirmed the lithium content of the Esmeralda Fm. Noram Ventures reports an Inferred Mineral Resource of 330 million metric tonnes at a grade of 858 ppm Li using a cut-off grade of 300 ppm Li (Peek and Barrie, 2019). Spearmint Resources Inc. published a maiden resource estimate includes a Indicated Mineral Resource of 196 million indicated metric tons at a grade of 781 ppm Li and Inferred Mineral Resource of 44 million inferred metric tons at a grade of 808 ppm Li, using a cut-off grade of 400 ppm Li (Press release, June 11, 2021). Cypress Development Corp. ("**Cypress**") issued a NI 43-101 Prefeasibility Study that reported an Indicated Mineral Resource of 1,204 million metric tonnes averaging 904 ppm Li and an Inferred Mineral Resource of 236 million metric tonnes averaging 760 ppm Li (Fayram et al., 2020).

Exploration

<u>Soil Sample Survey</u>

Advanced Geologic conducted a detailed soil sampling survey across the Property in early June to May of 2021 (Watson, 2021) to determine if near surface lithium was due to tectonic controls that may have acted as brine conduits. The sample locations followed claim boundaries in the north part of the claim block and scattered in various locations in the south block. A few samples were taken in selected locations to accentuate any geochemical mani-festations of implied tectonic subsurface features. Sample DWS S-1 was taken from claystone exposed in a 128-foot-deep cattle watering hole cut. 142 samples were obtained from alluvial fans as shown in Figure 12.

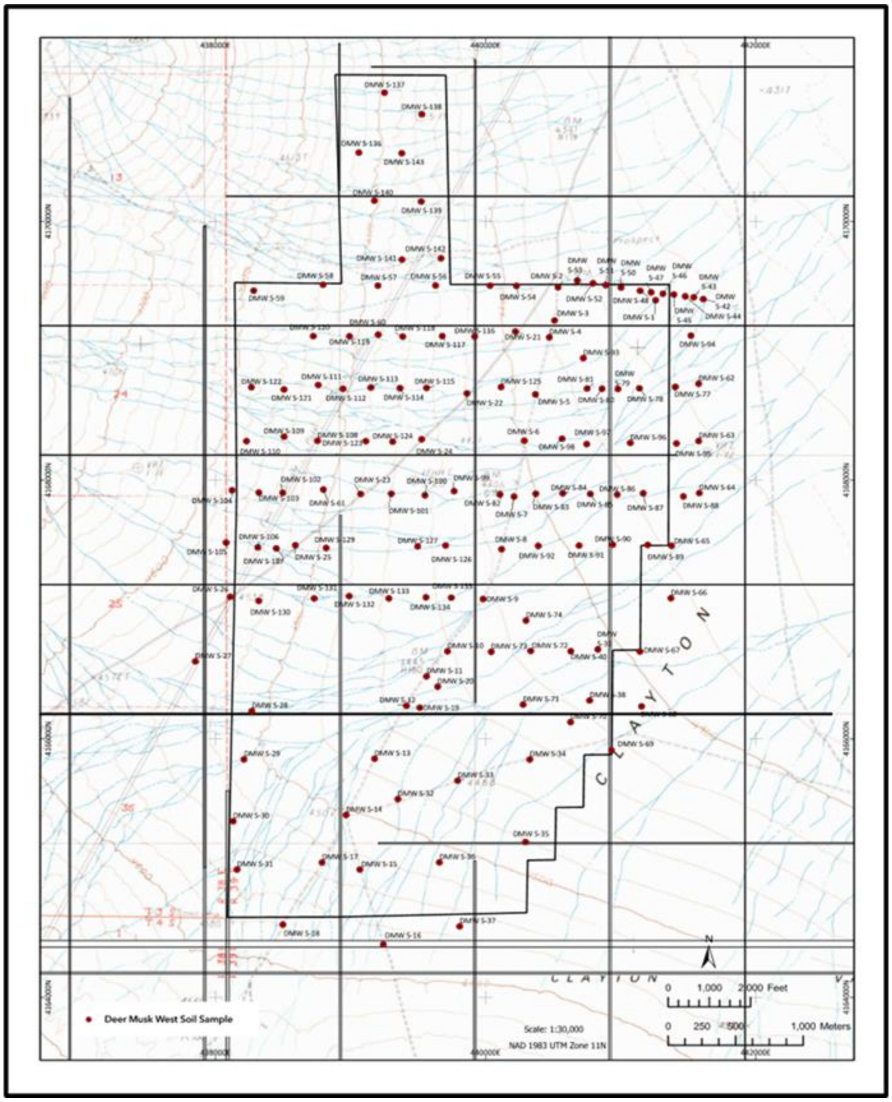
Soil Sample Types

The soils varied across the site and can be generally classified in two groups, upland soils and distal soils (Watson, 2021). The upland soils are found on the upper alluvial fans. Soils here are older, very rocky and shallow with poorly developed soil horizons. Distal soils develop on the fine-grained distal, or lower, portions of the alluvial fans and are poorly developed, occasionally exhibiting lacustrine inundations. The distal soils are also poorly developed.

Field Sample Collection

Distal soil samples were obtained with a powered auger and 6-inch diameter by 36-inch-long shaft to a depth of 10 and 20 inches. Upland soils were sampled from pits dug with a prybar and shovel. A few samples were taken from deeply dug drainage ditches along the access roads and were 36 – 48 inches below grade (Figure 11). The samples were screened to minus 30 mesh and placed in prelabeled Ziplock sample bags. Sample points were labeled with survey flags were tied to nearby brush and GPS data points were logged. Samples notes were taken for general sampling references. Collected samples were stored at the Advanced Geologic field warehouse until work completion and then taken to the Advanced Geologic corporate office in Chester, CA, where they were sorted, and cataloged.

Figure 12. Soil Sample Locations on the DMW Claims (Watson, 2021, Figure 16)



Geophysical Surveys

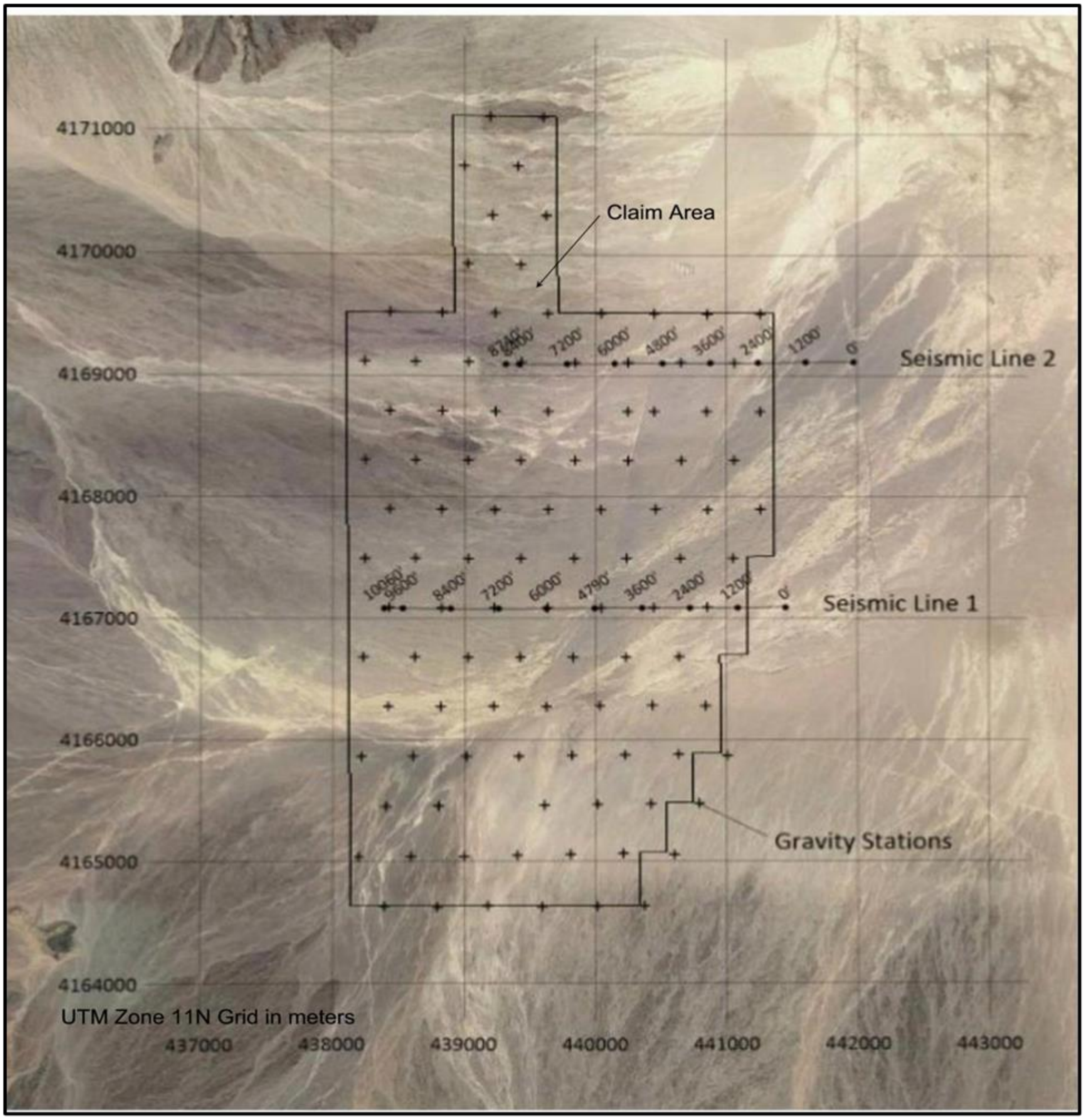
Gravity and seismic reflection surveys were completed on the Property from April 22 to May 27, 2021 by Advanced Geoscience, Inc. ("**AGI**"). Positioning of the seismic survey lines and gravity stations were established by Advanced Geologic.

Seismic Survey

The seismic reflection and refraction data were recorded by AGI along the two parallel east-west survey lines (Figure 14), which were positioned across the expected trend of the north-northeast basin faulting. Line 1 was positioned along a 1.9-mile (3 km) traverse, and Line 2 was positioned along a 1.7-mile (2.75 km) traverse.

AGI used a Seistronix, Ltd. EX-6, 144-channel data recording system to record the seismic data. The EX-6 system was connected to multiple, overlapping 126-channel geophone receiver arrays ("spreads") set up along Lines 1 and 2. Each geophone spread consisted of 40-Hertz (lower, ramped cut-off frequency) geophones spaced 20-feet apart. A truck-mounted 200-pound accelerated weightdrop (AWD) was used to generate the seismic waves. The AWD used back pressure from a nitrogen gas cylinder to impact a metal plate held to the ground by the rear weight of the truck. Several impacts were made at each source point and the recordings from each impact were summed together to increase the amplitude of reflections and attenuate random noise from stronger wind gusts.

Figure 14. Seismic and Gravity Survey Locations on the DMW Claims (Olson, 2021, Figure 1)



The seismic data recorded from these was used to prepare the seismic refraction and reflection profiles displayed in Figures 15 to 17. Figure 15 shows the seismic refraction subsurface velocity profiles derived from the first arrival times for refracted waves traveling through strata lines below Lines 1 and 2. The base of the Quaternary unit on these profiles is interpreted to be near the 5,000 ft/sec velocity contour line (highlighed in yellow).

The refraction velocities shown on Figure 15 are lower at the surface in the range of 2,000 ft/sec, and then increase with depth as the sediments become more compact. The velocity greater than 5,000 ft/sec represents a more competent lithology which is interpreted by the geophysicist to be the top of the Tertiary lacustrine sediments. The velocities remain above 6,000 ft/sec to greater depths.

This interface between the Quaternary and upper Tertiary sediments is also observed as a strong seismic reflection on Figures 16 and 17, shown as the magenta lines. Alternatively, the stronger-amplitude of the reflection pattern may also be associated with an air-fall tuffaceous unit or evaporite deposits.

The seismic reflection depth profiles in Figures 16 and 17 show the thickness and structure of various key lithologic units beneath the claim area. The Quaternary alluvial/lacustrine section transition to the underlying Tertiary sediments, likely the Esmeralda Fm, is demarked in magenta, and the base of the Tertiary sediments is shown as a blue trace.

These seismic profiles also show numerous sub-vertical faults that extend upward into the Tertiary sediments. Interpretation of the fault trends is discussed in the Interpretations section below.

Figure 15. Seismic Refraction Velocity Profiles for the DMW Claims

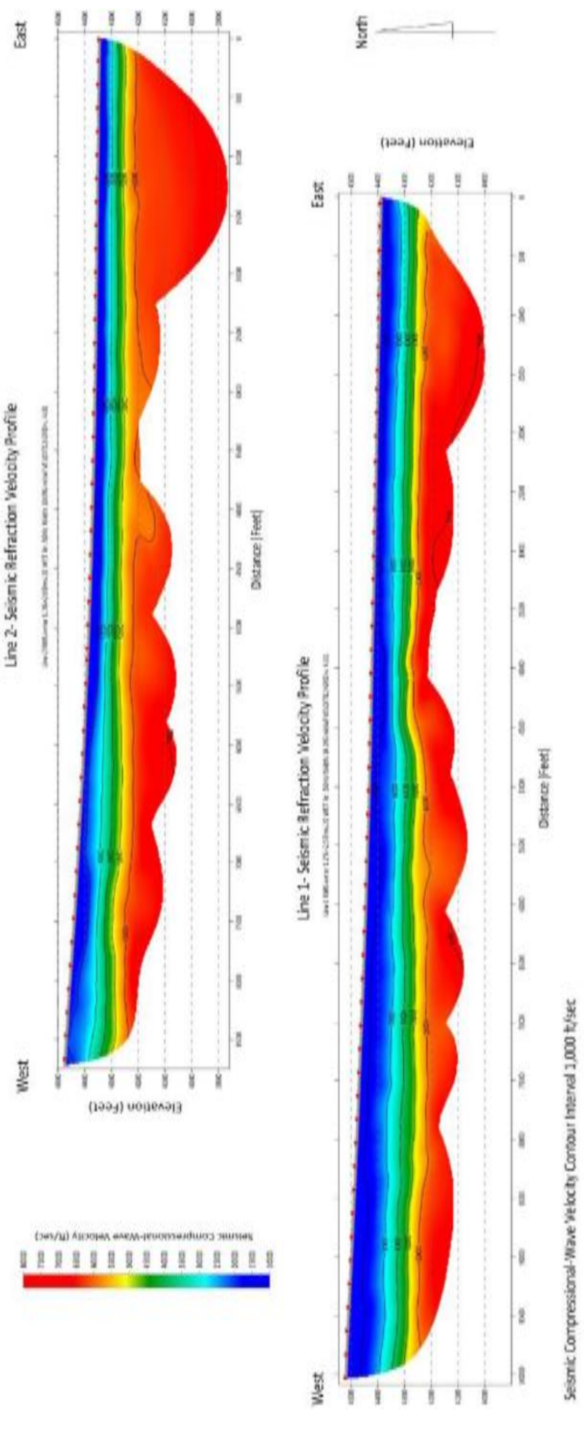


Figure 16. Line 1 Seismic Reflection Depth Profile, DMW Claims

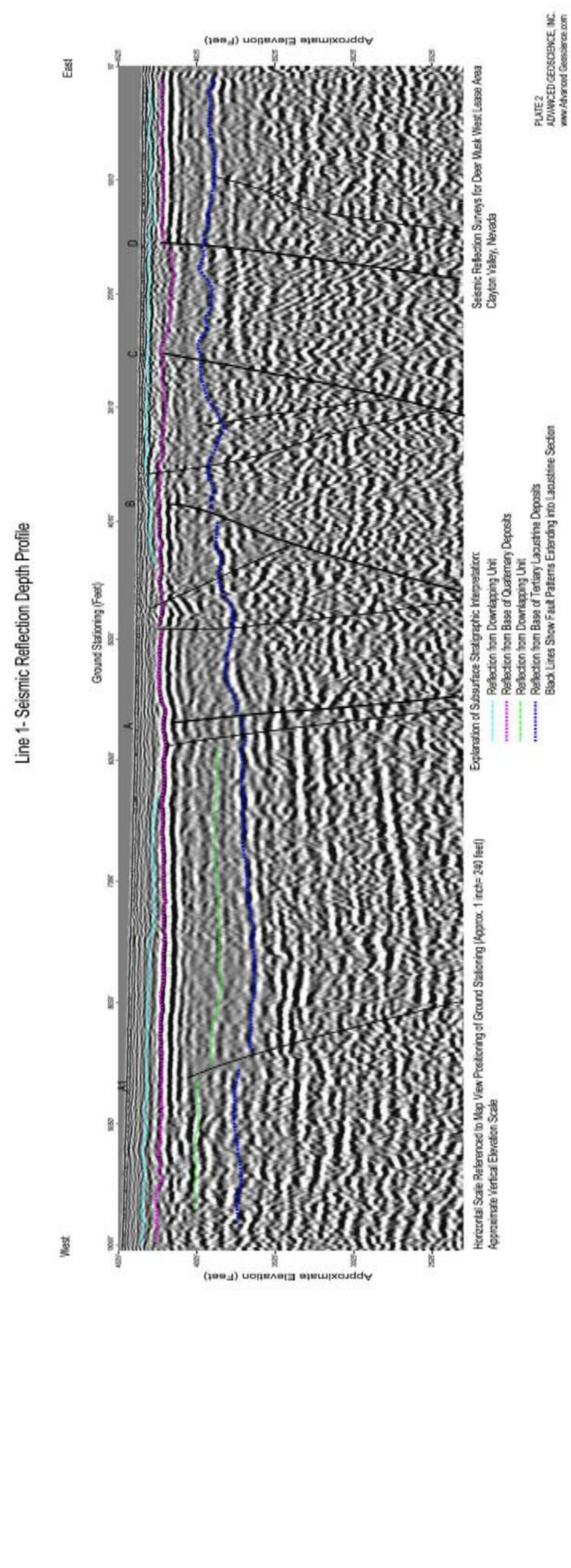
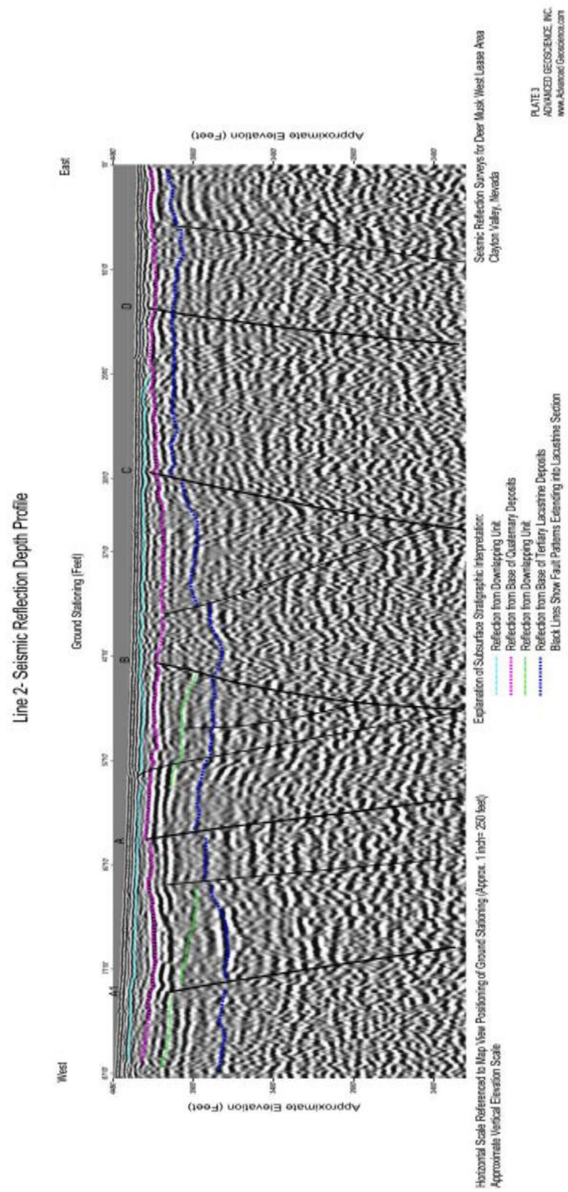


Figure 17. Line 2 Seismic Reflection Depth Profile, DMW Claims (Olsen, 2021, Plate 3)

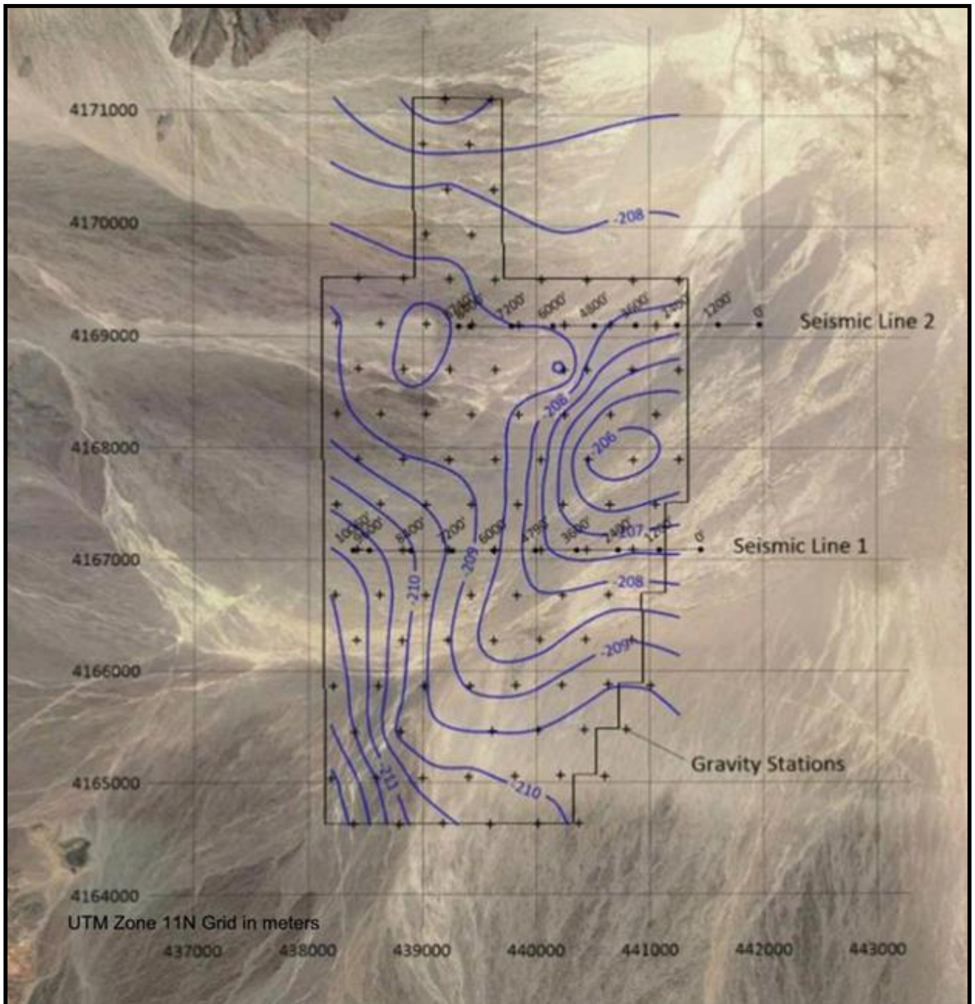


Gravity Survey

The gravity survey was performed by Advanced Geologic and AGI at 105 gravity stations set up across the claim area (Figure 14). AGI supervised the data collection and completed the data processing and mapping to prepare the Bouguer Anomaly gravity map for the claim area shown in Figure 18.

An L&R Aliod G Gravity Meter was used to measure the relative gravity field at each station. The measurements were made across various looped patterns of gravity stations during 2 to 3-hour periods to make beginning and ending measurements at a local base station set up within each loop. This “looping” procedure was later used to remove gravity meter instrument drift and tidal variations from the gravity measurements. At each station the time of the gravity measurement was recorded together with the GPS latitude, longitude, and elevation.

Figure 18. Google Earth Photo showing Bouguer Gravity Variations on the DMW Claims (Olson, 2021, Figure 2)



Google Earth Map Showing Contour Map of Bouguer Anomaly Gravity Variations
Deer Musk West Claim Area Clayton Valley, Nevada

Drilling

The Property is an early-stage exploration project and no drilling has taken place.

Sample Preparation, Analysis and Data Verification

<u>Sample Preparation</u>

Advanced Geologic prepared a list of the 160 soil samples and randomly integrated nine standards and nine blanks. These samples, labeled DMW S-A or DMW S-B, respectively, were obtained from Moment Exploration Services, Inc. of Elko, Nevada. The samples were delivered by Advanced Geologic personnel to ALS Laboratories in Reno, Nevada, which is an ISO-17025 accredited laboratory.

ALS processed all of the soil samples using its PREP-31 protocol:

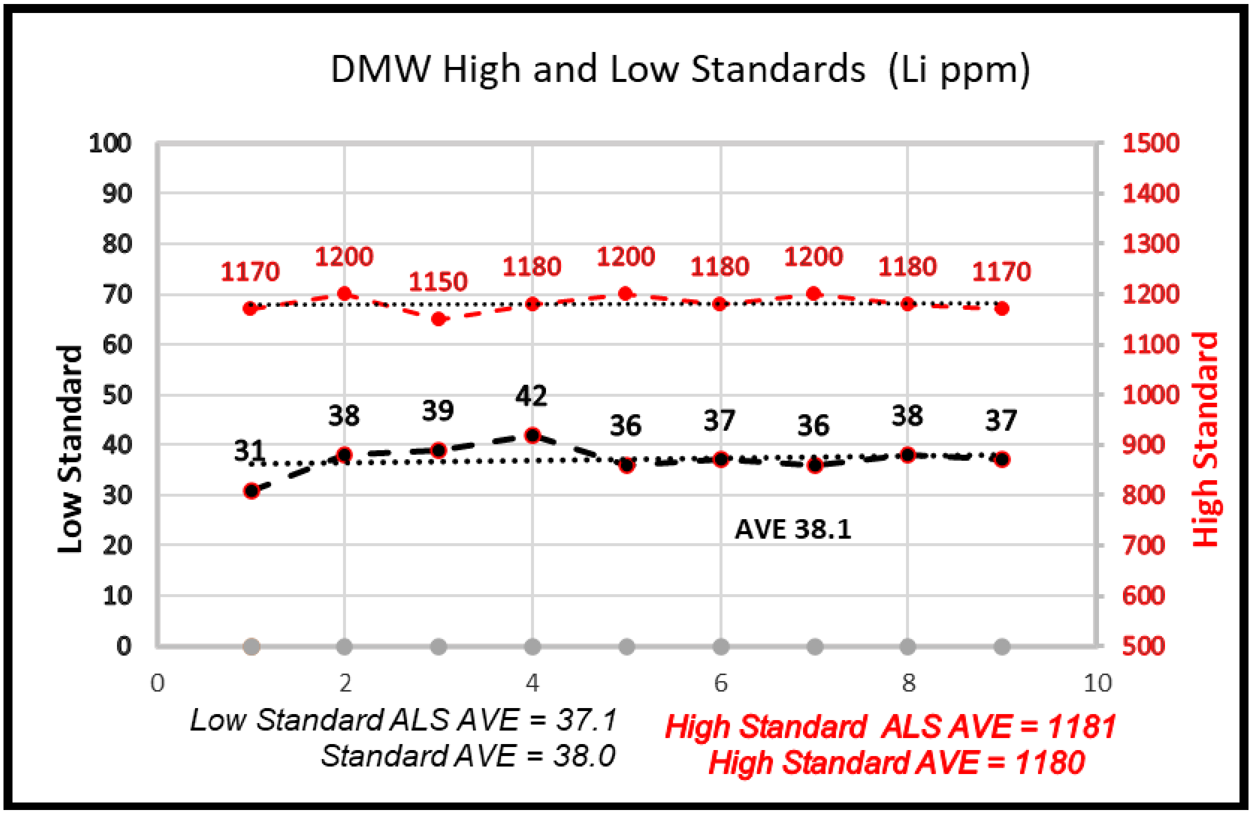
- crush to 70% less than 2mm.
- riffle split off 250 grams and pulverize.
- split to better than 85% passing 75 microns.

Each sample was then analyzed using ALS's ME-MS61 protocol which uses a four acid and MS-ICP technologies. All samples were analyzed for 48 elements.

Standard Analyses

The lithium results for the blanks and standards are shown in Figure 19. The lithium standard and blank averaged 1181 ppm Li and 38 ppm Li, respectively, and correspond accurately to the Certificates of Analysis (Shea Clark Smith/MEG, Inc.) standards.

Figure 19. Results of Standard and Blank Analyses



Mineral Processing and Metallurgical Testing

The Property is in the early stages of exploration and no mineral processing or metallurgical testing has been performed.

Mineral Resource Estimates

The Property is in the early stages of exploration and no resource estimates have been completed.

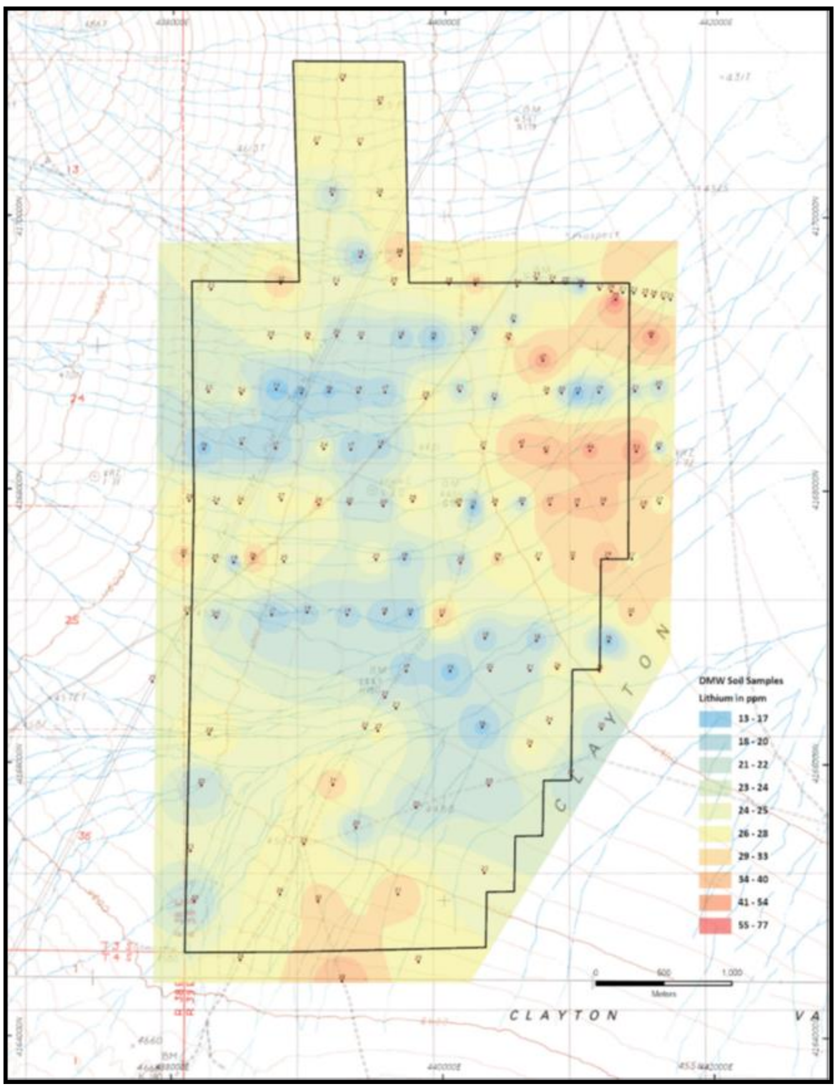
Interpretation and Conclusions

Soil Sample Results

The lithium assay results from the soils were contoured using an ArcGIS Pro software, which used a dynamic numbering (IDW - inverse distance weighted) system of contours based upon the undulations of the values (Figure 21). All of the samples had measurable lithium, which ranged from 13-77 ppm. The highest value was in a sample taken in lacustrine sediments 8 feet below grade in a bulldozer cut livestock watering hole.

The lowest concentrations (13-20 ppm Li) form a southeast-northwest trend through the center of the claims. The low corresponds to a gravity low through this portion of the claims. Higher values (34-45 ppm Li) cluster to the northeast and south edge of the claims. Of note is the fact that the highest lithium sample values overlie a gravity high in the northeast section of the claims, and are found in the proximity of several underlying faults found in the seismic reflection data.

Figure 21. Contour Map of Soil Sample Lithium Values, DMW Claims (Watson, 2021, Figure 22)

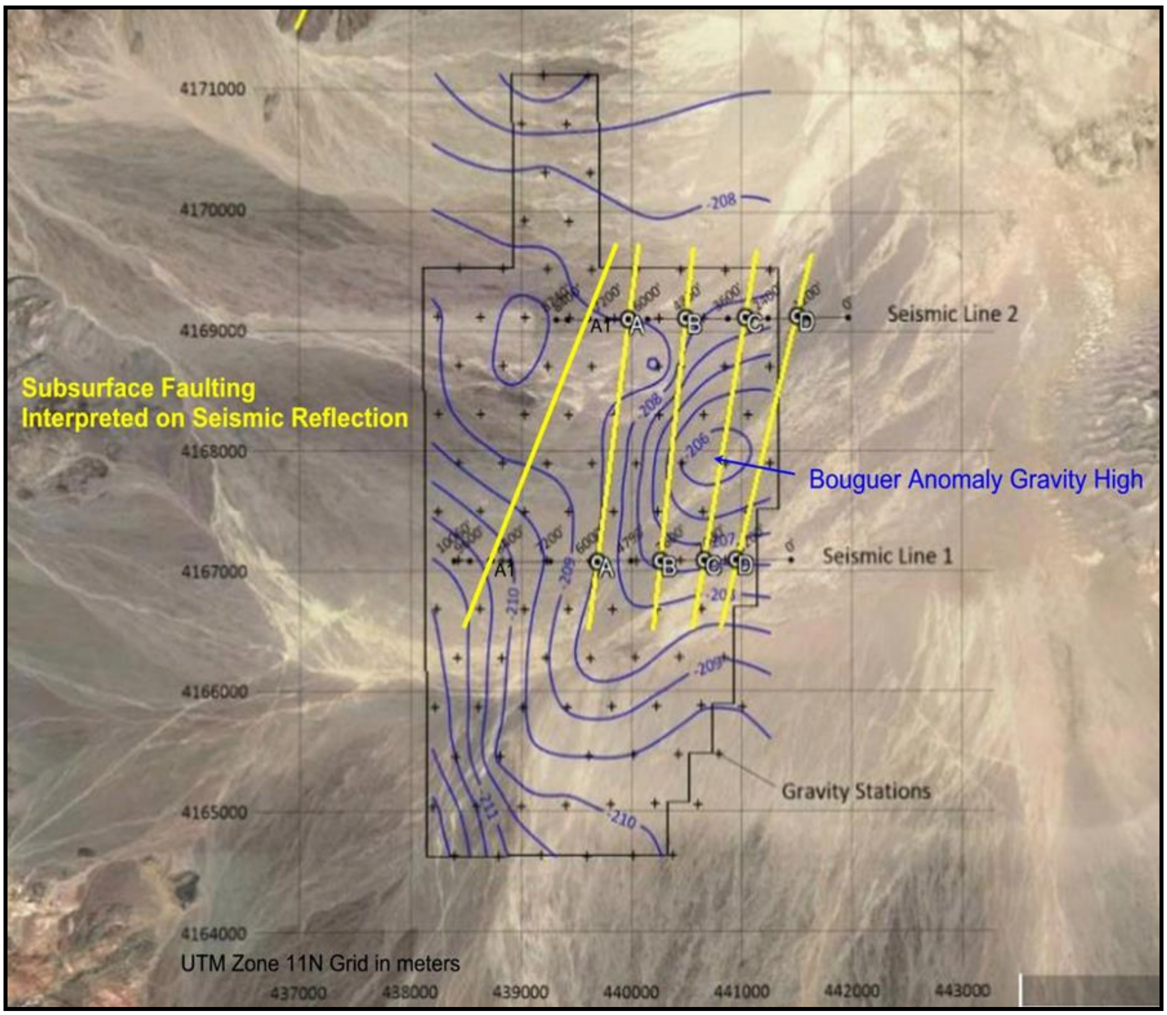


Geophysical Survey Analyses

Bouger Gravity Map

The Bouguer gravity map shows a “gravity high” underlying the northeast portion of the claims area and a decreased gravity area to the west (Figure 22). The lateral decrease in Bouguer gravity to the west indicates a decrease in subsurface density, such as thickening of the Quaternary/Tertiary section (Olson, 2021). Consequently, there is a thinning of the Quaternary/Tertiary section to the east. This interpreted lithologic structure is also shown on the seismic reflection profiles.

Figure 22. Bouguer Gravity Contours with Surface Projections of Fault Interpretation (Olson, 2021, Figure 3)

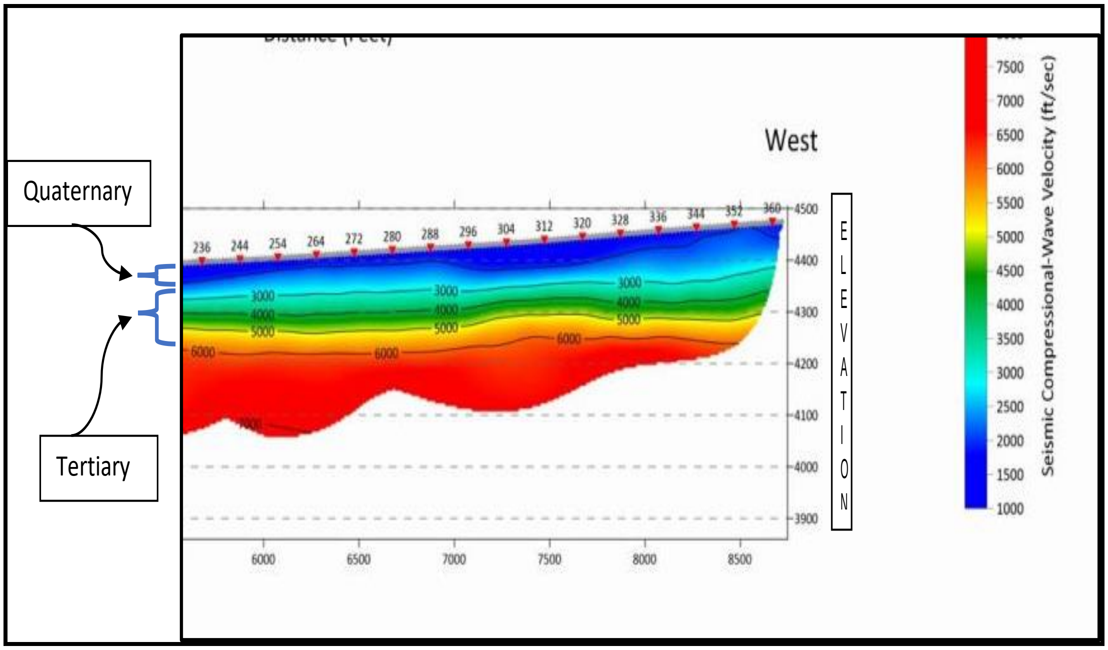


Seismic Velocity Profiles

AGI’s interpretation of the seismic refraction velocity profiles identified the contact between the Quaternary alluvial/lacustrine sediments (blue to green) and the underlying Tertiary Esmeralda Fm lacustrine sediments (yellow to red), starting at the 5000 ft/sec contour line shown in Figure 23.

Inspection of Figure 16 shows that the depth to the 5,000-ft/sec line occurs at 220 ft to 180 ft (67 m to 55 m) at the west ends of Lines 1 and 2, respectively, and 130 ft to 90 ft (39 m to 27 m) at the east ends of the respective lines.

Figure 23. Blowup of a Portion of Seismic Refraction Line 2 for Clarity of Quaternary and Tertiary Units



Seismic Reflection Profiles

The transition from the Quaternary sediments to the Tertiary unit is demarked on a blowup of the seismic reflection profile of Figure 24 with the magenta line where a strong reflection is observed. As stated by AGI, this transition likely indicates the presence of the upper Tertiary lacustrine section or perhaps the surface of an airfall tuffaceous unit or evaporite unit. For either interpretation, it is reasonable to surmise that this interface is the top of the Esmeralda Fm.

AGI's interpretation of the seismic reflection profiles delineates both the base of the Quaternary sequence (marked magenta) and the base of the upper Tertiary sedimentary sequence (marked blue). This interpretation was based on stronger amplitude reflections between the horizons and seismic stratigraphy observed within the Tertiary section.

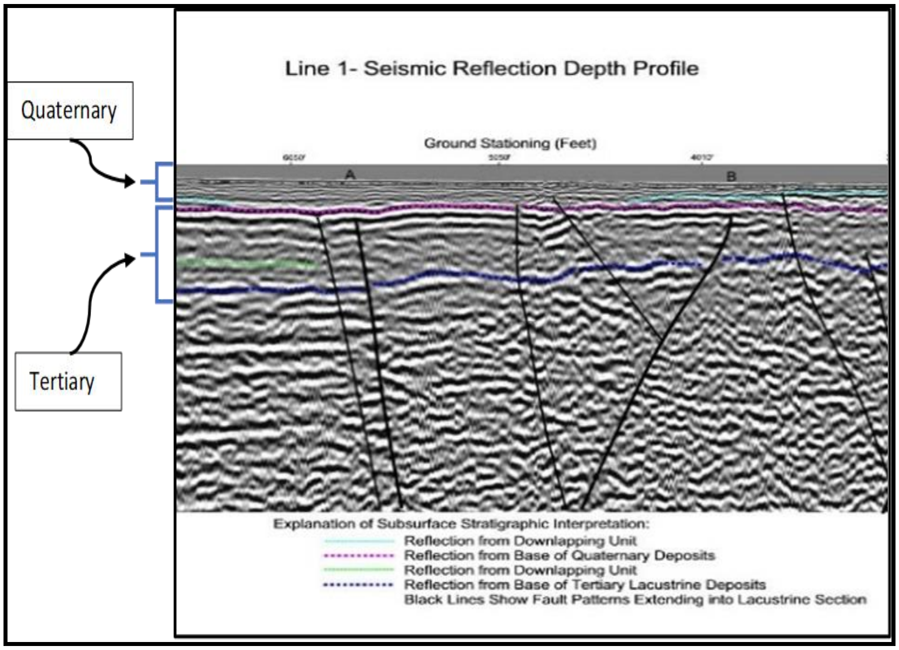
Based on inspection and measurement of Figures 16 and 17, the Quaternary base/Tertiary top occurs at depths from 225 ft to 200 ft (69 m to 61 m) on the west ends of Lines 1 and 2, respectively, to 144 ft to 115 ft (44 m to 35 m) on the east ends of the respective lines. For Line 2, the Quaternary base occurs as shallow as 100 ft (30 m) at the extreme east end. This is slightly deeper than the anticipated depths based on the seismic refraction velocity profiles.

Further inspection of Figures 17 and 18, shows the depth to the Tertiary base occurs at from 800 ft to 665 ft (244 m to 203 m) on the west ends of Lines 1 and 2, respectively, to 450 ft to 248 ft (137 m to 75 m) on the east ends of the respective lines. For Line 2, the Tertiary base occurs as shallow as 210 ft (64 m) at the extreme east end.

These seismic profiles show that the thicknesses of both the Quaternary interval and upper Tertiary interval are thinnest to the east and thicken to the west. By difference, the thickness of the Tertiary lacustrine sediments ranges from 575 ft to 465 ft (175 m to 142 m) on the west ends of Lines 1 and 2, respectively, to 306 ft to 133 ft (93 m to 40 m) on the east ends of the respective lines. For Line 2, the Tertiary thickness occurs as thin as 110 ft (34 m) at the extreme east end.

The Tertiary section tends to be thicker along Line 1 to the south, compared to Line 2 to the north. Also, the Tertiary section is thicker to the west and thins to the east. Between the west and east end of the seismic lines there are variations in thickness within the fault blocks marked on the sections of Figures 16 and 17 and as shown in plan-view on Figure 22.

Figure 24. Blowup of a Portion of Seismic Reflection Line 1 for Clarity of Quaternary and Tertiary Units



Geophysical Summary

As discussed above, the thicknesses of the Quaternary and Tertiary lacustrine sections appear to be greater in the southwest part of the claim area. This is shown by the increased thickness of these sections on the west part of Lines 1 and 2 and the increased thicknesses for Line 1 compared to Line 2.

This observation based on analysis of the seismic survey agrees with the gravity survey results. It is noted that a lateral decrease in Bouguer gravity towards more negative values indicates a decrease in subsurface density, such as a thickening of the Quaternary/Tertiary section. The Bouguer gravity contour lines shown on Figure 19 show more negative values in the western and southern areas.

As shown in Figure 22 based on higher gravity values which indicates a lateral increase in subsurface density and thinner sedimentary sequence, the thickness of the Tertiary lacustrine section decreases on the east side of the claim area, between Lines 1 and 2, and beneath the Bouguer anomaly “gravity high” shown the figure 3. This thinning to the northeast is also demonstrated on the east side of seismic Line 2 (Figure 18) where the blue reflection is near the ground surface and close to the magenta reflection. As discussed by AGI, the Tertiary lacustrine section in this area is probably 100 feet (30 m) thick and may be less thickness further east and perhaps absent.

The mapped trends of the fault patterns labeled A1 through D are shown in Figure 22. This north-northeast trend is consistent with Davis and Vine’s (1979) general fault trend of north 20 to 40 degrees east. This trend is also consistent with the orientation of possible fault lineaments shown to the north in Figure 22. It is also noted that this mapped fault pattern occurs where there are some shifts in the alluvial fan drainage patterns to the west. This shifted drainage pattern indicates that the faulting beneath Lines 1 and 2 shows recent age movement with a strike-slip component, although not indicated by the geophysics.

It should also be noted the DMW geophysical data corresponds to and ties in nicely with the previous geophysical survey on Nevada Sunrise's Neptune project, adjacent to and east of the DMW claims (see Figure 8). The gravity low under the southwest sector of DMW flows into an even deeper low further southwest within the Neptune property. Drilling and soil sampling in this area encountered between 215-17 ppm Li from 1,285 ft (392.7 m) to the end of hole at 1,500 ft (457.2 m).

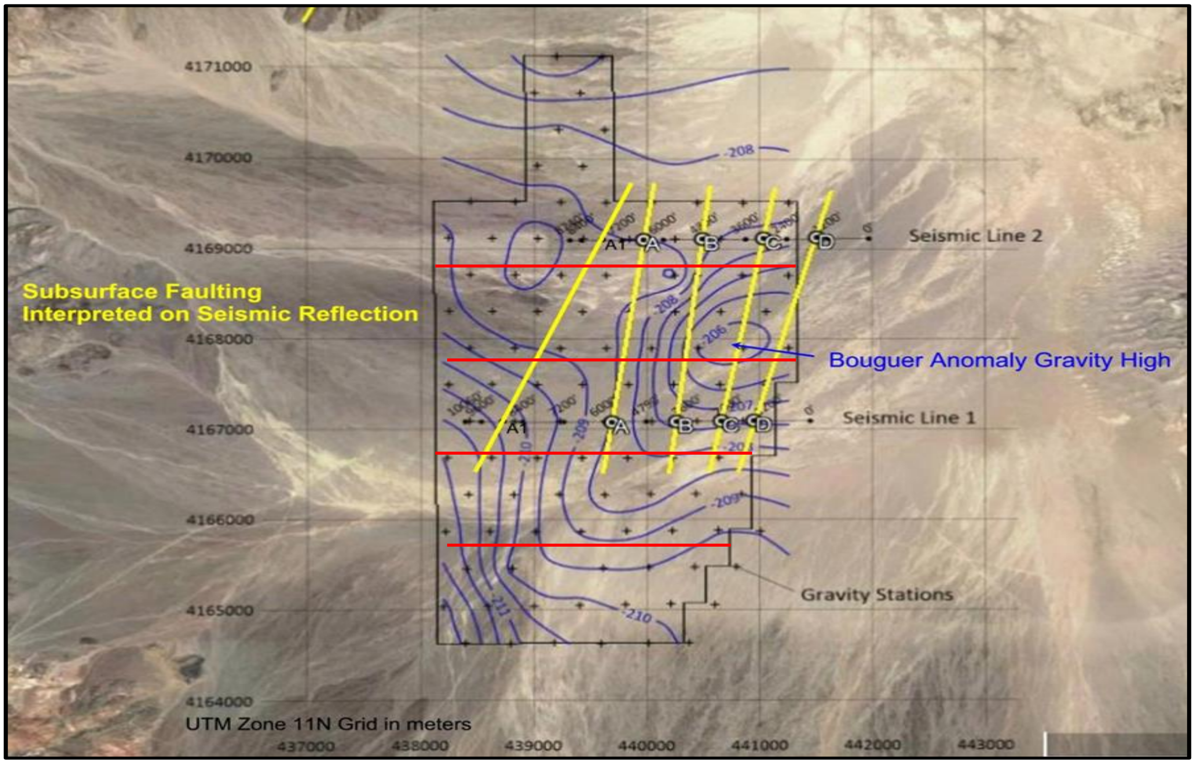
Recommendations

The soil and geophysical surveys have defined Quaternary strata, approximately 100-125 feet (30-60 m) in thickness and Tertiary strata 110-175 feet (34-175 m) in thickness. Both units thicken to the west and thin to the east, perhaps due to an uplifted near surface fault block to the northeast of the claims as field evidence indicates, especially the occurrence of near surface claystone in the northeast corner of the tract. Numerous subvertical north-trending faults have been identified under the Property and appear, from the geophysical interpretation, to form subbasins. Nevada's gravity survey (Allender, 2011) identified faults along the western edge of the Property. Clayton Valley is reportedly deepest in the south (Zampirro, 2005). Field work by Foy et al. (2020) indicates that numerous small-scale faults in the Quaternary alluvial deposits at this end of the valley are active. Additionally, faults contribute to the movement and entrapment of lithium brines in the south end of the valley (Kunasz, 1974).

A hybrid-source audio magnetotellurics (HCSAMT) geophysical survey is recommended for the next phase of exploration. This technique provides better two-dimensional, non-biased data when a non-polarized transmitter is used (e.g., Geometrics Geode EM3D instrument with a 0.1 hertz to 20 kilohertz recording range. Hasbrouck Geophysics, personal communication). The proposed 4-line, 12 km survey (Figure 25) will determine if brine sources exist at depth and, in conjunction with existing geological information, provide additional information for siting clay and brine exploration drilling on the Property. The HSAMT survey will cost approximately US$100,000 for mobilization, station layout, data collection, interpretation and a report. This includes:

Item	Cost (US$)
Survey preparation	2,000
Mobilization/demobilization	4,000
Equipment lease/shipping	11,000
Field layout	55,000
Supervision	10,000
Data processing	15,000
Report	3,000

Figure 25. Proposed HSAMT Survey Lines (Red)



USE OF AVAILABLE FUNDS

This is a non-offering prospectus. The Company is not raising any funds in conjunction with this Prospectus. Accordingly, there are no proceeds to Nova in connection with the filing of this Prospectus.

Available Funds

As at June 30, 2022, the Company had working capital of approximately $305,000.

The Company estimates that it will require the following funds to conduct its plan of operations over the next 12 months.

Principal Purpose	Amount ($)
Completion of work program on the Property	128,700 [1]
Consulting fees	36,000 [2]
Professional fees (including audit, accounting and legal)	50,000
Transfer agent fees	10,000
Filing and regulatory expenses	25,000
Office expenses (including rent)	30,000
Other general and administrative expenses	10,000
Unallocated working capital	15,300
Total	**305,000**

(1) Represents US$100,000 converted into Canadian dollars at the closing exchange rate quoted by the Bank of Canada on July 4, 2022, being US$1.00 = C$1.2867.

(2) Represents amounts payable to a company controlled by the Chief Financial Officer of the Company for the provision of consulting services.

Nova intends to spend the available funds as described in the preceding table. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. If such an event occurs, the Company and its management will have broad discretion in the application of available funds. See "*Risk Factors*".

The Company has a limited operating history and may sustain losses in the future. Since its inception, the Company has not generated cash flow from its operations and has incurred operating losses. Such losses and negative operating cash flow are expected to continue since the funds available to the Company will be used to develop its business and pay various administrative expenses.

Business Objectives and Milestones

The Company's short term business objectives are to: (i) complete the Work Program as recommended in the Technical Report, and (ii) list the Common Shares for trading on the CSE. The listing of the Common Shares will be subject to the Company fulfilling all of the requirements of the CSE, including the Company meeting certain financial and other requirements.

The Company expects to complete the Work Program during the summer of 2022 at a cost of approximately $128,700.

DIVIDENDS OR DISTRIBUTIONS

The Company has not paid dividends since its inception. While there are no restrictions in its Articles or pursuant to any agreement or understanding which could prevent the Company from paying dividends or distributions, Nova has limited cash flow and anticipates using all available cash resources to fund its operations. As such, there are no plans to pay dividends for the foreseeable future. Any decisions to pay dividends in cash or otherwise in the future will be made by the board of directors of the Company (the "**Board**") on the basis of the Company's earnings, financial requirements and other conditions existing at the time a determination is made.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management's discussion and analysis of the Company for the period ended March 31, 2022, as well as the years ended June 30, 2021 and 2020, are attached to this Prospectus as Schedule "A" and should be read in conjunction with the Interim Financial Statements, the Annual Financial Statements and the disclosure contained elsewhere in this Prospectus.

Additional Disclosure for Junior Issuers

Nova expects that the funds presently available to the Company will be sufficient to fund the Company's operations for at least the next 12 months. See "*Use of Available Funds – Principal Purposes*" for detailed information concerning the Company's anticipated expenses for the 12-month period following the date of this Prospectus. The Company does not anticipate making any material capital expenditures during that time.

DESCRIPTION OF SHARE CAPITAL

Authorized and Issued Share Capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value. As of the date of this Prospectus, 20,437,100 Common Shares are issued and outstanding as fully paid and non-assessable.

Common Shares

The holders of Common Shares have no pre-emptive rights to purchase additional Common Shares or other subscription rights. Common Shares carry no conversion rights and are not subject to redemption or to any sinking fund provisions. All Common Shares are entitled to share equally in dividends from sources legally available, when, as and if declared by the Board, and upon the Company's liquidation or dissolution, whether voluntary or involuntary, to share equally in its assets available for distribution to its security holders.

The Board is authorized to issue additional Common Shares not to exceed the amount authorized by the Company's Articles, on such terms and conditions and for such consideration as the Board may deem appropriate without further security holder action.

Each holder of Common Shares is entitled to one vote per Common Share on all matters on which shareholders are entitled to vote. Since the Common Shares do not have cumulative voting rights, the holders of more than 50% of the Common Shares voting for the election of directors can elect all the directors if they choose to do so and, in such event, the holders of the remaining Common Shares will not be able to elect any person to the Board.

CONSOLIDATED CAPITALIZATION

The following table summarizes the changes in the share capitalization of the Company as at the dates specified below.

Description	Authorized	Outstanding as at March 31, 2022	Outstanding as at the date of this Prospectus
Common Shares	Unlimited	20,437,100	20,437,100
Warrants	N/A	17,410,000	17,410,000
Stock options	N/A	600,000	600,000
Share capital	N/A	$1,024,851	$1,024,851

As at the date of this Prospectus, the Company has no outstanding loans or other debt obligations.

OPTIONS TO PURCHASE SECURITIES

On November 16, 2021, the Company adopted the Stock Option Plan and granted an aggregate of 600,000 options to five directors and officers of the Company. Each option is exercisable into one Common Share at a price of $0.10 per Common Share for a period of five years.

The following table summarizes those grants as of the date of this Prospectus:

Category	Number of Options	Exercise Price ($)	Expiry Date
Executive Officers (2) as a Group	300,000	0.10	November 16, 2026
Directors (3) as a Group	300,000	0.10	November 16, 2026

See "*Executive Compensation – Stock Option Plans and Other Incentive Plans*" for a detailed description of the Stock Option Plan.

In addition, on March 9, 2021, the Company issued an aggregate of 10,000,000 Units to various investors at a price of $0.02 per Unit, with each Unit consisting of one Common Share and one Warrant exercisable into one Common Share at a price of $0.10 per Common Share for a period of 36 months; and on May 31, 2021, the Company issued an aggregate of 7,110,000 Units to various investors at a price of $0.10 per Unit, with each unit consisting of one Common Share and one Warrant exercisable into one Common Share at a price of $0.50 per Common Share for a period of 24 months.

The following table discloses the holders of those Warrants as of the date of this Prospectus by all executive officers and past executive officers of the Company, as a group, and all directors and past directors of the Company who are not also executive officers, as a group:

Category	Number of Warrants	Exercise Price ($)	Expiry Date
Directors (2) as a Group	1,775,000	0.10	March 9, 2024
Past Directors (2) as a Group	1,450,000	0.10	March 9, 2024
Executive Officers (1) as a Group	50,000	0.50	May 31, 2023
Directors (2) as a Group	350,000	0.50	May 31, 2023
Past Directors (2) as a Group	610,000	0.50	May 31, 2023

Nova USA has no executive officers, past executive officers, directors or past directors who are not also directors of the Company, and none of the Warrants are held by employees, past employees or consultants of the Company.

PRIOR SALES

Prior Sales

The following table summarizes the sales of the Company's securities from incorporation to the date of this Prospectus:

Date of Issue	Number and Type of Securities	Price per Security ($)	Aggregate Issue Price ($)	Nature of Consideration Received
March 7, 2017	100 Common Shares	0.01	1	Cash
June 7, 2018	100,000 Common Shares	0.005	500	Cash
March 9, 2021	10,000,000 Units (1)	0.02	200,000	Cash
March 12, 2021	2,000,000 Common Shares	0.02	40,000 (2)	Assets
April 30, 2021	827,000 Common Shares	0.05	41,350	Cash
April 30, 2021	100,000 Common Shares	0.05	5,000	Debt Conversion
May 31, 2021	7,110,000 Units (3)	0.10	711,000	Cash
May 31, 2021	300,000 Units (3)	0.10	30,000	Debt Conversion

(1) Each Unit consists of one Common Share and one Warrant, with each Warrant exercisable into one Common Share at a price of $0.10 per Common Share for a period of 36 months from the date of issue.
(2) Represents a deemed value, as these Common Shares were issued pursuant to the APA.
(3) Each Unit consists of one Common Share and one Warrant, with each Warrant exercisable into one Common Share at a price of $0.50 per Common Share for a period of 24 months from the date of issue.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

Escrowed Securities

In connection with the proposed listing of the Common Shares on the CSE, the Company has entered into an escrow agreement with the persons indicated in the table below in accordance with NP 46-201. Although pursuant to Section 2.2 of NP 46-201 the policy does not generally apply to a prospectus that does not offer securities to the public, such as this Prospectus, the CSE requires securities held by principals of the Company ("**Principals**") to be escrowed pursuant to NP 46-201 as part of its listing criteria. Under NP 46-201, securities held by Principals will be held in escrow subject to the terms of an escrow agreement for a period of time following the listing of the Common Shares for trading as an incentive for the Principals to devote their time and attention to the Company's business while they are securityholders.

Equity securities owned or controlled by Principals, are beneficially owned, directly or indirectly by Principals, or over which Principals have control or direction, or in all other cases, which immediately before the listing of the Common Shares are beneficially owned, directly or indirectly by Principals, or over which Principals have control or direction, are subject to escrow.

For the purpose of this section, "**Principals**" means:

(a) a person or company who acted as a promoter of the Company within two years before the date of this Prospectus;

(b) a director or senior officer of the Company or any of its material operating subsidiaries at the time of this Prospectus;

(c) a person or company that holds securities carrying more than 20% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the listing of the Common Shares; or

(d) a person or company that:

(6) holds securities carrying more than 10% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the listing of the Common Shares; and

(ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Company or any of its material operating subsidiaries.

In addition, NP 46-201 provides that a Principal's spouse and relatives that live at the same address as the Principal will also be treated as Principals and that any securities of the Company they hold will be subject to escrow requirements.

At the time of the listing, an issuer will be classified for the purposes of escrow as either an "exempt issuer", an "established issuer" or an "emerging issuer" as those terms are defined in NP 46-201.

The Company anticipates that it will be classified as an "emerging issuer" since the Common Shares will be listed for trading on the CSE. As such, the following automatic timed releases will apply to the Common Shares held by its Principals:

Date of Automatic Timed Release	Amount of Escrowed Securities Released
On the date the Common Shares are listed for trading on the CSE (the "**Listing Date**")	1/10 of the escrowed securities
6 months after the Listing Date	1/6 of the remaining escrowed securities
12 months after the Listing Date	1/5 of the remaining escrowed securities
18 months after the Listing Date	1/4 of the remaining escrowed securities
24 months after the Listing Date	1/3 of the remaining escrowed securities
30 months after the Listing Date	1/2 of the remaining escrowed securities
36 months after the Listing Date	The remaining escrowed securities

Assuming there are no changes to the escrowed securities initially deposited and no additional escrowed securities are deposited, the automatic timed release escrow applicable to the Company will result in a 10% release on the Listing Date, with the remaining escrowed securities being released in 15% tranches every six months thereafter. The automatic timed release provisions under NP 46-201 pertaining to "established issuers" provide for the release of 25% of each Principal's escrowed securities on the Listing Date, with an additional 25% being released in equal tranches at six month intervals over 18 months. If, within 18 months of the Listing Date, the Company meets the "established issuer" criteria as set out in NP 46-201, the escrowed securities will be eligible for accelerated release available for established issuers. In such a scenario, that number of escrowed securities that would have been eligible for release from escrow if the Company had been an "established issuer" on the Listing Date will be released from escrow immediately. The remaining escrowed securities would be released in accordance with the timed release provisions for established issuers, with all escrowed securities being released 18 months from the Listing Date.

As of the date of this Prospectus, the following table sets out information on the number and type of securities subject to the terms of the Escrow Agreement to be entered into between the Company, Endeavor Trust Corporation as the depositary, and the following persons, who are collectively referred to as the "**Escrow Holders**":

Name of Escrow Holder	Designation of Class	Number of Escrowed Securities	Percentage Ownership (%) [(1)]
Glenn Collick	Common Shares	250,000	1.2
Glenn Collick	Warrants [(2)]	50,000	0.2
Cody Collick	Common Shares	75,000	0.4
Cody Collick	Warrants [(2)]	75,000	0.4
Tiffany Collick	Common Shares	75,000	0.4
Tiffany Collick	Warrants [(2)]	75,000	0.4
Saman Eskandari	Common Shares	250,100	1.2
Saman Eskandari	Warrants [(3)]	775,000	3.8
Plutus Bridge Capital Inc. [(4)]	Common Shares	100,000	0.4
Plutus Bridge Capital Inc. [(4)]	Warrants [(3)]	100,000	0.5
Ryan Arthur	Common Shares	253,000	1.2
Ryan Arthur	Warrants [(3)]	250,000	1.2
CR7 Investments Inc. [(5)]	Common Shares	1,000,000	4.9
CR7 Investments Inc. [(5)]	Warrants [(2)]	250,000	1.2
CR7 Investments Inc. [(5)]	Warrants [(3)]	750,000	3.7
Kelly Arthur	Common Shares	83,000	0.4
Kelly Arthur	Warrants [(2)]	80,000	0.4
Total		**4,491,100**	**21.9**

(1) Based on 20,437,100 issued and outstanding Common Shares.
(2) Each Warrant is exercisable into one Common Share at a price of $0.50 per Common Share until May 31, 2023.
(3) Each Warrant is exercisable into one Common Share at a price of $0.10 per Common Share until March 9, 2024.
(4) This company is controlled by Saman Eskandari, the Corporate Secretary and a director of the Company.
(5) This company is controlled by Ryan Arthur, a director of the Company.

Particulars of the Escrow Agreement

The complete text of the Escrow Agreement is available for inspection during regular business hours at the Company's head office at Suite 306 – 1110 Hamilton Street, Vancouver, BC V6B 2S2, and will also be available on SEDAR.

In addition, the CSE may impose resale restrictions and escrow requirements on principals and non-principals of a company, which will be addressed in connection with the Company's application to list the Common Shares for trading.

PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and officers of the Company, no person owns or controls, directly or indirectly, or exercises control or direction over, more than 10% of the Common Shares as of the date of this Prospectus.

DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation and Security Holdings

The following table sets out the name, province and country of residence, position or offices held with the Company, date appointed, number and percentage of voting securities of the Company that each of the directors and executive officers beneficially owns, directly or indirectly, or exercises control over, as at the date of this Prospectus and the occupations held during the past five years:

Name, Province and Country of Residence	**Position or Office held with the Company and the Date Appointed**	**Number and Percentage of Securities Held (1)**	**Direct or Indirect Ownership**	**Principal Occupations Held for Previous Five Years**
Glenn Collick (2) British Columbia, Canada	Chief Executive Officer and Director (May 24, 2021)	250,000 Common Shares (1.2%), 50,000 Warrants (3), 200,000 options (4)	Direct	Chief Operating Officer of Ameriwest Lithium Inc. (CSE: AWLI) since 2020; Chief Executive Officer of Ameriwest Lithium Inc. (CSE: AWLI) from 2017 to 2020; Entrepreneur, business consultant and independent investor
Patrick O'Flaherty British Columbia, Canada	Chief Financial Officer and Director (October 19, 2021)	100,000 options (4)	Indirect (5)	Self-employed consultant since 2017; CFO of various public and private companies since 2018, including BMGB Capital Corp. (TSXV: BMGBP) and Castlebar Capital Corp. (TSXV: CBAR)
Saman Eskandari British Columbia, Canada	Corporate Secretary (May 9, 2022), Director (March 7, 2017)	350,100 Common Shares (1.7%), 100,000 Warrants (3), 775,000 Warrants (6), 100,000 options (4)	Direct and Indirect (7)	Corporate director, independent investor and public relations consultant
Ryan Arthur (2) British Columbia, Canada	Director (March 1, 2021)	1,253,000 Common Shares (6.1%), 250,000 Warrants (3), 1,000,000 Warrants (6), 100,000 options (4)	Direct and Indirect (8)	Self-employed consultant since 2020; hospitality manager and bartender from 2016 to 2020
Hayden Mackenize (2) British Columbia, Canada	Director (November 8, 2021)	100,000 options (4)	Direct	Law and MBA student since 2020; Commercial manager at King Façade International from 2017 to 2019
Total Common Shares beneficially owned or over which control is exercised by the Company's directors and officers as a group		**1,853,100 Common Shares (9.1%)**		

(1) Based on 20,437,100 issued and outstanding Common Shares.
(2) Member of the audit committee.
(3) Each warrant is exercisable into one Common Share at a price of $0.50 per Common Share until May 31, 2023.
(4) Each option is exercisable into one Common Share at a price of $0.10 per Common Share until November 16, 2026.

(5) These options are held by Patrick M. O'Flaherty Inc., a company controlled by Mr. O'Flaherty.
(6) Each warrant is exercisable into one Common Share at a price of $0.10 per Common Share until March 9, 2024.
(7) Includes 250,100 Common Shares and 775,000 Warrants held by Mr. Eskandari directly, and 100,000 Common Shares and 100,000 Warrants held by Plutus Bridge Capital Inc., a company controlled by Mr. Eskandari.
(8) Includes 253,000 Common Shares and 250,000 Warrants held by Mr. Arthur directly, and 1,000,000 Common Shares and 1,000,000 Warrants held by CR7 Investments Inc., a company controlled by Mr. Arthur.

Term of Office of Directors

The term of office of the directors expires annually at the time of the Company's annual general meeting. The term of office of the executive officers expires at the discretion of the Board.

Aggregate Ownership of Securities

As at the date of this Prospectus, the directors and executive officers of the Company as a group beneficially own, directly or indirectly, or exercise control over 1,853,100 Common Shares collectively representing approximately 9.1% of the 20,437,100 issued and outstanding Common Shares.

Management

Below is a brief description of each of the directors and executive officers of the Company, including their names, ages, positions and responsibilities with the Company, relevant educational background, principal occupations or employment during the five years preceding the date of this Prospectus and experience in the Company's industry.

Management of the Company intends to dedicate the following percentage of their time to the affairs of the Company: Glenn Collick 25%, Patrick O'Flaherty 10%, Saman Eskandari 20%, Ryan Arthur 10%, and Hayden Mackenzie 10%.

None of the directors and executive officers of the Company, including Mr. Collick (the Chief Executive Officer) and Mr. O'Flaherty (the Chief Financial Officer), are employees of the Company. Neither one of them has entered into a separate non-competition or non-disclosure agreement with the Company; however, Mr. O'Flaherty's consulting agreement (through Patrick M. O'Flaherty Inc., a company controlled by Mr. O'Flaherty) contains standard non-competition and confidentiality provisions. None of the other persons listed below has entered into a non-competition or non-disclosure agreement with the Company. See "*Directors and Executive Officers – Conflicts of Interest*".

Glenn Collick (age 62), Chief Executive Officer and Director

Glenn Collick has served as the Chief Executive Officer and a director of the Company since May 24, 2021.

Mr. Collick has an extensive 35-year background in strategic planning and the executive-level management of operational, financial and developmental duties of emerging natural resource and alternative energy companies, including the identification and evaluation of potential asset acquisitions. He is a founder and the Chief Operating Officer of Ameriwest Lithium Inc. (CSE: AWLI), a Canadian-based junior explorer with 33,291 acres of multiple strategic assets in Nevada.

Mr. Collick previously served as a director of American Comstock Explorations and led the company to the acquisition of the Harper Creek Copper project from U.S. Steel and Noranda. He was an early participant in the Voisey's Bay area discovery through early stage staking of several hundred square kilometers. His efforts include extensive experience in successfully working with government, First Nations, and related stakeholders. His efforts in the alternative energy sector include founding and managing startups through feasibility studies, including statistical and engineering reports aimed at securing capital project grant funding, and in some instances specifically aimed at providing hybrid energy systems and storage facilities to remote Industry and communities. He has led multiple initiatives in

Alberta including wind energy resources which were subsequently purchased by a world-leading company in wind farm development.

Patrick O'Flaherty (age 47), Chief Financial Officer and Director

Patrick O'Flaherty has served as the Chief Financial Officer and a director of the Company since October 19, 2021.

Mr. O'Flaherty is a Chartered Accountant and a CFA Charterholder, having qualified as a Chartered Accountant in Canada with Deloitte. He has over 15 years of experience in financial services, with a specific focus on accounting and wealth management, and has worked with some of the largest companies in Canada, including Shaw Communications, RBC Royal Bank, TD Waterhouse and CIBC Wood Gundy.

Mr. O'Flaherty currently serves as a CFO and director of several public and private corporations.

Saman Eskandari (age 39), Corporate Secretary and Director

Saman Eskandari has served as the Corporate Secretary of the Company since May 9, 2022 and a director of the Company since March 7, 2017. He also previously acted as Nova's Chief Executive Officer (March 17, 2017 to May 24, 2021) and Chief Financial Officer (May 24, 2021 to October 19, 2021).

Mr. Eskandari is a marketing and management professional who has assisted public companies with budgeting, raising capital and developing and executing successful growth strategies. His involvement has spanned various fields such as mining, technology and pharmaceuticals. Mr. Eskandari has acted as a director of Ameriwest Lithium Inc. (CSE: AWLI) since July 2018, and he also serves as a director of other Canadian private and public companies.

Prior to beginning his career in marketing and management, Mr. Eskandari was the General Manager of one of the flagship stores of Future Shop/Best Buy in Western Canada, where he participated in implementing a successful marketing and sales program. Mr. Eskandari is a graduate of Simon Fraser University (SFU) with a degree in Molecular Biology and Biochemistry.

Ryan Arthur (age 24), Director

Ryan Arthur has served as a director of the Company since March 1, 2021.

Mr. Arthur is currently the president of CR7 Investments Inc., a company that actively identifies promising mining and technology projects for both investment purposes as well as technical and strategic partnerships to ensure the growth and success of these projects. His professional experience spans various industries including retail, mining, industrial, and technology. Mr. Arthur has assisted in financing several public companies and has a considerable degree of capital markets knowledge.

Hayden Mackenzie (age 35), Director

Hayden Mackenzie has served as a director of the Company since November 8, 2021.

Mr. Mackenzie has over 15 years of experience in exploration and environmental geology and has worked in New Zealand, Australia, Indonesia, Vietnam and Canada managing exploration programs and due diligence projects including Atrum Coal's Groundhog Project in Northern British Columbia. He holds both a P.Geo designation from Engineers and Geoscientists BC and a Chartered Professional Geologist designation from the Australasian Institute of Mining and Metallurgy.

Since 2016, Mr. Mackenzie has been involved in the areas of commercial construction, sustainability and venture capital. He has a particular interest in the Environmental, Social and Governance (ESG) aspects of businesses and has been working as a consultant in this field since 2019.

Mr. Mackenzie received a Master of Science degree in Engineering Geology from the University of Canterbury (Christchurch, New Zealand) and a Master of Legal Studies degree from the University of Auckland. He is currently in the process of completing his MBA at the University of British Columbia.

Conflicts of Interest

The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests which they may have in any project or opportunity of the Company. If a conflict of interest arises, any director in a conflict will disclose his interest and abstain from voting on such matter at a meeting of the Board.

To the knowledge of the Company, and other than as disclosed in this Prospectus, there are no known existing or potential conflicts of interest among the Company, its promoters, directors and officers or other members of management of the Company or any proposed promoter, director, officer or other member of management as a result of their outside business interests, except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Cease Trade Orders

For the purpose of this section, an “order” means (a) a cease trade order; (b) an order similar to a cease trade order; or (c) an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days.

To the Company’s knowledge, no existing or proposed director or executive officer of the Company is, as at the date of this Prospectus, or was within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company, including the Company, that:

(i) was subject to an order that was issued while the director or executive officer was acting in the capacity of a director, the chief executive officer or the chief financial officer thereof; or

(ii) was subject to an order that was issued after the director or executive officer ceased to be a director, the chief executive officer or the chief financial officer thereof and which resulted from an event that occurred while that person was acting in such capacity.

Bankruptcies

Except as described below, to the Company’s knowledge, no existing or proposed director or executive officer of the Company or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

(i) is, as at the date of this Prospectus, or has been within the 10 years before the date hereof, a director or executive officer of any company, including the Company, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(ii) has, within the 10 years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

In 2013, Glenn Collick, the Chief Executive Officer and a director of the Company, made a proposal to creditors under the *Bankruptcy and Insolvency Act* (Canada) that was accepted by all the creditors including the largest creditor, the CRA. There were two separate payment arrangements under this proposal, one that applied to all creditors (except the CRA) and required Mr. Collick to pay the bankruptcy trustee, and another that applied to the CRA and required Mr. Collick to pay the CRA directly. Mr. Collick fully performed his obligations under the first arrangement; however, he defaulted under the second arrangement with the CRA since the payment schedule was too onerous. As a result of the default, the bankruptcy trustee applied to the courts for a discharge and an order of trustee discharge was granted on March 23, 2017. The result is that Mr. Collick has not been fully discharged as bankrupt, and that the CRA as his sole remaining creditor is able to pursue him to collect the outstanding debt. Mr. Collick is continuing to work with the CRA to resolve this matter.

<u>Penalties or Sanctions</u>

To the Company’s knowledge, no existing or proposed director or executive officer of the Company or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to:

(i) any penalties or sanctions imposed by a court relating to provincial and territorial securities legislation or by a provincial and territorial securities regulatory authority or has entered into a settlement with a provincial and territorial securities regulatory authority; or

(ii) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

EXECUTIVE COMPENSATION

For the purpose of this Prospectus:

“**company**” includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;

“**external management company**” includes a subsidiary, affiliate or associate of the external management company;

“**named executive officer**” or “**NEO**” means each of the following individuals:

(a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;

(b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;

(c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than $150,000, as determined in accordance with subsection 1.3(5) of Form 51-102FV6 *Statement of Executive Compensation – Venture Issuers*, for that financial year; and

(d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

"**plan**" includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, compensation securities or other property may be received, whether for one or more persons; and

"**underlying securities**" means any securities issuable on conversion, exchange or exercise of compensation securities.

Table of Compensation Excluding Compensation Securities							
Name and Position	**Period Ended June 30**	**Salary, Consulting Fee, Retainer or Commission ($)**	**Bonus ($)**	**Committee or Meeting Fees ($)**	**Value of Perquisites ($)**	**Value of All Other Compen-sation ($)**	**Total Compen -sation ($)**
Glenn Collick (1) *CEO, Director*	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Patrick O'Flaherty (2) *CFO, Director*	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Saman Eskandari (3) *Corporate Secretary, Director, Former CEO, Former CFO*	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Ryan Arthur (4) *Director*	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Hayden Mackenzie (5) *Director*	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Adrian Ansell (6) *Former Director*	2021	10,000	Nil	Nil	Nil	Nil	10,000
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Michael Gheyle (7) *Former Director*	2021	84,167 (8)	Nil	Nil	Nil	Nil	84,167
	2020	N/A	N/A	N/A	N/A	N/A	N/A

(1) Mr. Collick was appointed as the Chief Executive Officer and a director of the Company on May 24, 2021.
(2) Mr. O'Flaherty was appointed as the Chief Financial Officer and a director of the Company on October 19, 2021.
(3) Mr. Eskandari was appointed as the Chief Executive Officer and director of the Company on March 7, 2017. On May 24, 2021, he resigned as the Chief Executive Officer but was appointed as the Chief Financial Officer. On October 8, 2021, he resigned as the Chief Financial Officer, and on May 9, 2022, he was appointed as the Corporate Secretary of the Company.

(4) Mr. Arthur was appointed as a director of the Company on March 1, 2021.
(5) Mr. Mackenzie was appointed as a director of the Company on November 8, 2021.
(6) Mr. Ansell was appointed as a director of the Company on March 1, 2021 and resigned on August 31, 2021.
(7) Mr. Gheyle was appointed as a director of the Company on March 1, 2021 and resigned on August 31, 2021.
(8) Represents consulting fees paid to Cascadia Developments Corporation, a company controlled by Mr. Gheyle.

Stock Options and Other Compensation Securities

The Company did not grant or issue any compensation securities to any NEO or director in the most recently completed financial period for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

No NEO or director exercised any compensation securities during the Company's most recently completed financial period, as no such securities were outstanding at either the beginning or the end of such period.

Stock Option Plans and Other Incentive Plans

Stock Option Plan

General

On November 16, 2021, the Board adopted the Stock Option Plan.

The Stock Option Plan provides for awards of incentive stock options. Subject to the provisions of the Stock Option Plan relating to adjustments upon changes in the Common Shares, the number of Common Shares reserved for issuance pursuant to the exercise of options granted under the Stock Option Plan shall not exceed 10% of the issued and outstanding common shares of the Company at the date of grant of any options. As of the date of this Prospectus, options to purchase 600,000 Common Shares are outstanding under the Stock Option Plan.

Purpose

The Board adopted the Stock Option Plan to advance the interests of the Company by encouraging the directors, officers and employees of, and consultants retained by, the Company or any of its subsidiaries or affiliates to acquire Common Shares, thereby: (i) increasing the proprietary interests of such persons in the Company; (ii) aligning the interests of such persons with the interests of the Company's shareholders generally; (iii) encouraging such persons to remain associated with the Company or any of its subsidiaries or affiliates; and (iv) furnishing such persons with an additional incentive in their efforts on behalf of the Company or any of its subsidiaries or affiliates.

Administration

Unless it delegates administration to a committee, the Board administers the Stock Option Plan. Subject to the provisions of the Stock Option Plan, the Board has the power to, in its discretion: (a) grant options to eligible persons; (b) determine the terms, limitations, restrictions and conditions respecting such grants; (c) interpret the Stock Option Plan and adopt, amend and rescind such administrative guidelines and other rules and regulations relating to the Stock Option Plan as it shall from time to time deem advisable; and (d) make all other determinations and take all other actions in connection with the implementation and administration of the Stock Option Plan.

Eligibility

Incentive stock options may be granted under the Stock Option Plan only to officers, directors, employees and eligible consultants of the Company and its subsidiaries or affiliates, and members of any advisory board of the Company.

Terms of Options

Subject to certain limited exceptions, the exercise price of stock options may not be less than the greater of the closing market prices on the trading day immediately preceding the date of grant of the options and on the date of grant of the options.

The Board may, in its absolute discretion, upon granting options specify a particular time period or periods following the date of grant during which an optionee may exercise the options and may designate the exercise price and the number of Common Shares in respect of which such optionee may exercise the options during each such time period.

If a director, officer, employee or consultant who has been granted options ceases to act as such for any reason other than death, such director, officer, employee or consultant shall have the right to exercise any vested options not exercised prior to such termination within a period of 60 days after the date of termination, or such shorter period as may be set out in the optionee's option agreement.

Effect of Certain Corporate Events

The Board has the power, in the event of a Change of Control (as defined in the Stock Option Plan) to make such arrangements as it deems appropriate for the exercise of outstanding options or the continuance of outstanding options, including to accelerate and amend any stock option agreement to permit the exercise of any or all of the remaining options prior to the completion of any such transaction. If the Board exercises such power, the option shall be deemed to have been amended to permit the exercise thereof in whole or in part by the optionee at any time or from time to time as determined by the Board prior to the completion of such transaction.

Duration, Amendment and Termination

The Board may suspend or terminate the Stock Option Plan without shareholder approval or ratification, subject to certain restrictions, at any time or from time to time.

The Board may also amend the Stock Option Plan at any time, and from time to time. The Board may submit any other amendment to the Stock Option Plan for shareholder approval in its discretion.

Employment, Consulting and Management Agreements

Nova has not entered into formal management or consulting agreements with any of its executive officers except its Chief Financial Officer.

On October 15, 2021, the Company entered into a consulting agreement (the "**Consulting Agreement**") with Patrick M. O'Flaherty Inc., a company controlled by Patrick O'Flaherty (the "**Consultant**"), pursuant to which the Consultant agreed to provide the services generally required of a Chief Financial Officer of a publicly-traded corporation to the Company as well as such other services as may be requested by the Company from time to time. Pursuant to the Consulting Agreement, the Company agreed to pay the Consultant a monthly fee of $3,000 plus GST and grant the Consultant options to purchase 100,000 Common Shares at a price of $0.10 per Common Share for a period of five years. The Company and the Consultant each have the right to terminate the Consulting Agreement for any reason and at any time upon 30 days' written notice.

Other than as described above, the Company has not entered into any agreements or arrangements under which compensation was provided during Nova's most recently completed financial year or is payable in respect of services provided to the Company.

Oversight and Description of Director and Named Executive Officer Compensation

The Board is responsible for determining, by way of discussions at Board meetings, the compensation to be paid to the Company's executive officers and directors. Nova does not currently have a formal compensation program with specific performance goals or similar conditions; however, the performance of each individual is considered along with the Company's ability to pay compensation and its results of operation for the period. The Company does not use any benchmarking in determining compensation or any element of compensation.

Any salary paid to Nova's named executive officers is dependent upon the Company's finances as well as the performance of each of the NEOs.

The Company's compensation program for all of its employees, including executive officers, consists of long-term incentive compensation comprised of share options and base salaries. This program is designed to achieve the following key objectives:

- to support the Company's overall business strategy and objectives;
- to provide market-competitive compensation that is substantially performance-based;
- to provide incentives that encourage superior corporate performance and the retention of highly skilled and talented employees; and
- to align executive compensation with corporate performance and therefore shareholders' interests.

The value of this program is used as a basis for assessing the overall competitiveness of the Company's compensation package. The fixed element of compensation provides a competitive base of secure compensation required to attract and retain executive talent. The variable performance-based, or "at risk" compensation, is designed to encourage both short-term and long-term performance by employees. At more senior levels, a significant portion of compensation eligible to be paid is variable performance-based compensation which places a greater emphasis on rewarding employees for their individual contributions, the business results of the Company and creating long-term value for shareholders.

At present, the Board does not evaluate the implications of the risks associated with the Company's current compensation policies and practices as Nova is still developing its business and management is focusing their time and attention on operations.

The Company does not have a compensation committee or any formal compensation policies at this time.

The Company has no intention to make any material changes to the compensation described in this section.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Aggregate Indebtedness

No director or officer of the Company, or any associate or affiliate of such person is or has ever been indebted to the Company; nor has any such person's indebtedness to any other entity been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee

The Company is required to have an audit committee comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company. The members of the Company's audit committee are Hayden Mackenzie (Chair), Ryan Arthur and Glenn Collick. The audit committee is responsible for overseeing the Company's financial reporting process on behalf of the Board, including overseeing the work of the independent auditors who report directly to the audit committee.

The specific responsibilities of the audit committee, among others, include:

(i) evaluating the performance and assessing the qualifications of the independent directors and recommending to the Board and the shareholders the appointment of the Company's external auditor;

(ii) determining and approving the engagement of and compensation for audit and non-audit services of the Company's external auditor;

(iii) reviewing the Company's financial statements and management's discussion and analysis of financial condition and results of operations and recommending to the Board whether or not such financial statements and management's discussion and analysis of financial condition and results of operations should be approved by the Board;

(iv) conferring with the Company's external auditor and with management regarding the scope, adequacy and effectiveness of internal financial reporting controls;

(v) establishing procedures for the receipt, retention and treatment of complaints received by the Company regarding its accounting controls, internal accounting controls or auditing matters and the confidential and anonymous submission by employees of concerns regarding questionable accounting and auditing matters; and

(vi) reviewing and discussing with management and the independent auditor, as appropriate, the Company's guidelines and policies with respect to risk assessment and risk management, including major financial risk exposure and investment and hedging policies and the steps taken by management to monitor and control the Company's exposure to such risks.

Audit Committee Charter

The Audit Committee Charter of the Company is attached to this Prospectus as Schedule "B".

Composition of Audit Committee and Independence

NI 52-110 provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with a company, which could, in the view of that company's board of directors, reasonably interfere with the exercise of the member's independent judgment. A majority of the members of the Company's audit committee meet the definition of "independence" provided in NI 52-110.

A "venture issuer" as defined in NI 52-110 means an issuer that, at the end of its most recently completed financial year, did not have any of its securities listed or quoted on any of the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside of Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

Section 6.1 of NI 52-110 provides an exemption related to Parts 3 (*Composition of Audit Committee*) for venture issuers. The Company will meet the venture issuer definition upon receiving a receipt for its final prospectus and will therefore be in compliance with the audit committee requirements notwithstanding its lack of independent directors.

Relevant Education and Experience

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. All of the members of Nova's audit committee are financially literate.

Each member of the Company's audit committee has adequate education and experience that is relevant to their performance as an audit committee member and, in particular, the requisite education and experience that have provided the member with:

(a) an understanding of the accounting principles used by the Company to prepare its financial statements;

(b) the ability to assess the general application of those principles in connection with accounting for estimates, accruals and provisions;

(c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements or experience actively supervising individuals engaged in such activities; and

(d) an understanding of internal controls and procedures for financial reporting.

<u>Hayden Mackenzie (Chair)</u>

Mr. Mackenzie is an experienced geological engineer with over 15 years of national and international experience in the minerals industry. He has managed a variety of exploration programs and due diligence projects, in the course of which he has reviewed and analyzed financial statements for various purposes, and has an understanding of internal controls and procedures for financial reporting.

<u>Ryan Arthur</u>

Mr. Arthur is an entrepreneur and investor who, over the course of his career, has consistently reviewed and evaluated financial statements for various purposes. He is generally familiar with the financial reporting requirements applicable to public companies in Canada.

<u>Glenn Collick</u>

Mr. Collick is a former investment advisor who has been involved in many Canadian and international junior mining ventures over the years. He has served as a high-ranking executive with companies listed on both the Canadian Securities Exchange and the Australian Stock Exchange and is well-versed in Canadian public company financial reporting requirements.

Audit Committee Oversight

The audit committee was created by the Board on November 16, 2021. Since the commencement of the Company's most recently completed fiscal year, the audit committee did not make a recommendation concerning the nomination or compensation of the Company's external auditor that was not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on any exemption referenced in Section 5 of Form 52-110F2 *Disclosure by Venture Issuers*.

Pre-Approval Policies and Procedures

The audit committee has not adopted any specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The table below sets out the audit fees incurred by the Company for the fiscal years ended June 30, 2021 and 2020.

	Year Ended June 30, 2021 ($)	**Year Ended June 30, 2020 ($)**
Audit Fees [(1)]	23,000	Nil
Audit Related Fees [(2)]	Nil	Nil
Tax Fees [(3)]	6,000	Nil
All other fees [(4)]	Nil	Nil
Total	**29,000**	**Nil**

(1) Aggregate fees billed by the Company's auditor for audit services.
(2) Aggregate fees billed by the Company's auditor for audit related services.
(3) Aggregate fees billed by the Company's auditor for professional services rendered for tax compliance, tax advice and tax planning.
(4) Aggregate fees billed by the Company's auditor and not included above.

Corporate Governance

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with day-to-day management of the Company.

Pursuant to NI 58-101 the Company is required to disclose its corporate governance practices, as summarized below. The Board will monitor such practices on an ongoing basis and when necessary implement such additional practices as it deems appropriate.

National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines to be used by issuers in developing their own corporate governance practices. The Board is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

<u>Board of Directors</u>

As of the date of this Prospectus, the Board consists of five directors: Glenn Collick, Patrick O'Flaherty, Saman Eskandari, Ryan Arthur and Hayden Mackenzie.

NI 58-101 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as "independent" directors. An "independent" director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director's ability to act with a view to the best interests of the company, other than interests and relationships arising from holding shares or securities in the company. In addition, where a company has a significant shareholder, NI 58-101 suggests that the board of directors should include a number of directors who do not have interests in either the company or the significant shareholder. The independent directors would exercise their responsibilities for independent oversight of management and meet independently of management whenever deemed necessary.

At this time, only Ryan Arthur and Hayden Mackenzie are considered to be "independent" within the meaning of NI 58-101. Each of the other directors, by virtue of holding an executive officer position (Glenn Collick – Chief Executive Officer, Patrick O'Flaherty – Chief Financial Officer, Saman Eskandari – Corporate Secretary) or previously holding an executive officer position (Saman Eskandari – former Chief Executive Officer and Chief Financial Officer), is considered to be "non-independent". The Board will consider adding another independent director after the Common Shares are listed on the CSE if warranted or required by the policies of the CSE.

Since the Company will, upon receiving a receipt for this Prospectus, qualify as a venture issuer under NI 52-110, it is relying on the exemption in section 6.1 of Part 3 of NI 52-110 which requires that an audit committee be made up of non-independent directors.

<u>Directorships</u>

The following directors of the Company also serve as directors of other reporting issuers:

Name of Director	Other Reporting Issuer	Name of Exchange or Market
Glenn Collick	Ameriwest Lithium Inc.	CSE
Patrick O'Flaherty	Cult Food Science Corp.	CSE
	Valdor Technology International Inc.	CSE
	Looking Glass Labs Ltd.	NEO
Saman Eskandari	Ameriwest Lithium Inc.	CSE
	Stamper Oil & Gas Corp.	TSXV

<u>Orientation and Continuing Education</u>

Each new director of the Company is briefed about the nature of the Company's business, its corporate strategy and current issues within the Company. New directors will be encouraged to review the Company's public disclosure record as filed on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com. Directors are also provided with access to management to better understand the operations of the Company, and to the Company's legal counsel to discuss their legal obligations as directors of the Company.

<u>Ethical Business Conduct</u>

The Board is considering implementing a written code of ethical conduct for its directors, officers and employees, but has not yet had established or adopted such a code.

The Board is required to comply with the conflict of interest provisions of relevant corporate and securities legislation in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Since the Company is a

British Columbia corporation, any interested director is required to declare the nature and extent of his interest and is not entitled to vote on any matter that is the subject of the conflict of interest. See "*Directors and Executive Officers - Conflicts of Interest*" and "*Risk Factors*".

Nomination of Directors

The Company's management is in contact with individuals involved in the mineral resource sector. From these sources, management has developed a number of relationships and in the event that the Company requires any new directors, such individuals will be brought to the attention of the Board. The Company will conduct reference and background checks on suitable candidates. New nominees generally must have a track record in business management, areas of strategic interest to the Company, the ability to devote the time required to carry out the obligations and responsibilities of a director and a willingness to serve in that capacity.

Compensation

The Board as a whole is responsible for determining the compensation of the Company's Chief Executive Officer and Chief Financial Officer and does so with reference to industry standards and the financial situation of the Company. The Board has the sole responsibility for determining the compensation of the directors of the Company. As of the date of this Prospectus, directors are not compensated for their services.

Given the Company's size, limited operating history and lack of revenues, the Board does not plan to form a compensation committee to monitor and review the salary and benefits of the executive officers of the Company at the present time. The Board will carry out these functions until such time as it deems the formation of a compensation committee is warranted.

Other Board Committees

Other than the audit committee, there are currently no committees of the Board.

Assessments

Neither the Company nor the Board has developed a formal review system to assess the performance of the directors or the Board as a whole. The contributions of individual directors are monitored by other members of the Board on an informal basis through observation.

PLAN OF DISTRIBUTION

Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised, and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Company from its general corporate funds.

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside of Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

The CSE has conditionally approved the listing of the Common Shares for trading on the CSE. Listing will be subject to the Company fulfilling all of the listing requirements of the CSE, including meeting certain financial and other requirements.

RISK FACTORS

An investment in the Common Shares should be considered highly speculative due to the nature of the Company's business and its present stage of development. An investment in the Common Shares should only be made by knowledgeable and sophisticated investors who are willing to risk and can afford the loss of their entire investment. Potential investors should consult with their professional advisors to assess an investment in the Company. In evaluating the Company and its business, investors should carefully consider, in addition to other information contained in this Prospectus, the risk factors below. These risk factors are not a definitive list of all risk factors associated with an investment in the Company or in connection with its operations.

Risks Related to the Company's Business

History of Operating Losses

Nova has a history of operating losses and may not achieve or sustain profitability. The Company cannot guarantee investors that it will become profitable, and even if it achieves profitability, given the competitive and evolving nature of the industry in which the Company operates, it may be unable to sustain or increase profitability.

Property Interests

There is no guarantee the Company will be able to raise sufficient funding in the future to explore and develop the Property. If Nova loses or abandons its interest in the Property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the CSE. There is also no guarantee that the CSE will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional properties.

There is no guarantee that title to the Property will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers or aboriginal or indigenous land claims or title may be affected by undetected defects. Surveys have not been carried out on any of the Company's mineral properties, therefore, in accordance with the laws of the jurisdiction in which such properties are situated, their existence and area could be in doubt. Until competing interests in the mineral lands have been determined, the Company can give no assurance as to the validity of title of the Issuer to those lands or the size of such mineral lands.

Exploration and Development

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by Nova may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment and other factors such as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital.

There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Permits and Government Regulations

The future operations of the Company may require permits from various federal, provincial and local governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Property. The Company does not currently have any permits in place.

Environmental Laws and Regulations

Environmental laws and regulations may affect the operations of the Company. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. The permission to operate can be withdrawn temporarily where there is evidence of serious breaches of health and safety standards, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations. In all major developments, Nova generally relies on recognized designers and development contractors from which the Company will, in the first instance, seek indemnities. Nova intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable environmental standards. There is a risk that environmental laws and regulations may become more onerous, making the Issuer's operations more expensive.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

No Commercial Ore

The Property does not contain any known amounts of commercial ore.

Fluctuating Mineral Prices

Nova’s revenues, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Company’s exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices. In addition, currency fluctuations may affect the cash flow which the Issuer may realize from its operations, since most mineral commodities are sold in the world market in United States dollars.

Competition

The mining industry is intensely competitive in all its phases and the Company competes with other companies that have greater financial resources and technical facilities. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future.

Uninsured or Uninsurable Risk

The Company may become subject to liability for risks against which it cannot insure or against which it may elect not to insure due to the high cost of insurance premiums or other factors. The payment of any such liabilities would reduce the funds available for the Company's usual business activities. Payment of liabilities for which Nova does not carry insurance may have a material adverse effect on the financial position and operations of the Company.

Dependence on Key Personnel and Relationships

Nova's success heavily depends on the continued service of its executive officers and directors. Although the Company plans to increase the size of its Board, appoint additional officers, engage various consultants and enter into relationships with strategic partners as its business grows, if its current directors, officers or partners are unable or unwilling to continue to work for or with the Company in their present capacities, the Company may have to spend a considerable amount of time and resources searching, recruiting and integrating one or more replacements into its operations, which would severely disrupt its business. This may also adversely affect the Company's ability to execute its business strategy.

Management of Growth

The Company's success depends to a significant degree upon its ability to attract, retain and motivate skilled and qualified personnel. As it becomes a more mature company in the future, it may find recruiting and retention efforts more challenging. If Nova does not succeed in attracting, hiring and integrating such personnel, or retaining and motivating existing personnel, it may be unable to grow effectively. The loss of any key employee, including members of its management team, and its inability to attract highly skilled personnel with sufficient experience in the Company's industry could harm its business.

Conflicts of Interest

Certain of the Company's directors and officers are, and may continue to be, involved in other ventures in the mining industry through their direct and indirect participation in corporations, partnerships, joint ventures and other entities that may become potential competitors of Nova. Other than as described in this Prospectus, the Company has also not entered into non-competition or non-disclosure agreements with any of its directors or officers that could restrict such persons from forming competing businesses or disclosing confidential information about the Company to third parties. Situations may therefore arise in connection with potential acquisitions or opportunities where the interests of the Company's directors and officers conflict with or diverge from the interests of the Company. Directors and officers with conflicts of interest will be required to follow the procedures set out in the *Business Corporations Act* (British Columbia). See "*Directors and Executive Officers – Conflicts of Interest*" and "*Audit Committee and Corporate Governance*".

Public Health Crises and Business Disruption Risks

The Company's business, operations and financial condition could be materially adversely affected by the outbreak of epidemics or pandemics, other health crises or similar business disruptions including the recent outbreak of COVID-19. On March 12, 2020, the World Health Organization declared the outbreak a pandemic and on March 13, 2020 the U.S. government declared that the COVID-19 outbreak in the United States constitutes a national emergency. To date, a large number of temporary business closures and quarantines have occurred, along with a general reduction in consumer activity in Canada, the United

States, Europe and elsewhere. The outbreak has caused companies and various international jurisdictions 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 yet be reasonably estimated.

Such public health crises or similar business disruptions can result in volatility and disruptions in the supply and demand of products, global supply chains and financial markets, as well as declining trade and market sentiment and the reduced mobility of people, all of which could affect commodity prices, interest rates, credit ratings, credit risk and inflation. The risks to the Company of such public health crises also include risks to contractor health and safety, a slowdown or temporary suspension of operations in geographic locations impacted by an outbreak, increased labour and fuel costs, regulatory changes, political or economic instabilities or civil unrest.

Risks Related to the Common Shares

Financing Risks

The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The only present source of funds available to Nova is through the sale of securities. While the Company may generate additional working capital through further equity offerings, there is no assurance that any such funds will be available on terms acceptable to the Company, or at all. If available, future equity financing may result in substantial dilution to existing investors. At present, it is impossible to determine what amount of additional funds, if any, may be required.

High Risk, Speculative Nature of Investment

An investment in the Common Shares carries a high degree of risk and should be considered as a speculative investment by purchasers. The Company has no history of earnings, a limited operating history, has not paid dividends, and is unlikely to pay dividends in the immediate or near future. Operations are not sufficiently established such that the Company can mitigate the risks associated with its planned activities.

No Established Market for the Common Shares

There is currently no market for the Common Shares, and there can be no assurance that an active market for the Common Shares will be developed or sustained.

Limited Operating History and Negative Operating Cash Flow

The Company has no history of earnings. To the extent that Nova has negative operating cash flow in future periods, it may need to allocate a portion of its cash reserves to fund such negative operating cash flow. The Company may also be required to raise additional funds through the issuance of equity or debt securities. There can be no assurance that additional capital or other types of financing will be available when needed or that these financings will be on terms favourable to the Company.

Liquidity Concerns and Future Financing Requirements

Nova has not generated any revenue since its inception. The Company will likely operate at a loss until its business becomes established and may require additional financing in order to fund future operations. The Company’s ability to secure any required financing to sustain its operations will depend in part upon prevailing capital market conditions, as well as the Company’s success. There can be no assurance that Nova will be successful in its efforts to secure any additional financing or additional financing on terms satisfactory to it. If additional financing is raised by issuing securities from treasury, control of the Company may change and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may be required to scale back its business plan or cease operating.

Going Concern Opinion

The Company's auditors have issued a going concern opinion. This means that there is substantial doubt that the Company can continue to operate over the next 12 months. Nova's financial statements do not include any adjustments that might be necessary if it is unable to continue as a going concern. As such, if the Company is unable to obtain sufficient financing to execute its business plan it may be required to cease operations.

Volatility of Share Price

It is anticipated that the Common Shares will be listed for trading on the CSE. As such, factors such as announcements of quarterly variations in operating results, revenues, costs and market conditions in the mobile payments industry may have a significant impact on the market price of the Common Shares. Global stock markets, including the CSE, have from time to time experienced extreme price and volume fluctuations that have often been unrelated to the operations of particular companies. The same applies to companies in the mining industry generally. There can be no assurance that an active or liquid market will develop or be sustained for the Common Shares.

Uncertainty of Use of Available Funds

Although the Company has set out its intended use of available funds in this Prospectus, the uses and figures provided are estimates only and are subject to change. While management does not contemplate any material variation from such estimates, management retains broad discretion in the application of such proceeds. See "*Use of Available Funds*".

No Prospect of Dividends

The Company does not anticipate that any dividends will be paid on the Common Shares for the foreseeable future. As such, investors may not realize a return on their investment. See "*Dividends or Distributions*".

Increased Costs of Being a Publicly Traded Company

As a company with publicly-traded securities, the Company may incur significant legal, accounting and filing fees not presently incurred. Securities legislation and the rules and policies of the CSE require listed companies to, among other things, adopt corporate governance and related practices, and to continuously prepare and disclose material information, all of which may significantly increase the Company's legal and financial compliance costs. See "*Audit Committee and Corporate Governance*" and "*Use of Available Funds*".

PROMOTERS

Saman Eskandari is considered to be a "promoter" of the Company as that term is defined in the *Securities Act* (British Columbia) since he took the initiative in organizing the business of the Company. Mr. Eskandari has not received anything of value from the Company and has no entitlement to receive anything of value except that (a) on March 7, 2017, the Company issued 100 Common Shares to Mr. Eskandari at a price of $0.01 per Share; (b) on June 7, 2018, the Company issued 100,000 Common Shares to Mr. Eskandari at a price of $0.005 per Share; (c) on March 9, 2021, the Company issued 775,000 Units to Mr. Eskandari at a price of $0.02 per Unit, with each Unit consisting of one Common Share and one Warrant exercisable into one Common Share at a price of $0.10 per Common Share for a period of 36 months; (d) on May 31, 2021, the Company issued 100,000 Units to Plutus Bridge Capital Inc., a company controlled by Mr. Eskandari, at a price of $0.10 per Unit, with each unit consisting of one

Common Share and one Warrant exercisable into one Common Share at a price of $0.50 per Common Share for a period of 24 months; and (e) on November 16, 2021, the Company granted 100,000 options to Mr. Eskandari, each of which is exercisable into one Common Share at a price of $0.10 per Common Share for a period of five years.

See "*Executive Compensation*", "*Directors and Executive Officers*", and "*Interests of Management and Others in Material Transactions*" for further details.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

There are no legal proceedings outstanding, threatened or pending as of the date of this Prospectus by or against the Company or to which it is a party or its business or any of its assets is the subject of, nor to the knowledge of the directors and officers of the Company are any such legal proceedings contemplated which could become material to a purchaser of the Company's securities.

Regulatory Actions

There have not been any penalties or sanctions imposed against the Company by a court relating to provincial or territorial securities legislation or by a securities regulatory authority, nor have there been any other penalties or sanctions imposed by a court or regulatory body against the Company, and the Company has not entered into any settlement agreements before a court relating to provincial or territorial securities legislation or with a securities regulatory authority.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director, executive officer or principal shareholder of the Company, or associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction within the preceding three years or in any proposed transaction that has materially affected or will materially affect the Company.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

The Company's auditor is DeVisser Gray LLP, of 401 – 905 West Pender Street, Vancouver, BC V6C 1L6.

The Company's transfer agent is Endeavor Trust Corporation of 702 – 777 Hornby Street, Vancouver, BC V6Z 1S4.

MATERIAL CONTRACTS

The material contracts of the Company are as follows:

1. Asset Purchase Agreement dated March 12, 2021 between the Company and ESGC. See "*Prospectus Summary*" and "*Description of Business*".

2. Escrow Agreement dated July 11, 2022 between the Company, the Escrow Holders and Endeavor Trust Corporation. See "*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer*".

Copies of all material contracts may be inspected at the Company's head office at Suite 306 – 1110 Hamilton Street, Vancouver, BC V6B 2S2, during normal business hours. The material contracts will also be available on SEDAR (www.sedar.com) upon the issuance of a receipt for this Prospectus.

EXPERTS

Each of Raymond P. Spanjers, MS, SME RPG, and Gregory J. Bell, MS, PE, CGWP, the authors of the Technical Report, is independent from the Company within the meaning of NI 43-101.

The Company's auditor is DeVisser Gray LLP. Such auditor has informed the Company that it is independent of the Company in accordance with the rules of professional conduct of the Institute of Chartered Professional Accountants of British Columbia.

No person whose profession or business gives authority to a statement made by such person and who is named in this Prospectus has received or will receive a direct or indirect interest in the Company's property or any associate or affiliate of the Company. As at the date hereof, none of the aforementioned persons beneficially owns, directly or indirectly, securities of the Company or its associates and affiliates. In addition, none of the aforementioned persons nor any director, officer or employee of any of the aforementioned persons, is or is expected to be elected, appointed or employed as, a director, senior officer or employee of the Company or of an associate or affiliate of the Company, or as a promoter of the Company or an associate or affiliate of the Company.

OTHER MATERIAL FACTS

There are no material facts relating to the securities being qualified for distribution pursuant to this Prospectus that are not already disclosed herein and are necessary for this Prospectus to contain full, true and plain disclosure of all material facts relating to such securities.

RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in British Columbia provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In British Columbia, the securities legislation further provides a purchaser with remedies for rescission or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

FINANCIAL STATEMENT DISCLOSURE

The Interim Financial Statements and the Audited Financial Statements follow.

NOVA LITHIUM CORP.

Condensed Interim Financial Statements
For the three and nine months ended March 31, 2022

Unaudited - Expressed in Canadian Dollars

NOVA LITHIUM CORP.

Condensed Interim Statements of Financial Position

(Unaudited - Expressed in Canadian Dollars)

	March 31, 2022	June 30, 2021
Assets		
Current assets		
Cash	$ 390,510	$ 532,094
GST receivable	1,775	-
	392,285	532,094
Exploration and evaluation assets (Note 4)	401,991	327,923
Total assets	$ 794,276	$ 860,017
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued liabilities (Note 7)	$ 28,584	$ 37,457
	28,584	37,457
Shareholders' equity		
Share capital (Note 5)	1,024,851	1,024,851
Reserves (Note 5)	44,500	-
Deficit	(303,659)	(202,291)
Total shareholders' equity	765,692	822,560
Total liabilities and shareholders' equity	$ 794,276	$ 860,017

Nature and Continuance of Operations (Note 1)

Approved on behalf of the Board:

"Glenn Collick"

Glenn Collick, Director

"Ryan Arthur"

Ryan Arthur, Director

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

NOVA LITHIUM CORP.

Condensed Interim Statements of Loss and Comprehensive Loss

(Unaudited - Expressed in Canadian Dollars)

	For the three months ended March 31, 2022	For the three months ended March 31, 2021	For the nine months ended March 31, 2022	For the nine months ended March 31, 2021
Expenses				
Consulting fees (Note 7)	$ -	$ 16,667	$ 3,333	$ 48,167
Filing fees	5,250	-	5,250	-
General and administrative	636	1,157	4,733	2,963
Professional fees	9,300	-	40,402	-
Rent (Note 9)	-	-	3,150	-
Share based compensation (Note 5)	-	-	44,500	-
Net and comprehensive loss	$ (15,186)	$ (17,824)	$ (101,368)	$ (51,130)
Basic and diluted loss per share	$ (0.00)	$ (0.01)	$ (0.00)	$ (0.05)
Weighted average shares outstanding	20,437,100	2,966,767	20,437,100	1,041,706

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

NOVA LITHIUM CORP.

Condensed Interim Statement of Changes in Shareholders' Equity (Deficiency)

(Unaudited - Expressed in Canadian Dollars)

	Number	Amount	Reserves	Deficit	Shareholders' Equity (Deficiency)
Balance, June 30, 2020	**100,100**	**$ 501**	**$ -**	**$ (1,364)**	**$ (863)**
Shares issued in private placements (net of issuance costs) (Note 5)	17,937,000	949,350	-	-	949,350
Shares issued for mineral property (Notes 4 and 5)	2,000,000	40,000	-	-	40,000
Shares issued for debt settlement (Note 5)	400,000	35,000	-	-	35,000
Net loss	-	-	-	(200,927)	(200,927)
Balance, June 30, 2021	**20,437,100**	**1,024,851**	**-**	**(202,291)**	**822,560**
Share-based compensation (Note 5)	-	-	44,500	-	44,500
Net loss	-	-	-	(101,368)	(101,368)
Balance, March 31, 2022	**20,437,100**	**$ 1,024,851**	**$ 44,500**	**$ (303,659)**	**$ 765,692**

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

NOVA LITHIUM CORP.

Condensed Interim Statements of Cash Flows

(Unaudited - Expressed in Canadian Dollars)

	For the nine months ended March 31, 2022	For the nine months ended March 31, 2021
Cash used in operating activities		
Net loss	$ (101,368)	$ (51,130)
Items not involving cash:		
Share-based compensation	44,500	-
Changes in non-cash working capital balances:		
GST receivable	(1,775)	-
Accounts payable and accrued liabilities	(6,583)	16,817
	(65,226)	(34,313)
Cash provided by financing activities		
Subscriptions received	-	267,100
Cash used in investing activities		
Exploration and evaluation expenditures	(76,358)	(101,323)
(Decrease) increase in cash	(141,584)	131,464
Cash, beginning of the period	532,094	287
Cash, end of the period	$ 390,510	$ 131,751

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

1. Nature and Continuance of Operations

Nova Lithium Corp. (the "Company") was incorporated under the British Columbia Business Corporations Act on March 7, 2017 under the name Halcyon Ventures Ltd. On June 11, 2021 the Company changed its name to Nova Lithium Corp. The Company is engaged in the exploration and evaluation of resource properties. The head office of the Company is located at Suite 306 – 1110 Hamilton Street, Vancouver, BC, V6B 2S2 and the registered and records office of the Company is located at 3148 Highland Boulevard, North Vancouver, BC, V7K 2X6.

These condensed interim financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations, and realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred losses since inception, has no recurring source of revenue, has an accumulated deficit of $303,659 and working capital of $363,701 at March 31, 2022. These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company will need to raise additional funds as the Company's current assets are not sufficient to finance its operations and administrative expenses. The Company is evaluating financing options including, but not limited to, the issuance of additional equity and debt. The Company has no assurance that such financing will be available or be available on favourable terms. Factors that could affect the availability of financing include the Company's performance (as measured by numerous factors including the progress and results of its projects), the state of international debt and equity markets, investor perceptions and expectations and the global financial and metals markets.

These condensed interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

2. Basis of Preparation

(a) Statement of Compliance

These unaudited condensed interim financial statements have been prepared based on the principles of International Financial Reporting Standards ("IFRS") and International Accounting Standard 34, "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB") and the Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") and follow the same accounting policies and methods of application as the Company's most recent audited annual financial statements. The unaudited condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended June 30, 2021 and accompanying notes.

These condensed interim financial statements were approved and authorized for issue by the Board of Directors on July 11, 2022.

(b) Basis of Measurement

These condensed interim financial statements have been prepared on a historical costs basis except as detailed in the Company's accounting policies in Note 3 to the audited financial statements for the year ended June 30, 2021.

(c) Functional and Presentation Currency

These condensed interim financial statements are presented in Canadian dollars, which is the Company's functional currency.

3. Critical Accounting Estimates and Judgments

The preparation of condensed interim financial statements requires management to use judgment in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgments are continuously evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in future periods if the revision affects both current and future periods. The following discusses the most significant accounting judgments and estimates that the Company has made in these condensed interim financial statements.

<u>Going concern</u>
Management assesses the Company's ability to continue as a going concern in relation to its ability to raise funds.

<u>Carrying value of exploration and evaluation assets</u>
The Company has capitalized the cost of acquiring mineral property interests and has classified these interests as exploration and evaluation assets in its condensed interim statements of financial position. Mineral interests are expensed in the period in which the Company determines that the mineral property interests have no future economic value. Mineral interests may also be written down if future cash flows, including potential sales proceeds and option payments, related to the property are estimated to be less than the carrying value of the property. The Company reviews the carrying value of its mineral interests periodically, and whenever events or changes in circumstances indicate that the carrying value may not be recoverable, reductions in the carrying value of each property would be recorded to the extent that the carrying value of the investment exceeds the property's estimated fair value. Such events or changes in circumstances involve changes in political risk, economic risk, commodity prices, exchange rates, and interest rates among others.

At March 31, 2022, the Company has determined that there is no impairment in the carrying value of the Deer Musk West Project.

<u>Impairment</u>
An evaluation of whether or not an asset is impaired involves consideration of whether indicators of impairment exist. Factors which could indicate impairment exists include: significant underperformance of an asset relative to historical or projected operating results, significant changes in the manner in which an asset is used or in the Company's overall business strategy, the carrying amount of the net assets of the Company being more than its market capitalization or significant negative industry or economic trends. In some cases, these events are clear. However, in many cases, a clearly identifiable event indicating possible impairment does not occur. Instead, a series of individually insignificant events occur over a period of time leading to an indication that an asset may be impaired. Events can occur in these situations that may not be known until a date subsequent to their occurrence. When there is an indicator of impairment, the recoverable amount of the asset is estimated to determine the amount of impairment, if any. If indicators conclude that the asset is no longer impaired, the Company will reverse impairment losses on assets only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if

(Unaudited - Expressed in Canadian Dollars)

no impairment loss had been recognized. Similar to determining if an impairment exists, judgment is required in assessing if a reversal of an impairment loss is required.

COVID-19
In March 2020, the World Health Organization declared coronavirus, also known as "COVID-19" a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

4. Exploration and Evaluation Assets

		Deer Musk West Project
Balance at June 30, 2020	**$**	**-**
Additions during the year		
Acquisition costs:		
Common shares issued for mineral claims		40,000
Claim staking		128,182
		168,182
Exploration expenditures:		
Geological consulting		56,976
Geophysical		102,765
		159,741
Balance at June 30, 2021	**$**	**327,923**

		Deer Musk West Project
Balance at June 30, 2021	**$**	**327,923**
Additions during the period		
Acquisition costs:		-
		-
Exploration expenditures:		
Geophysical		74,068
		74,068
Balance at March 31, 2022	**$**	**401,991**

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous historical conveyance characteristics of many resource properties. The Company has investigated title to all of its resource properties and, to the best of its knowledge, title to all of its properties is in good standing.

Deer Musk West Project, USA
On March 12, 2021, the Company entered into an asset purchase agreement (the "APA") with a private company in Nevada, USA (the "Vendor"), whereby the Company acquired 190 mineral claims comprising the Deer Musk West Project (the "Property") in Esmeralda County, Nevada by issuing 2,000,000 common shares at a deemed price of $0.02 per share for a purchase price of $40,000 (see Note 5). Pursuant to the APA, the parties acknowledged that the transfer of title to the Property would

occur at the closing; however, until title had formally been transferred, the Vendor agreed to hold the same for the Company for the sole and exclusive use, benefit and advantage of the Company.

As at March 31, 2022, the Vendor held title to the Property in trust for the Company.

On May 12, 2022, the Company established a wholly owned U.S. subsidiary, Nova Lithium USA Corp. ("Nova USA"), a Nevada corporation, and title to the Property was subsequently transferred from the Vendor to Nova USA. In connection with the completion of the transfer, the status of the claims comprising the Property was changed from "Filed" to "Active" in the case management system maintained by the U.S. Department of The Interior, Bureau of Land Management.

On July 30, 2021, the Company, as Assignee, entered into an assignment and assumption agreement with the Vendor and a consultant, whereby the Vendor sold, assigned, transferred and conveyed all of its right, title, benefit and interest in and to an agreement for consulting services (the "Agreement") between the Vendor and the consultant dated March 27, 2021, and the Company covenanted and agreed with the Vendor and the consultant to perform and observe all of the obligations and liabilities of the Vendor under the Agreement. Pursuant to the Agreement, the consultant prepared a technical report in accordance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* for the Property. The term of the Agreement continued until December 27, 2021. On July 30, 2021, the consultant received $19,171 (US$15,000) as compensation for preparing the technical report.

As at March 31, 2022, and the date of these condensed interim financial statements, the Case Disposition of the claims comprising the Property were set at "Filed".

5. Share Capital

(a) Authorized

The Company has authorized an unlimited number of common shares with no par value.

(b) Issued and outstanding

During the period ended March 31, 2022, the Company did not issue any common shares.

During the year ended June 30, 2021, the Company issued the following common shares:

On March 9, 2021, the Company issued 10,000,000 units at a price of $0.02 per unit for total proceeds of $200,000. Each unit consisted of one common share and one share purchase warrant exercisable at a price of $0.10 per share until March 9, 2024.

On March 12, 2021, the Company issued 2,000,000 common shares at a deemed price of $0.02 per share for a total of $40,000 (Note 4).

On April 30, 2021, the Company issued 827,000 common shares at a price of $0.05 per share for total proceeds of $41,350.
On April 30, 2021, pursuant to a debt conversion agreement, the Company issued 100,000 common shares at a deemed price of $0.05 per share to settle a debt in the amount of $5,000 relating to professional services rendered by the creditor to the Company.

(Unaudited - Expressed in Canadian Dollars)

On May 31, 2021, the Company issued 7,110,000 units at a price of $0.10 per unit for total proceeds of $711,000. Each unit consisted of one common share and one share purchase warrant exercisable at a price of $0.50 per share until May 31, 2023.

On May 31, 2021, pursuant to a debt conversion agreement, the Company issued 300,000 units at a deemed price of $0.10 per unit to settle a debt in the amount of $30,000 relating to consulting services rendered by the creditor to the Company. Each unit consisted of one common share and one share purchase warrant exercisable at a price of $0.50 per share until May 31, 2023.

(c) Stock options

The Company has an incentive stock option plan. Options to purchase common shares can be granted to directors, employees and consultants of the Company at exercise prices determined by their market value on the date of the grant. The options vest immediately on the date of the grant or as otherwise determined at the discretion of the Board.

On November 16, 2021, the Company granted options to purchase an aggregate of 600,000 common shares to various directors and officers of the Company. Each option vests immediately and is exercisable into one common share at a price of $0.10 per share for a period of five years (See Note 7).

The following is a summary of option transactions under the Company's stock option plan for the period ended March 31, 2022 and the year ended June 30, 2021:

	Number of Options	Weighted average exercise price
Balance at June 30, 2020	**-**	**$ -**
Issued	-	-
Balance at June 30, 2021	-	-
Issued	600,000	0.10
Balance at March 31, 2022	**600,000**	**$ 0.10**

Number of options outstanding	Exercise price	Expiry date	Weighted average remaining life (Years)
600,000	$0.10	November 16, 2026	4.62
600,000			4.62

The Company applies the fair value method in accounting for its stock options using the Black-Scholes pricing model. During the period ended March 31, 2022, the Company issued a total of 600,000 (June 30, 2021 – nil) incentive stock options to directors and officers of the Company. During the period ended March 31, 2022, the options issued and vested resulted in share-based payments of $44,500 (June 30, 2021 - $nil).

(Unaudited - Expressed in Canadian Dollars)

	December 31, 2021	June 30, 2021
Expected Life	5 years	-
Risk-free interest rate	1.56%	-
Annualized volatility	100.00%	-
Dividend rate	N/A	-
Fair value of shares at grant date	$0.070	-

(d) Warrants

Warrant transactions during the nine months ended March 31, 2022 and the year ended June 30, 2021 and the number of warrants outstanding and exercisable at March 31, 2022 are summarized as follows:

	Number of Warrants	Weighted average exercise price
Balance at June 30, 2020	**-**	**$ -**
Issued	17,410,000	0.27
Balance at June 30, 2021 and March 31, 2022	**17,410,000**	**$ 0.27**

Number of warrants outstanding	Exercise price	Expiry date	Weighted average remaining life (Years)
7,410,000	$0.50	May 31, 2023	0.50
10,000,000	$0.10	March 9, 2024	1.12
17,410,000			1.62

6. Loss Per Share

The basic loss per share for the nine months ended March 31, 2022 was based on the loss attributable to common shareholders of $101,368 (2021 – $51,130) and the weighted average common shares outstanding of 20,437,100 (2021 – 1,041,706). Diluted loss per share has not been calculated as it is anti-dilutive.

7. Related Party Transactions

Key management personnel are those persons that have authority and responsibility for planning, directing and controlling the activities of the Company, directly and indirectly, and by definition include the directors of the Company.

As at March 31, 2022, accounts payable and accrued liabilities included $3,750 (June 30, 2021 – $17,267) due to related parties. These amounts are unsecured and non-interest bearing.

During the period ended March 31, 2022, the Company:

- paid or accrued $3,333 (2021 – $38,167) to a company controlled by a former director of the Company for consulting and advisory services.

- paid or accrued $11,025 (2021 – $Nil) to a company controlled by a director of the Company for consulting services.

- Incurred share-based compensation expense of $44,500 (2020 – $nil) from the issuance of 600,000 incentive stock options (see Note 5(c)).

During the year ended June 30, 2021, the Company entered into the following agreements with a company controlled by a director of the Company:

<u>Consulting Services Agreement</u>
On June 2, 2020, the Company entered into a consulting services agreement with one consultant (the "CSA"), whereby the consultant agreed to provide certain consulting and advisory services to the Company for a term of 12 months related to the public listing of the Company's securities on a Canadian stock exchange. The CSA was amended on May 31, 2021 and automatically terminated on that date. In exchange for providing the services, the consultant received an aggregate of $36,000 in cash, inclusive of GST, as compensation.

<u>Consulting Agreement</u>
On August 1, 2020, the Company entered into a consulting agreement with one consultant (the "CA"), whereby the consultant agreed to act as the interim corporate secretary of the Company for a term that will continue until the earlier of six months or the date that any of the securities of the Company are listed for trading on a Canadian stock exchange. The CA was amended on January 29, 2021 and automatically terminated on that date. In exchange for providing the services, the consultant received a monthly fee of $5,000 as compensation.

<u>Consulting Services Agreement</u>
On February 1, 2021, the Company entered into a consulting services agreement ("CSA2") with the consultant noted above, whereby the consultant agreed to provide the same consulting and advisory services as for the CSA for a term of six months. CSA2 was amended on July 30, 2021 and automatically terminated on July 31, 2021. In exchange for providing the services, the consultant will receive an aggregate of $20,000 in cash, inclusive of GST, as compensation on or before July 31, 2021.

During the period ended March 31, 2022, the Company entered into the following agreement with a company controlled by a director of the Company:

<u>Consulting Agreement</u>
On October 15, 2021, the Company entered into a consulting agreement (the "CA2") with a private company, whereby the consultant will provide the services generally required of a Chief Financial Officer ("CFO") of a publicly-traded corporation to the Company as well as such other services as may be requested by the Company from time to time. Pursuant to the CA2, the consultant will receive a monthly fee of $3,000 as consideration for providing these services. As further consideration for providing these services, the consultant was granted options to purchase 100,000 common shares of the Company for a period of five years at $0.10 per share for a period of five years. These options vested on the date of grant (see Note 5(c)). The Company and the consultant each have the right to terminate the CA2 for any reason, without further compensation to the consultant, and at any time by giving the other party 30 days written notice.

This transaction occurred in the normal course of operations and is measured at the exchange amount, which is the amount of consideration established and agreed to by the parties.

8. Financial Instruments and Risk Management

Fair value

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included in 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 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying value of cash and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Risk Management

The Company is exposed to a variety of financial risks by virtue of its activities, including credit risk, interest rate risk and liquidity risk. The overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on financial performance. Risk management is carried out by management under the direction and guidance of the Board of Directors. Management is responsible for establishing controls and procedures to ensure that financial risks are mitigated to acceptable levels.

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

<u>Credit risk</u>
Credit risk is the risk of potential loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is limited to the carrying amount on the condensed interim statements of financial position and arises from the Company's cash. The Company's cash is held in an account with a Canadian chartered bank. The Company has assessed credit risk as low.

<u>Liquidity risk</u>
Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2022, the Company had a cash balance of $390,510 to settle current liabilities of $28,584. All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

<u>Market risk</u>
Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates. As at March 31, 2022, the Company is not exposed to market risk.
<u>Interest rate risk</u>

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at March 31, 2022, the Company is not exposed to interest rate risk.

Foreign currency rate risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian and US dollars. The Company funds certain exploration expenditures in the United States by converting funds from its Canadian dollar bank accounts and wiring US funds to the foreign counterparty. Management does not currently hedge its foreign exchange risk. As at March 31, 2022, the Company had no foreign currency balances.

Sensitivity Analysis

The Company works toward its capital management objectives to the extent possible while facing the challenges of market conditions and the public's assessment of the Company's risk profile. Its capital management objectives have not changed over the period presented.

The carrying value of cash and accounts payable and accrued liabilities approximate their fair values due to the relatively short periods to maturities of these financial instruments.

Based on management's knowledge of and experience in the financial markets, management does not believe that the Company's current financial instruments will be materially affected by credit risk, liquidity risk or market risk.

The Company is not subject to any financial covenants. The Company monitors its financing requirements and financing decisions are based on the timing and extent of expected operating and capital cash outlays. Factors considered when determining whether to issue equity include the amount of cash sought, the availability of these sources and their terms.

As at March 31, 2022, the Company had working capital of $363,701 (June 30, 2021 – $494,637). The Company manages its cash and common shares as capital. The Company's objectives in managing its capital are to:

- maintain sufficient cash and cash equivalents to last a minimum of one year;
- have the flexibility to achieve its on-going business objectives, including but not limited to funding work programs on its exploration and evaluation assets and pursuing new business opportunities as they arise, and
- minimize dilution to existing shareholders.

The directors of the Company have not specified a quantitative return on capital criteria for management, but rather rely on the expertise of management to sustain future development of the business.

The Company's exploration and evaluation assets are in the development stage and the Company does not generate a positive cash flow. As a consequence, the Company relies on accessing the capital markets to obtain the funds needed to carry on its business. It is the Company's intention to utilize its existing working capital and to raise additional funds as needed. The additional funds will be raised primarily through the issuance of its securities in private placements.

9. Rent

On June 1, 2020, the Company entered into a shared space agreement (the "SPA") for premises in Vancouver, British Columbia. The initial term of the SPA is for a period of 12 months commencing June 1, 2020, with the Company paying a monthly member fee of $2,000. Following the initial term, the SPA will automatically renew on a month-to-month basis until terminated. After the initial term, either party can terminate the SPA upon 30 days' written notice.

On May 28, 2021, the Company entered into a commercial lease agreement (the "Lease") for premises in Calgary, Alberta. The term of the Lease is on a month-by-month basis commencing June 1, 2021, with the Company paying monthly rent of $1,000. This Lease was terminated effective October 31, 2021.

10. Subsequent Events

On May 12, 2022, the Company established a wholly owned U.S. subsidiary, Nova USA.

On May 16, 2022, title to the Property was transferred from the Vendor to Nova USA, and the status of the claims comprising the Property was set to "Active".

NOVA LITHIUM CORP.

Financial Statements
For the years ended June 30, 2021 and 2020

Expressed in Canadian Dollars

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INDEPENDENT AUDITOR'S REPORT

To the Directors of Nova Lithium Corp.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Nova Lithium Corp. (the "Company"), which comprise the statements of financial position as at June 30, 2021 and 2020, and the statements of loss and comprehensive loss, changes in shareholders' equity (deficiency) and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company has incurred losses since inception, has no recurring source of revenue and has an accumulated deficit of $202,291. As stated in Note 1, the Company's ability to continue as a going concern is dependent upon its ability to generate future cash flows or obtain additional financing. These matters, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

De Visser Gray LLP

Chartered Professional Accountants

Vancouver, BC, Canada
July 11, 2022

NOVA LITHIUM CORP.

Statements of Financial Position

(Expressed in Canadian Dollars)

	June 30, 2021	June 30, 2020
Assets		
Current assets		
Cash	$ 532,094	$ 287
Exploration and evaluation assets (Note 5)	327,923	-
Total assets	$ 860,017	$ 287
Liabilities and shareholders' equity (deficiency)		
Current liabilities		
Accounts payable and accrued liabilities (Note 8)	$ 37,457	$ 1,150
	37,457	1,150
Shareholders' Equity (Deficiency)		
Share capital (Note 6)	1,024,851	501
Deficit	(202,291)	(1,364)
Total Shareholders' Equity (Deficiency)	822,560	(863)
Total Liabilities and Shareholders' Equity (Deficiency)	$ 860,017	$ 287

Nature and Continuance of Operations (Note 1)

Subsequent Events (Note 12)

Approved on behalf of the Board:

"Glenn Collick" *"Ryan Arthur"*

Glenn Collick, Director Ryan Arthur, Director

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

NOVA LITHIUM CORP.

Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

	For the year ended June 30, 2021	For the year ended June 30, 2020
Expenses		
Advertising and promotion (Note 8)	$ 10,000	$ -
Consulting fees (Note 8)	124,167	-
General and administrative	10,978	29
Professional fees	29,732	735
Rent (Note 10)	26,050	-
Net and comprehensive loss	$ (200,927)	$ (764)
Basic and diluted loss per share	$ (0.04)	$ (0.01)
Weighted average shares outstanding	4,562,695	100,100

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

NOVA LITHIUM CORP.

Statement of Changes in Shareholders' Equity (Deficiency)

(Expressed in Canadian Dollars)

	Number	Amount	Deficit	Shareholders' Equity (Deficiency)
Balance, June 30, 2019	100,100	$ 501	$ (600)	$ (99)
Net loss	-	-	(764)	(764)
Balance, June 30, 2020	100,100	501	(1,364)	(863)
Shares issued in private placements (net of issuance costs) (Note 6)	17,937,000	949,350	-	949,350
Shares issued for mineral property (Notes 5 and 6)	2,000,000	40,000	-	40,000
Shares issued for debt settlement (Note 6)	400,000	35,000	-	35,000
Net loss	-	-	(200,927)	(200,927)
Balance, June 30, 2021	**20,437,100**	**$ 1,024,851**	**$ (202,291)**	**$ 822,560**

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

NOVA LITHIUM CORP.

Statements of Cash Flows

(Expressed in Canadian Dollars)

	Year-ended June 30, 2021	Year-ended June 30, 2020
Cash used in operating activities		
Net loss	$ (200,927)	$ (764)
Changes in non-cash working capital balances:		
Accounts payable and accrued liabilities	69,017	-
	(131,910)	(764)
Cash provided by financing activities		
Proceeds from shares issued	952,350	-
Share issuance costs	(3,000)	-
	949,350	-
Cash used in investing activities		
Exploration and evaluation expenditures	(285,633)	-
	(285,633)	-
Increase (decrease) in cash	531,807	(764)
Cash, beginning of the year	287	1,051
Cash, ending of the year	$ 532,094	$ 287

Supplementary Information		
Shares issued for mineral property	$ 40,000	$ -
Shares issued for debt settlement	$ 35,000	$ -
Exploration and evaluation expenditures included in accounts payable	$ 2,290	$ -

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

1. Nature and Continuance of Operations

Nova Lithium Corp. (the "Company") was incorporated under the British Columbia Business Corporations Act on March 7, 2017 under the name Halcyon Ventures Ltd. On June 11, 2021 the Company changed its name to Nova Lithium Corp. The Company is engaged in the exploration and evaluation of resource properties. The head office of the Company is located at Suite 306 – 1110 Hamilton Street, Vancouver, BC, V6B 2S2 and the registered and records office of the Company is located at 3148 Highland Boulevard, North Vancouver, BC, V7K 2X6.

These financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations, and realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred losses since inception, has no recurring source of revenue, has an accumulated deficit of $202,291 and working capital of $494,637 at June 30, 2021. These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company will need to raise additional funds as the Company's current assets are not sufficient to finance its operations and administrative expenses. The Company is evaluating financing options including, but not limited to, the issuance of additional equity and debt. The Company has no assurance that such financing will be available or be available on favourable terms. Factors that could affect the availability of financing include the Company's performance (as measured by numerous factors including the progress and results of its projects), the state of international debt and equity markets, investor perceptions and expectations and the global financial and metals markets.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

2. Basis of Preparation

(a) Statement of Compliance

These financial statements of the Company for the year ended June 30, 2021, including comparatives for the prior year, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These financial statements were approved and authorized for issue by the Board of Directors on July 11, 2022.

(b) Basis of Measurement

These financial statements have been prepared on a historical costs basis except for financial instruments as described in Note 3 (k), which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting.

(c) Functional and Presentation Currency

These financial statements are presented in Canadian dollars, which is the Company's functional currency.

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Although management uses historical experience and its best knowledge of the amounts, events or actions to form the basis for judgments and estimates, actual results could differ from these estimates. See Note 4.

3. Significant Accounting Policies

The significant accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise indicated.

(a) Foreign Currencies

The Canadian dollar is the Company's functional and presentation currency. Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates in effect on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to the functional currency at the exchange rate in effect on the statement of financial position date with any resulting foreign exchange gain or loss recognized in net income (loss).

Non-monetary items measured in terms of historical cost in a foreign currency are translated using the exchange rate in effect on the date of the transaction. Foreign currency gains and losses on transactions are reported on a net basis.

(b) Exploration and Evaluation Assets

Once the legal right to explore a property has been acquired, the acquisition costs, including legal and other directly related fees, and the costs directly related to exploration and evaluation assets are recognized and capitalized. These direct expenditures include such costs as materials used, surveying costs, drilling costs, and payments made to contractors. Costs not directly attributable to exploration and evaluation assets activities, including general administrative costs, are expensed in the period in which they occur.

The Company may enter into option agreements, whereby the Company will transfer part of its interest in a mineral property, as consideration, for an agreement by the optionee to meet certain mineral property expenditures which would have otherwise been undertaken by the Company. The Company does not record any expenditures made by the optionee on the Company's behalf. Any cash or other consideration received from the optionee is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess accounted for as a gain on disposal.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation asset expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation asset expenditures in excess of estimated recoveries are written off to the statements of loss and comprehensive loss.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Once the technical feasibility and commercial viability of extracting the mineral resource has been demonstrated and a development decision has been made, the capitalized costs of the related property are transferred to mining assets and depreciated using the units of production method on commencement of commercial production.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized costs. Exploration and evaluation assets are classified as intangible assets.

(c) Impairment of Non-Current Assets

At each reporting period, management reviews mineral interests for indicators of impairment. If any such impairment indicators exist, the recoverable amount of the asset is estimated to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction. In assessing value in use, the estimated future cash flows are discounted to their present value. If the recoverable amount of the asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for that period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Past impairments are also considered at each reporting period and where there is an indication that an impairment loss may have decreased, the recoverable amount is calculated as outlined above to determine the extent of the recovery. If the recoverable amount of the asset is more than its carrying amount, the carrying amount of the asset is increased to its recoverable amount and the impairment loss is reversed in profit or loss for that period. The increased carrying amount due to reversal will not be more than what the depreciated historical cost would have been if the impairment had not been recognized.

(d) Government Assistance

Government assistance received in respect to exploration and evaluation asset expenditures is offset against the costs incurred, or included in income if the costs applicable to such properties have been written off.

(e) Option Agreements – Exploration and Evaluation Assets

From time to time, the Company may acquire or dispose of exploration and evaluation assets pursuant to the terms of option agreements. Due to the fact that options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as exploration and evaluation expenditures or recoveries when the payments are made or received.

(f) Comprehensive Loss

Comprehensive income is the change in shareholders' equity during a reporting period from transactions and other events and circumstances from non-owner sources. It includes all changes in equity during a period except those resulting from investments by owners and distributions to owners. The statements of loss and comprehensive loss list unrealized gains and losses for classifications of financial instruments that do not require such gains and losses to be included in net income.

(g) Income Taxes

The Company accounts for and measures deferred tax assets and liabilities in accordance with the asset and liability method.

Under this method, deferred tax assets and liabilities are recognized for the deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively-enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment of the change. When the future realization of income tax assets does not meet the test of being more likely than not to occur, no net asset is recognized. Accordingly, the Company's accounting policy for deferred income taxes currently has no effect on the financial statements of any of the fiscal periods presented.

(h) Share Capital

The Company records in share capital proceeds from share issuances, net of issue costs and any tax effects. Stock options and other equity instruments issued as purchase consideration in non-monetary transactions are recorded at fair value determined by management using the Black-Scholes option pricing model.

(i) Share-Based Payment Transactions

The Company grants stock options to buy common shares of the Company to directors, officers, employees and consultants. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The offset to the recorded cost is to share-based payments reserve. Consideration received on the exercise of stock options is recorded as share capital and the related share-based payments reserve is transferred to share capital. Where awards are forfeited because non-market based vesting conditions are not satisfied, the expense previously recognized is proportionately reversed in the period the forfeiture occurs.

(j) Loss Per Share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributed to common shareholders of the Company by the weighted average number of common shares outstanding during the reporting period. Diluted earnings (loss) per share are calculated in a manner similar to that used to calculate basic earnings (loss) per share except that the weighted average shares outstanding are increased to include the additional shares resulting from the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common shares at the average market price during the reporting periods. Diluted loss per share does not adjust the loss attributed to common shareholders or the weighted average number of common shares outstanding when the effect of such adjustments is anti-dilutive.

(k) Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of a financial instrument. On initial recognition, financial assets are classified and measured at amortized cost, fair value through profit or loss ("FVTPL") or fair value through other comprehensive income ("FVOCI").

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL: (i) it is held within a business model whose objective is to hold assets to collect contractual cash flows, and (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL: (i) it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities classified as FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities classified as FVTPL are recognized immediately in the statement of loss and comprehensive loss.

The Company's financial instruments are classified and subsequently measured at amortized cost.

<u>Impairment</u>
The Company recognizes an allowance using the Expected Credit Loss ("ECL") model on financial assets classified as amortized cost. The Company has elected to use the simplified approach for measuring ECL by using a lifetime expected loss allowance for all amounts recoverable. Under this model, impairment provisions are based on credit risk characteristics and days past due. When there is no reasonable expectation of collection, financial assets classified as amortized cost are written off. Indications of credit risk arise based on failure to pay and other factors. Should objective events occur after an impairment loss is recognized, a reversal of impairment is recognized in the statement of loss and comprehensive loss.

(l) Provision for Environmental Rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets.

At June 30, 2021, the Company does not have any provision for environmental rehabilitation.

(m) Provisions

Provisions are recognized where a legal or constructive obligation has been incurred as a result of past events, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions for environmental restoration, legal claims, onerous leases and other onerous commitments are recognized at the best estimates of the expenditures required to settle the Company's liability.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. An amount equivalent to the discounted provision is capitalized within tangible capital assets and is depreciated over the useful lives of the related assets. The increase in the provision due to passage of time is recognized as an accretion expense.

(n) 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.

(o) Leases

At inception of a contract, the Company must assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset over a period of time in exchange for consideration. The Company must assess whether the contract involves the use of an identified asset, whether it has the right to obtain substantially all of the economic benefits from the use of the asset during the term of the contract and if it has the right to direct the use of the asset.

As a lessee, the Company recognizes a right-of-use asset and a lease liability at the commencement date of the lease.

<u>Right-of-use asset</u>
The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made and any initial direct costs incurred at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received. The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

<u>Lease liability</u>
A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted by the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate. The lease liability is subsequently measured at amortized cost using the effective interest method.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to income on a straight-line basis over the lease term.

(p) Anticipated Changes to International Financial Reporting Standards

A number of interpretations are not yet effective for the year ended June 30, 2021 and have not been applied in preparing these financial statements. The following new interpretations and amendments have been issued, but are not yet effective until financial years beginning on or after January 1, 2022, and may impact the Company in the future:

IAS 1 – Presentation of Financial Statements
IAS 1 has amended the definition of material to "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The previous definition of material from IAS 1 was "omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that users make on the basis of the financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The size or nature of the item, or a combination of both, could be the determining factor."

IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors
IAS 8 amended the definition of material to reflect the changes outlined above under IAS 1.

4. Critical Accounting Estimates and Judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgments are continuously evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in future periods if the revision affects both current and future periods. The following discusses the most significant accounting judgments and estimates that the Company has made in these financial statements.

Going concern
Management assesses the Company's ability to continue as a going concern in relation to its ability to raise funds.

Carrying value of exploration and evaluation assets
The Company has capitalized the cost of acquiring mineral property interests and has classified these interests as exploration and evaluation assets in its statements of financial position. Mineral interests are expensed in the period in which the Company determines that the mineral property interests have no future economic value. Mineral interests may also be written down if future cash flow, including potential sales proceeds and option payments, related to the property are estimated to be less than the carrying value of the property. The Company reviews the carrying value of its mineral interests periodically, and whenever events or changes in circumstances indicate that the carrying value may not be recoverable, reductions in the carrying value of each property would be recorded to the extent that the carrying value of the investment exceeds the property's estimated fair value. Such events or changes in circumstances involve changes in political risk, economic risk, commodity prices, exchange rates, and interest rates among others.

The Company has determined that there is no impairment in the carrying value of the Deer Musk West Project.

(Expressed in Canadian Dollars)

Impairment

An evaluation of whether or not an asset is impaired involves consideration of whether indicators of impairment exist. Factors which could indicate impairment exists include: significant underperformance of an asset relative to historical or projected operating results, significant changes in the manner in which an asset is used or in the Company's overall business strategy, the carrying amount of the net assets of the Company being more than its market capitalization or significant negative industry or economic trends. In some cases, these events are clear. However, in many cases, a clearly identifiable event indicating possible impairment does not occur. Instead, a series of individually insignificant events occur over a period of time leading to an indication that an asset may be impaired. Events can occur in these situations that may not be known until a date subsequent to their occurrence. When there is an indicator of impairment, the recoverable amount of the asset is estimated to determine the amount of impairment, if any. If indicators conclude that the asset is no longer impaired, the Company will reverse impairment losses on assets only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Similar to determining if an impairment exists, judgment is required in assessing if a reversal of an impairment loss is required.

COVID-19

In March 2020, the World Health Organization declared coronavirus, also known as "COVID-19" a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

5. Exploration and Evaluation Assets

		Deer Musk West Project
Balance at June 30, 2020 and 2019	**$**	**-**
Acquisition costs:		
Common shares issued for mineral claims		40,000
Claim staking		128,182
		168,182
Exploration expenditures:		
Geological consulting		56,976
Geophysical		102,765
		159,741
Balance at June 30, 2021	**$**	**327,923**

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance historical characteristic of many resource properties. The Company has investigated title to all of its resource properties and, to the best of its knowledge, title to all of its properties is in good standing.

Deer Musk West Project, USA

On March 12, 2021, the Company entered into an asset purchase agreement (the "APA") with a private company in Nevada, USA (the "Vendor"), whereby the Company acquired 190 mineral claims comprising the Deer Musk West Project (the "Property") in Esmeralda County, Nevada by issuing 2,000,000 common shares at a deemed price of $0.02 per share for a purchase price of $40,000 (see Note 6). Pursuant to the APA, the parties acknowledged that the transfer of title to the Property would occur at closing; however, until title had formally been transferred, the Vendor agreed to hold the same for the Company for the sole and exclusive use, benefit and advantage of the Company.

As at June 30, 2021, the Vendor held title to the Property in trust for the Company.

On May 12, 2022, the Company established a wholly owned U.S. subsidiary, Nova Lithium USA Corp. ("Nova USA"), a Nevada corporation, and title to the Property was subsequently transferred from the Vendor to Nova USA. In connection with the completion of the transfer, the status of the claims comprising the Property was changed from "Filed" to "Active" in the case management system maintained by the U.S. Department of The Interior, Bureau of Land Management.

6. Share Capital

(a) Authorized

The Company has authorized an unlimited number of common shares with no par value.

(b) Issued and outstanding

On March 9, 2021, the Company issued 10,000,000 units at a price of $0.02 per unit for total proceeds of $200,000. Each unit consisted of one common share and one share purchase warrant exercisable at a price of $0.10 per share until March 9, 2024.

On March 12, 2021, the Company issued 2,000,000 common shares at a deemed price of $0.02 per share for a total of $40,000 (Note 5).

On April 30, 2021, the Company issued 827,000 common shares at a price of $0.05 per share for total proceeds of $41,350.

On April 30, 2021, pursuant to a debt conversion agreement, the Company issued 100,000 common shares at a deemed price of $0.05 per share to settle a debt in the amount of $5,000 relating to professional services rendered by the creditor to the Company.

On May 31, 2021, the Company issued 7,110,000 units at a price of $0.10 per unit for total proceeds of $711,000. Each unit consisted of one common share and one share purchase warrant exercisable at a price of $0.50 per share until May 31, 2023.

On May 31, 2021, pursuant to a debt conversion agreement, the Company issued 300,000 units at a deemed price of $0.10 per unit to settle a debt in the amount of $30,000 relating to consulting services rendered by the creditor to the Company. Each unit consisted of one common share and one share purchase warrant exercisable at a price of $0.50 per share until May 31, 2023.

(c) Stock options

The Company has an incentive stock option plan. Options to purchase common shares can be granted to directors, employees and consultants of the Company at exercise prices determined by their market value on the date of the grant. The options vest immediately on the date of the grant or as otherwise determined at the discretion of the Board.

As at and for the years ended June 30, 2021 and 2020, no stock options were issued or outstanding.

(Expressed in Canadian Dollars)

(d) Warrants

Warrant transactions during the years ended June 30, 2021 and 2020 and the number of warrants outstanding and exercisable at June 30, 2021 are summarized as follows:

	Number of Warrants	Weighted average exercise price
Balance at June 30, 2020 and 2019	**-**	**-**
Issued	17,410,000	$ 0.27
Balance June 30, 2021	17,410,000	$ 0.27

Number of warrants outstanding	Exercise price	Expiry date	Weighted average remaining life (Years)
7,410,000	$0.50	May 31, 2023	0.82
10,000,000	$0.10	March 9, 2024	1.55
17,410,000			2.37

7. Loss Per Share

The basic loss per share for the year-ended June 30, 2021 was based on the loss attributable to common shareholders of $200,927 (2020 – $764) and the weighted average common shares outstanding of 4,562,695 (2020 – 100,100). Diluted loss per share has not been calculated as it is anti-dilutive.

8. Related Party Transactions

Key management personnel are those persons that have authority and responsibility for planning, directing and controlling the activities of the Company, directly and indirectly, and by definition include the directors of the Company.

As at June 30, 2021, accounts payable and accrued liabilities included $17,267 (2020 – $nil) due to related parties. These amounts are unsecured and non-interest bearing.

During the year ended June 30, 2021, the Company entered into the following related party transactions:

- paid or accrued $10,000 (2020 – nil) to a director of the Company for consulting services;
- paid or accrued $10,000 (2020 – nil) to a company controlled by a director of the Company for advertising and promotion services; and
- paid or accrued $84,167 (2020 – nil) to a company controlled by a director of the Company for consulting and advisory services.

The above transactions occurred in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the parties.

During the year ended June 30, 2021, the Company entered into the following agreements with a company controlled by a director of the Company:

Consulting Services Agreement
On June 2, 2020, the Company entered into a consulting services agreement with one consultant (the "CSA"), whereby the consultant agreed to provide certain consulting and advisory services to the Company for a term of 12 months related to the public listing of the Company's securities on a Canadian stock exchange. The CSA was amended on May 31, 2021 and automatically terminated on that date. In exchange for providing the services, the consultant received an aggregate of $36,000 in cash, inclusive of GST, as compensation.

Consulting Agreement
On August 1, 2020, the Company entered into a consulting agreement with one consultant (the "CA"), whereby the consultant agreed to act as the interim corporate secretary of the Company for a term that will continue until the earlier of six months or the date that any of the securities of the Company are listed for trading on a Canadian stock exchange. The CA was amended on January 29, 2021 and automatically terminated on that date. In exchange for providing the services, the consultant received a monthly fee of $5,000 as compensation.

Consulting Services Agreement
On February 1, 2021, the Company entered into a consulting services agreement ("CSA2") with the consultant noted above, whereby the consultant agreed to provide the same consulting and advisory services as for the CSA for a term of six months. CSA2 was amended on July 30, 2021 and it automatically terminated on July 31, 2021. In exchange for providing the services, the consultant will receive an aggregate of $20,000 in cash, inclusive of GST, as compensation on or before July 31, 2021.

Also see Note 12.

9. Financial Instruments and Risk Management

Fair value

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included in 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 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying value of cash and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Risk Management

The Company is exposed to a variety of financial risks by virtue of its activities, including credit risk, interest rate risk and liquidity risk. The overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on financial performance. Risk management is carried out by management under the direction and guidance of the Board of Directors. Management is responsible for establishing controls and procedures to ensure that financial risks are mitigated to acceptable levels.

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

Credit risk

Credit risk is the risk of potential loss to the Company if a customer or counterparty to a financial instrument fails to meets its contractual obligations. The Company's credit risk is limited to the carrying amount on the statements of financial position and arises from the Company's cash. The Company's cash is held in an account with a Canadian chartered bank. The Company has assessed credit risk as low.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2021, the Company had a cash balance of $532,094 to settle current liabilities of $37,457. All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates. As at June 30, 2021, the Company is not exposed to market risk.

<u>Interest rate risk</u>
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at June 30, 2021, the Company is not exposed to interest rate risk.

<u>Foreign currency rate risk</u>
The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian and US dollars. The Company funds certain exploration expenditures in the United States by converting funds from its Canadian dollar bank accounts and wiring US funds to the foreign counterparty. Management does not currently hedge its foreign exchange risk. As at June 30, 2021, the Company had the following foreign currency balances – trade payables (US$1,750). A 10%

fluctuation in the US dollar against the Canadian dollar would have a $175 effect on net and comprehensive loss.

Sensitivity Analysis

The Company works toward its capital management objectives to the extent possible while facing the challenges of market conditions and the public's assessment of the Company's risk profile. Its capital management objectives have not changed over the period presented.

The carrying value of cash and accounts payable and accrued liabilities approximate their fair values due to the relatively short periods to maturities of these financial instruments.

Based on management's knowledge of and experience in the financial markets, management does not believe that the Company's current financial instruments will be materially affected by credit risk, liquidity risk or market risk.

The Company is not subject to any financial covenants. The Company monitors its financing requirements and financing decisions are based on the timing and extent of expected operating and capital cash outlays. Factors considered when determining whether to issue equity include the amount of cash sought, the availability of these sources and their terms.

As at June 30, 2021, the Company had working capital of $494,637 (2020 – $(863)). The Company manages its cash and common shares as capital. The Company's objectives in managing its capital are to:

- maintain sufficient cash and cash equivalents to last a minimum of one year;
- have the flexibility to achieve its on-going business objectives, including but not limited to funding work programs on its exploration and evaluation assets and pursuing new business opportunities as they arise, and
- minimize dilution to existing shareholders.

The directors of the Company have not specified a quantitative return on capital criteria for management, but rather rely on the expertise of management to sustain future development of the business.

The Company's exploration and evaluation assets are in the development stage and the Company does not generate a positive cash flow. As a consequence, the Company relies on accessing the capital markets to obtain the funds needed to carry on its business. It is the Company's intention to utilize its existing working capital and to raise additional funds as needed. The additional funds will be raised primarily through the issuance of its securities in private placements.

10. Rent

On June 1, 2020, the Company, as Member, entered into a shared space agreement (the "SPA") for premises in Vancouver, British Columbia. The initial term of the SPA is for a period of 12 months commencing June 1, 2020, with the Company paying a monthly member fee of $2,000. Following the initial term, the SPA will automatically renew on a month-to-month basis until terminated. After the initial term, either party can terminate the SPA upon 30 days' written notice.

On May 28, 2021, the Company entered into a commercial lease agreement (the "Lease") for premises in Calgary, Alberta. The term of the Lease is on a month-by-month basis commencing June 1, 2021, with the Company paying monthly rent of $1,000. This Lease was terminated effective October 31, 2021.

(Expressed in Canadian Dollars)

See Note 3 (o).

11. Income Taxes

A reconciliation of the expected income tax provision computed at the statutory rates to the reported income tax provision for the years ended June 30, 2021 and 2020 is as follows:

	Year ended June 30, 2021	Year ended June 30,2020
Net loss before income taxes	$ (200,927)	$ (764)
Income tax benefit computed at statutory rates	(54,250)	(206)
Deductible and non-deductible amounts	437	
Change in tax benefit not recognized	53,813	206
Income tax expense for the year	$ -	$ -

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets/(liabilities) have been recognized are attributable to the following:

	June 30, 2021	June 30, 2020
Deferred income tax assets/(liabilities)		
Non-capital losses carried forward	$ 53,460	$ 270
Share issuance costs	648	-
	$ 54,108	$ 270

The potential future tax benefit has been offset entirely by a valuation allowance and has not been recognized in these financial statements. The non-capital loss carry-forwards expire according to the following schedule:

Year of Origin	Year of Expiry	Non-capital losses
2020	2040	$ 1,000
2021	2041	197,000
		$ 198,000

12. Subsequent Events

Events not reported elsewhere in these financial statements are as follows:

On July 30, 2021, the Company, as Assignee, entered into an assignment and assumption agreement with the Vendor (see Note 5) and a consultant, whereby the Vendor sold, assigned, transferred and conveyed all of its right, title, benefit and interest in and to an agreement for consulting services (the "Agreement") between the Vendor and the consultant dated March 27, 2021, and the Company covenanted and agreed with the Vendor and the consultant to perform and observe all of the obligations and liabilities of the Vendor under the Agreement. Pursuant to the Agreement, the consultant prepared a technical report in accordance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* for the Property. The term of the Agreement continued until December 27, 2021. On July 30, 2021, the consultant received $19,171 (US$15,000) as compensation for preparing the technical report.

On October 15, 2021, the Company entered into a consulting agreement (the "CA") with a private company, whereby the consultant will provide the services generally required of a Chief Financial Officer ("CFO") of a publicly-traded corporation to the Company as well as such other services as may be requested by the Company from time to time. Pursuant to the CA, the consultant will receive a monthly fee of $3,000 as consideration for providing these services. As further consideration for providing these services, the consultant was granted options to purchase 100,000 common shares of the Company for a period of five years at $0.10 per share for a period of five years. These options vested on the date of grant. The Company and the consultant each have the right to terminate the CA for any reason, without further compensation to the consultant, and at any time by giving the other party 30 days written notice.

On November 16, 2021, the Company granted options to purchase an aggregate of 600,000 common shares to various directors and officers of the Company. Each option vests immediately and is exercisable into one common share at a price of $0.10 per share for a period of five years.

On May 12, 2022, the Company established a wholly owned U.S. subsidiary, Nova USA.

On May 16, 2022, title to the Property was transferred from the Vendor to Nova USA, and the status of the claims comprising the Property was set to "Active".

SCHEDULE "A"

MANAGEMENT'S DISCUSSION AND ANALYSIS

[inserted as following pages]

Nova Lithium Corp.

Management's Discussion and Analysis of Results of
Operations and Financial Condition of Nova Lithium Corp.
For the nine months ended March 31, 2022
(Expressed in Canadian Dollars)

Introduction

The following Management Discussion and Analysis ("MD&A") of Nova Lithium Corp. (the "Company") has been prepared by management in accordance with the requirements of National Instrument 51-102 ("NI 51-102") as of July 11, 2022 and should be read in conjunction with the condensed interim financial statements of the Company for the nine months ended March 31, 2022, together with the audited financial statements of the Company and the notes thereto for the year ended June 30, 2021 and the Annual MD&A for the year then ended. The Company's financial statements have been prepared under International Financial Reporting Standards ("IFRS"). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company.

Unless expressly stated otherwise, all financial information is presented in Canadian dollars.

Overview

The Company was originally incorporated as Halcyon Ventures Inc. on March 7, 2017 under the *Business Corporations Act* (British Columbia) (the "BCBCA"). On June 11, 2021, the Company changed its name from Halcyon Ventures Inc. to Nova Lithium Corp. The Company's head office and principal business address is Suite 306, 1110 Hamilton Street, Vancouver, BC, V6B 2S2. The Company is primarily engaged in the acquisition, exploration and development of lithium brine and lithium clay properties.

Exploration Activities

Deer Musk West Project

On March 12, 2021, the Company acquired a 100% interest in certain mineral claims known as the Deer Musk West Project (the "DMW Project") by the issuance of 2,000,000 shares with a fair value of $40,000 from Emigrant Springs Gold Corporation. The claims encompass a total area of approximately 1550 hectares (3832 acres) of public land in southern Clayton Valley, Nevada, USA, and have potential to host lithium brines and/or clay-stones subject to exploration success.

On March 27, 2021, the Company retained the services of Raymond P. Spanjers to prepare an initial technical report on the DMW Project in compliance with National Instrument 43-101 (the "Technical Report").

On April 12, 2021, the Company received an exploration proposal from Advanced Geologic Exploration, Inc. ("Advanced Geologic") to carry out first phase exploration activities on the DMW Project. Phase 1 exploration activities concentrated on developing the background geologic science for characterizing the lithium-rich brines and sediments. This included a combination of geophysical tools, using seismic and gravity surveys, and conducting a robust soil survey program of the upland lithium sources as well as subsurface samples from the Clayton Valley basin. Advanced Geologic also incorporated a document and field geologic research program into the soil sampling activities to develop a clear picture of the intended drill targets.

In July 2021, Advanced Geologic initiated the first phase exploration program as identified and recommended in the Technical Report.

On May 12, 2022, the Company established a wholly owned U.S. subsidiary, Nova Lithium USA Corp. ("Nova USA"), a Nevada corporation, and title to the Property was subsequently transferred from the vendor to Nova USA. In connection with the completion of the transfer, the status of the claims comprising the Property was changed from "Filed" to "Active" in the case management system maintained by the U.S. Department of The Interior, Bureau of Land Management.

Results of Operations

Quarterly Results

The following is a summary of the Company's financial results for the last eight quarters:

	March 31, 2022	**December 31, 2021**	**September 30, 2021**	**June 30, 2021**
Revenue	$ Nil	$ Nil	$ Nil	$ Nil
Loss and comprehensive loss for the period	(15,186)	(71,416)	(14,766)	(149,797)
Exploration and evaluation assets	401,991	401,991	401,991	327,923
Total assets	794,276	808,928	834,421	860,017
Loss per share	(0.00)	(0.00)	(0.00)	(0.01)

	March 31, 2021	**December 31, 2020**	**September 30, 2020**	**June 30, 2020**
Revenue	$ Nil	$ Nil	$ Nil	$ Nil
Loss and comprehensive loss for the period	(17,824)	(16,108)	(17,198)	-
Exploration and evaluation assets	101,324	-	-	-
Total assets	233,074	13,981	30,089	287
Loss per share	(0.00)	(0.16)	(0.17)	(0.00)

The following two sections include a discussion of factors that have caused variations over the quarters in which the Company has carried on substantial operations. There are no other known trends or seasonality that have developed with respect to the Company's business.

Results for the nine months ended March 31, 2022

The Company incurred a net loss of $101,368 for the nine months ended March 31, 2022, compared to a net loss of $51,130 for the nine months ended March 31, 2021.

Expense details are as follows:

- Share-based compensation of $44,500 (2021 - $Nil) – the difference is due to the issuance of stock options in the current period using the Black-Scholes pricing model.
- Consulting fees of $3,333 (2021 - $48,167) – the difference is due to decreased contracting in the current period.
- Professional fees of $40,402 (2021 - $Nil) – the difference is due to an increase in the Company's legal and accounting fees in relation to the preparation of its prospectus.
- Rent of $3,150 (2021 - $Nil) – the difference is due to the Company entering into a lease agreement for office space.
- General and administrative of $4,733 (2021 - $1,806) – the difference is due to an increase in services in relation to the preparation of the Company's prospectus.
- Filing fees of $5,250 (2021 - $Nil) – the difference is due to the Company's preparation to list its shares on the Canadian Securities Exchange.

Results for the three months ended March 31, 2022

The Company incurred a net loss of $15,186 for the three months ended March 31, 2022, compared to a net loss of $17,824 for the three months ended March 31, 2021.

Expense details are as follows:

- Consulting fees of $Nil (2021 - $16,667) – the difference is due to decreased contracting in the current period.
- Professional fees of $9,300 (2021 - $Nil) – the difference is due to an increase in the Company's legal and accounting fees in relation to the preparation of its prospectus.
- General and administrative of $636 (2021 - $1,157) – the difference is due to a decrease in entertainment expenses.
- Filing fees of $5,250 (2021 - $Nil) – the difference is due to the Company's preparation to list its shares on the Canadian Stock Exchange.

Liquidity and Capital Resources

The Company will continue to require funds for exploration work, as well as to meet its ongoing day-to-day operating expenses and will continue to rely on equity financing during such period. There can be no assurance that financing will be available to the on terms satisfactory to the Company. The Company does not have any other commitments for material capital expenditures over the near and long term other than as disclosed above plus normal operating expenses.

Since incorporation, the Company's capital resources have been limited. The Company has relied principally upon the issue of equity securities to acquire interests in mineral properties.

The Company had working capital of $363,701 as at March 31, 2022.

While the information in this MD&A has been prepared in accordance with IFRS on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future, there are conditions and events that cast significant doubt on the validity of this presumption. The Company's ability to continue as a going concern is dependent upon achieving profitable operations and upon obtaining additional financing. While the Company is making its best efforts in this regard, the outcome of these matters cannot be predicted at this time.

Disclosure of Outstanding Security Data

As at the date of this MD&A, the Company had the following:

- 20,437,100 shares outstanding

- Options

Exercise price ($)	Number of options	Expiry Date
0.10	600,000	November 16, 2026
	600,000	

- Warrants

Exercise price ($)	Number of warrants	Expiry Date
0.50	7,410,000	May 31, 2023
0.10	10,000,000	March 9, 2024
	17,410,000	

Off Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed.

Transactions with Related Parties

As at March 31, 2022, accounts payable and accrued liabilities included $3,750 due to related parties. This is comprised of the following:

- $600 (2021 - $Nil) due to Michael Gheyle, a former director of the Company.
- $3,150 (2021 - $Nil) due to Patrick M. O'Flaherty Inc., a company controlled by Patrick O'Flaherty, a director of the Company.

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

During the nine months ended March 31, 2022, the Company had the following transactions with related parties:

- $3,333 (2021 - $38,167) was paid or accrued to Cascadia Developments Corp., a company controlled by Mr. Gheyle, for consulting and advisory services.
- $11,025 (2021 - $Nil) was paid or accrued to Patrick M. O'Flaherty Inc. for consulting services.
- $44,500 (2021 - $Nil) was incurred from the issuance of 600,000 incentive stock options to various directors and officers of the Company.

Critical Accounting Estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual reports could differ from management's estimates.

Adoption of New and Amended Accounting Standards

Please refer to the audited financial statements for the years ended June 30, 2021 and 2020.

Financial Instruments

Please refer to the audited financial statements for the years ended June 30, 2021 and 2020.

Contingencies

There are no contingent liabilities.

Additional Disclosure for Venture Issuers without Significant Revenue

Exploration and Evaluation Assets

The Company records its interests in exploration and evaluation assets and areas of geological interest at cost. All direct and indirect costs relating to the acquisition of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the assets to which they relate are placed into production, sold or management has determined there to be impairment. These costs will be amortized on the basis of units produced in relation to the proven reserves available on the related property following commencement of production.

The recorded cost of exploration and evaluation asset interests is based on cash paid, the assigned value of share considerations issued for exploration and evaluations and exploration and development costs incurred. The recorded amount may not reflect recoverable value as this will be dependent on the development program, the nature of the mineral deposit, commodity prices, adequate funding and the ability of the Company to bring its projects into production.

The Company defers all exploration expenses relating to exploration and evaluations assets and areas of geological interest until the properties to which they relate are placed into production, sold or abandoned or management has determined there to be impairment. These costs will be amortized over the proven reserves available on the related property following commencement of production.

Please refer to the condensed interim financial statements for the nine months ended March 31, 2022 for details of the Company's exploration and evaluation assets.

Forward-looking Information

Certain information in this MD&A, including all statements that are not historical facts, constitutes forward-looking information within the meaning of applicable Canadian securities laws. Such forward-looking information may include, but is not limited to, information which reflect management's expectations regarding the Company's future growth, results of operations (including, without limitation, future production and capital expenditures), performance (both operational and financial) and business prospects (including the timing and development of new deposits and the success of exploration activities) and opportunities. Often, this information includes words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

In making and providing the forward-looking information included in this MD&A, the Company's assumptions may include among other things: (i) assumptions about the price of metals; (ii) that there are no material delays in the optimisation of operations at the properties; (iii) assumptions about operating costs and expenditures; (iv) assumptions about future production and recovery; (v) that there is no unanticipated fluctuation in foreign exchange rates; and (vi) that there is no material deterioration in general economic conditions. Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or results, to be materially different from future results, performance or achievements expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include among other things the following: (i) decreases in the price of metals; (ii) the risk that the Company will continue to have negative operating cash flow; (iii) the risk that additional financing will not be obtained as and when required; (iv) material increases in operating costs; (v) adverse fluctuations in foreign exchange rates; and (vi) environmental risks and changes in environmental legislation.

This MD&A contains information on risks, uncertainties and other factors relating to the forward-looking information (see "Risks and Uncertainties"). Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Also, many of the factors are beyond the Company's control. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to reissue or update forward looking information as a result of new information or events after the date of this MD&A except as may be required by law. All forward-looking information disclosed in this document is qualified by this cautionary statement.

Risks and Uncertainties

Early stage – Need for additional funds

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many risks common to such enterprises, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investments and the likelihood of success must be considered in light of its early stage of operations.

The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required.

Although the Company has been successful in the past in obtaining financing though the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

Operating Hazards and Risks

Mining operations involve many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to the exploration, development and production of metals, any of which could result in damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage.

Environmental Regulations, Permits and Licenses

The Company's operations are subject to various laws and regulations governing the protection of the environment, exploration, development, production, taxes, labour standards, occupational health, waste disposal, safety and other matters. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in impositions of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a direction of stricter standards and enforcement, and higher fines and penalties for non-responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or productions costs, a reduction in the level of production at producing properties, or require abandonment or delays in the development of new mining properties.

Competition and Agreements with Other Parties

The mining industry is intensely competitive in all its phases. The Company competes with other companies that have greater financial resources and technical capacity. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future.

The Company may, in the future, be unable to meet its share of costs incurred under agreements to which it is a party and it may have its interest in properties subject to such agreements reduced as a result. Also, if other parties to such agreements do not meet their share of such costs, the Company may not be able to finance the expenditures required to complete recommended programs.

Price Volatility of Public Stock

In recent years securities markets have experienced extremes in price and volume volatility. The market price of securities of many early stage companies, among others, have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Company's securities will be subject to market trends generally and the value of the Company's securities may be affected by such volatility.

Economic Conditions

Unfavorable economic conditions may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets.

Dependence on Management

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

Conflicts of interest

The Company's directors and officers may serve as directors and officers or may be associated with other reporting companies or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Company will follow the provisions of the BCBCA in dealing with conflicts of interest. These provisions state that where a director/officer has such a conflict, the director must arrange a meeting of the board to disclose his interest and must refrain from voting on the matter unless otherwise permitted by the BCBCA. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith and in the best interests of the Company.

Nova Lithium Corp.

Management's Discussion and Analysis of Results of
Operations and Financial Condition of Nova Lithium Corp.
For the year ended June 30, 2021
(Expressed in Canadian Dollars)

Introduction

The following Management Discussion and Analysis ("MD&A") of Nova Lithium Corp. (the "Company") has been prepared by management in accordance with the requirements of National Instrument 51-102 ("NI 51-102") as of July 11, 2022 and should be read in conjunction with the audited financial statements of the Company for the years ended June 30, 2021 and 2020, and the related notes contained therein which have been prepared under International Financial Reporting Standards ("IFRS"). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company.

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting and functional currency of the Company, unless specifically noted.

Overview

The Company was originally incorporated as Halcyon Ventures Inc. on March 7, 2017 under the *Business Corporations Act* (British Columbia) (the "BCBCA"). On June 11, 2021, the Company changed its name from Halcyon Ventures Inc. to Nova Lithium Corp. The Company's head office and principal business address is Suite 306, 1110 Hamilton Street, Vancouver, BC, V6B 2S2. The Company is primarily engaged in the acquisition, exploration and development of lithium brine and lithium clay properties.

Exploration Activities

Deer Musk West Project

On March 12, 2021, the Company acquired a 100% interest in certain mineral claims known as the Deer Musk West Project (the "DMW Project") by the issuance of 2,000,000 shares with a fair value of $40,000 from Emigrant Springs Gold Corporation. The claims encompass a total area of approximately 1550 hectares (3832 acres) of public land in southern Clayton Valley, Nevada, USA, and have potential to host lithium brines and/or clay-stones subject to exploration success.

On March 27, 2021, the Company retained the services of Raymond P. Spanjers to prepare an initial technical report on the DMW Project in compliance with National Instrument 43-101 (the "Technical Report").

On April 12, 2021, the Company received an exploration proposal from Advanced Geologic Exploration, Inc. ("Advanced Geologic") to carry out first phase exploration activities on the DMW Project. Phase 1 exploration activities will concentrate on developing the background geologic science for characterizing the lithium-rich brines and sediments. This will include a combination of geophysical tools, using seismic and gravity surveys, and conducting a robust soil survey program of the upland lithium sources as well as subsurface samples from the Clayton Valley basin. Advanced Geologic will also incorporate a document and field geologic research program into the soil sampling activities to develop a clear picture of the intended drill targets.

In July 2021, Advanced Geologic initiated the first phase exploration program as identified and recommended by Raymond P. Spanjers in the Technical Report.

On May 12, 2022, the Company established a wholly owned U.S. subsidiary, Nova Lithium USA Corp. ("Nova USA"), a Nevada corporation, and title to the DMW Project was subsequently transferred from the Vendor to Nova USA. In connection with the completion of the transfer, the status of the claims comprising the DMW Project was changed from "Filed" to "Active" in the case management system maintained by the U.S. Department of The Interior, Bureau of Land Management.

Results of Operations

Annual Results

The following table represents selected annual financial information on the Company's net loss for the previous two years:

	Year ended June 30, 2021	Year ended June 30, 2020
Revenue	$ Nil	$ Nil
Loss and comprehensive loss for the period	(200,927)	(764)
Exploration and evaluation assets	327,923	-
Total assets	860,017	287
Loss per share	(0.04)	(0.01)

Quarterly Results

The following is a summary of the Company's financial results for the last eight quarters:

	June 30, 2021	**March 31, 2021**	**December 31, 2020**	**September 30, 2020**
Revenue	$ Nil	$ Nil	$ Nil	$ Nil
Loss and comprehensive loss for the period	(149,797)	(17,824)	(16,108)	(17,198)
Exploration and evaluation assets	327,923	101,324	-	-
Total assets	860,017	233,074	13,981	30,089
Loss per share	(0.01)	(0.00)	(0.16)	(0.17)

	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019
Revenue	$ Nil	$ Nil	$ Nil	$ Nil
Loss and comprehensive loss for the period	-	-	(745)	(18)
Exploration and evaluation assets	-	-	-	-
Total assets	287	287	287	1,033
Loss per share	(0.00)	(0.00)	(0.01)	(0.00)

The following two sections include a discussion of factors that have caused variations over the quarters in which the Company has carried on substantial operations. There are no other known trends or seasonality that have developed with respect to the Company's business.

Results for the year ended June 30, 2021

The Company incurred a net loss of $200,927 for the year ended June 30, 2021, as compared to a net loss of $764 for the year ended June 30, 2020. The increase was mainly due to increases in consulting fees, professional fees, and rent.

Expenses details are as follows:

- Consulting fees of $124,167 (2020 - $Nil) – the difference is due to increased contracting in the current year.
- Professional fees of $29,732 (2020 - $735) – the difference is due to an increase in the Company's legal and accounting fees in the current year.
- Rent expense of $26,050 (2020 - $Nil) – the difference is due to the Company entering into a lease agreement for office space in the current year.
- General and administrative expenses $10,978 (2020 - $29) – the difference is due to an increase in entertainment expenses.
- Advertising and promotion expenses of $10,000 (2020 - $Nil) – the difference is due to an increase in promotional expenses.

Results for the three months ended June 30, 2021

The Company had a net loss of $149,797 for the three months ended June 30, 2021, compared to a net loss of $Nil for the three months ended June 30, 2020.

Expenses details are as follows:

- Consulting fees of $76,000 (2020 - $Nil) – the difference is due to increased contracting in the current period.
- Professional fees of $29,732 (2020 - $Nil) – the difference is due to an increase in the Company's legal and accounting fees in the current period.
- Rent expense of $26,050 (2020 - $Nil) – the difference is due to the Company entering into a lease agreement for office space in the current period.
- General and administrative expenses $8,015 (2020 - $Nil)) – the difference is due to an increase in entertainment expenses.
- Advertising and promotion expenses of $10,000 (2020 - $Nil) – the difference is due to an increase in promotional expenses.

Liquidity and Capital Resources

The Company will continue to require funds for exploration work, as well as to meet its ongoing day-to-day operating expenses and will continue to rely on equity financing during such period. There can be no assurance that financing will be available to the on terms satisfactory to the Company. The Company does not have any other commitments for material capital expenditures over the near and long term other than as disclosed above plus normal operating expenses.

Since incorporation, the Company's capital resources have been limited. The Company has relied principally upon the issue of equity securities to acquire interests in mineral properties.

The Company had working capital of $494,637 as at June 30, 2021.

On March 9, 2021, the Company closed a non-brokered private placement at a price of $0.02 per unit for proceeds of $200,000. The Company issued an aggregate of 10,000,000 units, with each unit consisting of one common share and one share purchase warrant. Each warrant is exercisable into one common share of the Company at a price of $0.10 per share for a period of 36 months.

On March 12, 2021, the Company issued 2,000,000 common shares at a price of $0.02 per share for a fair value of $40,000 relating to the acquisition of the DMW Project.

On April 30, 2021, the Company issued 827,000 common shares at a price of $0.05 per share for proceeds of $41,350.

On April 30, 2021, the Company issued 100,000 common shares at a price of $0.05 per share for services rendered.

On May 31, 2021, the Company closed a non-brokered private placement at a price of $0.10 per unit for net proceeds of $708,000. The Company issued an aggregate of 7,080,000 units, with each unit consisting of one common share and one share purchase warrant. Each warrant is exercisable into one common share of the Company at a price of $0.50 per share for a period of 24 months.

On May 31, 2021, the Company issued 300,000 units at a price of $0.10 per unit in consideration for the settlement of $30,000 in debt. Each unit consisted of one common share and one share purchase warrant, with each warrant exercisable into one common share of the Company at a price of $0.50 per share for a period of 24 months.

While the information in this MD&A has been prepared in accordance with IFRS on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future, there are conditions and events that cast significant doubt on the validity of this presumption. The Company's ability to continue as a going concern is dependent upon achieving profitable operations and upon obtaining additional financing. While the Company is making its best efforts in this regard, the outcome of these matters cannot be predicted at this time.

Disclosure of Outstanding Security Data

As at the date of this MD&A, the Company had the following:

- 20,437,100 shares outstanding

- Options

Exercise price ($)	Number of options	Expiry Date
0.10	600,000	November 16, 2026
	600,000	

- Warrants

Exercise price ($)	Number of warrants	Expiry Date
0.50	7,410,000	May 31, 2023
0.10	10,000,000	March 9, 2024
	17,410,000	

Off Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed.

Transactions with Related Parties

As at June 30, 2021, the accounts payable and accrued liabilities included $17,267 (2020 - $Nil) due to related parties. This is comprised of the following:

- $16,667 (2020 - $Nil) due to Cascadia Developments Corp, a company controlled by Michael Gheyle, a former director of the Company; and
- $600 (2020 - $Nil) due to Mr. Gheyle.

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

During the year ended June 30, 2021, the Company had the following transactions with related parties:

- $10,000 (2020 - $Nil) was paid to Adrian Ansell, a former director of the Company, for consulting services; and
- $84,167 (2020 - $Nil) was paid to Cascadia Developments Corp. for consulting and advisory services.

Critical Accounting Estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual reports could differ from management's estimates.

Adoption of New and Amended Accounting Standards

Please refer to the audited financial statements for the years ended June 30, 2021 and 2020.

Financial Instruments

Please refer to the audited financial statements for the years ended June 30, 2021 and 2020.

Proposed Transactions

There are no proposed transactions that have not been disclosed herein.

Contingencies

There are no contingent liabilities.

Additional Disclosure for Venture Issuers without Significant Revenue

Exploration and Evaluation Assets

The Company records its interests in exploration and evaluation assets and areas of geological interest at cost. All direct and indirect costs relating to the acquisition of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the assets to which they relate are placed into production, sold or management has determined there to be impairment. These costs will be amortized on the basis of units produced in relation to the proven reserves available on the related property following commencement of production.

The recorded cost of exploration and evaluation asset interests is based on cash paid, the assigned value of share considerations issued for exploration and evaluations and exploration and development costs incurred. The recorded amount may not reflect recoverable value as this will be dependent on the development program, the nature of the mineral deposit, commodity prices, adequate funding and the ability of the Company to bring its projects into production.

The Company defers all exploration expenses relating to exploration and evaluations assets and areas of geological interest until the properties to which they relate are placed into production, sold or abandoned or management has determined there to be impairment. These costs will be amortized over the proven reserves available on the related property following commencement of production.

Please refer to the audited financial statements for the years ended June 30, 2021 and 2020 for details of the Company's exploration and evaluation assets.

Forward-looking Information

Certain information in this MD&A, including all statements that are not historical facts, constitutes forward-looking information within the meaning of applicable Canadian securities laws. Such forward-looking information may include, but is not limited to, information which reflect management's expectations regarding the Company's future growth, results of operations (including, without limitation, future production and capital expenditures), performance (both operational and financial) and business prospects (including the timing and development of new deposits and the success of exploration activities) and opportunities. Often, this information includes words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

In making and providing the forward-looking information included in this MD&A, the Company's assumptions may include among other things: (i) assumptions about the price of metals; (ii) that there are no material delays in the optimisation of operations at the properties; (iii) assumptions about operating costs and expenditures; (iv) assumptions about future production and recovery; (v) that there is no unanticipated fluctuation in foreign exchange rates; and (vi) that there is no material deterioration in general economic conditions. Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or results, to be materially different from future results, performance or achievements expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include among other things the following: (i) decreases in the price of metals; (ii) the risk that the Company will continue to have negative operating cash flow; (iii) the risk that additional financing will not be obtained as and when required; (iv) material increases in operating costs; (v) adverse fluctuations in foreign exchange rates; and (vi) environmental risks and changes in environmental legislation.

This MD&A contains information on risks, uncertainties and other factors relating to the forward-looking information (see "Risks and Uncertainties"). Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Also, many of the factors are beyond the Company's control. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to reissue or update forward looking information as a result of new information or events after the date of this MD&A except as may be required by law. All forward-looking information disclosed in this document is qualified by this cautionary statement.

Risks and Uncertainties

Early stage – Need for additional funds

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many risks common to such enterprises, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investments and the likelihood of success must be considered in light of its early stage of operations.

The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required.

Although the Company has been successful in the past in obtaining financing though the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

Operating Hazards and Risks

Mining operations involve many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to the exploration, development and production of metals, any of which could result in damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage.

Environmental Regulations, Permits and Licenses

The Company's operations are subject to various laws and regulations governing the protection of the environment, exploration, development, production, taxes, labour standards, occupational health, waste disposal, safety and other matters. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in impositions of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a direction of stricter standards and enforcement, and higher fines and penalties for non-responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or productions costs, a reduction in the level of production at producing properties, or require abandonment or delays in the development of new mining properties.

Competition and Agreements with Other Parties

The mining industry is intensely competitive in all its phases. The Company competes with other companies that have greater financial resources and technical capacity. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future.

The Company may, in the future, be unable to meet its share of costs incurred under agreements to which it is a party and it may have its interest in properties subject to such agreements reduced as a result. Also, if other parties to such agreements do not meet their share of such costs, the Company may not be able to finance the expenditures required to complete recommended programs.

Price Volatility of Public Stock

In recent years securities markets have experienced extremes in price and volume volatility. The market price of securities of many early stage companies, among others, have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Company's securities will be subject to market trends generally and the value of the Company's securities may be affected by such volatility.

Economic Conditions

Unfavorable economic conditions may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets.

Dependence on Management

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

Conflicts of interest

The Company's directors and officers may serve as directors and officers or may be associated with other reporting companies or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Company will follow the provisions of the BCBCA in dealing with conflicts of interest. These provisions state that where a director/officer has such a conflict, the director must arrange a meeting of the board to disclose his interest and must refrain from voting on the matter unless otherwise permitted by the BCBCA. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith and in the best interests of the Company.

SCHEDULE "B"

AUDIT COMMITTEE CHARTER

[inserted as following pages]

NOVA LITHIUM CORP.

AUDIT COMMITTEE CHARTER

1. MANDATE

The Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Nova Lithium Corp. (the "**Company**") shall assist the Board in fulfilling its financial oversight responsibilities. The Committee's primary duties and responsibilities under this mandate are to serve as an independent and objective party to monitor:

(a) The quality and integrity of the Company's financial statements and other financial information;

(b) The compliance of such statements and information with legal and regulatory requirements;

(c) The qualifications and independence of the Company's independent external auditor (the "**Auditor**"); and

(d) The performance of the Company's internal accounting procedures and Auditor.

2. STRUCTURE AND OPERATIONS

2.1 Composition

The Committee shall be comprised of three or more members.

2.2 Qualifications

Each member of the Committee must be a member of the Board. Each member of the Committee must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement and cash flow statement.

2.3 Appointment and Removal

In accordance with the Articles of the Company, the members of the Committee shall be appointed by the Board and shall serve until such member's successor is duly elected and qualified or until such member's earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

2.4 Chair

Unless the Board shall select a Chair, the members of the Committee shall designate a Chair by the majority vote of all of the members of the Committee. The Chair shall call, set the agendas for and chair all meetings of the Committee.

2.5 Meetings

The Committee shall meet as frequently as circumstances dictate. The Auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee feels it is necessary or appropriate, at every other meeting. Upon request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board or the shareholders of the Company.

At each meeting, a quorum shall consist of a majority of Committee members that are not officers or employees of the Company or of an affiliate of the Company.

As part of its goal to foster open communication, the Committee may periodically meet separately with management and/or the Auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Company's financial statements in a manner consistent with Section 3 of this Charter.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

3. DUTIES

3.1 Introduction

The following functions shall be the common recurring duties of the Committee in carrying out its purposes outlined in Section 1 of this Charter. These duties should serve as a guide with the understanding that the Committee may fulfill additional duties and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section 1 of this Charter. The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern which the Committee in its sole discretion deems appropriate for study or investigation by the Committee. The Committee shall be given full access to the Company's internal accounting staff, managers, other staff and Auditor as necessary to carry out these duties. While acting within the scope of its stated purpose, the Committee shall have all the authority of, but shall remain subject to, the Board.

3.2 Powers and Responsibilities

The Committee will have the following responsibilities and, in order to perform and discharge these responsibilities, will be vested with the powers and authorities set forth below, namely, the Committee shall:

Independence of Auditor

(a) Review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor and, if necessary, obtain a formal written statement from the Auditor setting forth all relationships between the Auditor and the Company.

(b) Take, or recommend that the Board take, appropriate action to oversee the independence of the Auditor.

(c) Require the Auditor to report directly to the Committee.

(d) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditor of the Company.

Performance & Completion by Auditor of its Work

(a) Be directly responsible for the oversight of the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, including resolution of disagreements between management and the Auditor regarding financial reporting.

(b) Review annually the performance of the Auditor and recommend the appointment by the Board of a new, or re-election by the Company's shareholders of the existing, Auditor for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company.

(c) Recommend to the Board the compensation of the Auditor.

(d) Pre-approve all non-audit services, including the fees and terms thereof, to be performed for the Company by the Auditor.

Internal Financial Controls & Operations of the Company

(a) Establish procedures for:

(i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and

(ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Preparation of Financial Statements

(a) Discuss with management and the Auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.

(b) Discuss with management and the Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.

(c) Discuss with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.

(d) Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.

(e) Discuss with the Auditor the matters required to be discussed relating to the conduct of any audit, in particular:

(i) the adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the Auditor, internal auditor or management;

(ii) the management inquiry letter provided by the Auditor and the Company's response to that letter; and

(iii) any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

Public Disclosure by the Company

(a) Review the Company's annual and interim financial statements, management discussion and analysis (MD&A) and earnings press releases before the Board approves and the Company publicly discloses this information.

(b) Review the Company's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.

(c) Review disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process of the Company's financial statements about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Manner of Carrying Out its Mandate

(a) Consult, to the extent it deems necessary or appropriate, with the Auditor, but without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.

(b) Request any officer or employee of the Company or the Company's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

(c) Meet, to the extent it deems necessary or appropriate, with management, any internal auditor and the Auditor in separate executive sessions.

(d) Have the authority, to the extent it deems necessary or appropriate, to retain special independent legal, accounting or other consultants to advise the Committee advisors.

(e) Make regular reports to the Board.

(f) Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

(g) Annually review the Committee's own performance.

(h) Provide an open avenue of communication among the Auditor, the Company's financial and senior management and the Board.

(i) Not delegate these responsibilities.

3.3 <u>Limitation of Audit Committee's Role</u>

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditor.

CERTIFICATE OF THE COMPANY

Dated: July 11, 2022

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by Nova Lithium Corp. as required by the securities legislation of British Columbia.

"Glenn Collick"

GLENN COLLICK
Chief Executive Officer, Director

"Patrick O'Flaherty"

PATRICK O'FLAHERTY
Chief Financial Officer, Director

ON BEHALF OF THE BOARD OF DIRECTORS

"Saman Eskandari"

SAMAN ESKANDARI
Director

"Ryan Arthur"

RYAN ARTHUR
Director

"Hayden Mackenzie"

HAYDEN MACKENZIE
Director

CERTIFICATE OF THE PROMOTER

Dated: July 11, 2022

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by Nova Lithium Corp. as required by the securities legislation of British Columbia.

"Saman Eskandari"

SAMAN ESKANDARI