HIGH TIDE RESOURCES

Condensed Interim Consolidated Financial Statements
(Unaudited)

For the three months ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of High Tide Resources Corp. (the "Company") for the three months ended September 30, 2023 and 2022 have been prepared by Management, reviewed by the Audit Committee and approved by the Board of Directors of the Company.

In accordance with National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators, the Company herewith discloses that the accompanying unaudited condensed interim consolidated financial statements have not been reviewed by an auditor.

November 23, 2023

"Steve Roebuck" Chief Executive Officer	"Donna McLean" Chief Financial Officer

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HIGH TIDE RESOURCES CORP.

Condensed Interim Consolidated Statements of Financial Position

(Unaudited; Expressed in Canadian Dollars)

	September 30, 2023	June 30, 2023
	$	$
Assets		
Current		
Cash	**107,987**	69,255
Amounts receivable and prepaids	**174,443**	384,775
Total assets	**282,430**	454,030
Liabilities		
Current		
Trade payables and accrued liabilities (Note 8)	**410,165**	365,779
Due to related company (Note 8)	**-**	36,882
Total liabilities	**410,165**	402,661
Shareholders' (Deficit) Equity		
Share capital (Note 5(b))	**7,724,248**	7,724,248
Warrants (Note 6)	**496,600**	496,600
Contributed surplus (Note 5(c))	**272,242**	253,558
Deficit	**(8,620,825)**	(8,423,037)
Total equity	**(127,735)**	51,369
Total liabilities and shareholders' (deficit) equity	**282,430**	454,030

DESCRIPTION OF BUSINESS AND GOING CONCERN (Note 1)
COMMITMENTS AND CONTINGENCIES (Note 10 and 11)
SUBSEQUENT EVENT (Note 12)

APPROVED BY THE BOARD OF DIRECTORS

Original signed by Stephen Altmann, Director

Original signed by Steve Roebuck, Director

See accompanying notes to the condensed interim consolidated financial statements

HIGH TIDE RESOURCES CORP.
Condensed Interim Consolidated Statements of Operations and Comprehensive Loss
For the three months ended September 30, 2023 and 2022

(Unaudited; Expressed in Canadian Dollars)

	2023	2022
	$	$
Operating Expenses		
Exploration and evaluation expenditures (Note 10)	**30,125**	335,764
General and administrative (Note 9)	**150,877**	160,106
Share-based compensation	**18,684**	22,438
Net loss before other income	**199,686**	518,308
Interest income	**(1,898)**	(1,667)
Net loss and comprehensive loss for the period	**197,788**	516,641
Net loss per share - basic and diluted (Note 7)	**0.00**	0.01
Weighted average number of shares outstanding - basic and diluted (Note 7)	**77,481,190**	68,323,278

See accompanying notes to the condensed interim consolidated financial statements

HIGH TIDE RESOURCES

HIGH TIDE RESOURCES CORP.

Condensed Interim Consolidated Statements of Change in Shareholders' (Deficit) Equity

(Unaudited; Expressed in Canadian Dollars)

	Number of shares	Share capital	Warrants	Contributed surplus	Deficit	Total Equity
		$	$	$	$	$
Balance - June 30, 2022	**68,124,908**	**7,070,932**	**312,547**	**66,448**	**(6,824,800)**	**625,127**
Net loss and comprehensive loss for the period	-	-	-	-	(516,641)	(516,641)
Share-based compensation	-	-	-	22,438	-	22,438
Shares issued for property acquisition - Clearcut Lithium (Note 5(b) and 10)	250,000	31,250	-	-	-	31,250
Balance - September 30, 2023	**68,374,908**	**7,102,182**	**312,547**	**88,886**	**(7,341,441)**	**162,174**
Net loss and comprehensive loss for the period	-	-	-	-	(1,081,596)	(1,081,596)
Units issued in private placements	8,881,282	980,380	-	-	-	980,380
Value of warrants issued under private placement	-	(274,034)	274,034	-	-	-
Unit issuance costs	-	(30,123)	(19,112)	-	-	(49,235)
Flow-through unit premium	-	(62,181)	(30,071)	-	-	(92,252)
Value of broker warrants issued in private placement	-	(18,976)	18,976	-	-	-
Share-based compensation	-	-	-	104,898	-	104,898
Warrants expired	-	-	(59,774)	59,774	-	-
Shares issued for property acquisition - Big Bang (Note 5(b) and 10)	225,000	27,000	-	-	-	27,000
Balance - June 30, 2023	**77,481,190**	**7,724,248**	**496,600**	**253,558**	**(8,423,037)**	**51,369**
Net loss and comprehensive loss for the period	-	-	-	-	(197,788)	(197,788)
Share-based compensation	-	-	-	18,684	-	18,684
Balance - September 30, 2023	**77,481,190**	**7,724,248**	**496,600**	**272,242**	**(8,620,825)**	**(127,735)**

See accompanying notes to the condensed interim consolidated financial statements

HIGH TIDE RESOURCES CORP.

Condensed Interim Consolidated Statements of Cash Flows

For the three months ended September 30, 2023 and 2022

(Unaudited; Expressed in Canadian Dollars)

	2023	2022
	$	$
Operating activities		
Net loss for the period	**(197,788)**	(516,641)
Items not involving cash:		
Shares issued for property acquisition - Clearcut Lithium (Note 5(b))	**-**	31,250
Share-based compensation	**18,684**	22,438
	(179,104)	(462,953)
Changes in non-cash working capital		
Decrease in amounts receivable and prepaids	**210,332**	240,376
Increase (decrease) in trade payables and accrued liabilities	**44,386**	(719,663)
Change in non-cash operating working capital	**254,718**	(479,287)
Net cash flows used in operating activities	**75,614**	(942,240)
Financing activities		
Due to related company	**(36,882)**	(67,500)
Net cash flows used in financing activities	**(36,882)**	(67,500)
Decrease in cash and cash equivalents	**38,732**	(1,009,740)
Cash, beginning of period	**69,255**	1,176,596
Cash, end of period	**107,987**	166,856

See accompanying notes to the condensed interim consolidated financial statements

1. DESCRIPTION OF BUSINESS AND GOING CONCERN

High Tide Resources Corp. ("High Tide" or the "Company") was incorporated by Certificate of Incorporation issued pursuant to the provisions of the *Ontario Business Corporations Act* on October 18, 2018. The registered head office of the Company is located at 110 Yonge Street, Suite #1601, Toronto, Ontario, M5C 1T4. High Tide is in the business of acquiring and exploring iron ore and electric vehicle ("EV") battery metal projects. Avidian Gold Corp. ("Avidian") owns approximately 28% of High Tide at September 30, 2023 (June 30, 2023 – 28%).

The condensed interim consolidated financial statements of the Company for the three months ended September 30, 2023 and 2022 (the "Interim Financial Statements") were reviewed, approved, and authorized for issue by the Board of Directors on November 23, 2023.

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

These Interim Financial Statements have been prepared on a going concern basis assuming that the Company will be able to realize its assets and discharge its liabilities in the normal course of business as they come due into the foreseeable future.

The Company's property interests are at an early stage of exploration, and from time to time, Management needs to raise capital for High Tide's exploration and evaluation activities in discrete tranches, as required. The Company has incurred a loss for the three months ended September 30, 2023, of $197,788 (2022 - $516,641) and has an accumulated deficit of $8,620,825 (June 30, 2023 - $8,423,037). As at September 30, 2023, the Company has limited working capital.

To continue as a going concern, the Company must secure new funding. Although the Company has been successful in raising funds to date, there can be no assurance that adequate or sufficient funding will be available in the future, or available under terms acceptable to the Company. In the event that the Company is unable to secure further financing, it may not be able to complete the development of its mineral projects. There can be no assurance that these initiatives will be successful. These material uncertainties cast significant doubt as to the ability of the Company to meet its business plan and obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

These Interim Financial Statements do not include adjustments to the recoverability and classifications of recorded assets and liabilities and related expenses that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PRESENTATION

These Interim Financial Statements have been prepared in accordance with the International Accounting Standards ("IAS") 34, Interim Financial Reporting issued by the International Accounting Standard Board ("IASB") and pursuant to the accounting policies described in Note 2 of the Company's annual consolidated financial statements as at and for the years ended June 30, 2023 and 2022 ("Annual Financial Statements"). Accordingly, these Interim Financial Statements should be read together with the Annual Financial Statements.

These Interim Financial Statements have been prepared on an accrual basis except for cash flow information and the information provided is based on historical costs except for those financial instruments carried at fair value and, except where otherwise stated, do not take into account changing money values, fair values of assets and liabilities, or recoverable amounts. The policies set out below have been consistently applied to all periods presented.

Basis of consolidation

These Interim Financial Statements include the accounts of the Company and its wholly-owned subsidiary, Ferrum Exploration Corp., a company incorporated in Ontario. Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are deconsolidated from the date control ceases.

These Interim Financial Statements include all assets, liabilities, revenues, expenses, and cash flows of the Company and its subsidiary after eliminating inter-entity balances and transactions.

Presentation and functional currency

These Interim Financial Statements are presented in Canadian dollars, which is the Company's functional currency. The functional currency of Ferrum Exploration Corp. is also the Canadian dollar.

Significant accounting policies

The accounting policies adopted herein consistent with those of Note 2 of the Company's Annual Financial Statements.

Recent accounting pronouncements

During the three months ended September 30, 2023, the Company adopted a number of amendments and improvements to existing standards. These new standards and changes did not have any material impact on these Interim Financial Statements.

3. CAPITAL MANAGEMENT

When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to achieve optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the acquisition, exploration and development of mineral exploration assets.

The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of Management to sustain the future development of the business. The Company considers its capital to be equity, which comprises share capital, warrants, contributed surplus and deficit, which at September 30, 2023, totaled ($127,735) (June 30, 2023 - $51,369).

The Company invests all capital not required for its immediate needs in short-term, liquid, and highly rated financial instruments, such as cash and other short-term guaranteed deposits, all held with select major Canadian financial institutions.

The Company is currently attempting to identify an economic mineral resource and as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned acquisitions and exploration, as well as pay for administrative costs, the Company will spend its existing working capital and expects to raise additional amounts as needed.

Management has chosen to mitigate the risk and uncertainty associated with raising additional capital in current economic conditions by:

a. maintaining a liquidity cushion in order to address any potential disruptions or industry downturns;
b. minimizing discretionary disbursements; and
c. exploring alternative sources of liquidity.

In light of the above, the Company will continue to assess new properties if the Company believes there is sufficient potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate. There were no significant changes in the Company's approach to capital management during the three months ended September 30, 2023.

4. FINANCIAL RISK FACTORS

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, and market risk (specifically commodity price risk).

Risk management is carried out by the Company's Management with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

4. FINANCIAL RISK FACTORS (continued)

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is attributable to cash. Cash and cash equivalents are held with a reputable financial institution, from which Management believes the risk of loss to be remote.

Included in amounts receivable is sales tax receivable from government authorities in Canada. Management believes that the credit risk concentration with respect to financial instruments included in amounts receivable is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they become due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company.

The Company generates cash flow primarily from its financing activities. As at September 30, 2023, the Company had cash of $107,987 (June 30, 2023 - $69,255) to settle current liabilities of $410,165 (June 30, 2023 - $402,661). The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance and liquidity.

All of the Company's current financial liabilities as at September 30, 2023, have contractual maturities of less than 30 days and are subject to normal trade terms.

Market risk

Commodity price risk

The Company is exposed to commodity price risk with respect to iron ore and precious metals prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to price movements and volatilities.

Sensitivity Analysis

As of September 30, 2023 and June 30, 2023, both the carrying and fair value amounts of the Company's financial instrument are approximately equivalent due to their short-term nature. Management does not believe the Company is exposed to any significant interest rate or currency exchange risks with respect to its financial instruments.

(Unaudited; Expressed in Canadian Dollars)

4. FINANCIAL RISK FACTORS (continued)

Fair value hierarchy and liquidity risk disclosure

The three levels of the fair value hierarchy are as follows:

Level 1	Unadjusted quoted prices 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).

At September 30, 2023 and June 30, 2023, the Company did not hold any financial assets in the fair value hierarchy.

5. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares, with no par value.

(b) Issued

(i) On July 11, 2022, in accordance with the Clearcut Lithium option agreement (Note 10), the Company issued 250,000 common shares to the property vendor. The common shares have an estimated value of $31,250 based on the quoted market price of the Company's shares at the date of issuance.

(ii) On November 17, 2022, the Company closed the first tranche of a private placement, with the issuance of 4,000,000 units ("November Units") for gross proceeds of $400,000 ("November Offering"). Each November Unit consists of one common share and one-half common share purchase warrant ("November Warrant"); each whole November Warrant is exercisable into one common share at $0.16 for 60 months.

(iii) On December 23, 2022, the Company closed the second and final tranche of the November Offering, with the issuance of 1,140,000 November Units, for gross proceeds of $114,000. An officer of the Company subscribed for 40,000 units for gross proceeds of $4,000.

(iv) On December 23, 2022, the Company completed a national flow-through private placement with the issuance of 1,998,666 units ("December Units"), for gross proceeds of $239,840 ("December Offering"). Each December Unit consists of one common share of the Company and one-half common share purchase warrant; each whole December Warrant is exercisable into one common share at a price of $0.16, for 60 months. A flow-through premium liability in the amount of $39,974 was recognized in connection with this placement.

(Unaudited; Expressed in Canadian Dollars)

5. SHARE CAPITAL (continued)

(b) Issued (continued)

(v) On December 23, 2022, the Company closed a Quebec flow-through private placement with the issuance of 1,742,616 units ("December Quebec Units") for gross proceeds of $226,540 ("December Quebec Offering"). Each December Quebec Unit consists of one common share of the Company and one-half common share purchase warrant; each whole December Quebec warrant is exercisable into a common share at a price of $0.16, for 60 months. A flow-through premium liability in the amount of $52,278 was recognized in connection with this placement.

(vi) In connection with the November, December and December Quebec Offerings, the Company issued 242,133 broker warrants. Each broker warrant is exercisable into a common share at a price of $0.10 for 36 months.

(vii) On December 28, 2022, in accordance with the Big Bang option agreement (Note 10), the Company issued 225,000 common shares to the property vendor. The common shares have an estimated value of $27,000 based on the quoted market price of the Company's shares at the date of issuance.

(c) Share-based compensation

On February 1, 2023, the Company granted 500,000 stock options to an employee of the Company to purchase 500,000 common shares of the Company at an exercise price of $0.15 per share, expiring on February 1, 2028. The stock options vest 1/3 upon granting, 1/3 on the first anniversary of the date of grant and the remaining 1/3 on the second anniversary of the date of grant.

On April 12, 2023, the Company granted 500,000 stock options to a consultant of the Company to purchase 500,000 common shares of the Company at an exercise price of $0.15 per share, expiring on April 12, 2028. The stock options vest 1/3 upon granting, 1/3 on the first anniversary of the date of grant and the remaining 1/3 on the second anniversary of the date of grant.

Share-based payment activity for the years ended June 30, 2023 and 2022 is summarized as follows:

	Number of stock options	Weighted average exercise price
		$
Balance, June 30, 2022	**1,875,000**	**0.15**
Granted	1,000,000	0.15
Balance, June 30, 2023	**2,875,000**	**0.15**
Granted	-	-
Balance, September 30, 2023	**2,875,000**	**0.15**

(Unaudited; Expressed in Canadian Dollars)

5. SHARE CAPITAL (continued)

(c) Share-based compensation (continued)

Summary of options outstanding as at September 30, 2023:

Number outstanding	Number exercisable	Grant date	Expiry date	Exercise price	Share-based compensation amount for the period ended September 30, 2023	Grant date fair value per option	Black-Scholes inputs: Expected volatility	Expected life (yrs)	Expected dividend yield	Risk-free interest rate
1,875,000	1,250,000	1-Jun-22	1-Jun-27	$ 0.15	7,472	$ 0.10	115%	5	0%	2.83%
500,000	166,667	1-Feb-23	1-Feb-28	$ 0.15	4,913	$ 0.08	115%	5	0%	3.16%
500,000	166,667	12-Apr-23	12-Apr-28	$ 0.15	6,299	$ 0.10	115%	5	0%	3.14%
2,875,000	1,583,334				$ 18,684					

The weighted average remaining time to expiry for all outstanding options as of September 30, 2023, is 3.94 years (June 30, 2023 – 4.19 years).

6. WARRANTS

The following is a summary of warrant activity for the three months ended September 30, 2023 and the year ended June 30, 2023:

	September 30, 2023 Number	**Weighted average exercise price**	June 30, 2023 Number	Weighted average exercise price
		$		$
Balance, beginning of period	**8,416,389**	**0.18**	4,981,532	0.19
Granted in connection with private placements	**-**	**-**	4,440,641	0.16
Issuance of broker warrants	**-**	**-**	242,133	0.10
Expired during the period	**-**	**-**	(1,247,917)	(0.15)
Balance, end of period	**8,416,389**	**0.18**	8,416,389	0.18

(i) In connection with the November 2022 financing disclosed in Note 5, the Company issued 2,000,000 warrants. The grant date fair value of $112,237 assigned to the warrants was estimated using the Black Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 114%, a risk-free interest rate of 3.26%, a share price of $0.115 and an expected maturity of 5 years.

(ii) In connection with the December 2022 financings disclosed in Note 5, the Company issued 2,440,641 warrants. The grant date fair value of $112,614 assigned to the warrants was estimated using the Black Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 114%, a risk-free interest rate of 3.15%, a share price of $0.11 and an expected maturity of 5 years.

(Unaudited; Expressed in Canadian Dollars)

6. WARRANTS (continued)

(iii) In connection with the December 2022 financings disclosed in Note 5, the Company issued 242,133 broker warrants. Each broker warrant entitles the holder to purchase one common share at a price of $0.10 for a period of 36 months. The grant date fair value of $18,976 assigned to the warrants was estimated using the Black Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 115%, a risk-free interest rate of 3.57%, a share price of $0.11 and an expected maturity of 3 years.

Summary of warrants outstanding at September 30, 2023:

Warrants		Exercise price	Fair value of warrants	Expiry date
#		$	$	
3,666,031		0.20	242,635	February 24, 2025
67,584	*	0.15	10,138	February 24, 2025
242,133		0.10	18,976	December 23, 2025
2,000,000		0.16	112,237	November 16, 2027
2,440,641		0.16	112,614	December 23, 2027
8,416,389			496,600	

* Exercisable into 1 common share and ½ of one warrant exercisable at $0.20 until February 23, 2025.

7. BASIC AND DILUTED NET LOSS PER SHARE

The calculation of basic and diluted earnings per share for the three months ended March 31, 2023 and 2022 was based on the net loss of $197,788 (2022 - $516,641) and a weighted average number of common shares outstanding of 77,481,190 (2022 – 68,323,278).

Diluted loss per share does not include the effect of the stock options and share purchase warrants disclosed in Notes 5(c) and 6 as they are anti-dilutive for the three months ended September 30, 2023 and 2022.

8. RELATED PARTY TRANSACTIONS

a) The remuneration of key management personnel is comprised of

		Three months ended September 30, 2023		Three months ended September 30, 2022
Consulting fees	**$**	**35,875**	$	60,875
Share-based compensation		**7,473**		19,746
	$	**43,348**	$	80,621

Key management personnel include directors, officers and former directors/officers.

(Unaudited; Expressed in Canadian Dollars)

8. RELATED PARTY TRANSACTIONS (continued)

b) See Note 5(b).
c) Trade payables and accrued liabilities as at June 30, 2023 include $73,535 (2022 - $13,375) owed to officers of the Company. Such amounts are unsecured, non-interest bearing and with no fixed terms of payment.
d) The amounts recorded for 'due to related company' are due to Avidian (Note 1). The balance is unsecured, non-interest bearing with no fixed terms of repayment.

9. GENERAL AND ADMINISTRATIVE

	Three months ended September 30, 2023	Three months ended September 30, 2022
Consulting fees, wages and investor relations	**$ 125,124**	$ 135,055
Office supplies, bank charges and transfer agent	**11,143**	10,655
Professional fees	**10,451**	14,396
Travel	**4,159**	-
	$ 150,877	$ 160,106

10. EXPLORATION AND EVALUATION EXPENDITURES

Labrador West

On August 20, 2019, the Company entered into an option agreement (together with the Amendment Agreement, the Second Amendment Agreement and the Third Amendment Agreement, each as defined herein below, the "Labrador West Option Agreement") with Altius Resources Inc. ("Altius") pursuant to which the Company was granted the Labrador West Option to acquire up to a 100% interest in the Labrador West iron ore project, located in the Labrador Trough.

Accordingly, pursuant to the Labrador West Option Agreement, as amended by the Amendment Agreement, the Second Amendment Agreement and the Third Amendment Agreement, in order for the Company to exercise the Labrador West Option, the Company must:

(a) within 36 months from the execution date of the Labrador West Option Agreement, the Company must have listed its common shares on, or assigned the Labrador West Option to a company ("Pubco") that has its shares listed on, the Toronto Stock Exchange, the TSX Venture Exchange, or the Canadian Securities Exchange ("CSE") (completed);

(b) incur expenditures in connection with the exploration of the property subject to the Labrador West Option Agreement ("Exploration Expenditures"), consisting of:

a. At least $1,000,000 by December 31, 2021 (completed); and

10. EXPLORATION AND EVALUATION EXPENDITURES (continued)

Labrador West (continued)

b. An additional $1,000,000 by December 31, 2022 (completed);

Upon the Company satisfying the above conditions, the Company will have been deemed to have exercised the Labrador West Option and will be entitled to purchase the 100% interest in the property subject to the provisions of the Labrador West Property Agreement, which include, among other matters:

(a) issue to Altius a number common shares of the Company equal to $200,000 (the "Additional Shares") on the earlier of: (i) the first anniversary of the Payment Date and (ii) the date whereby the Company completes a financing transaction subsequent to the Payment Date (the "Secondary Financing"), at a price per Additional Share equal to the price per share pursuant to the Secondary Financing; in the event that the Company has not completed the Secondary Financing by the first anniversary of the Payment Date, then the price per Additional Share shall be equal to the maximum applicable discount under the policies of the CSE and as may be acceptable to the CSE; in the event that the issuance of the Additional Shares would result in Altius holding more than 19.9% of the common shares of the Company on a partially diluted basis the number of the Additional Shares issuable to Altius will be decreased by such number of shares so that Altius's holdings will not exceed 19.9% of the issued and outstanding common shares in the capital of the Company; and

(b) within 24 months from the date the Company delivers the Payment Shares to the Altius, the Company shall be obligated to issue to Altius an additional 1,246,004 Common Shares (the "Milestone Shares"), at the sole discretion of Altius. Altius may elect at any time to receive the Milestone Shares by delivering notice to that effect to the Company, provided that the issuance of the Milestone Shares would not result in Altius holding more than 19.9% of the Common Shares of the Company on a partially diluted basis. The Milestone Shares shall be issued at a deemed price per Milestone Share equal to the maximum applicable discount under the policies of the CSE and as may be acceptable to the CSE. The Company shall not be responsible for the issuance of any unissued Milestone Shares in the event that Altius does not make an election to receive the Milestone Shares, in full, within 24 months from the delivery date of the Payment Shares.

A total of 13,427,507 Payment Shares were issued to Altius on November 5, 2021. The Payment Shares were issued at an estimated price per Payment Share of $0.12 for a total value of $1,611,301. The value of the shares was estimated based on the estimated value of shares issued in the private placement. Refer to Note 5.

The Company completed the above requirements in 2023. Upon acquiring a 100% interest in the project, the Company granted to Altius a 2.75% gross sales royalty ("GSR") on all iron ore produced, removed and recovered from the project.

10. EXPLORATION AND EVALUATION EXPENDITURES (continued)

Clearcut Lithium Project

On July 11, 2022 the Company entered into an option purchase agreement (the "Clearcut Agreement") to acquire a 100% interest in the Clearcut Lithium Project (the "Property") located in Abitibi Témiscamingue region southwest of Val d'Or, Quebec.

Pursuant to the Clearcut Agreement, the Company may acquire a 100% interest in the Property by making aggregate cash payments of $100,000, issuing an aggregate of 1,000,000 common shares of the Company and incurring an aggregate of $1,000,000 in exploration expenditures on or before the third anniversary date of the Clearcut Agreement. The Vendors will retain a 2.0% net smelter royalty ("NSR"), 0.5% of which may be purchased by the Company for $1,000,000.

Further, the Company has agreed to make additional one-time milestone payments of $500,000 and $1,000,000 upon the filing of a positive feasibility study and upon the start of commercial production respectively.

The milestone payments may be paid in cash or the issuance of shares at the Company's discretion and shall be deemed to be an advance to the Vendors to be deducted against future royalty payments. The Company paid $25,000 and issued 250,000 common shares pursuant to the Clearcut Agreement in July 2022.

Big Bang Project

On November 18, 2022, the Company entered into an option agreement to acquire a 100% interest in the Big Bang lithium project located near the town of Geraldton, Ontario. Pursuant to the agreement, the Company was granted the option to acquire a 100% interest in the property by making aggregate cash payments of $103,000 of which $25,000 was payable on signing of the Agreement (the "Effective Date") (paid); $21,000 is payable on the first anniversary of the Effective Date; $27,000 on the second anniversary of the Effective Date, and $30,000 on the third anniversary of the Effective Date. In addition, a one-time issuance of 225,000 common shares of the Company (completed – see Note 5(b)(x)). Upon exercise of the option, the Company will grant the vendors a 1.5% NSR, 0.5% of which may be re-purchased by the Company for $500,000.

Lac Pegma

On February 2, 2021, the Company entered into a purchase agreement with Globex Mining Enterprises Inc. ("Globex") to purchase 100% of the Lac Pegma copper-nickel-cobalt sulphide deposit located approximately 50 kilometres south of Fermont, Quebec.

The terms of the purchase agreement are as follows: the Company paid Globex $10,000 in cash (paid) and an undertaking to issue 650,000 shares of the Company upon completion of an initial public offering/liquidity event prior to September 30, 2021 (issued - see Note 5(b)).

(Unaudited; Expressed in Canadian Dollars)

10. EXPLORATION AND EVALUATION EXPENDITURES (continued)

Lac Pegma (continued)

In addition, Globex retained a 2% gross metal royalty ("GMR") with a 1% buyback option for $1,500,000 exercisable at any time at the discretion of the Company.

The Company continues to engage and have discussions with the Uashat Mak Mani-Utenam, the Innu First Nations based in Sept-Îles, Quebec.

10. EXPLORATION AND EVALUATION EXPENDITURES (continued)

The following table summarizes exploration and evaluation expenditures for each of the Company's respective properties.

Labrador West	**Three months ended September 30, 2023**	Three months ended September 30, 2022
Acquisition and holding costs	**$ -**	$ -
Exploration and evaluation expenditures	**23,195**	134,560
	$ 23,195	$ 134,560
Clearcut Lithium		
Acquisition and holding costs	**$ -**	$ 56,250
Exploration and evaluation expenditures	**-**	189,002
	$ -	$ 245,252
Big Bang		
Acquisition and holding costs	**$ -**	$ -
Exploration and evaluation expenditures	**6,930**	-
	$ 6,930	$ -
Lac Pegma		
Acquisition and holding costs	**$ -**	$ -
Exploration and evaluation expenditures	**-**	14,486
	$ -	$ 14,486
Quebec Tax Credit for Eligible Exploration Expenses	**$ -**	$ (58,534)
TOTAL EXPLORATION AND EVALUATION EXPENDITURES	**$ 30,125**	$ 335,764

11. COMMITMENTS AND CONTINGENCIES

Environmental contingencies

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations.

Flow-through commitment

Flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures ("CEE") incurred on the Company's mineral properties to flow-through participants. In relation to the December 2022 flow-through financing, the Company had a total obligation to spend $466,380, by December 31, 2023. As at September 30, 2023, the Company has a remaining obligation to spend $103,297. Certain interpretations are required to assess the eligibility of flow-through expenditures that if changed, could result in the denial of renunciation. The Company has indemnified the subscribers for certain tax-related amounts that become payable by the subscribers should the Company not meet its expenditure commitments.

12. SUBSEQUENT EVENT

On November 6, 2023, the Company issued 1,246,004 common shares to satisfy its final obligation under the Labrador West Option Agreement (See Note 10).