



NEVADA SUNRISE METALS CORPORATION
(formerly Nevada Sunrise Gold Corporation)

Condensed Consolidated Interim Financial Statements

For the three and six months ended March 31, 2023 and 2022

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

NOTE TO READER

Under National Instrument 51-102, if an auditor has not performed a review of interim financial statements, they must be accompanied by a note indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements have been prepared by and are the responsibility of the management. The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements.

NEVADA SUNRISE METALS CORPORATION
(formerly Nevada Sunrise Gold Corporation)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
March 31, 2023 and 2022
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	Note	March 31, 2023	September 30, 2022
ASSETS			
Current assets			
Cash		\$ 914,941	\$ 2,051,791
Marketable securities	5	58,506	240,356
Receivables	4	22,072	41,929
Prepaid expenses and deposits	6	38,982	130,897
		1,034,501	2,464,973
Non-current assets			
Reclamation bonds	8	121,697	92,079
Exploration and evaluation assets	7	1,397,395	1,404,226
		1,519,092	1,496,305
Total assets		\$ 2,553,593	\$ 3,961,278
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		\$ 513,521	\$ 151,123
Due to related parties	13	2,383	2,135
		515,904	153,258
Reclamation liability	9	33,164	-
		33,164	-
Total liabilities		549,068	153,258
Equity			
Share capital	10	24,688,498	24,266,714
Contributed reserves	10	3,824,243	3,866,205
Accumulated other comprehensive income		845,087	872,670
Deficit		(27,353,303)	(25,197,569)
		2,004,525	3,808,020
Total liabilities and equity		\$ 2,553,593	\$ 3,961,278

Corporate Information – Note 1
Going Concern – Note 2
Subsequent Event – Note 16

Approved by the Directors on May 26, 2023:

“Warren Stanyer”
Director
“Michael Sweatman”
Director

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

NEVADA SUNRISE METALS CORPORATION

(formerly Nevada Sunrise Gold Corporation)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)

For the three and six months ended March 31, 2023 and 2022

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

	Note	For the three months ended March 31		For the six months ended March 31	
		2023	2022	2023	2022
Expenses					
Accounting and audit		\$ 25,625	\$ 21,627	\$ 39,125	\$ 35,387
Consulting fees		21,424	25,827	44,559	45,506
Directors' fees	13	13,573	29,500	43,073	41,500
Exploration and evaluation costs	7	852,457	241,958	1,496,004	330,616
Foreign exchange loss (gain)		(124)	1,545	372	4,902
Insurance		5,303	4,337	10,613	8,675
Legal	13	17,016	19,580	26,602	40,353
Management fees and salaries	13	24,000	56,553	110,500	78,566
Office expenses		4,421	4,833	9,025	8,577
Property investigation costs		-	143	-	1,114
Reclamation costs		-	-	-	8,811
Rent	13	9,344	9,156	18,531	18,171
Shareholder communications		102,993	18,842	222,612	35,959
Share-based payments	10, 13	-	85,193	68,489	85,193
Transfer agent and filing fees		14,253	8,715	25,564	13,400
Travel and entertainment		6,859	-	8,105	-
		(1,097,144)	(527,809)	(2,123,174)	(756,730)
Other items					
Management fee income		51	2,055	103	15,997
Gain (loss) on marketable securities	5	15,991	(274,544)	(32,663)	(31,215)
Gain on sale of exploration and evaluation assets	7	-	-	-	769,085
Legal fees recovery	7	-	-	-	1,381,976
		16,042	(272,489)	(32,560)	2,135,843
Income (loss) for the period		(1,081,102)	(800,298)	(2,155,734)	1,379,113
Foreign currency translation adjustment		(2,792)	(13,192)	(27,583)	(20,702)
Comprehensive income (loss) for the period		\$ (1,083,894)	\$ (813,490)	\$ (2,183,317)	\$ 1,358,411
Basic and diluted earnings (loss) per share		\$ (0.01)	\$ (0.01)	\$ (0.02)	\$ 0.02
Weighted average number of shares outstanding – basic	12	99,016,199	78,820,635	97,902,935	78,675,030
Weighted average number of shares outstanding – diluted	12	99,016,199	78,820,635	97,902,935	80,675,030

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NEVADA SUNRISE METALS CORPORATION
(formerly Nevada Sunrise Gold Corporation)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
For the six months ended March 31, 2023 and 2022
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	2023	2022
CASH FLOWS USED IN OPERATING ACTIVITIES		
Income (loss) for the period	\$ (2,155,734)	\$ 1,379,113
Items not involving cash:		
Share-based payments	68,489	85,193
Loss on marketable securities	32,663	31,215
Legal fees recovery	-	(1,381,976)
Gain on sale of exploration and evaluation assets	-	(769,085)
Foreign exchange (gain) loss	(562)	-
Net changes in non-cash working capital balances:		
Receivables	19,460	(47,988)
Prepaid expenses and deposits	94,334	8,134
Accounts payable and accrued liabilities	363,869	76,519
Due to related parties	248	(79,649)
	<u>(1,577,233)</u>	<u>(698,524)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of marketable securities	149,187	13,820
Proceeds from reclamation bond refund	-	23,891
Exploration and evaluation assets – proceeds from sale of Water Right	-	1,026,010
Exploration and evaluation assets – acquisition costs	(894)	-
Exploration and evaluation assets – option payments for Coronado	-	(63,176)
Exploration and evaluation assets – claim maintenance and staking	(13,702)	(2,080)
	<u>134,591</u>	<u>998,465</u>
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		
Share issuance costs paid in cash	(3,102)	-
Proceeds from exercise of options	122,100	-
Proceeds from exercise of warrants	192,335	-
	<u>311,333</u>	<u>-</u>
Effect of foreign exchange on cash	<u>(5,541)</u>	<u>(10,337)</u>
Change in cash during the period	(1,136,850)	289,604
Cash, beginning of the period	<u>2,051,791</u>	<u>72,823</u>
Cash, end of the period	<u>\$ 914,941</u>	<u>\$ 362,427</u>

Supplemental disclosure with respect to cash flows – Note 11

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

NEVADA SUNRISE METALS CORPORATION
(formerly Nevada Sunrise Gold Corporation)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
For the six months ended March 31, 2023 and 2022
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

Share Capital							
	Note	Number of Shares	Amount	Contributed Reserves	Accumulated Other Comprehensive Income	Deficit	Total
Balance at September 30, 2021		78,529,426	\$ 21,560,079	\$ 3,722,849	\$ 778,264	\$ (25,616,274)	\$ 444,918
Property acquisition costs	7,10	500,000	30,000	-	-	-	30,000
Share-based payments		-	-	85,193	-	-	85,193
Foreign currency translation adjustment		-	-	-	(20,702)	-	(20,702)
Income for the period		-	-	-	-	1,379,113	1,379,113
Balance as at March 31, 2022		79,029,426	\$ 21,590,079	\$ 3,808,042	\$ 757,562	\$ (24,237,161)	\$ 1,918,522
Balance as at September 30, 2022		97,862,276	\$ 24,266,714	\$ 3,866,205	\$ 872,670	\$ (25,197,569)	\$ 3,808,020
Less: share issuance costs	10, 13	-	(3,102)	-	-	-	(3,102)
Exercise of options	10	770,000	226,982	(104,883)	-	-	122,099
Exercise of warrants	10	1,158,000	185,280	-	-	-	185,280
Exercise of finder's warrants	10	44,100	12,624	(5,568)	-	-	7,056
Share-based payments	10	-	-	68,489	-	-	68,489
Foreign currency translation		-	-	-	(27,583)	-	(27,583)
Loss for the period		-	-	-	-	(2,155,734)	(2,155,734)
Balance as at March 31, 2023		99,834,376	\$ 24,688,498	\$ 3,824,243	\$ 845,087	\$ (27,353,303)	\$ 2,004,525

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

NEVADA SUNRISE METALS CORPORATION

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three and six months ended March 31, 2023 and 2022

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1. CORPORATE INFORMATION

Nevada Sunrise Metals Corporation (formerly Nevada Sunrise Gold Corporation) (the “Company”) was incorporated under the laws of the Province of British Columbia, Canada on April 3, 2007. On May 15, 2007, the Company acquired all of the issued and outstanding shares of Intor Resources Corporation (“Intor”) by way of a reverse takeover. Intor was incorporated under the laws of the State of Nevada, USA on September 7, 2004. On September 23, 2022, the Company changed its name from Nevada Sunrise Gold Corporation to Nevada Sunrise Metals Corporation.

The Company’s principal business activity is the acquisition, exploration and evaluation of its mineral property assets located in the State of Nevada, USA. The Company’s common shares are listed for trading on the TSX Venture Exchange (“TSX-V”) under the symbol “NEV”.

The Company’s head office, principal address and registered and records office is located at Suite 408 - 1199 West Pender Street, Vancouver, British Columbia, V6E 2R1.

2. BASIS OF PREPARATION***Statement of Compliance***

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

These condensed consolidated interim financial statements were authorized for issuance on May 26, 2023 by the directors of the Company.

Going Concern

These condensed consolidated interim financial statements are prepared using IFRS applicable to a going concern, which contemplates the Company will continue in operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. Future operations are dependent on the Company’s ability to raise additional equity financing and the attainment of profitable operations.

The Company has a history of operating losses and at March 31, 2023, has an accumulated deficit of \$27,353,303. At March 31, 2023, the Company had working capital of \$518,597. The Company will require equity or loan financing and/or the sale of its assets (refer to Note 16) in order to continue exploration of its exploration and evaluation assets and fund its administrative expenses.

These condensed consolidated interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. These conditions may cast significant doubt about the Company’s ability to continue as a going concern.

Principles of Consolidation

These condensed consolidated interim financial statements incorporate the accounts of the Company and the following subsidiary:

Name of subsidiary	Country of incorporation	Percentage ownership	Principal activity
Intor Resources Corporation	USA	100%	Exploration of mineral properties

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The Company consolidates the subsidiary on the basis that it controls the subsidiary through its ability to govern its financial and operating policies. All intercompany balances and transactions have been eliminated on consolidation.

Basis of Measurement

These condensed consolidated interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as and measured at their fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting except for cash flow information. All dollar amounts are expressed in Canadian dollars unless otherwise specified.

Critical Accounting Judgments, Estimates and Assumptions

The preparation of the Company's condensed consolidated interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the condensed consolidated interim financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant estimates and critical judgements were the same as those stated in Note 2 to the audited financial statements as at and for the year ended September 30, 2022.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed by the Company are set out in Note 3 to the audited financial statements for the years ended September 30, 2022 and 2021 and have been consistently followed in the preparation of these condensed consolidated interim financial statements.

New Standards and Interpretations Adopted

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective by the Company and are set out in Note 3 to the audited financial statements for the years ended September 30, 2022 and 2021. The Company has not early adopted any new standards.

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair values of the Company's receivables, accounts payable and accrued liabilities, and due to related parties approximate their carrying values because of the short-term nature of these instruments. The fair values of reclamation bonds also approximate their carrying values.

The following table illustrates the classification of the Company's financial instruments within the fair value hierarchy as at March 31, 2023 and September 30, 2022:

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	Level 1	Level 2	Level 3
March 31, 2023:			
Cash	\$ 914,941	\$ -	\$ -
Marketable securities	\$ 58,506	\$ -	\$ -
September 30, 2022:			
Cash	\$ 2,051,791	\$ -	\$ -
Marketable securities	\$ 240,356	\$ -	\$ -

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

Credit risk

The Company is subject to credit risk on its cash and receivables. The Company limits its exposure to credit loss on cash by placing its cash with creditworthy financial institutions. The Company's receivables consist of goods and services tax receivable from the Government of Canada, exploration expenses incurred on behalf of third parties, and other receivables.

Management believes that credit risk concentration with respect to receivables is minimal. The composition of receivables as at March 31, 2023 and September 30, 2022 is as follows:

	March 31, 2023	September 30, 2022
Goods and services tax receivable	\$ 11,989	\$ 14,298
Due from Global Energy Metals Corp. – Note 7(f)	5,759	6,465
Other receivables	4,324	21,166
	<u>\$ 22,072</u>	<u>\$ 41,929</u>

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. Management intends to obtain additional equity or loan financing and/or dispose of its marketable securities or other assets in order to meet its current liabilities as they become due. See going concern discussion in Note 2.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

The Company has cash balances which are not subject to significant risks in fluctuating interest rates. The Company monitors the investments it makes and is satisfied with the credit ratings of its banks. An increase to interest rates by 1% would have an insignificant effect on the Company's operations.

b) Foreign currency risk

Currency risk is the risk that the fair values or future cash flows of the Company's financial instruments will fluctuate because of changes in foreign currency exchange rates. The Company's currency risk primarily arises from financial instruments denominated in US dollars that are held at the parent company level, as the functional currency of the parent company is Canadian dollars. Conversely for the Company's subsidiary who has a US dollar functional currency, currency risk primarily arises from financial instruments denominated in Canadian dollars that are held at the subsidiary company level.

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The Company is exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in US dollars.

At March 31, 2023, a 10% fluctuation in the US dollar against the Canadian dollar would affect comprehensive loss by approximately \$4,000.

c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings, or ability to obtain equity financing, due to movements in individual equity prices or general movements in the level of the stock market. The Company's marketable securities are subject to price risk. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices including gold and lithium, as well as individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

At March 31, 2023, a 10% fluctuation in the fair value of the Company's marketable securities would affect comprehensive income by approximately \$6,000.

5. MARKETABLE SECURITIES

	March 31, 2023	September 30, 2022
Fair value, opening	\$ 240,356	\$ 39,443
Acquisitions (Notes (7d, 7e))	-	973,498
Proceeds on sale	(149,187)	(597,335)
Gain (loss) on marketable securities	(32,663)	(175,250)
	\$ 58,506	\$ 240,356

As of March 31, 2023 the Company held 108,892 common shares of Global Energy Metals Corporation (TSXV: GEMC), and 46,309 common shares of Century Lithium Corp. (TSXV: LCE), formerly Cypress Development Corp. (TSXV: CYP).

The Company has determined that it does not hold significant influence in any of its investments. The fair value is determined at each reporting date by reference to the closing price of these common shares which are publicly traded.

6. PREPAID EXPENSES AND DEPOSITS

	March 31, 2023	September 30, 2022
Deposits	\$ 14,008	\$ 19,700
Prepaid insurance	9,107	19,796
Prepaid marketing	11,950	88,651
Other	3,917	2,750
	\$ 38,982	\$ 130,897

7. EXPLORATION AND EVALUATION ASSETS

Title to exploration and evaluation asset interests 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 title conveyance characteristic of many mineral claims. The Company has investigated title to all of its exploration and evaluation asset interests and, to the best of its knowledge, title to all of its interests are in good standing. The exploration and evaluation assets the Company has committed to earn interests in are located in the State of Nevada, USA.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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Schedule of Exploration and Evaluation Assets for the Period Ended March 31, 2023

	Badlands	Lovelock/ Treasure Box	Coronado	Gemini	Jackson Wash	Total
Balance, September 30, 2022	\$ -	\$ 6,799	\$ 817,536	\$ 466,804	\$ 113,087	\$ 1,404,226
Acquisition costs	893	-	-	-	-	893
Claim maintenance	12,072	-	-	(1,466)	3,069	13,675
Translation adjustment	(18)	(105)	(12,447)	(7,103)	(1,726)	(21,399)
Balance, March 31, 2023	\$ 12,947	\$ 6,694	\$ 805,089	\$ 458,235	\$ 114,430	\$ 1,397,395

Schedule of Exploration and Evaluation Assets for the Year Ended September 30, 2022

	Water Right	Lovelock/ Treasure Box	Coronado	Gemini	Jackson Wash	Total
Balance, September 30, 2021	\$ 417,476	\$ -	\$ 430,162	\$ 39,785	\$ 58,976	\$ 946,399
Option payment – shares	-	-	177,500	-	-	177,500
Acquisition costs	-	-	130,468	301,834	35,238	467,540
Sale of Water Right	(420,404)	-	-	-	-	(420,404)
Claim maintenance	-	6,456	32,951	100,623	11,613	151,643
Translation adjustment	2,928	343	46,455	24,562	7,260	81,548
Balance, September 30, 2022	\$ -	\$ 6,799	\$ 817,536	\$ 466,804	\$ 113,087	\$ 1,404,226

Exploration and evaluation costs for the six months ended March 31, 2023 and 2022 were allocated as follows:

	2023	2022
Kinsley Mountain	\$ 151,445	\$ 114,718
Gemini	1,342,628	180,508
Jackson Wash	-	4,436
Lovelock/Treasure Box	1,931	30,676
Coronado	-	278
	\$ 1,496,004	\$ 330,616

(a) Kinsley Mountain

The Company has a 20.01% (2022 – 20.01%) interest in Kinsley Gold LLC, which holds a mining lease agreement relating to the Kinsley Mountain property. The mining lease agreement has a 3% net smelter royalty on production. The mining lease agreement initially ran through June 2020, however, Kinsley Gold LLC has the right to terminate the lease upon thirty days written notice or to extend the lease beyond 2020 provided it continues to make the required advance minimum royalty payments (the “Royalty Payments”) (see below). Per the terms of the mining lease agreement, Kinsley Gold LLC has an obligation to expend a minimum per calendar year of US\$500,000 (the “Minimum Expenditures”) (which includes the Royalty Payments) (2022 – obligation met) in exploration, development and mining activities on the Kinsley Mountain property.

The Royalty Payments included within the “Minimum Expenditures” are as follows for the years ending September 30:

- 2019: \$170,000 (*paid*)
- 2020, 2021, and 2022: \$220,000 (*paid*)
- 2023 and thereafter: \$220,000

In early 2020, the Company elected to have its interest in the Kinsley Gold LLC joint venture be diluted pursuant to the terms of the Kinsley Mountain joint venture agreement. The Company did not pay the 2019 cash call amount and

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consequently, its interest in the Kinsley Gold LLC joint venture was reduced from 20.94% to 20.01%.

The Company elected to participate in the 2021 and 2022 exploration programs. During the six months ended March 31, 2023, the Company paid a total of US \$112,194 (CAD \$151,792) as part of the Company's proportionate share of the 2022 cash calls of which US\$44,022 (CAD\$59,761) was paid for the Company's proportionate share of the 2022 Royalty Payments. During the year ended September 30, 2022, the Company paid a total of US\$88,264 (CAD\$112,716) as part of the Company's proportionate share of the 2021 cash calls.

(b) Gemini

The Company owns a 100% interest in a group of mineral claims known as the Gemini lithium property ("Gemini"). These claims were acquired by way of staking. Gemini is located in the Lida Valley, Esmeralda County, Nevada.

During the year ended September 30, 2022, the Company expanded the size of Gemini by staking new claims and recorded \$301,834 to acquisition costs and \$100,623 to claims maintenance.

(c) Badlands

The Company owns a 100% interest in a group of mineral claims known as the Badlands lithium property ("Badlands"). These claims were acquired by way of staking. Badlands is located in the Lida Valley, Esmeralda County, Nevada.

During the six months ended March 31, 2023, the Company recorded \$893 to acquisition costs and \$12,055 to claims maintenance.

(d) Jackson Wash

On December 17, 2015, the Company entered into an option agreement to purchase a 100% interest in the Jackson Wash lithium property located in the Jackson Valley, Esmeralda County, Nevada.

For the option to purchase a 100% interest in the property, the Company agreed to issue 500,000 common shares of the Company to the optionor over 3 years (issued).

The Jackson Wash property is subject to a 3% GOR.

During the year ended September 30, 2022, the Company staked additional claims and recorded \$35,238 to acquisition costs and \$11,613 in claims maintenance. During the six months ended March 31, 2023, the company recorded \$3,069 in claims maintenance.

(e) Water Right

Option of Clayton Valley Water Right:

On March 16, 2016, the Company signed a definitive water right purchase agreement for the option to purchase a 100% interest in water right Permit 44411 in the Clayton Valley, Nevada. In consideration for the option to purchase the water right, the Company agreed to pay the vendors a combination of cash, common shares, and share purchase warrants as follows:

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Date of Payment	Cash	Common Shares	Share Purchase Warrants
March 30, 2016	US\$125,000 (paid)	200,000 (issued with a fair value of \$36,000)	2,250,000 (issued) ⁽¹⁾
December 21, 2016	US\$150,000 (paid)	250,000 (issued with a fair value of \$67,500)	n/a
December 21, 2017	US\$175,000 (paid US\$87,500)	300,000 (issued with a fair value of \$45,000)	n/a
December 21, 2018	US\$200,000 ⁽¹⁾	350,000 (issued with a fair value of \$31,500)	n/a
December 21, 2019	US\$300,000 ⁽¹⁾	400,000 (issued with a fair value of \$18,000) (Note 9)	n/a
December 21, 2020	US\$350,000 ⁽¹⁾	500,000 (issued with a fair value of \$60,000) (Note 9)	n/a
Total	US\$1,300,000	2,000,000	2,250,000

- (1) On October 31, 2018, the Company signed a letter of intent to further amend the water right purchase agreement. The letter of intent amended the terms for the payment of the remaining cash payments due on the purchase price. Therefore, the Company was not required to make the US\$200,000 payment due on December 21, 2018.

Under the terms of the letter of intent the Company was required to pay US\$20,000 on signing (paid). In addition, the Company is required to pay US\$5,000 per month thereafter (paid up to February 2020). All the amounts are to be applied to the remaining purchase price. This arrangement was until August 2020 at which time the amounts due under the original agreement became payable. The remaining obligations to the vendor were fulfilled on the completion of the sale of the Permit 44411 water right.

On November 29, 2016, the Nevada Division of Water Resources (“NDWR”) issued a ruling of forfeiture against the Company’s water right, citing lack of beneficial use for a period of five years. The Company filed an appeal.

In August 2019, the NDWR issued an order formally dismissing the forfeiture proceedings against the water right. The dismissal followed a negotiated settlement agreement with Albemarle Corp. (“Albemarle”) wherein Albemarle withdrew its motion to forfeit the water right in exchange for the Company’s agreement not to drill any wells within certain areas of the Clayton Valley that might impact Albemarle’s lithium brine mining operations in the Clayton Valley.

Consent Agreement:

On August 31, 2016, the Company signed a consent agreement with Advantage Lithium Corp. (“Advantage”) and the vendors of the water right, Dedicated Mining Technology Inc. (“Dedicated Mining”), whereby the Dedicated Mining consented to assign the terms of the original water right option agreement to Advantage for cash payment of \$31,250 and the transfer of 258,932 Advantage shares with a fair value of \$142,413.

Due to Dedicated Mining Technology Inc.

At September 30, 2018, marketable securities included the 258,932 common shares of Advantage valued at \$181,252 that were originally transferred to the vendor of the water right, Dedicated Mining, as a part of the above consent agreement. These Advantage shares were agreed to be returned to the Company when the water right was forfeited and were to be held by the Company in escrow, pending a ruling with respect to the forfeiture. A corresponding liability of \$181,252 was set up to Dedicated Mining.

On October 31, 2018, Dedicated Mining agreed to release the 258,932 Advantage shares from escrow to be sold to fund ongoing legal costs related to the defence of the water right. The Company received 194,199 Advantage shares and has sold 194,000 shares for proceeds of \$113,363 which were paid to the Company’s legal counsel. On December 7, 2021, the Company and Dedicated Mining agreed to reduce Dedicated Mining’s share of the sales proceeds from the Sale of the Clayton Valley Water Right transaction with Century Lithium Corp. (formerly Cypress Development Corp.) by \$73,536 in

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lieu of the Company receiving the remaining 64,733 Advantage shares, which shares were exchanged for 9,192 shares of Allkem Limited (formerly Orocobre Limited) (“Allkem”) from Dedicated Mining.

Sale of Water Right

On May 7, 2021, the Company, through its wholly-owned subsidiary Intor Resources Corporation, entered into a binding letter of intent (“LOI”) with Century Lithium Corp. (“Century”), formerly Cypress Development Corp., for the sale of its Clayton Valley water right (Permit 44411). On September 7, 2021, Intor executed a definitive Water Rights Purchase and Sale Agreement (the “Definitive Water Rights Agreement”) with Century, which closed on December 7, 2021. Under the terms of the Definitive Water Rights Agreement, Century has the obligation to pay the Company total consideration of US\$3,000,000 as follows:

- US\$25,000 non-refundable payment payable upon execution (*received*);
- US\$125,000 non-refundable payment upon completion of a 45 day due diligence period and the execution between the parties of a definitive purchase agreement (*received*);
- US\$2,000,000 in cash upon closing (*received*); and
- US\$850,000 in common shares of Century upon closing (*received*).

On December 7, 2021, the Company completed the sale of its Permit 44411 water right. The purchase price consists of US\$2,150,000 in cash and the issuance of 546,909 Century common shares, the number of which is calculated based on the value of US\$850,000 divided by the volume weighted average price of the Century shares for the ten trading day period ending two days prior to closing. The fair value of the Century shares received was US\$760,623 (CAD\$973,498).

The Company fulfilled its remaining obligation to Dedicated Mining, the underlying vendor of Permit 44411, which consisted of US\$832,500 for the remaining option payments less US\$23,480 for the retained consent payment and the 9,192 Allkem shares retained by Dedicated Mining of US\$57,560 via a cash payment of US\$751,460. There were no other amounts owing to Dedicated Mining in accordance with the Distribution of Proceeds. The Company recorded a gain on the sale totaling \$769,085 (US\$600,909). In connection with the sale of Permit 44411, the Company allocated \$1,381,976 as a recovery of legal fees incurred from 2016 to 2019 for the water rights litigation thereby recognizing \$1,381,976 (US\$1,079,779) in legal fees recovery.

Following the closing, the Company learned that a petition for judicial review (the “Petition”) was reportedly filed by a junior mineral exploration company on December 2, 2021 appealing the Permit extension of time granted by the State Engineer on November 2, 2021. At the time of the Closing, the Petition was unknown to both the Company and to Century Lithium Corp. On April 11, 2022, the Petition was dismissed with prejudice.

(f) Lovelock/Treasure Box

The Company acquired a 100% interest in the Lovelock cobalt property and the Treasure Box copper property located in Churchill County, Nevada by way of option agreement.

The Company further entered into a mining option agreement with Global Energy Metals Corp. (“GEMC”), whereby GEMC acquired an 85% interest in the Lovelock cobalt property and the Treasure Box copper property, with the Company retaining a 15% interest.

As per the terms of the mining option agreement with GEMC, GEMC made a final payment of 750,000 GEMC shares to the Company on October 6, 2020 with a fair value of \$142,500 resulting in a gain on sale of exploration and evaluation assets of \$68,401.

The Company is entitled to a management fee equal to 10% of the expenditure incurred on the properties, which can be reduced to 5% if expenditure in any calendar month exceed \$50,000.

The property is subject to a 2% net smelter royalty (“NSR”) of which 1% can be repurchased by GEMC before December 22, 2027 for US\$1,500,000.

During the year ended September 30, 2022, the Company recorded \$6,456 for its share of claims maintenance.

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Subsequent to March 31, 2023, the Company entered into a binding agreement to sell its 15% interest of the Lovelock cobalt property and the Treasure Box copper property to GEMC for 2,500,000 common shares of GEMC (see Note 16).

(g) Coronado

On September 25, 2018, the Company entered into a definitive option agreement (“Coronado Option Agreement”) to acquire a 100% interest in the Coronado copper property located in the Tobin Sonoma Range of Pershing County, Nevada in consideration for cash and share payments, and minimum exploration expenditures as described below:

Payment Due Dates	Cash Payments	Share Payments	Minimum Exploration Expenditures
On October 24, 2018	US\$30,000 (paid)	200,000 (issued with a fair value of \$14,000)	US\$50,000 (incurred)
On or before September 25, 2019 ⁽¹⁾⁽²⁾	US\$35,000 (paid)	300,000 (issued with a fair value of \$15,000)	US\$100,000 (incurred)
On or before September 25, 2020	US\$40,000 (paid)	400,000 (issued with a fair value of \$98,000)	US\$150,000 (incurred)
On or before September 25, 2021	US\$50,000 (paid)	500,000 (issued with a fair value of \$30,000)	US\$300,000
On or before September 25, 2022 ⁽³⁾	US\$1,250,000	600,000	US\$500,000
Total	US\$1,405,000	2,000,000	US\$1,100,000

- (1) On September 25, 2019, the Company paid the vendors US\$5,000 to extend the due date of the US\$35,000 option payment to December 25, 2019.
- (2) On December 14, 2019, the Company paid the vendors US\$5,000 to extend the due date of the US\$35,000 option payment to February 24, 2020.
- (3) On January 28, 2022, the Company amended the terms of the Coronado Option Agreement. The provisions for the US\$1,250,000 cash payment, 600,000 share payment, and US\$500,000 work commitment due on or before September 25, 2022 were amended and replaced as follows:

Payment Due Dates	Cash Payments	Share Payments	Minimum Exploration Expenditures
On or before September 25, 2022	US\$50,000 (paid)	500,000 (issued with a fair value of \$147,500)	US\$300,000 ⁽¹⁾
On or before September 25, 2023	US\$50,000	500,000	US\$300,000
On or before September 25, 2024	US\$50,000	500,000	US\$300,000
On or before September 25, 2025	US\$50,000	500,000	US\$300,000
On or before September 25, 2026	US\$1,050,000	600,000	

- (1) During the Year Ended September 30, 2022, no exploration was undertaken by the Company. Exploration at Coronado is in the planning stage for 2023, and if warranted, the 2022 exploration deficit is anticipated to be expended in successive years.

The vendor shall retain a 2% net smelter returns royalty, half of which can be purchased by the Company at any time for US\$1,500,000, less any advance royalty payments made by the Company. An advance royalty payment of US\$500,000 would be payable to the vendors upon completion of a feasibility study.

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8. RECLAMATION BONDS

At March 31, 2023 and September 30, 2022, the Company has posted reclamation bonds on its mineral properties with the Nevada Bureau of Land Management as a guarantee of exploration site restoration. Kinsley Gold LLC has a surety bond deposit.

	March 31, 2023	September 30, 2022
Coronado – Note 7(g)	19,481	19,782
Roulette	9,067	9,208
Neptune	21,888	22,226
Jackson Wash – Note 7(d)	19,147	19,443
Kinsley – Note 7(a)	33,725	-
Gemini – Note 7(b)	18,389	21,420
	\$ 121,697	\$ 92,079

9. RECLAMATION LIABILITY

The Company has recognized a reclamation liability for its proportionate share of the obligation to restore the property.

	March 31, 2023	September 30, 2022
Kinsley – Note 7(a)	33,164	-
	\$ 33,164	\$ -

10. SHARE CAPITAL AND CONTRIBUTED RESERVES**a) Authorized:**

Unlimited common shares without par value

b) Issued:***During the Six Months Ended March 31, 2023:******Exercise of Warrants and Options:***

- The Company issued 1,158,000 common shares pursuant to the exercise of warrants with an exercise price of \$0.16 for proceeds of \$185,280.
- The Company issued 44,100 common shares pursuant to the exercise of finder's warrants with an exercise price of \$0.16 for proceeds of \$7,056.
- The Company issued 300,000 common shares pursuant to the exercise of options with an exercise price of \$0.125 for proceeds of \$37,500.
- The Company issued 470,000 common shares pursuant to the exercise of options with an exercise price of \$0.18 for proceeds of \$84,600.

During the Year Ended September 30, 2022:***Private placements***

- On June 29, 2022, the Company issued 7,500,000 private placement units at \$0.20 per unit for gross proceeds of \$1,500,000. Each unit contained one common share and one common share purchase warrant entitling the holder to purchase an additional common share at \$0.30 until June 29, 2024. The Company paid finder's fees of \$41,673 and

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issued 139,825 finder's warrants entitling the holders to purchase one common share for each warrant held at \$0.20 until June 29, 2024. The finder's warrants had a fair value of \$22,238.

Property Option Payments

- On February 7, 2022, the Company issued 500,000 common shares with a fair value of \$30,000 for the Coronado property (Note 7(g)).
- On September 23, 2022, the Company issued 500,000 common shares with a fair value of \$147,500 for the Coronado property (Note 7(g)).

Exercise of Warrants and Options

- The Company issued 7,000,000 common shares pursuant to the exercise of warrants with an exercise price of \$0.05 for proceeds of \$350,000.
- The Company issued 2,840,600 common shares pursuant to the exercise of warrants with an exercise price of \$0.16 for proceeds of \$454,496.
- The Company issued 50,000 common shares pursuant to the exercise of warrants with an exercise price of \$0.25 for proceeds of \$12,500.
- The Company issued 892,250 common shares pursuant to the exercise of warrants with an exercise price of \$0.30 for proceeds of \$267,675.
- The Company issued 25,000 common shares pursuant to the exercise of options with an exercise price of \$0.09 and 25,000 common shares pursuant to the exercise of options with an exercise price of 0.105 for proceeds of \$2,250 and \$2,625, respectively. As a result, the fair value of the options when granted of \$3,500 was reallocated to share capital.

c) Finder's Warrants:

At March 31, 2023, there were 139,825 finder's warrants outstanding entitling the holders to purchase one common share for each warrant. 139,825 finder's warrants have an exercise price of \$0.20 per share until June 29, 2024 and were initially recorded with a fair value of \$22,238.

The fair values of the finder's warrants were calculated using the Black-Scholes Option Pricing Model using the weighted average assumptions below. Fair value is particularly impacted by stock price volatility, determined using historical price data for a term equivalent to the expected life of the warrant.

	2022
Risk-free interest rate	3.16%
Expected life of warrants	2 years
Annualized volatility	146%
Dividend rate	0%
Weighted average fair value per warrant	\$0.16

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Finder's warrant transactions and the number of finder's warrants outstanding are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance at September 30, 2021	189,816	\$ 0.23
Finder's warrants exercised	(5,600)	0.16
Finder's warrants expired	(98,116)	0.30
Finder's warrants issued	139,825	0.20
Balance at September 30, 2022	225,925	\$ 0.18
Finder's warrants exercised	(44,100)	0.16
Finder's warrants expired	(42,000)	0.16
Balance at March 31, 2023	139,825	\$ 0.20

d) Warrants:

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance at September 30, 2021	16,655,134	\$ 0.14
Warrants exercised	(10,777,250)	0.10
Warrants issued – private placement	7,500,000	0.30
Warrants expired	(1,402,751)	0.25
Balance at September 30, 2022	11,975,133	\$ 0.27
Warrants exercised	(1,158,000)	0.16
Warrants expired	(462,000)	0.16
Balance at March 31, 2023	10,355,133	\$ 0.29

At March 31, 2023, there were 10,355,133 warrants outstanding and exercisable entitling the holders thereof the right to purchase one common share for each warrant held as follows:

Number of Warrants	Exercise Price	Expiry Date
2,170,133	\$0.25	July 5, 2023 ⁽¹⁾
685,000	\$0.25	July 17, 2023 ⁽²⁾
7,500,000	\$0.30	June 29, 2024

(1) On June 28, 2021, the expiry date of the warrants was extended from July 5, 2021 to July 5, 2023.

(2) On June 28, 2021, the expiry date of the warrants was extended from July 7, 2021 to July 17, 2023.

At March 31, 2023, the warrants had a weighted average remaining life of 0.98 years.

e) Options

The Company has a stock option plan whereby it may grant options to employees, directors, officers, consultants and certain other service providers. The maximum number of options that may be granted under the plan is 10% of the issued and outstanding common shares. Options are exercisable for a maximum of 10 years. The exercise price of the options is set in accordance with the policies of the TSX-V. Stock options are subject to vesting requirements as determined by the Company's Board of Directors.

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On November 14, 2022, the Company granted 300,000 stock options to a consultant. The stock options are exercisable at a price of \$0.25 per share until November 14, 2027 and vest immediately. The fair value of the options granted is \$68,489.

On June 7, 2022, the Company granted 150,000 stock options to a consultant of the Company. The stock options are exercisable at \$0.29 per share until June 7, 2027 and vest immediately. The fair value of the options granted is \$39,425.

On January 20, 2022, the Company granted 1,600,000 stock options to officers and directors of the Company. The stock options are exercisable at \$0.06 per share until January 20, 2027 and vest immediately. The fair value of the options granted is \$85,193.

During the six months ended March 31, 2023, the Company recognized share-based payments of \$68,489 (2022 - \$85,193).

The fair values of stock options were calculated using the Black-Scholes Option Pricing Model using the range of assumptions below. Fair value is particularly impacted by stock price volatility, determined using historical price data for a term equivalent to the expected life of the option.

	March 31, 2023	September 30, 2022
Weighted average fair value of options	\$0.23	\$0.07
Risk-free interest rate	3.33%	1.68 – 3.10%
Expected life of options	5 years	5 years
Annualized volatility	150%	140-147%
Expected dividend yield	0%	0%

Stock option transactions and the number of stock options outstanding are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Balance at September 30, 2021	5,345,000	\$ 0.13
Options exercised	(50,000)	0.10
Options granted	1,750,000	0.08
Balance at September 30, 2022	7,045,000	\$ 0.12
Options granted	300,000	0.25
Options exercised	(770,000)	0.16
Options expired	(380,000)	0.18
Balance at March 31, 2023	6,195,000	\$ 0.11

At March 31, 2023, there were 6,195,000 options outstanding and exercisable entitling the holders thereof the right to purchase one common share for each option held as follows:

Number of Shares	Exercise Price	Expiry Date
895,000	\$0.105	October 31, 2023
450,000	\$0.09	March 26, 2024
2,300,000	\$0.125	March 3, 2026
500,000	\$0.125	March 9, 2026
1,600,000	\$0.06	January 20, 2027
150,000	\$0.29	June 7, 2027
300,000	\$0.25	November 14, 2027

At March 31, 2023, the stock options had a weighted average remaining life of 2.79 years.

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11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Investing and financing activities that do not have a direct impact on current cash flows are excluded from the statements of cash flows. During the six months ended March 31, 2023 and 2022, the following non-cash transactions were excluded from the statements of cash flows:

	2023	2022
Shares received for exploration and evaluation assets	\$ -	\$ 973,498
Fair value of common shares issued for exploration and evaluation assets	\$ -	\$ 30,000
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ -

12. EARNINGS PER SHARE

The following table provides a reconciliation between the number of basic and fully diluted shares outstanding as at March 31, 2023 and 2022:

	2023	2022
Weighted daily average of Common shares	97,902,935	78,675,030
Dilutive effect of stock options	-	-
Dilutive effect of warrants	-	2,000,000
Weight average number of diluted shares	97,902,935	80,675,030

13. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having the authority and responsibility of planning, directing and executing the activities of the Company. The Company has determined that its key management personnel consist of its Chief Executive Officer, Chief Financial Officer, Corporate Secretary, and Board of Directors.

Remuneration attributed to key management personnel or companies controlled by key management personnel during the six months ended March 31, 2023 and 2022 is summarized as follows:

	2023	2022
Directors' fees	\$ 41,500	\$ 41,500
Management fees and salaries	110,500	78,500
Share-based payments	-	69,219
Share issuance costs	3,000	-
	\$ 155,000	\$ 189,219

The Company incurred the following charges by a law firm in which a director of the Company is a partner and by another public company with a director and officer in common with the Company during the six months ended March 31, 2023 and 2022:

	2023	2022
Legal	\$ 5,515	\$ 3,174
Rent	18,531	18,171
	\$ 24,046	\$ 21,345

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At March 31, 2023, prepaid expenses and deposits includes \$5,000 (September 30, 2022 - \$5,000) paid to a company with a director and officer in common with the Company as a rent deposit.

At March 31, 2023, due to related parties includes \$1,258 (September 30, 2022 - \$2,135) payable to the Chief Executive Officer of the Company for expense reimbursements.

At March 31, 2023, due to related parties includes \$1,338 (September 30, 2022 - \$nil) owed by a director of the Company for payroll taxes.

At March 31, 2023, due to related parties includes \$2,462 (September 30, 2022 - \$9,855) payable to a law firm in which a director of the Company is a partner for legal fees.

Amounts due from/to related parties are unsecured, non-interest bearing and have no specific terms of repayment.

14. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the exploration and evaluation of mineral properties in Nevada, USA. All of the Company's non-current assets are located in the United States.

15. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. In the management of capital, the Company includes components of equity as capital.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent upon external financing or the sale of assets to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital, receive cash and shares pursuant to option agreements, sell assets, and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic 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 reasonable. There were no changes in the Company's approach to capital management during the six months ended March 31, 2023. The Company is not currently subject to externally imposed capital requirements.

16. SUBSEQUENT EVENT

On April 26, 2023, the Company entered into a binding purchase and sale agreement with Global Energy Metals Corporation (TSXV: GEMC) for GEMC to acquire the Company's remaining 15% interest in the Lovelock Cobalt Mine and Treasure Box mineral properties (Note 7(f)) from the Company. The consideration for the purchase will be paid to the Company in the form of 2,500,000 common shares of the GEMC. Closing is planned to occur on or before June 30, 2023, subject to TSX Venture Exchange approval and the satisfaction of certain other conditions. In addition to a regulatory 4-month hold period, the Company has agreed to additional voluntary hold periods with respect to the 2,500,000 common shares of GEMC, which will vest in four tranches over a 12-month period from their date of issuance.