



ATOMIC MINERALS CORPORATION

CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

YEARS ENDED AUGUST 31, 2022 AND 2021

(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF ATOMIC MINERALS CORPORATION

Opinion

We have audited the consolidated financial statements of Atomic Minerals Corporation and its subsidiary (the "Company"), which comprise:

- ♦ the consolidated statements of financial position as at August 31, 2022 and 2021;
- ♦ the consolidated statements of comprehensive loss for the years then ended;
- ♦ the consolidated statements of cash flows for the years then ended;
- ♦ the consolidated statements of changes in shareholders' equity for the years then ended; and
- ♦ the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at August 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated 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 consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits 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 consolidated financial statements, which indicates that the Company incurred a net loss and comprehensive loss of \$662,280 during the year ended August 31, 2022 and, as of that date, the Company had a deficit of \$14,611,389. As stated in Note 1, these events or conditions, 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 Management's Discussion and Analysis.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditors' report. 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.

VANCOUVER

1700-475 Howe St
Vancouver, BC V6C 2B3
T: 604 687 1231
F: 604 688 4675

LANGLEY

600-19933 88 Ave
Langley, BC V2Y 4K5
T: 604 282 3600
F: 604 357 1376

NANAIMO

201-1825 Bowen Rd
Nanaimo, BC V9S 1H1
T: 250 755 2111
F: 250 984 0886

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

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

In preparing the consolidated 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.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated 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 consolidated 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 auditors' report to the related disclosures in the consolidated 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 auditors' 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

VANCOUVER

1700-475 Howe St
Vancouver, BC V6C 2B3
T: 604 687 1231
F: 604 688 4675

LANGLEY

600-19933 88 Ave
Langley, BC V2Y 4K5
T: 604 282 3600
F: 604 357 1376

NANAIMO

201-1825 Bowen Rd
Nanaimo, BC V9S 1H1
T: 250 755 2111
F: 250 984 0886

- ◆ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 auditors' report is Kevin Kwan.

Smythe LLP

Chartered Professional Accountants

Vancouver, British Columbia
December 29, 2022

VANCOUVER

1700-475 Howe St
Vancouver, BC V6C 2B3
T: 604 687 1231
F: 604 688 4675

LANGLEY

600-19933 88 Ave
Langley, BC V2Y 4K5
T: 604 282 3600
F: 604 357 1376

NANAIMO

201-1825 Bowen Rd
Nanaimo, BC V9S 1H1
T: 250 755 2111
F: 250 984 0886

ATOMIC MINERALS CORPORATION

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars)

	August 31,	August 31,
	2022	2021
ASSETS		
Current		
Cash	\$ 604,822	\$ 249,282
GST recoverable	41,115	16,055
Note receivable (Note 5)	11,504	20,743
Prepaid expenses	83,831	1,733
Total Current Assets	741,272	287,813
Equipment (Note 6)	16,793	-
Exploration and Evaluation Assets (Note 7)	812,046	132,792
Total Assets	\$ 1,570,111	\$ 420,605
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 10)	\$ 68,574	\$ 231,163
Note payable (Note 8)	33,554	-
Total Liabilities	102,128	231,163
SHAREHOLDERS' EQUITY		
Share Capital (Note 9)	15,178,777	13,391,699
Reserve	900,595	746,852
Deficit	(14,611,389)	(13,949,109)
Total Shareholders' Equity	1,467,983	189,442
Total Liabilities and Shareholders' Equity	\$ 1,570,111	\$ 420,605

These consolidated financial statements were approved and authorized for issue by the Board of Directors on December 29, 2022. They are signed on the Company's behalf by:

"Clive Massey"
Director

"James Hyland"
Director

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

ATOMIC MINERALS CORPORATION

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(Expressed in Canadian Dollars)

	Years ended	
	August 31, 2022	August 31, 2021
Expenses		
Audit and accounting	\$ 26,232	\$ 18,183
Consulting (Note 10)	228,625	62,975
Depreciation	2,218	310
Gain on foreign exchange	(18,701)	-
Legal	1,151	2,481
Management and admin (Note 10)	209,500	23,750
Marketing and promotion	84,000	-
Office, rent and telephone	37,516	5,963
Property investigation	62,951	-
Regulatory, transfer and filing fees	38,904	18,858
Share based compensation (Notes 9 and 10)	31,525	235,000
Transfer agent	17,438	-
	(721,359)	(367,520)
Other items:		
Gain on debt settlement (Note 9)	13,125	-
Write-off of aged accounts payable	45,954	-
Net Loss and Comprehensive Loss for the Year	\$ (662,280)	\$ (367,520)
Loss Per Share, Basic and Diluted	\$ (0.01)	\$ (0.01)
Weighted Average Outstanding Shares	45,924,802	25,230,370

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

ATOMIC MINERALS CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars)

	Years ended	
	August 31, 2022	August 31, 2021
Cash provided by (used in):		
Operating activities		
Net loss for the year	\$ (662,280)	\$ (367,520)
Items not involving cash		
Depreciation	2,218	310
Gain on debt settlement	(13,125)	-
Write-off of aged accounts payable	(45,954)	-
Interest expense accrued	776	-
Share based compensation	31,525	235,000
Net changes in non-cash working capital items		
Prepaid expenses	(82,098)	(1,733)
GST recoverable	(25,060)	6,885
Accounts payable and accrued liabilities	(51,010)	60,616
Net cash used in operating activities	(845,008)	(66,442)
Investing activities		
Note receivable	9,239	(20,743)
Purchase of equipment	(19,011)	-
Exploration expenditures	(673,754)	(4,792)
Net cash used in investing activities	(683,526)	(25,535)
Financing activities		
Issuance of common shares (net of share issue cost)	1,834,296	311,615
Exercise of warrants	17,000	-
Proceeds from promissory note payable	32,778	60,000
Repayment of promissory note payable	-	(60,000)
Net cash provided by financing activities	1,884,074	311,615
Increase in cash	355,540	219,638
Cash, Beginning of Year	249,282	29,644
Cash, End of Year	\$ 604,822	\$ 249,282
Supplemental cash flow information		
Interest received	\$ 2,205	\$ -
Non-cash investing and financing activities		
Shares issued for debt	\$ 52,500	\$ -
Issue of warrants for finders' fee	\$ 122,218	\$ 11,210
Issue of shares for exploration and evaluation assets	\$ 5,500	\$ 128,000

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

ATOMIC MINERALS CORPORATION

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in Canadian dollars, except number of shares)

	SHARE CAPITAL		RESERVE			TOTAL SHAREHOLDERS' EQUITY
	NUMBER OF SHARES	AMOUNT	WARRANTS	OTHER	DEFICIT	
	#	\$	\$	\$	\$	
Balance, August 31, 2020	22,839,434	12,963,294	459,900	40,742	(13,581,589)	(117,653)
Shares issued for cash	4,401,667	330,125	-	-	-	330,125
Share issuance costs - cash	-	(18,510)	-	-	-	(18,510)
Share issuance costs - warrants	-	(11,210)	11,210	-	-	-
Shares issued for exploration assets	1,600,000	128,000	-	-	-	128,000
Share based compensation	-	-	-	235,000	-	235,000
Net loss for the year	-	-	-	-	(367,520)	(367,520)
Balance, August 31, 2021	28,841,101	13,391,699	471,110	275,742	(13,949,109)	189,442
Shares issued for cash	25,850,997	1,938,824	-	-	-	1,938,824
Share issuance costs - cash	-	(104,528)	-	-	-	(104,528)
Share issuance costs - warrants	-	(122,218)	122,218	-	-	-
Shares issued for exploration assets	100,000	5,500	-	-	-	5,500
Shares issued for the exercise of warrants	170,000	17,000	-	-	-	17,000
Shares issued for debt	1,312,500	52,500	-	-	-	52,500
Share-based compensation	-	-	-	31,525	-	31,525
Net loss for the year	-	-	-	-	(662,280)	(657,280)
Balance, August 31, 2022	56,274,598	15,178,777	593,328	307,267	(14,611,389)	1,467,983

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

ATOMIC MINERALS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021 (Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Atomic Minerals Corporation (the “Company”) was incorporated on March 31, 1980, under the laws of the province of British Columbia, Canada and its corporate office, principal place of business and registered records office is located at 830 – 1100 Melville Street, Vancouver, BC, V6E 4A6. Effective November 26, 2021, the Company changed its name from Resolve Ventures Inc. to Atomic Minerals Corporation. The Company is a public company listed on the TSX Venture Exchange, trading under the symbol “ATOM.V”.

The Company is engaged in the acquisition and exploration of mineral properties.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“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. The Company’s continuation as a going concern is dependent upon its ability to raise equity capital or borrowings sufficient to meet current and future obligations. The ability of the Company to arrange additional financing in the future depends, in part, on the prevailing capital market conditions. The Company incurred a net loss and comprehensive loss of \$662,280 for the year ended August 31, 2022 (2021 - \$367,520) and as of that date had a deficit of \$14,611,389 (2021 - \$13,949,109). There is material uncertainty that may cast significant doubt upon the ability of the Company to continue as a going concern. Accordingly, the consolidated financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities, contingent obligations and commitments other than in the normal course of business and at amounts different from those in the consolidated financial statements. Management intends to finance operating costs over the next twelve months with cash on hand, loans from directors and/or private placement of common shares.

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as “COVID-19”, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods

2. BASIS OF PRESENTATION

a) Statement of Compliance

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

b) Basis of Measurement

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

ATOMIC MINERALS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021 (Expressed in Canadian Dollars)

2. BASIS OF PRESENTATION (Continued)

c) Significant Accounting Judgments and Estimates

The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of expenses during the reporting period.

Critical judgments exercised where management's judgment in applying accounting policies that has the most significant effect on the amounts recognized in these consolidated financial statements are as follows:

- i. *Going concern assumption* - The determination of the going concern assumption requires management to make judgments regarding the viability of the Company.
- ii. *Economic recoverability and probability of future benefits of exploration and evaluation assets* - The assessment of indications of impairment for the Company's exploration and evaluation assets and related determination of recoverable values and write-down of those assets where applicable.
- iii. *Determination of cash-generating units* - In performing impairment assessments of corporate assets, assets that cannot be assessed individually are grouped together into the smallest group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Management is required to exercise judgment in identifying these cash-generating units.
- iv. *Tax provisions and deferred income tax balances* - Management is required to assess the recoverability of deferred income tax assets, which arise from the differences between the carrying amount of assets and liabilities and their tax bases in accordance with IAS 12 Income Taxes, to the extent that it is probable future taxable profits will be available against which the temporary differences can be utilized.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting year that could result in a material adjustment of the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Valuation of share-based payments - The Company uses the Black-Scholes option pricing model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rates and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity settled benefits.

These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known. Revisions to accounting estimates are recognized in the period in which the estimate is revised and may affect both the period of revision and future period.

ATOMIC MINERALS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021 (Expressed in Canadian Dollars)

2. BASIS OF PRESENTATION (Continued)

d) Basis of Consolidation

These consolidated financial statements comprise the accounts of the Company and its wholly owned subsidiary, Recoupment Exploration Company LLC ("Recoupment"), incorporated in the state of New Mexico on February 18, 2022. All inter-company transactions and balances have been eliminated on consolidation.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Equipment

Equipment is carried at acquisition cost less accumulated depreciation and accumulated impairment losses. The cost of an item of equipment consists of the purchase price, any cost directly attributable to bringing the asset to the location and condition necessary for its intended use.

Depreciation is calculated using the following annual rates, which are used to estimate the useful lives of the assets:

Asset	Basis	Rate
Vehicles	Straight line	20%

b) Exploration and Evaluation Assets

Exploration and evaluation expenditures include the acquisition costs associated with exploration and evaluation activities. Exploration and evaluation expenditures are capitalized as incurred. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Exploration and evaluation assets are assessed for impairment if: (i) sufficient data exists to determine technical feasibility and commercial viability; and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. Facts and circumstances as defined in IFRS 6 Exploration and Evaluation Assets are as follows:

- The period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full, from successful development or by sale.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, which management has determined to be indicated by a feasibility study, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets.

ATOMIC MINERALS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021 (Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Exploration and Evaluation Assets (Continued)

Recoverability of the carrying amount of any exploration and evaluation asset is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

It is management's judgment that none of the Company's exploration and evaluation assets have reached the development stage and as a result are all considered to be exploration and evaluation assets. Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property may be subject to unregistered prior agreements and non-compliance with regulatory requirements. The Company is not aware of any disputed claims of title.

c) Impairment of Non-Financial Assets

At each financial position reporting date, the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

As asset's 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 between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset or cash-generating unit is estimated to be 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 the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

ATOMIC MINERALS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021 (Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Financial Instruments

The Company classifies its financial instruments as follows:

Financial Asset/Liabilities	
Cash	Fair value through profit or loss ("FVTPL")
Note receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Note payable	Amortized cost

Financial Assets

Initial recognition and measurement

Financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at fair value plus transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded (through profit or loss for amortized cost and FVTPL, and through OCI for FVOCI).

Derecognition

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss.

Impairment

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period. In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

ATOMIC MINERALS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021 (Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Financial Instruments (Continued)

Financial Liabilities

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognized when it is extinguished, discharged, cancelled or when it expires. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities subsequently measured at amortized cost. All interest-related charges are reported in profit or loss within interest expense, if applicable.

Other financial liabilities are non-derivatives and are initially recognized at fair value net of any transaction costs directly attributable to the issuance of the instrument and subsequently carried at amortized cost using the effective interest rate method. This ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statements of financial position. Interest expense in this context includes initial transaction costs and premiums payable on redemption, as well as any interest or coupon payable while the liability is outstanding. Trade and other payables are included in this category and represent liabilities for goods and services provided to the Company prior to the end of the year that are unpaid.

Fair Value Hierarchy

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - Inputs for assets or liabilities that are not based on observable market data.

e) Income Taxes

Income tax expense is comprised of current and deferred taxes. Current and deferred income taxes are recognized in net income except to the extent that the amounts relate to a business combination or items recognized directly in equity or in other comprehensive income or loss.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

ATOMIC MINERALS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021 (Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Income Taxes (Continued)

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

f) Loss Per Common Share

Basic loss per common share is computed by dividing losses by the weighted average number of common shares outstanding for the year. Diluted per share amounts reflect the potential dilution that could occur if securities or other contracts to issue common shares were exercised or converted to common shares. The treasury stock method is used to determine the dilutive effect of stock options and other dilutive instruments. Under the treasury stock method, only instruments with exercise amounts less than market prices impact the diluted calculations. In computing diluted loss per share, no shares were added to the weighted average number of common shares outstanding during the years ended August 31, 2022 and 2021 for the dilutive effect of employee stock options and warrants as they were all anti-dilutive. No adjustments were required to report net loss in computing diluted per share amounts.

g) Share-based Payments

The share option plan allows Company employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as an employee or consultant expense with a corresponding increase in equity.

The fair value is measured at grant date, and each tranche is recognized using the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted.

At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

h) Fair Value of Warrants

Proceeds from unit placements are allocated between shares and warrants using the residual method. The value is allocated first to share capital based on the market value of common shares on the date of issue, with any residual value from the proceeds being allocated to the warrants. Warrants issued to brokers are evaluated using the Black-Scholes model.

ATOMIC MINERALS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021 (Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Foreign Currency Transactions

The presentation currency and the functional currency of the Company and its subsidiary is the Canadian dollar.

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date of the statement of financial position. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Risk Management

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include currency, credit, interest rate and liquidity risks. Where material, these risks are reviewed and monitored by the Board of Directors.

Credit Risk

The Company's credit risk is primarily attributable to cash and note receivable. Cash is held in a reputable Canadian bank which is closely monitored by management. Management believes that the credit risk concentration with respect to financial instruments included in cash is minimal. The Company evaluates the creditworthiness of the counterparty, the value of any collateral, and the fair value of the credit loss of the note receivable. The Company is not subject to material credit risk as at August 31, 2022.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's interest rate risk mainly arises from the interest rate impact on its cash. A change in interest rate would have a minimal effect on the profitability of the Company.

Liquidity Risk

As at August 31, 2022, the Company held cash of \$604,822 and had current liabilities of \$68,574, which fall due for payment within 12 months of the statement of financial position.

ATOMIC MINERALS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021 (Expressed in Canadian Dollars)

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

Foreign Currency Risk

The Company has operations in Canada and USA subject to foreign currency fluctuations. The Company's operating expenses are incurred in Canadian dollars and US dollars, and the fluctuation of the Canadian dollar in relation to this other currency will have an impact upon the profitability of the Company and may also affect the value of the Company's assets and the amount of equity. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks.

Financial assets and liabilities denominated in US dollars were as follows:

	August 31, 2022	August 31, 2021
US dollars		
Financial assets	\$ 149,387	\$ -
Financial liabilities	(25,592)	-
Net	123,795	-
Canadian dollar equivalent	\$ 162,307	\$ -

Based on the above net exposures as at August 31, 2022, and assuming that all other variables remain constant, a 10% change in the value of the US dollar against the Canadian dollar would result in an increase/decrease of approximately \$16,231 (2021 - \$Nil) in net loss.

5. NOTE RECEIVABLE

On October 23, 2020, the Company provided a note receivable of \$20,000 to a third party. The loan is unsecured, bears interest of 8% per annum and was due on April 23, 2021. As at August 31, 2022, the note receivable has a principal balance of \$10,966 (2021 - \$18,000) and outstanding accrued interest of \$538 (2021 - \$2,743).

6. EQUIPMENT

		Truck
Cost		
Balance as at August 31, 2021 and 2020	\$	-
Addition		19,011
Balance as at August 31, 2022	\$	19,011
Accumulated depreciation		
Balance as at August 31, 2021 and 2020	\$	-
Depreciation for the year		2,218
Balance as at August 31, 2022	\$	2,218
Net book value as at August 31, 2022	\$	16,793
Net book value as at August 31, 2021	\$	-

ATOMIC MINERALS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021 (Expressed in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS

Gravity Jack Property

On March 24, 2021, the Company entered into an option agreement with an arm's length party (the "Optionors") to earn a 100% ownership interest in the Gravity property and the Jack White property (collectively the "Gravity Jack property") located in the New Westminster mining division, near Boston Bar, BC, Canada. Under the terms of the agreement, the Company may acquire a 100% ownership interest in the Gravity Jack property by issuing to the Optionors an aggregate of 4,100,000 common shares in the capital of the Company and incurring exploration expenditures as follows:

- Issue 1,600,000 shares upon TSX Venture Exchange approval of the option agreement (issued on June 29, 2021 with a fair value of \$128,000)
- Incur \$127,000 in exploration expenditures by January 31, 2022 (incurred)
- Incur an additional \$500,000 in exploration expenditures by March 24, 2023
- Issue 500,000 shares of the Company by March 24, 2023
- Incur an additional \$750,000 in exploration expenditures by March 24, 2024
- Issue 1,000,000 shares of the Company by March 24, 2024
- Incur an additional \$1,000,000 in exploration expenditures by March 24, 2025
- Issue 1,000,000 shares of the Company by March 24, 2025

Upon completion of the option, the Optionors will maintain a 4% net smelter royalty on the property of which 50% (2%) may be purchased for \$1,000,000.

During the year ended August 31, 2022, the Company recorded \$127,735 (2021 - \$4,792) of exploration expenditures for the Gravity Jack project.

On February 1, 2022, the Company and the Optionors amended the terms of the option agreement whereby the exploration expenditures to be incurred before August 21, 2021 (amended to January 31, 2022) have been reduced from \$200,000 to \$127,000. In consideration for the amendment, the Company issued 100,000 shares to the Optionors with a fair value of \$5,500.

Lloyd Lake Property

On November 8, 2021, the Company entered into an option agreement with Kode Mineral Exploration Ltd. to earn a 100% ownership interest in the Lloyd Lake Uranium project located in the prolific Athabasca basin, near the village of La Loche, Saskatchewan, Canada.

Under the terms of the agreement, the Company may acquire a 100% ownership interest in the Lloyd Lake project by paying to the vendor \$10,000 (paid) within five days of signing, \$40,000 (paid) cash payment by December 24, 2021, \$50,000 cash payment within one year of signing and a further \$50,000 cash payment within two years of signing the agreement and completing \$200,000 in exploration expenditures on the Lloyd Lake project by November 8, 2023 (completed as at August 31, 2022).

Upon completing the above noted commitments, and at the Company's sole discretion, the Company will have earned a 100% interest in the Lloyd Lake project. The Company will pay a 1% net smelter royalty to the vendor upon commencement of commercial production. The Company will have the right to purchase from the vendor the 1% net smelter royalty, at any time, at a cost of \$1,000,000.

ATOMIC MINERALS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021 (Expressed in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS (Continued)

Uranium Claims

During the year ended August 31, 2022, the Company acquired by staking the SC Claim Group ("SC"), consisting of 50 unpatented lode claims in San Miguel County, Colorado, USA. The Company incurred \$27,205 (USD \$20,750) in acquisition costs and \$10,817 (USD \$8,250) in claim maintenance fees during the year ended August 31, 2022.

Hart Point

During the year ended August 31, 2022, the Company acquired by staking the Hart Point, consisting of 324 unpatented lode claims in San Juan County, Utah, USA. The Company incurred \$170,902 (USD \$130,350) in acquisition costs, \$70,941 (USD \$54,108) in claim maintenance fees and \$3,804 (USD \$2,901) in other evaluation and exploration assets during the year ended August 31, 2022.

A summary of the Company's Exploration and Evaluation Assets is as follows:

	Canada		USA		Total
	Gravity Jack	Lloyd Lake	Hart Point	SC	
Balance, August 31, 2020	\$ -	\$ -	\$ -	\$ -	\$ -
Property acquisition costs	128,000	-	-	-	128,000
Exploration costs:					
Geological	4,792	-	-	-	4,792
Balance, August 31, 2021	132,792	-	-	-	132,792
Property acquisition costs	5,500	50,000	170,902	27,205	253,607
Exploration costs:					
Claim maintenance	-	-	74,745	10,817	85,562
Geological	19,612	10,180	-	-	29,792
Surveys	108,123	202,170	-	-	310,293
Balance, August 31, 2022	\$ 266,027	\$ 262,350	\$ 245,647	\$ 38,022	\$ 812,046

8. NOTE PAYABLE

On May 28, 2021, the Company entered into a promissory note payable with a third party for a principal amount of \$60,000. The note payable is subject to the greater of a finance fee of \$5,000 or interest of 8% per annum and is due on May 31, 2022. As at August 31, 2021, the principal was repaid along with a \$5,000 finance fee.

On May 16, 2022, the Company entered into a promissory note payable with a third party for a principal amount of \$32,778 (USD \$25,000). The note payable is subject to interest of 8% per annum and is due on May 16, 2024. As at August 31, 2022, the principal balance of the note is \$32,778. During the year ended August 31, 2022, the Company accrued \$776 (USD \$592) of interest.

ATOMIC MINERALS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021 (Expressed in Canadian Dollars)

9. SHARE CAPITAL

a) Authorized

Unlimited common shares without par value.

b) Issued

During the year ended August 31, 2022

On May 12, 2022, the Company issued 100,000 common shares (with a fair value of \$5,500) of the Company in connection with the Gravity Jack amendment agreement (see Note 7).

On December 30, 2021, the Company closed the first tranche of a private placement and issued 13,517,665 units at \$0.075 per unit for gross proceeds of \$1,013,825. Each unit is composed of one common share and one share purchase warrant exercisable at \$0.10 per common share for two years from closing. Cash finder's fees totaling \$72,713 were paid, and 969,513 Brokers warrants were issued to finders, which have the same terms as the warrants issued to subscribers of the private placement. The estimated fair value of the brokers warrants was \$87,679 calculated using the Black-Scholes option pricing model based on the following assumptions: risk free interest rate of 0.99%, expected life of 2 years, no annual dividends, expected volatility of 143%, and a forfeiture rate of 0%.

On January 14, 2022, the Company closed the second and final tranche of a private placement and issued 12,333,332 units at \$0.075 per unit for gross proceeds of \$925,000. Each unit comprises one common share and one warrant exercisable at \$0.10 per common share for two years from closing. Cash finder's fees totaling \$31,815 were paid and 390,867 Brokers warrants were issued to finders which have the same terms as the warrants issued to subscribers of the private placement. The estimated fair value of the brokers warrants was \$34,539 calculated using the Black-Scholes option pricing model based on the following assumptions: risk free interest rate of 1.16%, expected life of 2 years, no annual dividends, expected volatility of 137%, and a forfeiture rate of 0%.

A total of 170,000 warrants were exercised at \$0.10 per warrant share for proceeds of \$17,000.

On July 15, 2022, the Company issued an aggregate of 1,312,500 common shares with a fair value of \$52,500 to an arm's-length third party and two officers of the Company, to settle an aggregate indebtedness of \$65,625. Pursuant to the transaction, the Company recognized a gain on debt settlement of \$13,125.

During the year ended August 31, 2021

On June 29, 2021, the Company issued 1,600,000 shares (recorded with a fair value of \$128,000) in connection with the Gravity Jack property option agreement (see Note 7).

On March 10, 2021, the Company closed a private placement whereby it issued 4,401,667 units at \$0.075 per unit for gross proceeds of \$330,125.

Each unit is comprised of one common share and one share purchase warrant exercisable at \$0.10 per common share for a period of two years from closing. Aggregate finder's fees totaling \$18,510 in cash and 206,800 brokers warrants with the same terms as the subscriber warrants. The estimated fair value of the brokers warrants was \$11,210 calculated using the Black-Scholes option pricing model based on the following assumptions: risk free interest rate of 0.245%, expected life of 2 years, no annual dividends, expected volatility of 125%, and a forfeiture rate of 0%.

ATOMIC MINERALS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021 (Expressed in Canadian Dollars)

9. SHARE CAPITAL (Continued)

c) Incentive Stock Options

The Company has a rolling stock option plan whereby a maximum of 10% of the issued shares will be reserved for issuance under the plan.

When the Company issues stock options, it records a share-based compensation expense in the year or period which the options are granted and/or vested. The expense is estimated using assumptions including the expected volatility assumption that is based on the historical and implied volatility of the Company's common share price and the risk-free interest rate assumption that is based on yield curves on Canadian government zero-coupon bonds with a remaining term equal to the expected life of the stock options. The Company used historical data to estimate option exercise, forfeiture and employee termination within the valuation model. The Company has not paid and does not anticipate paying dividends on its common shares. Companies are required to utilize an estimated forfeiture rate when calculating the expense for the reporting period. Based on the best estimate, management applied the estimated forfeiture rate of 0% in determining the share-based compensation expense recorded in the accompanying statements of comprehensive loss.

On February 11, 2021, the Company granted an aggregate of 2,200,000 share purchase options to directors, officers, and consultants, at an exercise price of \$0.10 per share with a term of five years. The estimated fair value of the stock options was \$235,000 calculated using the Black-Scholes option pricing model based on the following assumptions: risk free interest rate of 0.489%, expected life of 5 years, no annual dividends, expected volatility of 138%, and a forfeiture rate of 0%.

On December 31, 2021, the Company granted an aggregate of 300,000 share purchase options to consultants, at an exercise price of \$0.12 per share with a term of five years. The estimated fair value of the stock options was \$31,525 calculated using the Black-Scholes option pricing model based on the following assumptions: risk free interest rate of 1.26%, expected life of 5 years, no annual dividends, expected volatility of 136%, and a forfeiture rate of 0%.

A continuity schedule of stock options is as follows:

	Number of options	Weighted average exercise price (\$)
Options outstanding, August 31, 2020	-	-
Issued	2,200,000	0.10
Options outstanding, August 31, 2021	2,200,000	0.10
Issued	300,000	0.12
Options outstanding, August 31, 2022	2,500,000	0.10

ATOMIC MINERALS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021 (Expressed in Canadian Dollars)

9. SHARE CAPITAL (Continued)

c) Incentive Stock Options (Continued)

Details of outstanding stock options at August 31, 2022 are as follows:

Exercise price (\$)	Options outstanding	Expiry Date
0.10	2,200,000	Feb 11, 2026
0.12	300,000	Dec 31, 2026
	2,500,000	

As at August 31, 2022, the weighted average remaining contractual life of the stock options was 3.56 years (2021 - 4.45 years) and the weighted average exercise price was \$0.10 (2021 - \$0.10).

d) Share Purchase Warrants

A continuity schedule of warrants are as follows:

	Number of warrants	Weighted average exercise price (\$)
Warrants outstanding, August 31, 2020	8,986,582	0.09
Issued	4,608,467	0.10
Warrants outstanding, August 31, 2021	13,595,049	0.09
Issued	27,211,377	0.10
Exercised	(170,000)	0.10
Warrants outstanding, August 31, 2022	40,636,426	0.10

Details of warrants as at August 31, 2022 are as follows:

Exercise price (\$)	Warrants outstanding	Expiry Date
0.09	3,616,585	Dec 14, 2023
0.10	2,666,664	Mar 22, 2024
0.09	2,433,333	Oct 24, 2024
0.09	270,000	Nov 13, 2024
0.10	4,438,467	Mar 10, 2023
0.10	14,487,178	Dec 31, 2023
0.10	12,724,199	Jan 14, 2024
	40,636,426	

ATOMIC MINERALS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021 (Expressed in Canadian Dollars)

9. SHARE CAPITAL (Continued)

d) Share Purchase Warrants (Continued)

As at August 31, 2022, the weighted average remaining contractual life of the share purchase warrants was 1.32 years (2021 - 2.25 years) and the weighted average exercise price was \$0.10 (2021 - \$0.10).

e) Escrow Shares

As at August 31, 2022, the Company had nil (2021 - 1,606,637) common shares held in escrow.

10. RELATED PARTY TRANSACTIONS

Transactions are in the normal course of operations and are measured at fair value. All amounts due to related parties are unsecured, non-interest bearing and have no specific repayment terms.

Transactions with Key Management Personnel:

	Years ended August 31,	
	2022	2021
Management and consulting fees	\$ 234,500	\$ 63,750
Share-based compensation	\$ -	\$ 170,909

As at August 31, 2022, \$3,438 (2021 - \$107,343) of fees and expenses was due to related parties included in accounts payable and accrued liabilities.

On July 15, 2022, the Company issued 787,500 common shares with a fair value of \$31,500 to two officers of the Company, to settle an aggregate indebtedness of \$39,375. Pursuant to the transaction, the Company recognized a gain on debt settlement of \$7,875.

Payments and accruals to key management personnel including the President, CEO, CFO, directors and companies directly controlled by current and former key management personnel are for consulting fees or management fees and are directly related to their position in the organization.

11. CAPITAL MANAGEMENT

The Company manages capital with the goal to safeguard the Company's ability to continue as a going concern and ensure its ability to further explore and develop its mineral property holdings in Canada and the USA. The Company includes cash and the components of shareholders' equity in the definition of capital.

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 mineral properties.

To ensure continued operations, the Company depends on external financing to fund its activities. The Company manages its capital requirements through the preparation of annual expenditure budgets, which are updated regularly to take into account factors such as successful financings to fund activities, changes in property holdings and related obligations, and exploration activities.

ATOMIC MINERALS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021 (Expressed in Canadian Dollars)

11. CAPITAL MANAGEMENT (Continued)

In the past, the Company has been successful in raising funds through the issuance of share capital. It is uncertain, however, how successful the Company will be in raising more funds in the current difficult market conditions.

There have been no changes to the Company's approach to capital management during the year ended August 31, 2022.

12. INCOME TAX

A reconciliation of income taxes at statutory rates to the Company's effective income tax expense is as follows:

	2022	2021
Statutory tax rate	27%	27%
Expected income tax recovery	\$ (179,000)	\$ (99,230)
Non-deductible items	9,000	63,450
Share issue cost	(28,000)	(4,998)
Change in estimate	(86,000)	27,591
Change in unrecognized deferred tax assets	284,000	13,187
	\$ -	\$ -

The Company's unrecognized deductible temporary difference and unused tax losses for which no deferred tax asset is recognized consist of the following amounts:

	2022	2021
Resource deductions	\$ 1,151,000	\$ 1,151,000
Non-capital loss carry forwards	1,375,000	1,197,000
Net capital loss carry forwards	134,000	49,000
Share issue cost	27,000	7,000
Equipment	4,000	3,000
	\$ 2,691,000	\$ 2,407,000

ATOMIC MINERALS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021 (Expressed in Canadian Dollars)

12. INCOME TAX (Continued)

The Company has non-capital losses available to offset future income for tax purposes of approximately \$5,091,000 (2021 - \$4,433,000). These losses expire as follows:

2026	\$245,000
2027	\$342,000
2028	\$339,000
2029	\$322,000
2030	\$262,000
2031	\$253,000
2032	\$250,000
2033	\$291,000
2034	\$261,000
2035	\$236,000
2036	\$270,000
2037	\$250,000
2038	\$269,000
2039	\$357,000
2040	\$345,000
2041	\$141,000
2042	\$658,000

13. SEGMENTED INFORMATION

The Company has one operating segment, which is mineral exploration. All mineral properties are located in Canada and the USA. Long-term assets by geographic segment, at cost, are as follows:

	<u>CANADA</u>	<u>USA</u>	<u>TOTAL</u>
August 31, 2022			
Exploration and evaluation assets	\$ 528,377	\$ 283,669	\$ 812,046
August 31, 2021			
Exploration and evaluation assets	\$ 132,792	\$ -	\$ 132,792

14. SUBSEQUENT EVENTS

On November 8, 2022, the Company acquired by staking, the NVM Claim Blocks (collectively the "10 Mile Property"), consisting of 521 unpatented lode claims in Grand County, Utah, USA.