



For the Six Months Ended August 31, 2022

Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

(Unaudited)

- Notice of No Auditor Review of the Condensed Interim Consolidated Financial Statements
- Condensed Interim Consolidated Statements of Financial Position
- Condensed Interim Consolidated Statements of Comprehensive Loss
- Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
- Condensed Interim Consolidated Statements of Cash Flows
- Notes to the Condensed Interim Consolidated Financial Statements

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of the interim consolidated financial statements by an entity's auditor.

Great Atlantic Resources Corp.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollar)
(Unaudited)

	Note	August 31, 2022 \$	February 28, 2022 \$
ASSETS			
CURRENT			
Cash		90,208	893,817
GST Recoverable		110,036	112,920
Government Exploration Grant Receivable		6,000	18,000
Marketable Securities	5	14,990	120,674
Prepaid Expenses and Deposits	4	198,254	298,590
		<u>419,488</u>	<u>1,444,001</u>
Right-of-Use Lease Assets	6	32,156	76,592
Property and Equipment	7	1,336,279	1,416,853
		<u>1,787,923</u>	<u>2,937,446</u>
LIABILITIES			
CURRENT			
Accounts Payable and Accrued Liabilities		233,362	112,901
Flow-Through Share Premium Liability	10	-	173,704
Lease Liability	6	25,025	62,412
Due to Related Parties	11	4,004	3,283
		<u>262,391</u>	<u>352,300</u>
SHAREHOLDERS' EQUITY			
Share Capital, Net of Issuance Costs	9	26,225,638	25,458,415
Share-Based Payment Reserve		1,066,741	1,182,096
Deficit		(25,766,847)	(24,055,365)
		<u>1,525,532</u>	<u>2,585,146</u>
		<u>1,787,923</u>	<u>2,937,446</u>

Nature of Operations and Ability to Continue as a Going Concern (Note 1)
Commitments (Note 12)
Subsequent Events (Note 16)

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

Approved on Behalf of the Board:

“Allan Beaton”

Allan Beaton, Director

“Chris Anderson”

Chris Anderson, Director

Great Atlantic Resources Corp.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollar)

(Unaudited)

	Note	Number of Common Shares	Share Capital \$	Share Subscription Received \$	Shared-Based Payment Reserve \$	Deficit \$	Total Shareholders' Equity \$
Balance, February 28, 2021		16,533,563	20,835,943	-	967,179	(20,312,281)	1,490,841
Shares Issued for Cash	9(b)	7,917,225	4,410,000	-	-	-	4,410,000
Shares Issued for Fees	9(b)	187,200	93,600	-	-	-	93,600
Share Issuance Costs		-	(266,118)	-	-	-	(266,118)
Shares Issued on Exercise of Stock Options	9(c)	10,000	7,379	-	(3,279)	-	4,100
Fair Value Stock Options Expired	9(c)	-	-	-	(16,962)	16,962	-
Fair Value of Agents' Warrants Issued	9(d,f)	-	(19,360)	-	19,360	-	-
Fair Value of Agents' Warrants Expired	9(f)	-	-	-	(7,909)	7,909	-
Fair Value of Agents' Unit Warrants Issued	9(d,g)	-	(126,739)	-	126,739	-	-
Net Comprehensive Loss		-	-	-	-	(1,833,551)	(1,833,551)
Balance, August 31, 2021		24,647,988	24,934,705	-	1,085,128	(22,120,961)	3,898,872
Balance, February 28, 2022		28,389,238	25,458,415	-	1,182,096	(24,055,365)	2,585,146
Shares Issued for Cash	9(b)	8,165,000	816,500	-	-	-	816,500
Share Issuance Costs		-	(33,203)	-	-	-	(33,203)
Fair Value of Stock Options Expired	9(c)	-	-	-	(68,188)	68,188	-
Fair Value of Agents' Warrants Issued	9(d,f)	-	(16,074)	-	16,074	-	-
Fair Value of Agents' Warrants Expired	9(f)	-	-	-	(63,241)	63,241	-
Net Comprehensive Loss		-	-	-	-	(1,842,911)	(1,842,911)
Balance, August 31, 2022		36,554,238	26,225,638	-	1,066,741	(25,766,847)	1,525,532

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

Great Atlantic Resources Corp.

Condensed Interim Consolidated Statements of Comprehensive Loss

(Expressed in Canadian Dollar)

(Unaudited)

	Note	Three Months Ended August 31,		Six Months Ended August 31,	
		2022	2021	2022	2021
		\$	\$	\$	\$
EXPENSES					
Accounting, Audit and Legal		43,659	59,947	81,348	96,293
Advertising, Marketing and Investor Relations		87,250	137,975	206,783	223,902
Bank Charges and Interest		1,240	321	1,291	539
Consulting		1,750	-	1,750	14,500
Depreciation	6,7	62,504	41,363	125,008	74,758
Exploration	8	536,780	1,014,362	1,268,881	1,368,812
Insurance		-	9,000	11,803	11,359
Interest	6	6,931	3,368	11,850	6,501
Management	10	60,900	60,000	121,800	120,000
Office and Administration		63,728	53,999	128,310	117,845
Regulatory Fees and Transfer Agent		6,892	12,578	8,454	17,585
Travel and Accommodations		7,118	43,167	8,670	48,831
Rent and Office Recovery		(19,500)	(19,500)	(39,000)	(39,000)
LOSS BEFORE OTHER ITEMS		(859,252)	(1,416,580)	(1,936,948)	(2,061,925)
Fair Value Change of Marketable Securities	5	(150,434)	108,100	(156,216)	139,874
Gain on Sale of Marketable Securities		6,549	-	6,549	-
Grant Funding		10,000	12,000	70,000	88,500
Reversal of Flow-Through Premium Liability		-	-	173,704	-
NET COMPREHENSIVE LOSS FOR THE PERIOD		(993,137)	(1,296,480)	(1,842,911)	(1,833,551)
POST-SHARE CONSOLIDATION					
Basic and Diluted Loss per Share		(0.03)	(0.06)	(0.06)	(0.09)
Weighted average number of common shares outstanding		32,971,738	22,537,688	30,680,488	20,140,837

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

Great Atlantic Resources Corp.

Condensed Interim Consolidated Statements of Cash Flows

(Expressed in Canadian Dollar)

(Unaudited)

	Six Months Ended August 31	
	2022	2021
	\$	\$
CASH PROVIDED BY (USED FOR):		
OPERATING ACTIVITIES		
Net Loss for the Period	(1,842,911)	(1,833,551)
Non-Cash Items		
Depreciation	125,008	74,758
Flow-Through Share Premium Liability Recovery	(173,704)	-
Marketable Securities Received for Exploration and Evaluation Assets	(143,750)	-
Fair Value Change of Marketable Securities	156,216	(139,874)
Gain on Sale of Marketable Securities	(6,549)	-
	(1,885,690)	(1,898,667)
Change in Non-Cash Working Capital Accounts		
GST Recoverable	2,884	(213,699)
Government Exploration Grant Receivable	12,000	(19,950)
Prepaid Expenses and Deposits	100,336	(170,423)
Accounts Payables and Accrued Liabilities	120,462	(59,042)
Loan Payable	-	-
Due to/from Related Parties	721	799
	(1,649,287)	(2,360,982)
INVESTING ACTIVITIES		
Proceeds from the Sale of Marketable Securities	99,768	
Purchase of Equipment	-	(1,148,733)
	99,768	(1,148,733)
FINANCING ACTIVITIES		
Shares Issued for Cash Net of Issuance Costs	783,297	4,237,482
Shares Issued on Exercise of Stock Options	-	4,100
Repayment of Lease Liabilities	(37,387)	(38,455)
	745,910	4,203,127
CHANGE IN CASH	(803,609)	693,412
Cash, Beginning of the Period	893,817	1,193,572
CASH, END OF THE PERIOD	90,208	1,886,984

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

Great Atlantic Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the Six Months Ended August 31, 2022

(Expressed in Canadian Dollar)

(Unaudited)

NOTE 1 – NATURE OF OPERATIONS AND ABILITY TO CONTINUE AS A GOING CONCERN

Great Atlantic Resources Corp. (“Great Atlantic” or the “Company”) was incorporated in British Columbia on February 24, 1997, as J.P.T. Resources Ltd. and changed its name to Horizon Industries Ltd. on June 7, 1999. The Company changed its name again on February 13, 2009, to Petro Horizon Energy Corp. and on April 30, 2010, changed its name to Greenlight Resources Inc. On June 19, 2012, the Company changed its name to Great Atlantic Resources Corp.

The Company is currently engaged in the acquisition, exploration, and evaluation of its mineral property interests located in Atlantic Canada. The Company’s shares are listed on the TSX Venture Exchange under the symbol GR and the head office, principal address, and registered office is located at 888 Dunsmuir Street, Suite 888, Vancouver, British Columbia, Canada.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards on the basis that the Company is a going concern and will be able to meet its obligations and continue its operations for its next fiscal year. Several conditions as set out below cast uncertainties on the Company’s ability to continue as a going concern.

The Company’s ability to continue as a going concern is dependent upon the financial support from its shareholders and other related parties, its ability to obtain financing for the continuing exploration and development of its resource properties, the existence of economically recoverable reserves, and the attainment of profitable operations or proceeds from disposition of these properties.

The Company has not yet achieved profitable operations and has an accumulated deficit of \$25,766,847 and a working capital of \$157,097 as at August 31, 2022; accordingly, the Company will need to raise additional funds through future issuance of securities or debt financing. Although the Company has raised funds in the past, there can be no assurance the Company will be able to raise sufficient funds in the future, in which case the Company may be unable to meet its obligations as they come due in the normal course of business. It is not possible to predict whether financing efforts will be successful or if the Company will attain a profitable level of operations.

The Company is in the process of exploring and developing its exploration and evaluation assets and has not yet determined whether the properties contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain necessary financing to complete the development of those mineral reserves, and future production or proceeds from the disposition thereof.

The current cash resources are not adequate to pay the Company’s accounts payable and to meet its minimum commitments at the date of these consolidated financial statements, including planned corporate and administrative expenses, and other project implementation costs, accordingly, there is significant doubt about the Company’s ability to continue as a going concern. These consolidated financial statements do not give effect to adjustments that would be necessary to the carrying amounts and classifications of assets and liabilities should the Company be unable to continue as a going concern.

Great Atlantic Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the Six Months Ended August 31, 2022

(Expressed in Canadian Dollar)

(Unaudited)

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

a) Statement of Compliance

The condensed interim consolidated financial statements have been prepared in accordance to IAS 34 *Interim Financial Reporting* using accounting policies consistent with the International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

These consolidated financial statements were approved and authorized for issue by the board of Directors on October 28, 2022.

b) Basis of Preparation

The condensed interim consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. These condensed interim consolidated financial statements do not include all the information required for full annual financial statements. The condensed interim consolidated financial statements should be read in conjunction with the Company’s annual consolidated financial statements for the year ended February 28, 2022. The accounting policies, methods of computation and presentation applied in these consolidated financial statements are consistent with those of the previous financial year.

NOTE 3 – NEW ACCOUNTING STANDARDS ISSUED

A number of new accounting standards, amendments to standards, and interpretations have been issued but not yet effective as of August 31, 2022. The Company is assessing the impact of these new standards but does not expect them to have a significant effect on the consolidated financial statements. Pronouncements that are not applicable or do not have a significant impact to the Company have been excluded herein.

NOTE 4 – PREPAID EXPENSES and DEPOSITS

The Company paid a deposit to an arms-length third party company for a marketing program which is drawn down as certain millstones are achieved. The Company has also made prepayments on rent and exploration for various drill programs. For the period ended August 31, 2022, the Company had \$50,000 (February 28, 2022 - \$127,861) in marketing deposits, and \$148,254 (February 28, 2022 - \$170,729) in rent and exploration prepayments and deposits.

NOTE 5– MARKETABLE SECURITIES

	August 31, 2022 \$	February 28, 2022 \$
Balance, Beginning of the Period	120,674	179,656
Market Securities Received Pursuant to Porcupine Option Agreement (Note 8(g))	143,750	20,000
Sale of Marketable Securities (at Cost)	(93,218)	-
Fair Value Change of Market Securities	(156,216)	(78,982)
Balance, End of the Period	14,990	120,674

Great Atlantic Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

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(Unaudited)

NOTE 6 – RIGHT-OF-USE ASSETS

The Company recognized lease liabilities under the principles of IFRS 16, Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the leases' incremental borrowing rate as of March 1, 2019. The lessee's incremental borrowing rate applied to the lease liabilities on March 1, 2019 was set at 5%.

The recognized Right-of-Use Assets was as follows:

	August 31, 2022	February 28, 2022
	\$	\$
Balance, Beginning of the Year	76,592	148,199
Add: Right-of-Use Assets	-	2,299
Less: Depreciation of Right-of-Use Assets	(44,436)	(73,906)
Balance, End of Period	<u>32,156</u>	<u>76,592</u>
	\$	\$
Lease Liabilities:		
Balance, Beginning of the Year	62,412	136,443
Lease Payment Adjustment	-	2,299
Lease Payments	(37,387)	(76,330)
Balance, End of Period	<u>25,025</u>	<u>62,412</u>

For the period ended August 31, 2022 \$8,507 (2021 - \$6,501) was recorded as interest expense on lease liabilities.

NOTE 7 - PROPERTY AND EQUIPMENT

	Computer and Office Equipment	Mining Equipment	Vehicles	Total
	\$	\$		\$
COST				
Balance, February 28, 2021	-	-	-	-
Additions	4,290	754,611	389,832	1,148,733
Balance, August 31, 2021	4,290	754,611	389,832	1,148,733
Balance, February 28, 2022 and August 31, 2022	<u>43,570</u>	<u>995,903</u>	<u>470,335</u>	<u>1,509,808</u>

Great Atlantic Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the Six Months Ended August 31, 2022

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(Unaudited)

ACCUMULATED DEPRECIATION

Balance, February 28, 2021	-	-	-	-
Depreciation	358	23,486	14,087	37,931
Balance, August 31, 2021	358	23,486	14,087	37,931
Balance, February 28, 2022	4,346	51,086	37,523	92,955
Depreciation	7,261	49,796	23,517	80,574
Balance, August 31, 2022	11,607	100,882	61,040	173,529
NET BOOK VALUE				
Balance, February 28, 2022	39,224	944,817	432,812	1,416,853
Balance, August 31, 2022	31,963	895,021	409,295	1,336,279

NOTE 8 – EXPLORATION AND EVALUATION ASSETS

Cumulative acquisition and exploration costs incurred by the Company to date on its mineral properties are summarized below.

	Glenelg Property \$	Kagoot Brook \$	Keymet \$	MacDougal Road \$	Mascarene \$	Mount Raymond \$	Porcupine \$
Balance, February 28, 2021	307,721	(61,284)	1,090,539	155,752	211,901	17,892	129,269
Acquisition Costs	30,000	40,000	-	-	-	-	-
Sale Proceeds	-	-	-	-	-	-	-
Exploration Costs (Recovery)	13,663	1,930	420,251	-	157,180	(1,900)	-
Balance, August 31, 2021	351,384	(19,354)	1,510,790	155,752	369,081	15,992	129,269
Balance, February 28, 2022	362,010	(39,354)	1,792,008	160,318	613,213	16,084	129,654
Acquisition Costs	10,000	-	-	-	-	-	-
Sale Proceeds	-	-	-	-	-	-	(143,750)
Exploration Costs (Recovery)	42,672	11,477	80,568	9,405	330,968	-	3,815
Balance, August 31, 2022	414,682	(27,877)	1,872,576	169,723	944,181	16,084	(10,281)
	Golden Promise/ Trust \$	Pilley's Island \$	South Quarry \$	Mitchell Brook \$	General Exploration \$	Properties Prior to February 28, 2017 \$	Total \$
Balance, February 28, 2021	2,309,469	385,516	608,624	20,615	413,639	2,297,125	7,886,778
Acquisition Costs	40,000	-	-	-	-	-	110,000
Sale Proceeds	-	-	-	-	-	-	-
Exploration Costs	581,741	41,499	18,314	-	26,134	-	1,258,812
August 31, 2021	2,931,210	427,015	626,938	20,615	439,773	2,297,125	9,255,590
Balance, February 28, 2022	3,706,230	437,065	665,038	20,615	580,679	2,297,125	10,740,685
Acquisition Costs	-	-	-	-	-	-	10,000
Sale Proceeds	-	-	-	-	-	-	(143,750)
Exploration Costs	553,401	62,149	91,410	-	216,766	-	1,402,631
Balance, August 31, 2022	4,259,631	499,214	756,448	20,615	797,445	2,297,125	12,009,566

Great Atlantic Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the Six Months Ended August 31, 2022

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

a) Glenelg Vanadium Property, New Brunswick, Canada

During the fiscal year 2019, the Company acquired, through an option agreement and by staking, the Glenelg Vanadium Property, located in southwest New Brunswick. Under the terms of the agreement, the Company may earn a 100% interest in the property by making certain staged cash payments to the vendor over a five-year period as follows: (i) \$10,000 in cash (paid); (ii) \$15,000 in cash on or before the first anniversary of the approval date (paid); (iii) \$30,000 in cash on or before the second anniversary of the approval date (paid); (iv) \$30,000 in cash on or before the third anniversary of the approval date; and (v) \$40,000 on or before the fourth anniversary of the approval date; and (vi) \$50,000 on or before the fifth anniversary of the approval date. In July and August 2022, the Company made two cash payments of \$5,000 each for a total cash payment of \$10,000.

In the event the Company exercises the Option and acquires a 100% right, title and interest in and to the property, the vendor will be entitled to receive a 2.0% NSR, payable upon the commencement of commercial production. The Company has the right to purchase one-half of the NSR from the vendor at any time by paying to the vendor \$1,000,000, leaving the vendor with a 1.0% remaining NSR.

b) Kagoot Brook Cobalt Property, New Brunswick, Canada

During the year ended February 28, 2018, the Company entered into an option agreement whereby the Company was granted an option to acquire 100% interest in the Kagoot Brook Cobalt Property located in North-Central New Brunswick. In consideration, the Company agreed to pay the vendor \$15,000 in cash (paid) and issue 15,000 shares fair valued at \$15,000 (issued) within ten days upon regulatory approval. The Company will also make payments to the vendors totaling \$125,000 cash and issue 15,000 in shares over the next four years. During the year ended February 28, 2019, the Company made cash payments of \$15,000 and issued 15,000 shares with a fair market value of \$7,500. During the year ended February 29, 2020, the Company made cash payments of \$30,000. In August 2021, the Company made a cash payment of \$40,000 (\$10,000 of the payment was forgiven).

There is a 2% net smelter royalty payable to the property owner with the Company retaining the right to purchase one percent for \$500,000 upon the commencement of commercial production.

In 2018, the Company entered into an agreement with Explorex Resources Inc. (“Explorex”) whereby Explorex will acquire a 75-per-cent interest in the Kagoot Brook cobalt project. In January 2020, the option agreement was assigned to Origen Resources and further assigned to Recharge Resources in August 2021.

The Kagoot Brook property is 100 per cent owned by Great Atlantic and is subject to an underlying agreement with a prospecting syndicate. The agreement for the optionees (Explorex and subsequently assigned to Recharge Resources) to acquire a 75-per-cent interest in the project is subject to the following terms:

- Cash payment of \$25,000 (received) and issuance of \$75,000 shares upon signing a definitive agreement. In September 2018, the Company received 75,000 shares with a fair market value of \$21,750. A cash payment of \$15,000 was also received in January 2019.
- Issuing \$50,000 in shares of the Optionee at the time on the 12-month anniversary of the definitive agreement; the number of shares to be issued will be based on the 10-day VWAP (volume-weighted average price) immediately prior to the anniversary date. On July 8, 2019, the Company received 197,904 shares of Explorex with a market value of \$49,476.
- Recharge Resources Ltd (a successor optionee to Origen and Explorex) will incur a total expenditure of \$750,000 (including all underlying payments) over a period of four years; of which \$100,000 will be a firm commitment on or before the first anniversary of the definitive agreement. In August 2021, the Company agreed to amend the due date on the fourth anniversary exploration expenditures of \$650,000 an additional 12 months from May 10, 2022 to May 10, 2023. In consideration of the extension Recharge Resources Ltd will issue 500,000 common shares (received).

Great Atlantic Resources Corp.

Notes to the Condensed Interim Consolidated Financial Statements

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Upon earning 75 per cent of the project, the parties will enter into a joint venture. The terms will provide for a pro rata dilution such that should Great Atlantic's interest drop below 5 per cent, it will revert to a 3-per-cent net smelter return. Recharge Resources Ltd will retain the right to buy back two percentage points at \$1 million for each 1 per cent, or portion thereof. Should Great Atlantic seek to sell any portion of the remaining NSR, Recharge Resources Ltd will retain a first right of refusal.

c) **Keymet Property, New Brunswick, Canada**

During the year ended February 28, 2012, the Company completed an option agreement whereby the Company was granted an option to acquire a 100% interest in the Keymet Property, located northwest of Bathurst, New Brunswick. In consideration of the acquisition, the Company agreed to pay the vendor \$50,000 cash (\$30,000 paid) and to issue 25,000 shares (issued) over four years. The property is subject to a 2% net smelter return ("NSR") with the Company retaining the right to purchase one half of it for \$500,000. In March 2018, the final payment of \$20,000 was paid, and the 100% acquisition was completed.

d) **MacDougall Road Property, New Brunswick, Canada**

During the year ended February 28, 2013, the Company entered into an option agreement whereby the Company was granted an option to acquire a 100% interest in the Antimony Property located in Western New Brunswick. In consideration of the acquisition, the Company agreed to pay the vendor \$30,000 cash (see below) and to issue 15,000 shares (issued) over two years.

In May 2019, the Company issued 60,000 common shares for the settlement of the \$30,000 payable. This completed the 100% acquisition.

e) **Mascarene Property, New Brunswick, Canada**

During the year ended February 28, 2018, the Company entered into an option agreement whereby the Company was granted an option to acquire a 100% interest in the Mascarene property located in New Brunswick. In consideration, the Company agreed to pay the vendor \$15,000 (paid) in cash within ten business days upon signing of the agreement. The Company will also make payments to the vendors totaling \$185,000 cash over the next five years. In February 2019, the Company made cash payments totaling \$25,000. For the fiscal year ended February 29, 2020, the Company made cash payments totaling \$30,000. In May 2020, the Company made payments totaling \$30,000. In February 2021, the Company made a further payment of another \$30,000.

There is a 2% net smelter royalty payable to the property owner with the Company retaining the right to purchase one percent for \$1,000,000 upon the commencement of commercial production.

f) **Mount Raymond Property, New Brunswick, Canada**

During the year ended February 28, 2018, the Company staked a Mineral Exploration License in New Brunswick, referred to as the Mount Raymond Property.

g) **Porcupine Property, New Brunswick, Canada**

During the year ended February 28, 2011, the Company executed an option agreement to earn up to a 100% undivided interest in the Porcupine-Upper Miramichi Rare Earth Property located in New Brunswick. In consideration of the acquisition, the Company agreed to pay the vendors \$6,000 upon signing of the agreement (paid), and an additional cash payment of \$6,000 within 8 working days of the date of the agreement (paid). The Company also agreed to undertake to spend total minimum work commitments on the property of \$120,000 over the next five years and to make payments to the vendors of \$110,000 over the next five years (paid). Upon completion of the minimum work commitments and payments above, the Company earned a 100% undivided ownership interest in the property.

During the year ended February 29, 2012, the Company entered into an option agreement with Explorex Resources Inc. (Explorex) whereby Explorex was granted an option to acquire up to an 85% interest in the property. To earn an initial 70% interest, Explorex was required to make total cash payments of \$180,000 (\$25,000 received), issue a total of 850,000 common shares (150,000 common shares received) to the Company, and incur exploration expenditures of \$1,000,000 over three years.

Great Atlantic Resources Corp.

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A further 15% can be earned after completion of a bankable feasibility report. This agreement was terminated during the year ended February 28, 2015.

During the year ended February 28, 2017, the Company signed an amended option agreement with the vendors, whereby both parties agreed to extend the fourth anniversary option payment originally due on October 12, 2015 to June 12, 2017. As part of this agreement, the Company agreed to issue an additional 10,000 common shares fair valued at \$10,000 to the vendors.

During the year ended February 28, 2018, the Company entered into an option agreement with Fort St James Nickel Corp. ("FTJ") to sell the Porcupine Property. In March 2022, the agreement was revised to amend payments dates for the second, third and fourth anniversary payments to October 31, 2022. Under the terms of the option agreement, FTJ is required to make the following payments to earn a 100% interest in the property: (i) a payment of \$15,000 cash (received) and 500,000 common shares valued at \$107,500 at the time of grant within five days of the approval date (received); (ii) a cash payment of \$20,000 (received) and \$75,000 (received shares with a fair market value of \$43,359) in common shares on or before the first anniversary of the approval date; (iii) a cash payment of \$20,000 and \$75,000 in common shares on or before October 31, 2022; (iv) a cash payment of \$20,000 and \$75,000 in common shares on or before October 31, 2022; and (v) a cash payment of \$75,000 and \$200,000 in common shares on or before October 31, 2022. FTJ is also required to spend \$1,000,000 in exploration expenditures on the property over a four-year period with a minimum of \$150,000 each year. In June 2022, The Company recorded receipt of 875,000 shares of FTJ with a fair market value of \$143,750.

h) Golden Promise Property, Newfoundland, Canada

During the year ended February 28, 2017, the Company entered into an option agreement whereby the Company was granted an option to acquire a 100% interest in the Golden Promise Property in Newfoundland and Labrador. The property encompasses 60 stake lode claims located near the Town of Badger.

In consideration, the Company agreed to pay the vendor \$35,000 in cash within three business days upon signing of the agreement (paid) and to issue 83,333 common shares valued at \$50,000 upon regulatory approval (issued). The Company will also make payments to the vendors totalling \$485,000 cash (\$65,000 paid in 2018) and issue \$450,000 in shares (\$50,000 issued in 2018) over the next four years. In July 2018, the Company paid \$125,000 and in August 2018 issued \$50,000 equivalent shares. On July 9, 2019, the Company issued 25,000 shares with a market value of \$85,000 and paid \$145,000 in cash on July 31, 2019. The Company also issued 8,000 shares in July 2019 with a market value of \$4,800 as a finder fee. On March 12, 2020, the Company issued 360,000 shares with a market value of \$108,000 and on July 31, 2020 paid \$150,000 in cash. In addition, the Company is required to spend a minimum of \$500,000 in expenditures on the property by July 05, 2020. Upon completion of the minimum work commitments and payments above, the Company will earn a 100% undivided ownership interest in the property.

There is a 2% to 2.5% net smelter royalty payable to the property owner with the Company retaining the right to purchase one percent for \$1,000,000. The Company will pay the property owner annual royalty advance of \$20,000 commencing on the 7th anniversary and each subsequent year. All royalty payments contributed will be credited towards the royalty due to the property owner.

The Company also agreed to issue 25,000 common shares fair valued at \$15,000 as finders' fee; 17,000 common shares with a fair value of \$10,200 was issued in the year ended February 28, 2017.

i) Pilley's Island Property, Newfoundland, Canada

During the year ended February 28, 2018, the Company entered into an option agreement with Unity Resources Inc. ("Unity") under which the Company may acquire 100% interest of mining claims comprising the Pilley's Mine Project, the Southern Golden Promise Project, and the Point Leamington Project located in central Newfoundland. In consideration, the Company agreed to issue 100,000 shares fair valued at \$100,000 (issued) to the vendor within ten days upon regulatory approval. The Company will also make payments to the vendors totaling \$80,000 cash payments over five years or issue shares in equivalent value. On March 12, 2020, the Company issued 112,000 common shares with a market value of \$33,600.

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j) South Quarry Property, Newfoundland, Canada

During the year ended February 28, 2013, the Company entered into an option agreement whereby the Company was granted an option to acquire a 100% interest in the South Quarry tungsten Property. In consideration of the acquisition, the Company agreed to pay the vendor \$135,000 in cash (paid) and issue 85,000 shares (issued) over four years. The Company earned a 100% interest in the property.

k) Mitchell Brook Property, Nova Scotia, Canada

During the year ended February 28, 2017, the Company staked a Mineral Exploration License in eastern Nova Scotia approximately 120 kilometers northeast of Halifax. The License consists of 33 claims, covering an area of approximately 534 hectares, and is referred to as the Mitchell Brook Property.

NOTE 9 – SHARE CAPITAL

a) Authorized Share Capital

Unlimited number of common shares without par value.

b) Issued and Outstanding Common Shares

As at August 31, 2022, there were 36,554,238 common shares issued and outstanding.

The following share issuances occurred during the period ended August 31, 2022:

- a) In June and July 2022, the Company issued a total of 8,165,000 shares at a price of \$0.10 per unit for gross proceeds of \$816,500. Each unit is comprised of one common share and one share purchase warrant exercisable for a period of 5 years at a price of \$0.12 per share. The Company also paid cash commission of \$25,270 and granted 241,500 agents' warrants with a fair market value of \$16,074.

The following share issuances occurred during the period ended August 31, 2021:

- b) On March 11, 2021, the Company issued 526,316 flow-through shares at a price of \$0.57 for gross proceeds of \$300,000. Each flow-through share consists of one common share that qualifies as a 'flow-through share' as defined in subsection 66(15) of the Income Tax Act and one 1/2 share purchase warrant at an exercise price of \$0.75 for a period of 24 months from issuance. The Company paid a cash commission of \$18,000 and issued 15,789 finders warrants with a fair value of \$2,878. The finders' warrants are exercisable at \$0.75 for a 24-month period.
- c) On March 29, 2021, the Company issued 1,090,909 flow-through shares at a price of \$0.55 for gross proceeds of \$600,000. Each flow-through share consists of one common share that qualifies as a 'flow-through share' as defined in subsection 66(15) of the Income Tax Act and one 1/2 share purchase warrant at an exercise price of \$0.75 for a period of 24 months from issuance. The Company paid a cash commission of \$40,000 and issued 72,727 finders warrants exercisable at \$0.55 for two years. The finders' warrants have a fair value of \$16,482 based on the Black-Scholes option-pricing model.
- d) On June 8, 2021, the Company issued 1,400,000 non-flow-through units at a price of \$0.50 for gross proceeds of \$700,000 and 2,000,000 flow-through units at \$0.68 per unit for gross proceeds of \$1,360,000. Each non-flow-through unit consists of one common share and one share purchase warrant exercisable over three years at an exercise price of \$0.75. Each flow-through unit consists of one common share that qualifies as a 'flow-through share' as defined in subsection 66(15) of the Income Tax Act and one non-flow-through share purchase warrant exercisable over three years at an exercise price of \$0.75. The Company issued 187,200 non-flow-through units, each unit comprised of one common share and one share purchase warrant, as a finder fee. The Company also issued 144,000 agents' unit warrants exercisable at \$0.50 for three years. The agents' unit warrants have a fair value of \$76,969 based on the Black-Scholes option-pricing model and consists of one common share and one share purchase warrant exercisable at \$0.75 for three years.

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- e) On July 27, 2021, the Company issued 2,900,000 units at a price of \$0.50 for gross proceeds of \$1,450,000. Each unit consists of one common share and once share purchase warrant exercisable over three years at an exercise price of \$0.75. The Company issued 174,000 agents' unit warrants exercisable at \$0.50 for three years. The agents' unit warrants have a fair value of \$49,770 based on the Black-Scholes option-pricing model and consists of one common share and one share purchase warrant exercisable at \$0.75 for three years.
- f) During the period ended August 31, 2021, the Company issued 10,000 shares on exercise of stock options.

c) Stock Options

The Company has a stock option plan under which it is authorized to grant options to directors, employees, and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option equals the market price, minimum price, or a discounted price of the Company's shares as calculated on the date of grant. The options can be granted for a maximum term of 5 years. Vesting terms are determined by the board of directors at the time of grant.

As at August 31, 2022, 1,285,000 options, with a weighted average exercise price of \$0.64 per share and a weighted average remaining life of 2.46 years were outstanding.

Expiry Date	Exercise Price	February 28, 2022	Granted	Exercised	Expired/Cancelled	August 31, 2022
May 26, 2022	\$1.50	64,000	-	-	(64,000)	-
March 22, 2023	\$1.00	150,000	-	-	-	150,000
October 23, 2023	\$0.70	100,000	-	-	-	100,000
September 23, 2024	\$0.41	165,000	-	-	-	165,000
January 13, 2025	\$0.50	30,000	-	-	-	30,000
August 18, 2025	\$0.65	390,000	-	-	-	390,000
October 7, 2025	\$0.60	450,000	-	-	-	450,000
		1,349,000	-	-	(64,000)	1,285,000

As at August 31, 2021, 1,349,000 options, with a weighted average exercise price of \$0.68 per share and a weighted average remaining life of 3.33 years were outstanding.

Expiry Date	Exercise Price	February 28, 2021	Granted	Exercised	Expired/Cancelled	August 31, 2021
June 5, 2021	\$0.50	50,000	-	-	(50,000)	-
May 26, 2022	\$1.50	64,000	-	-	-	64,000
March 22, 2023	\$1.00	150,000	-	-	-	150,000
October 23, 2023	\$0.70	100,000	-	-	-	100,000
September 23, 2024	\$0.41	175,000	-	(10,000)	-	165,000
January 13, 2025	\$0.50	30,000	-	-	-	30,000
August 18, 2025	\$0.65	390,000	-	-	-	390,000
October 7, 2025	\$0.60	450,000	-	-	-	450,000
		1,409,000	-	(10,000)	(50,000)	1,349,000

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d) Share-Based Payments

Stock-based compensation costs have been determined based on the fair value of the stock options and agents' warrants at the grant date using the Black-Scholes option-pricing model.

During the period ended August 31, 2022, the Company issued 241,500 (2021 – 88,516) agents' warrants. Stock-based compensation expense using the Black-Scholes option pricing model was \$16,074 (2021 – \$19,360) for agents' warrants granted in the period.

The following assumptions were used for the Black-Scholes valuation of stock options granted and agent's warrants granted:

	August 31, 2022	August 31, 2021
Risk-free interest rate	2.9564 – 3.2038	0.2400 – 0.2562%
Expected life of stock options/agents' warrants	2 – 5 years	2 years
Annualized volatility	70.9 – 95.62%	95.98 – 96.45%
Dividend rate	-	-

e) Share Purchase Warrants

As at August 31, 2022, 25,376,985 share purchase warrants, with a weighted average exercise price of \$0.57 per share were outstanding.

Expiry Date	Exercise Price	February 28, 2022	Granted	Exercised	Expired/ Cancelled	August 31, 2022
May 23, 2022	\$1.00	200,000	-	-	(200,000)	-
June 09, 2022	\$1.25	435,000	-	-	(435,000)	-
June 14, 2022	\$1.25	232,500	-	-	(232,500)	-
June 26, 2022	\$1.25	332,500	-	-	(332,500)	-
*October 16, 2022	\$2.20	344,922	-	-	-	344,922
March 11, 2023	\$0.75	263,158	-	-	-	263,158
March 29, 2023	\$0.75	545,455	-	-	-	545,455
September 16, 2023	\$0.75	2,396,000	-	-	-	2,396,000
September 21, 2023	\$0.75	2,084,000	-	-	-	2,084,000
February 22, 2024	\$0.75	1,350,000	-	-	-	1,350,000
June 8, 2024	\$0.75	3,587,200	-	-	-	3,587,200
July 27, 2024	\$0.75	2,900,000	-	-	-	2,900,000
November 24, 2024	\$0.75	3,201,250	-	-	-	3,201,250
December 01, 2024	\$0.75	390,000	-	-	-	390,000
December 23, 2024	\$0.75	150,000	-	-	-	150,000
June 28, 2027	\$0.12	-	3,775,000	-	-	3,775,000
July 21, 2027	\$0.12	-	4,390,000	-	-	4,390,000
		18,411,985	8,165,000	-	(1,200,000)	25,376,985

*Expired subsequent to the period ended August 31, 2022

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As at August 31, 2021, 14,720,735 share purchase warrants, with a weighted average exercise price of \$0.82 per share were outstanding.

Expiry Date	Exercise Price	February 28, 2021	Granted	Exercised	Expired/Cancelled	August 31, 2021
July 27, 2021	\$0.75	420,000	-	-	(420,000)	-
August 6, 2021	\$0.75	894,000	-	-	894,000)	-
August 7, 2021	\$0.75	340,000	-	-	(340,000)	-
August 12, 2021	\$0.75	346,000	-	-	(346,000)	-
August 18, 2021	\$0.65	90,000	-	-	(90,000)	-
December 22, 2021	\$1.50	50,000	-	-	-	50,000
May 23, 2022	\$1.00	200,000	-	-	-	200,000
June 09, 2022	\$1.25	435,000	-	-	-	435,000
June 14, 2022	\$1.25	232,500	-	-	-	232,500
June 26, 2022	\$1.25	332,500	-	-	-	332,500
October 16, 2022	\$2.20	344,922	-	-	-	344,922
March 11, 2023	\$0.75	-	263,158	-	-	263,158
March 29, 2023	\$0.75	-	545,455	-	-	545,455
September 16, 2023	\$0.75	2,396,000	-	-	-	2,396,000
September 21, 2023	\$0.75	2,084,000	-	-	-	2,084,000
February 22, 2024	\$0.75	1,350,000	-	-	-	1,350,000
June 08, 2024	\$0.75	-	3,587,200	-	-	3,587,200
July 27, 2024	\$0.75	-	2,900,000	-	-	2,900,000
		9,514,922	7,295,813	-	(2,090,000)	14,720,735

f) Agents' Warrants

As at August 31, 2022, 829,715 agents' warrants, with a weighted average exercise price of \$0.51 per share were outstanding.

Expiry Date	Exercise Price	February 28, 2022	Granted	Exercised	Expired/Cancelled	August 31, 2022
May 26, 2022	\$0.42	38,095	-	-	(38,095)	-
June 09, 2022	\$1.25	18,500	-	-	(18,500)	-
June 14, 2022	\$1.25	13,250	-	-	(13,250)	-
June 26, 2022	\$1.25	7,500	-	-	(7,500)	-
*October 15, 2022	\$0.51	39,215	-	-	-	39,215
*October 16, 2022	\$2.20	33,492	-	-	-	33,492
November 13, 2022	\$0.51	30,769	-	-	-	30,769
March 11, 2023	\$0.75	15,789	-	-	-	15,789
March 29, 2023	\$0.55	72,727	-	-	-	72,727
September 16, 2023	\$0.75	103,560	-	-	-	103,560
September 21, 2023	\$0.75	48,000	-	-	-	48,000
February 22, 2024	\$0.75	41,400	-	-	-	41,400
July 21, 2024	\$0.09	-	16,000	-	-	16,000
November 24, 2024	\$0.40	175,000	-	-	-	175,000
November 24, 2024	\$0.75	25,463	-	-	-	25,463
December 01, 2024	\$0.75	2,800	-	-	-	2,800
June 28, 2027	\$0.10	-	177,500	-	-	177,500
July 21, 2027	\$0.09	-	48,000	-	-	48,000
		665,560	241,500	-	(77,345)	829,715

*Expired subsequent to the period ended August 31, 2022

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As at August 31, 2021, 495,981 agents' warrants, with a weighted average exercise price of \$0.79 per share were outstanding.

Expiry Date	Exercise Price	February 28, 2021	Granted	Exercised	Expired/Cancelled	August 31, 2021
August 12, 2021	\$0.475	24,000	-	-	(24,000)	-
November 4, 2021	\$0.475	33,684	-	-	-	33,684
May 26, 2022	\$0.42	38,095	-	-	-	38,095
June 09, 2022	\$1.25	18,500	-	-	-	18,500
June 14, 2022	\$1.25	13,250	-	-	-	13,250
June 26, 2022	\$1.25	7,500	-	-	-	7,500
October 15, 2022	\$0.51	39,215	-	-	-	39,215
October 16, 2022	\$2.20	33,492	-	-	-	33,492
November 13, 2022	\$0.65	30,769	-	-	-	30,769
March 11, 2023	\$0.75	-	15,789	-	-	15,789
March 29, 2023	\$0.55	-	72,727	-	-	72,727
September 16, 2023	\$0.75	103,560	-	-	-	103,560
September 21, 2023	\$0.75	48,000	-	-	-	48,000
February 22, 2024	\$0.75	41,400	-	-	-	41,400
		431,465	88,516	-	(24,000)	495,981

g) Agents' Unit Warrants

As at August 31, 2022, 325,000 agents' unit warrants, with a weighted average exercise price of \$0.50 per share were outstanding.

Expiry Date	Exercise Price	February 28, 2022	Granted	Exercised	Expired/Cancelled	August 31, 2022
June 08, 2024	\$0.50	144,000	-	-	-	144,000
July 27, 2024	\$0.50	174,000	-	-	-	174,000
December 01, 2024	\$0.40	7,000	-	-	-	7,000
		325,000	-	-	-	325,000

As at August 31, 2021, 318,000 agents' unit warrants, with a weighted average exercise price of \$0.50 per share were outstanding.

Expiry Date	Exercise Price	February 28, 2020	Granted	Exercised	Expired/Cancelled	August 31, 2021
June 08, 2024	\$0.50	-	144,000	-	-	144,000
July 27, 2024	\$0.50	-	174,000	-	-	174,000
		-	318,000	-	-	318,000

NOTE 10 – FLOW-THROUGH SHARE PREMIUM LIABILITY

The Company enters into flow-through share subscription agreements from time to time whereby it commits to incur qualifying Canadian exploration expenditures. The value of the flow-through units in excess of the quoted market value of shares on the date of issuance and the fair value of share purchase warrants issued are set up as a liability at the time these shares are issued. Funds raised through the issuance of flow-through shares are required to be expended on qualifying Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation.

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	August 31, 2022	February 28, 2022
	\$	\$
Opening Balance	173,704	-
Flow-Through Share Premium Liability obligation due to issuance of Flow-Through Shares	-	751,266
Settlement pursuant to incurring Qualified Expenditures	(173,704)	(577,562)
	<u>-</u>	<u>173,704</u>

During the period ended August 31, 2022, the flow-through share premium liability of \$173,704 from the year ended February 28, 2022 was fully reversed as the Company renounced the required mineral exploration expenditures in the period.

NOTE 11 – RELATED PARTY TRANSACTIONS

Key management includes directors (executive and non-executive) and senior management, including Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”). The amounts paid by the Company for the services provided by related parties have been determined by negotiation among the parties and, in certain cases, are covered by signed agreements. These transactions were in the normal course of operations. The amounts due to related parties are non-interest bearing, unsecured, and have no fixed terms of repayment, unless otherwise disclosed. As at August 31, 2022, the Company has the following amounts due to (from) related parties.

	August 31, 2022	February 28, 2022
	\$	\$
Due to companies controlled by Directors and Officers for management services and expense reimbursements	<u>4,004</u>	<u>3,283</u>

The Company had the following transactions with related parties:

- Management fees totalling \$121,800 (2021 – \$120,000) plus \$11,045 (2021 - \$85,020) in travel and other allowances and reimbursements paid or accrued to directors and officers of the Company during the period ended August 31, 2022. The Company also paid \$3,343 in interest on \$227,000 in loans. During the period ended August 31, 2022, all loans and interest have been paid in full.

NOTE 12 – COMMITMENTS

- The Company entered into an agreement with an officer and a director for management services for monthly fees of \$15,000 with a vacation payout and bonus of \$25,000 to be issued annually. The agreement will expire August 31, 2022, and will automatically renew for another three years.
- The Company entered into an office space lease from August 21, 2012, to December 31, 2017 at \$5,802 per month. The term of the lease has been extended for another five years, commencing January 01, 2018, and expiring December 31, 2022, at \$6,252 per month. The lease has been extended for a year, effective January 1, 2022, a rental amount of \$7,440.83 is payable.
- The Company entered into an equipment lease from May 1, 2018 to May 1, 2023 at \$1,376 per quarter.

NOTE 13 – SUPPLEMENTAL CASH FLOW INFORMATION

There were no significant Non-Cash Financing Activities during the period ended August 31, 2022 or 2021.

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NOTE 14 – 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 resource properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company manages its share capital as capital, which as at August 31, 2022 was \$26,225,638 (February 28, 2022 – \$25,458,415). Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the year ended February 28, 2022, nor during the period ended August 31, 2022.

NOTE 15 – FINANCIAL INSTRUMENTS

The fair value of the Company's loans payable amounts, due from/to related parties, and accounts payable and accrued liabilities, approximate their carrying value, which is the amount recorded on the statements of financial position. The Company's other financial instruments, cash and marketable securities under the fair value hierarchy are recorded at fair value based on level one quoted prices in active markets for identical assets or liabilities.

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

a) Credit Risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to amounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in amounts receivable is not significant.

b) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at August 31, 2022, the Company has a working capital of \$157,097. All the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company will be required to fund these liabilities through the issuance of capital stock and loans from related parties over the coming year.

c) Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Loans payables accrue interest at 10%, and/or are non-interest bearing. Based on forecast interest rate movements and due to the short-term nature of these financial instruments, fluctuations in market rates are not expected to have a significant impact on estimated fair values.

d) 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 due to movements in individual equity prices or general movements in the level of the stock market. 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, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

NOTE 16 – SUBSEQUENT EVENTS

In October 2022, the Company announced a non-brokered private placement offering five million units at \$0.035 per unit for gross proceeds of \$175,000. Each unit will consist of one common share of the Company and one common share purchase warrant. Each warrant will be exercisable at a price of \$0.05 for a period of 60 months from date of issuance.