LEADING EDGE MATERIALS CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
APRIL 30, 2023

(Unaudited - Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

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

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

LEADING EDGE MATERIALS CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)

	Note	April 30, 2023 $	October 31, 2022 $
ASSETS			
Current assets			
Cash		1,196,018	1,198,536
GST/VAT receivables		18,411	15,915
Prepaid expenses		37,296	45,350
Investments	3	126,659	148,839
Inventory		82,376	77,165
Plant stores and supplies		88,902	83,278
Total current assets		**1,549,662**	**1,569,083**
Non-current assets			
Exploration and evaluation assets	4	17,230,252	16,909,663
Property, plant and equipment	5	5,304,756	5,256,035
Reclamation deposit	6	96,984	97,637
Total non-current assets		**22,631,992**	**22,263,335**
TOTAL ASSETS		**24,181,654**	**23,832,418**
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		205,618	203,426
Non-current liabilities			
Provision for site restoration	6	4,874,417	4,795,779
Property acquisition obligation	4(a), 5	530,391	496,839
Total non-current liabilities		5,404,808	5,292,618
TOTAL LIABILITIES		**5,610,426**	**5,496,044**
SHAREHOLDERS' EQUITY			
Share capital	7	56,742,053	55,442,053
Share-based payments reserve	7(d)	8,416,715	7,609,123
Deficit		(46,587,540)	(44,714,802)
TOTAL SHAREHOLDERS' EQUITY		**18,571,228**	**18,336,374**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**24,181,654**	**23,832,418**

Nature of Operations and Going Concern - Note 1

Events after the Reporting Period – Note 13

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on June 21, 2023 and are signed on its behalf by:

/s/ ***Eric Krafft***	/s/ ***Daniel Major***
Eric Krafft	Daniel Major
Director	Director

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

LEADING EDGE MATERIALS CORP.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited - Expressed in Canadian Dollars)

	Notes	Three Months Ended April 30, 2023 $	Three Months Ended April 30, 2022 $	Six Months Ended April 30, 2023 $	Six Months Ended April 30, 2022 $
Expenses					
Accretion of provision for site restoration	6	10,200	10,201	20,400	20,402
Corporate development and IR		6,236	17,613	32,442	57,262
Depreciation	5	5,761	6,039	11,585	12,591
Directors and officer's compensation	8(a)	45,177	98,373	89,723	198,039
Research, development and general exploration		29,664	25,393	62,461	53,534
Accounting and audit	8(b)	51,960	45,552	86,021	73,592
General and administration		12,386	17,896	24,881	34,320
Listing and regulatory costs		42,364	59,399	89,481	116,078
Operations		37,590	57,303	125,458	115,058
Salaries, compensation and benefits		78,027	87,015	161,510	169,737
Professional fees		1,766	8,439	2,458	34,799
Share based compensation		710,563	-	807,592	1,421,437
Write off of Exploration and Evaluation assets	4(c)	-	-	81,117	-
Travel		16,488	671	23,602	1,452
Loss before other items		(1,048,182)	(433,894)	(1,618,731)	(2,308,301)
Other items					
Foreign exchange		(187,455)	(4,483)	(211,675)	(10,637)
Gain on disposal of capital assets		7,172	-	7,172	-
Interest income		15,040	4,183	25,486	7,909
Mark to Market adjustment loss		(22,178)	(357,800)	(74,990)	(577,008)
Other Income		-	1,874	-	3,568
		(187,421)	(356,226)	(254,007)	(576,168)
Net Profit (Loss) and comprehensive loss		(1,235,603)	(790,120)	(1,872,738)	(2,884,469)
Profit (Loss) per share -					
Basic	9	($0.01)	($0.00)	($0.01)	($0.02)
Diluted	9	($0.01)	($0.00)	($0.01)	($0.02)
Weighted average number of common shares outstanding					
Basic		165,523,533	151,645,499	160,495,909	151,220,041
Diluted		165,523,533	151,645,499	160,495,909	151,220,041

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

LEADING EDGE MATERIALS CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Unaudited - Expressed in Canadian Dollars)

	Six Months Ended April 30, 2023				
	Share Capital				
	Number of Shares	Amount $	Share-Based Payments Reserve $	Deficit $	Total Equity $
Balance at October 31, 2022	**152,523,533**	**55,442,053**	**7,609,123**	**(44,714,802)**	**18,336,374**
Common shares issued for:					
Warrants exercised	13,000,000	1,300,000	-	-	1,300,000
Share-based compensation	-	-	807,592	-	807,592
Net loss for the period	-	-	-	(1,872,738)	(1,872,738)
Balance at April 30, 2023	**165,523,533**	**56,742,053**	**8,416,715**	**(46,587,540)**	**18,571,228**

	Six Months Ended April 30, 2022				
	Share Capital				
	Number of Shares	Amount $	Share-Based Payments Reserve $	Deficit $	Total Equity $
Balance at October 31, 2021	**147,024,071**	**53,521,054**	**6,187,686**	**(41,104,270)**	**18,604,470**
Common shares issued for:					
Options exercised	200,000	45,000	-	-	45,000
Share-based compensation	-	-	1,421,437	-	1,421,437
Warrants exercised	4,421,428	1,620,500	-	-	1,620,500
Net loss for the period	-	-	-	(2,884,469)	(2,884,469)
Balance at April 30, 2022	**151,645,499**	**55,186,554**	**7,609,123**	**(43,988,739)**	**18,806,938**

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

LEADING EDGE MATERIALS CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended April 30,		Six Months Ended April 30,	
	2023	**2022**	**2023**	**2022**
	$	**$**	**$**	**$**
Operating activities				
Net loss for the period	(1,235,603)	(790,120)	(1,872,738)	(2,884,469)
Adjustments for:				
Accretion of provision for site restoration	10,200	10,201	20,400	20,402
Depreciation	5,761	6,039	11,585	12,591
Write off of Exploration and Evaluation assets	-	-	81,117	-
Foreign exchange	(43,377)	(17,982)	(29,439)	(42,605)
Mark to market adjustment loss	22,178	357,800	74,990	577,008
Share based compensation	710,563	-	807,592	1,421,437
Changes in non-cash working capital items:				
GST/VAT receivables	995	4,896	(2,496)	(874)
Prepaid expenses and other	1,159	942	8,054	18,498
Accounts payable and accrued liabilities	13,059	(40,326)	2,192	(57,305)
Net cash used in operating activities	(515,065)	(468,550)	(898,743)	(935,317)
Investing activity				
Expenditures on exploration and evaluation assets	(285,612)	(41,944)	(401,706)	(134,325)
Additions to property, plant and equipment	-	-	(2,069)	-
Net cash from (used in) investing activity	(285,612)	(41,944)	(403,775)	(134,325)
Financing activities				
Issuance of common shares	-	-	1,300,000	1,665,500
Net cash provided by financing activities	-	-	1,300,000	1,665,500
Net change in cash	(800,677)	(510,494)	(2,518)	595,858
Cash at beginning of the period	1,996,695	2,423,149	1,198,536	1,316,797
Cash at end of the period	1,196,018	1,912,655	1,196,018	1,912,655

Supplemental cash flow information - See Note 11

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

1. Nature of Operations and Going Concern

The Company is a Canadian public company primarily focused on developing a portfolio of critical raw material projects located in the European Union. The portfolio of projects includes the 100% owned Woxna Graphite mine (Sweden), Norra Kärr HREE project (Sweden) and the 51% owned Bihor Sud Nickel Cobalt exploration alliance (Romania). The Company's common shares trade on the TSX Venture Exchange (the "TSXV") under the symbol "LEM", on the OTCQB under the symbol "LEMIF", on NASDAQ First North under the symbol "LEMSE" and on Frankfurt under the symbol "7FL". The Company's principal office is located at 14th Floor 1040 West Georgia Street, Vancouver, BC Canada V6E 4H1.

During the six months ended April 30, 2023 the Company recorded a net loss of $1,872,738 and, as at April 30, 2023, the Company had an accumulated deficit of $46,587,540 and working capital of $1,344,044. For the Woxna Graphite Mine the Company maintains ongoing research and development to produce higher specialty products such as high purity graphite for battery and other specialty end uses. The Company is maintaining its Woxna Graphite Mine on a "production-ready" basis to minimize costs whilst such development work is ongoing. For the Norra Kärr HREE project the Company's main focus is progressing the ongoing mining lease application process and development work to increase resource efficiency and minimize local environmental footprint for the project. A Natura 2000 permit application process has been initiated. Finally, for the Bihor Sud exploration project the Company is rapidly progressing its exploration program in line with what has been previously communicated. The Company anticipates that it has sufficient funding to meet anticipated levels of corporate administration and overheads for the ensuing twelve months, however, it will need additional capital to recommence operations at the Woxna Graphite Mine and/or modernize the plant to produce value added products, to fund future development of the Norra Kärr Property and complete exploration activities in Romania. There is no assurance such additional capital will be available to the Company on acceptable terms or at all. In the longer term the recoverability of the carrying value of the Company's long-lived assets is dependent upon the Company's ability to preserve its interest in the underlying mineral property interests, the discovery of economically recoverable reserves, the achievement of profitable operations and the ability of the Company to obtain financing to support its ongoing exploration and development programs, and mining operations.

These condensed consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") appropriate for a going concern. The going concern basis of accounting assumes the Company will continue to realize the value of its assets and discharge its liabilities and other obligations in the ordinary course of business. Should the Company be required to realize the value of its assets in other than the ordinary course of business, the net realizable value of its assets may be materially less than the amounts shown in the consolidated financial statements. These condensed consolidated interim financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that may be necessary should the Company be unable to repay its liabilities and meet its other obligations in the ordinary course of business or continue operations.

2. Basis of Preparation

Statement of Compliance

These condensed consolidated interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"), and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). These condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended October 31, 2022, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies followed in these condensed consolidated interim financial statements are consistent with those applied in the Company's consolidated financial statements for the year ended October 31, 2022.

Basis of Measurement

The Company's consolidated financial statements have been prepared on the historical cost basis except for the revaluation of certain financial assets and financial liabilities to fair value. The consolidated financial statements are presented in Canadian dollars unless otherwise noted.

Details of the Group

In addition to the Company, the consolidated financial statements include all subsidiaries. Subsidiaries are all entities over which the Company is able, directly or indirectly, to control financial and operating policies, which is the authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. Inter-company transactions and balances are eliminated upon consolidation. They are deconsolidated from the date that control by the Company ceases.

The subsidiaries of the Company are as follows:

Company	Location of Incorporation	Ownership Interest
Flinders Holdings Limited ("Flinders Holdings")	British Columbia	100%
Woxna Graphite AB ("Woxna")	Sweden	100%
Tasman Metals Ltd.	British Columbia	100%
GREENNA Mineral AB (Formerly "Tasman Metals AB")	Sweden	100%
LEM Resources SRL ("LEM Romania")	Romania	51%

3. Investments

Investments held by the Company are as follows:

Particulars	April 30, 2023 $	October 31, 2022 $
397,942 shares in United Lithium Corp.	95,506	107,444
400,000 warrants in United Lithium Corp. (Expire on April 29,2024)	31,153	41,395
Total	**126,659**	**148,839**

The investment in United Lithium Corp will be revalued with level 1 input at each reporting date.

The value of warrants was determined using the Black-Scholes pricing model using level 2 inputs, the value was calculated based on risk-free rate of 3.08%, expected stock volatility of 107.45% and forfeiture rate of 0.0%.

(Unaudited - Expressed in Canadian Dollars)

4. Exploration and Evaluation Assets

	As at April 30, 2023			As at October 31, 2022		
	Acquisition Costs $	**Deferred Exploration Costs $**	**Total $**	**Acquisition Costs $**	**Deferred Exploration Costs $**	**Total $**
Graphite Concessions	10,081	4,706	14,787	10,081	4,706	14,787
Norra Kärr	15,402,622	966,062	16,368,684	15,402,622	958,729	16,361,351
Woxna graphite	-	32,208	32,208	-	81,117	81,117
Romania	187,999	626,574	814,573	187,999	264,409	452,408
	15,600,702	**1,629,550**	**17,230,252**	**15,600,702**	**1,308,961**	**16,909,663**

	Graphite concessions $	**Anode Project $**	**Norra Karr $**	**Romania $**	**Total $**
Balance at October 31, 2021	**14,787**	-	**16,188,353**	-	**16,203,140**
Costs					
Additions during the year	-	81,117	172,998	452,408	706,523
Balance at October 31, 2022	**14,787**	**81,117**	**16,361,351**	**452,408**	**16,909,663**
Costs					
Additions during the period	-	32,208	7,333	362,165	401,706
Write off	-	(81,117)	-	-	(81,117)
Balance at April 30, 2023	**14,787**	**32,208**	**16,368,684**	**814,573**	**17,230,252**

(a) *Graphite Concessions*

Through Woxna, the Company holds a 100% interest in the Woxna Graphite Mine, comprising four concessions, known as Kringelgruvan, Mattsmyra, Gropabo and Mansberg. The Woxna Graphite Mine is located in Ovanaker Municipality, Gavleborg County, central Sweden.

In 1993 Woxna entered into agreements under which it acquired:

(i) the Kringelgruvan concession for an initial payment of SEK 150,000 and a further payment of SEK 4,000,000 (the "Property Acquisition Obligation"); and
(ii) the Mattsmyra, Gropabo and Mansberg concessions (the "Graphite Concessions") for an initial payment of SEK 32,500 and a further payment of SEK 1,000,000 on each of the three concessions (the "Additional Consideration").

Payment of the Property Acquisition Obligation and the Additional Consideration is to be made to a Swedish governmental agency and will be based on annual production, at a rate of SEK 20 per metric ton processed and is payable only once accumulated profits have been generated from the individual concessions. No production has commenced on the Mattsmyra, Gropabo and Mansberg concessions and the additional payments are considered to be contingent amounts and will only be recognized as obligations when production commences on these concessions.

During fiscal 2014 the technical feasibility and commercial viability of the Kringelgruvan concession and the Woxna Graphite Mine was demonstrated, transitioning the Kringelgruvan concession to the development stage of mining. Accordingly, the costs of the exploration and evaluation assets attributed to the Kringelgruvan concession and the Woxna Graphite Mine were reclassified to property, plant and equipment. See also Note 6.

4. Exploration and Evaluation Assets (continued)

(b) *Norra Kärr*

The Norra Kärr Property consists of an exploration permit (Norra Kärr nr 1), valid until August 31, 2026, located in south-central Sweden. The Company is applying for a Natura 2000 permit prior to re-applying for the Norra Kärr mining lease (Norra Kärr K nr 1). The mining lease will provide the Company with greater flexibility to advance the project to its next stages of feasibility development.

(c) *Anode Project*

The Anode Project encompasses the ongoing development towards the possible production of a high purity natural graphite anode material for the lithium-ion battery industry using flake graphite concentrate from the Woxna Graphite mine as a feedstock. The development work involves various metallurgical test work and engineering of the production process and if successful would eventually lead to the establishment of a dedicated anode material factory in Sweden.

During the year ended October 2022 $81,117 of exploration cost were capitalized, based on assessment made the nature of these expense were found to be general exploration expense in nature and does not qualify to be capitalized as per IFRS 6 Exploration and Evaluation of Exploration properties, accordingly during six months ended April 30, 2023, the company recognized a write-off of $81,117 of exploration and evaluation asset.

(d) *Romania Exploration Alliance*

In fiscal 2017 the Company and REMAT Group Management SRL ("REMAT") agreed to pursue the investigation and initiation of a prospecting permit application over the Bihor Sud perimeter in Romania. REMAT proceeded to incorporate LEM Resources SRL ("LEM Romania") in fiscal 2017. LEM Romania successfully applied for a non-exclusive prospecting permit (the "Permit") over 25.5 square kilometers in the Bihor area (the "Project"). On August 9, 2018, the Company and REMAT completed a share purchase agreement (the "Share Purchase Agreement") and executed a shareholders' joint venture agreement (the "JV Agreement") whereby the Company acquired an initial 51% ownership interest (the "Initial Interest") in LEM Romania, by issuing 367,006 common shares of the Company at a fair value of $165,152. As LEM Romania had no assets or liabilities at the time of acquisition of the initial interest, the Company recorded the initial consideration as general exploration expenses. A finder's fee of 5% (the "Finder's Fee") related to the Project will be paid in stages.

Under the JV Agreement the Company has agreed to issue to REMAT certain amounts of shares in the Company upon different milestones being achieved (the "Bonus Shares") as per below;

(i) 550,509 shares upon the signing of an exploration license; (Issued on May 27,2022)
(ii) A maximum of 3,670,062 shares upon identification of any historic Ni-Co and/or Ag-base metal mineral resource estimates at various tonnage thresholds;
(iii) 734,012 shares upon the filing of a NI 43-101 technical report that establishes a mineral resource on any portion of the Project, with an additional maximum 4,404,072 shares subject to such Ni-Co and/or Ag-base metal mineral resource meeting various tonnage thresholds; and
(iv) 917,515 shares upon the filing of a NI 43-101 Feasibility Study technical report.

Under the JV Agreement, upon the filing of a NI 43-101 Feasibility Study technical report REMAT will transfer 39% in LEM Romania to the Company free of any payment bringing the Company's ownership in LEM Romania to 90%.

On May 17, 2022, the company signed the Bihor Sud Exploration License between LEM Romania and the National Agency for Mineral Resources, accordingly exploration and evaluation costs for the project will now be capitalized. On May 27, 2022, the company issued 550,509 shares to REMAT at a fair value of $178,916 and issued 27,525 common shares at a fair value of $9,083 as Finder's Fee, this consideration is capitalized as acquisition cost for LEM Romania.

(Unaudited - Expressed in Canadian Dollars)

5. Property, Plant and Equipment

Cost:	**Vehicles $**	**Equipment and Tools $**	**Building $**	**Manufacturing and Processing Facility $**	**Mineral Property Acquisition and Development Costs $**	**Total $**
Balance at October 31, 2021	**16,094**	**287,018**	**344,139**	**7,567,878**	**11,000,845**	**19,215,974**
Adjustment to site restoration	-	-	-	-	(4,612,109)	(4,612,109)
Balance at October 31, 2022	**16,094**	**287,018**	**344,139**	**7,567,878**	**6,388,736**	**14,603,865**
Addition	-	2,069	-	-	-	2,069
Adjustment to site restoration	-	-	-	-	58,237	58,237
Balance at April 30, 2023	**16,094**	**289,087**	**344,139**	**7,567,878**	**6,446,973**	**14,664,171**
Accumulated Depreciation and Impairment:						
Balance at October 31, 2021	**(3,677)**	**(263,728)**	**(146,138)**	**(3,910,218)**	**(5,000,000)**	**(9,323,761)**
Depreciation	(765)	(1,435)	(21,868)	-	-	(24,069)
Balance at October 31, 2022	**(4,442)**	**(265,163)**	**(168,006)**	**(3,910,218)**	**(5,000,000)**	**(9,347,830)**
Depreciation	(368)	(691)	(10,526)	-	-	(11,585)
Balance at April 30, 2023	**(4,811)**	**(265,854)**	**(178,532)**	**(3,910,218)**	**(5,000,000)**	**(9,359,415)**
Carrying Value:						
Balance at October 31, 2022	**11,652**	**21,855**	**176,133**	**3,657,660**	**1,388,736**	**5,256,035**
Balance at April 30, 2023	**11,283**	**23,233**	**165,607**	**3,657,660**	**1,446,973**	**5,304,756**

During fiscal 2014 technical feasibility and commercial viability of the extraction of mineral resources at the Woxna Graphite Mine was demonstrated, transitioning the Company to the development stage of mining. Upon the transition, costs on the exploration and evaluation assets attributed to the mine were reclassified to property, plant and equipment. On August 1, 2015, the refurbishment and commissioning of the Woxna Graphite Mine was completed.

During fiscal 2019 management assessed whether there were any indications of impairment of the Company's property, plant and equipment as required by IAS 36. In light of the continued suspension of the operations of the Woxna Graphite Mine, large net loss and the low trading value of the Company's common shares, management concluded there were indications of impairment.

When indications of impairment are determined to be present, IAS 36 requires the Company to estimate the recoverable amount of the Company's property, plant and equipment. The Company did not have sufficient verifiable information to prepare adequately detailed and meaningful calculations of fair value less costs of disposal or value in use. Therefore, the Company applied a value in use method that took into account the Company's financial position and results of operations and operational issues among other factors in determining an estimated recoverable amount. This method indicated that an impairment provision of $8,800,000 was appropriate in fiscal 2019.

As at April 30, 2023 the Company has recognized $530,391 (October 31, 2022 - $496,839) for the Property Acquisition Obligation associated with the Kringelgruvan concession, as described in Note 4(a)(i).

(Unaudited - Expressed in Canadian Dollars)

6. Provision for Site Restoration

Although the ultimate amount of the decommissioning obligation for the Kringelgruvan concession is uncertain, the fair value of this obligation is based on information currently available. Significant closure activities include land rehabilitation, demolition of buildings and mine facilities and other costs. The provision for site restoration may be subject to change based on management's current estimates, changes in remediation technology or changes to the applicable laws and regulations. The total undiscounted amount of estimated cash flows to settle the Company's risk adjusted estimated obligation is SEK 40,000,000 and is expected to be incurred in 2041.

The fair value of the decommissioning obligation was calculated using a discounted cash flow approach based on a risk-free rate of 2.314% (2022 – 2.19%) and an inflation factor of 2.00% (2022– 2.00%). Settlement of the obligation is expected to be funded from general corporate funds at the time of decommissioning. Changes to the decommissioning obligation were as follows:

	$
Balance at October 31, 2021	**9,367,086**
Accretion	40,802
Revision of estimates	(3,274,582)
Foreign exchange adjustment	(1,337,527)
Balance at October 31, 2022	**4,795,779**
Accretion	20,400
Revision of estimates	(129,318)
Foreign exchange adjustment	187,556
Balance at April 30, 2023	**4,874,417**

As at April 30, 2023 reclamation deposits totaling $96,984 (October 31, 2022 - $97,637) have been paid. The reclamation deposits were placed as security for site restoration on the Kringelgruvan concession and on certain exploration and evaluation assets.

As at April 30, 2023 the Mattsmyra, Gropabo and Mansberg concessions remain undeveloped and there are no property restoration obligations relating to these concessions.

7. Share Capital

(a) *Authorized Share Capital*

The Company's authorized share capital consists of an unlimited number of common shares without par value. All issued common shares are fully paid.

(b) *Equity Financings*

Six Months ended April 30, 2023

During six months ended April 30, 2023, 13,000,000 warrants were exercised for gross proceeds of $1,300,000.

Year Ended October 31, 2022

During the year ended October 31, 2022, 4,421,428 warrants and 500,000 options were exercised for gross proceeds of $1,620,500 and $112,500 respectively.

550,509 shares were issued to REMAT group at a fair value of $178,916 per joint venture agreement for the Bihor Sud project and 27,525 shares were issued at a fair value of $9,083 as Finder's Fees, both relating to the signing of the exploration license for the project.

(Unaudited - Expressed in Canadian Dollars)

7. Share Capital (continued)

(c) *Warrants*

During six months ended April 30, 2023, 13,000,000 warrants were exercised for gross proceeds of $1,300,000.

A summary of the number of common shares reserved pursuant to the Company's outstanding warrants at April 30, 2023 and October 31, 2022 and the changes for the periods ended on those dates is as follows:

	2023		2022	
	Number	Weighted Average Exercise Price $	Number	Weighted Average Exercise Price $
Balance beginning of period	49,079,286	0.17	55,164,284	0.19
Exercised	(13,000,000)	0.10	(4,421,428)	0.37
Expired	-	-	(1,663,570)	0.37
Balance end of period	**36,079,286**	0.20	**49,079,286**	0.17

The following table summarizes information about the number of common shares reserved pursuant to the Company's warrants outstanding and exercisable at April 30, 2023:

Number	Exercise Price $	Expiry Date
4,079,286	0.10	December 30, 2023
32,000,000	0.20	August 7, 2024
36,079,286	**0.19**	

(d) *Share Option Plan*

The Company has established a rolling share option plan (the "Plan"), in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The minimum exercise price of the options is set at the Company's closing share price on the day before the grant date, less allowable discounts. Options granted may be subject to vesting provisions as determined by the Board of Directors and have a maximum term of up to five years.

4,200,000 stock options were granted at an exercise price of $0.195 during the six months ended April 30, 2023 (2022 – 3,200,000). The value of options granted was determined using the Black-Scholes option pricing model. A weighted average grant date fair value of $0.15438 (2022 –0.44420) was calculated using expected stock price volatility of 114.,79%, risk free rate of 2.98% and option life of five years are based on the Company's historical share price volatility and option life.

500,000 stock options were granted at an exercise price of $0.195 during the six months ended April 30, 2023 (2022 – 3,200,000). The value of options granted was determined using the Black-Scholes option pricing model. A weighted average grant date fair value of $0.12430 (2022 –0.44420) was calculated using expected stock price volatility of 106.38%, risk free rate of 2.98% and option life of three years are based on the Company's historical share price volatility and option life.

(Unaudited - Expressed in Canadian Dollars)

7. Share Capital (continued)

700,000 stock options were granted at an exercise price of $0.20 during the six months ended April 30, 2023 (2022 – 3,200,000). The value of options granted was determined using the Black-Scholes option pricing model. A weighted average grant date fair value of $0.13861 (2022 –0.44420) was calculated using expected stock price volatility of 99.96%, risk free rate of 3.59% and option life of five years are based on the Company's historical share price volatility and option life.

Option-pricing models require the use of estimates and assumptions including the expected volatility. Changes in the underlying assumptions can materially affect the fair value estimates and, therefore, existing models do not necessarily provide reliable measure of the fair value of the Company's share options.

A summary of the Company's share options at April 30,2023 and October 31, 2022 and the changes for the period ended on those dates is as follows:

	2023		**2022**	
	Number of Options Outstanding	**Weighted Average Exercise Price $**	**Number of Options Outstanding**	**Weighted Average Exercise Price $**
Balance beginning of period	8,070,000	0.43	5,870,000	0.31
Issued	5,400,000	0.20	3,200,000	0.62
Exercised	-	-	(500,000)	0.23
Expired	(1,320,000)	0.10	(500,000)	0.56
Balance end of period	**12,150,000**	0.36	**8,070,000**	0.43

The following table summarizes information about the share options outstanding and exercisable at April 30, 2023:

Number	**Exercise Price $**	**Expiry Date**
3,400,000	0.155	August 11,2023
150,000	0.33	August 14, 2023
3,200,000	0.62	January 27, 2025
700,000	0.20	November 3, 2027
500,000	0.195	April 26, 2026
4,200,000	0.195	April 26, 2028
12,150,000		

8. Related Party Disclosures

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and its executive officers.

(a) During the period ended April 30,2023 and 2022 the following compensation was incurred:

	2023 $	**2022 $**
Directors and officer's compensation (current and former)	89,722	198,039
Share based compensation (current and former)	676,134	1,066,078
	765,856	1,264,117

(Unaudited - Expressed in Canadian Dollars)

8. Related Party Disclosures (continued)

As at April 30, 2023, $15,631 (October 31, 2022 - $9,946) remained unpaid and has been included in accounts payable and accrued liabilities.

(b) SKS Business Services Ltd., a private corporation owned by Sanjay Swarup (appointed as Chief Financial Officer ("CFO") of the Company on March 1, 2021), provides accounting and administrative services. During the six months ended April 30, 2023, the Company incurred $29,046 (2022 - $23,571) for accounting services by SKS Business Services.

9. Income per share

As at April 30, 2023 and 2022, the weighted average number of common shares for the purpose of calculating diluted income per share reconciles to the weighted average number of common shares used in the calculation of basic income per share as follows:

Particulars	**Three months Ended April 30,**		**Six months Ended April 30,**	
	2023 **$**	**2022** **$**	**2023** **$**	**2022** **$**
Net loss for the period	(1,235,603)	(790,120)	(1,872,738)	(2,884,469)
Basic weighted average number of shares outstanding	165,523,533	151,645,499	160,495,909	151,220,041
Diluted weighted average number of shares outstanding	165,523,533	151,645,499	160,495,909	151,220,041
Loss per share – basic and diluted	**($0.01)**	**($0.00)**	**($0.01)**	**($0.02)**

10. Financial Instruments and Risk Management

Categories of Financial Assets and Financial Liabilities

Financial instruments are classified into one of the following categories: fair value through profit or loss ("FVTPL"); amortized cost; fair value through other comprehensive income ("FVOCI"). The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	**Category**	**April 30, 2023** **$**	**October 31, 2022** **$**
Cash	FVTPL	1,196,018	1,198,536
Reclamation deposit	amortized cost	96,984	97,637
Investments	FVTPL	126,659	148,839
Accounts payable and accrued liabilities	amortized cost	(205,618)	(203,426)
Property acquisition obligation	amortized cost	(530,391)	(496,839)

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

(Unaudited - Expressed in Canadian Dollars)

10. Financial Instruments and Risk Management (continued)

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for amounts receivable and accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The recorded amounts for the reclamation deposit and property acquisition obligation approximates their fair value. The Company's fair value of cash under the fair value hierarchy is measured using Level 1.

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

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, amounts receivable and reclamation deposit. Management believes that the credit risk concentration with respect to financial instruments included in cash, amounts receivable and reclamation deposit is remote.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. The following table is based on the contractual maturity dates of financial assets and liabilities and the earliest date on which the Company can be required to settle financial liabilities.

Contractual Maturity Analysis at April 30, 2023

	Carrying Amount $	Contractual Cash Flows $	Less than 3 Months $	1 - 5 Years $	Over 5 Years $
Cash	1,196,018	1,196,018	1,196,018	-	-
Reclamation deposit	96,984	96,984	-	-	96,984
Investments	126,659	126,659	-	126,659	-
Accounts payable and accrued liabilities	(205,618)	(205,618)	(205,618)	-	-
Property acquisition obligation	(530,391)	(530,391)	-	(530,391)	-

Market Risk

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

Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash bear floating rates of interest. The interest rate risk on cash and on the Company's obligations are not considered significant.

10. Financial Instruments and Risk Management (continued)

Foreign Currency Risk

The Company's functional currency is the Canadian Dollar and major transactions are transacted in Canadian Dollars and Swedish Krona ("SEK"). The Company maintains SEK bank accounts in Sweden to support the cash needs of its foreign operations. Management believes the foreign exchange risk related to currency conversions is minimal and therefore does not hedge its foreign exchange risk. At April 30, 2023, 1 Canadian Dollar was equal to 7.54 SEK as per Swedish Central Bank.

Balances are as follows:

	SEK	CDN $ Equivalent
Cash	946,953	125,564
VAT receivable	109,957	14,580
Inventories	621,247	82,376
Plant stores and supplies	670,463	88,902
Reclamation deposit	731,415	96,984
Accounts payable and accrued liabilities	(851,552)	(112,914)
Property acquisition obligation	(4,000,000)	(530,391)
	(1,771,517)	(234,899)

Based on the net exposures as of April 30, 2023 and assuming that all other variables remain constant, a 10% fluctuation of the Canadian Dollar against the SEK would result in the Company's net impact being approximately $23,490 higher or lower.

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 and exploration mineral 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 development of the business. The Company defines capital that it manages as share capital and cash. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company is reasonable.

11. Supplemental Cash Flow Information

During the six months ended April 30, 2023 and 2022 non-cash activities were conducted by the Company as follows:

	2023 $	2022 $
Operating activity		
Provision for site restoration	58,237	(3,863,124)
Investing activity		
Revisions of estimates on property, plant and equipment	(58,237)	3,863,124

(Unaudited - Expressed in Canadian Dollars)

12. Segmented Information

The Company is involved in the exploration and development of resource properties in Sweden with corporate operations in Canada and accordingly, has no reportable segment revenues or operating results. The Company's total assets are segmented geographically as follows:

	As at April 30, 2023			
	Corporate Canada $	Mineral Operations Sweden $	Mineral Operations Romania $	Total $
Current assets	1,009,125	454,047	86,490	1,549,662
Exploration and evaluation assets	-	16,415,679	814,573	17,230,252
Property, plant and equipment	-	5,304,756	-	5,304,756
Reclamation deposit	-	96,984	-	96,984
	1,009,125	22,271,466	901,063	24,181,654

	As at October 31, 2022			
	Corporate Canada $	Mineral Operations Sweden $	Mineral Operations Romania $	Total $
Current assets	923,015	559,977	86,091	1,569,083
Exploration and evaluation assets	-	16,457,255	452,408	16,909,663
Property, plant and equipment	-	5,256,035	-	5,256,035
Reclamation deposit	-	97,637	-	97,637
	923,015	22,370,904	538,499	23,832,418

13. Events after the Reporting Period

On June 1, 2023, the Company announced in-situ assay results at over 30% Nickel and 4.7% Cobalt at Bihor Sud. Additionally, surface trench assay results indicate a zone of Pb-Zn-Ag mineralisation.