Intertidal Capital Corp.

(A Capital Pool Company)

Condensed Consolidated Interim Financial Statements

For the three and nine months ended February 28, 2023 and 2022

NOTICE TO READER

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

The accompanying unaudited condensed consolidated interim financial statements of Intertidal Capital Corp. have been prepared by and are the responsibility of the Company's management and approved by the Board of Directors of the Company.

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

(Expressed in Canadian dollars)

As at	**Note**		**February 28, 2023**		**May 31, 2022**
Assets					
Current assets					
Cash		$	253,546	$	277,211
Amounts receivable			3,142		2,705
Total assets		**$**	**255,688**	**$**	**279,916**
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities		$	509	$	10,449
Total liabilities			**509**		**10,449**
Equity					
Shareholders' equity					
Share capital	4		326,961		326,961
Reserves			50,957		50,957
Retained earnings (deficit)			(121,739)		(108,451)
Total shareholders' equity			**256,179**		**269,467**
Total liabilities and shareholders' equity		**$**	**256,688**	**$**	**279,916**

Approved by the Board of Directors

Director (signed by) *"Chris Beltgens"*

Director (signed by) *"Giuseppe Perone"*

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

(Expressed in Canadian dollars)

	Three Months Ended February 28,		Nine Months Ended February 28,	
	2023	**2022**	**2023**	**2022**
Revenues	$ -	$ -	$ -	$ -
Operating Expenses				
Bank charges	64	71	200	72
General and administrative costs	148	-	584	131
Professional fees	-	6,074	7,254	19,215
Regulatory fees	1,225	1,792	5,250	14,482
Total operating expenses	1,437	7,937	13,288	33,900
Operating Loss	(1,437)	(7,937)	(13,288)	(33,900)
Comprehensive loss for the period	(1,437)	(7,937)	(13,288)	(33,900)
Loss Per Share – Basic and Diluted	$ (0.01)	$ (0.00)	$ (0.01)	$ (0.01)
Weighted Average Number of Common Shares Outstanding	5,600,000	3,600,000	5,600,000	3,600,000

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

(Expressed in Canadian dollars)

	Number of shares	Share capital	Reserves	Deficit	Total Shareholders' Equity
Balance at May 31, 2021	**3,600,000**	**$ 180,000**	**$**	**$ (3,120)**	**$ 176,880**
Net loss for the period	-	-	-	(33,900)	(33,900)
Balance at February 28, 2022	**3,600,000**	**$ 180,000**	**$ -**	**$ (37,020)**	**$ 142,980**
Balance at May 31, 2022	**5,600,000**	**$ 326,961**	**$ 50,957**	**$ (108,451)**	**$ 269,467**
Net loss for the period	-	-	-	(13,288)	(13,288)
Balance at February 28, 2023	**5,600,000**	**$ 326,961**	**$ 50,957**	**$ (121,739)**	**$ 256,179**

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

INTERIDAL CAPITAL CORP.
Condensed Consolidated Interim Statements of Cash Flows
(Unaudited)
(Expressed in Canadian dollars)

	Nine Months Ended February 28	
	2023	2022
Cash provided (used in):		
Operating activities		
Net income (loss) for the period	$ (13,288)	$ (33,900)
Changes in non-cash working capital:		
Amounts receivable	(437)	(1,100)
Prepaids	-	(3,642)
Due from Director	-	300
Accounts payable and accrued liabilities	(9,940)	(3,399)
Cash used in operating activities	**(23,665)**	**(41,741)**
Net decrease in cash	(23,665)	(41,741)
Cash, beginning of period	277,211	169,979
Cash, end of period	**$ 253,546**	**$ 128,238**

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

(Expressed in Canadian dollars)

1. Nature of operations

Intertidal Capital Corp. (the "Company") was incorporated under the *Business Corporations Act* (British Columbia) on June 27, 2018.

The Company was formed for the primary purpose of completing an initial public offering ("IPO") on the TSX Venture Exchange (the "Exchange") as a Capital Pool Company ("CPC") in accordance with Policy 2.4 *Capital Pool Companies* (the "CPC Policy"). As a CPC, the Company's principal business would be to identify, evaluate and acquire assets, properties or businesses which would constitute a qualifying transaction in accordance with the CPC Policy of the Exchange (the "Qualifying Transaction"). Until Completion of the Qualifying Transaction (as such term is defined in the CPC Policy), the Company will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential Qualifying Transaction.

The Company's registered office is at 270-1820 Fir Street, Vancouver, British Columbia, V6J 3B1.

The Company has no source of operating revenue, has incurred net loss since inception and as at February 28, 2023 has a deficit of $121,739 (May 31, 2022 – $108,451). Its continued existence will be dependent on the receipt of financing on terms which are acceptable to the Company.

2. Basis of presentation

a) Statement of compliance to International Financial Reporting Standards

These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting", and IFRS as issued by the International Accounting Standards Board ("IASB"). These condensed consolidated interim financial statements should be read in conjunction with the Company's audited financial statements as at and for the year ended May 31, 2022, as some disclosures from the annual financial statements have been condensed or omitted.

These condensed consolidated interim financial statements were authorized for issue by the directors of the Company on March 15, 2023.

b) Basis of Consolidation

The following entities have been consolidated within these condensed consolidated interim financial statements:

Entity	Registered	Holding
Intertidal Capital Corp.	British Columbia, Canada	Parent company
1373909 BC Ltd.	British Columbia, Canada	100% owned

The subsidiary is controlled by the Company. Control exists when the Company is exposed, or has rights, to the variable returns from its involvement with the investee and can affect those returns through its power over the investee.

The financial statements of the subsidiary are included in the condensed consolidated interim financial statements from the date that control commences until the date that control ceases.

Intercompany balances and transactions, and any unrealized income and expenses arising from intercompany transactions, are eliminated in preparing the condensed consolidated interim financial statements.

2. Basis of Presentation (cont'd)

c) Basis of Measurement

These condensed consolidated interim financial statements of the Company have been prepared on an accrual basis and are based on historical costs except for financial instruments measured at fair value. The condensed consolidated interim financial statements are presented in Canadian dollars.

3. Significant accounting policies

Please refer to Note 3 of the audited financials of the Company for the years ended May 31, 2022 and 2021 for full disclosure of the significant accounting policies.

4. Share capital

a) Common shares

The Company's articles authorize an unlimited number of common shares without par value and an unlimited number of preferred shares.

A summary of changes in common share capital in the period is as follows:

	Number of shares		Amount
Balance at May 31, 2021	**3,600,000**	**$**	**180,000**
Shares issued for cash on March 18, 2022	2,000,000		200,000
Balance at May 31, 2022 and February 28, 2023	**5,600,000**	**$**	**380,000**

(i) Upon closing of the IPO on March 18, 2022, all 3,600,000 common shares of the Company outstanding at May 31, 2021 are now subject to a CPC Escrow Agreement (Form 2F), and will be released from escrow in stages over a period of 18 months from the date of the Final OT Exchange Bulletin (as such term is defined in the CPC Policy). As of November 30, 2022, there are 3,600,000 (May 31, 2022 – 3,600,000) common shares subject to escrow.

b) Initial Public Offering as a Capital Pool Company

On March 18, 2022, the Company completed the IPO of 2,000,000 common shares issued at a price of $0.10 per share pursuant to a prospectus dated December 21, 2021. A cash commission of $16,000 was paid to the Company's agent, Haywood Securities Inc., as well as a corporate finance fee of $10,000 plus applicable taxes plus additional agent fees of $8,047 in excess of the $10,000 retainer. In addition, the agent received 120,000 non-transferable warrants to acquire up to 120,000 shares at a price of $0.10 per share for a period of 60 months. The agent's warrants had a fair value of $8,992, estimated using the Black- Scholes Option Pricing Model with a volatility of 100.00%, risk-free interest rate of 1.99%, dividend rate of 0% and expected life of 5 years.

(Expressed in Canadian dollars)

4. Share capital (cont'd)

c) Share purchase warrants

The following is a summary of changes in warrants from June 1, 2021, to February 28, 2023:

	Number of Warrants	Weighted Average Exercise Price $
Balance at May 31, 2021	–	–
Issued warrants	120,000	0.10
Balance at May 31, 2022 and February 28, 2023	120,000	0.10

As at February 28, 2023, the Company had outstanding warrants as follows:

Number	Exercise Price	Expiry Date
120,000	$ 0.10	March 18, 2027
120,000		

d) Stock Option Plan

The Company's directors approved the adoption of the Company's stock option plan (the "Plan") on August 5, 2021. The directors are authorized to grant stock options to directors, officers, consultants, or employees. Options granted under the Plan will have the term, exercise price and vesting determined by the directors.

The following is a summary of changes in options from June 1, 2021, to February 28, 2023:

	Number of Options	Weighted Average Exercise Price $
Balance at May 31, 2021	–	–
Issued options	560,000	0.10
Balance at May 31, 2022 and February 28, 2023	560,000	0.10

As at February 28, 2023, the Company had outstanding options as follows:

Number	Exercise Price	Expiry Date
560,000	$ 0.10	March 18, 2027
560,000		

5. Financial instruments and risk management

The Company is exposed to the following financial risks:

i) Market risk
ii) Credit risk
iii) Liquidity risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies, and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

General objectives, policies and processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure effective implementation of the objectives and policies to the Company's finance function.

The overall objective of the Board of Director's finance function is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility and to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. Further details regarding these policies are set out below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of three types of risk: currency risk, interest rate risk, other price risk.

Currency risk

Currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company's share capital as well as the Company's reporting currency is denominated in Canadian Dollars. The Company considers this risk to be minimal.

Interest rate risk

Interest rate risk is the risk arising from the effect of changes in prevailing interest rates on the Company's financial instruments. The Company holds no interest-bearing financial liabilities and therefore interest rate risk is limited to potential decreases on the interest rate offered on cash held with its financial institution. The Company considers this risk to be minimal.

Credit risk

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is held with reputable institutions in Canada. The Company is not exposed to any material credit risk.

5. Financial instruments and risk management (cont'd)

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company monitors its risk by monitoring the maturity dates of its existing debt and other payables. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

To achieve this objective, the Company regularly monitors working capital positions and updates spending plans as considered necessary. Monthly working capital and expenditure reports are prepared by the Company's finance function and presented to management for review and communication to the Board. As at February 28, 2023, all of the Company's financial liabilities are due within one year.

As at February 28, 2023, the Company's working capital was $255,179 and it does not have any monetary long-term liabilities. The continuing operations of the Company are dependent upon its ability to obtain adequate financing and to commence profitable operations in the future.

Capital management

The Company monitors its equity as capital.

The Company's objectives in managing its capital are to maintain a sufficient capital base to support its operations and to meet its short-term obligations and at the same time preserve inventor's confidence and retain the ability to seek out and acquire new projects of merit. The Company is not exposed to any externally imposed capital requirements.

6. Related party transactions

During the nine months ended February 28, 2023, the Company reimbursed a company controlled by the CEO $nil ($2,500 – February 28, 2022) for a legal retainer.

7. Qualifying Transaction

On May 18, 2022 the Company entered into a non-binding letter of intent with Sendero Resources Corp. ("Sendero") whereby the Company would acquire all of the issued and outstanding securities of Sendero (the "Transaction") by way of a share exchange, amalgamation or such other form of business combination as the parties may determine.

Pursuant to the Transaction, the Company would issue common shares in the capital of the Company ("Intertidal Shares") to the holders of common shares in the capital of Sendero ("Sendero Shares") on the basis of one Intertidal Share for one Sendero Share, which was expected to result in the issuance of 25,666,666 Intertidal Shares.

Prior to closing of the Transaction, the Company would complete a 1.27:1 share consolidation (the "Consolidation") resulting in 4,409,449 Intertidal Shares being outstanding post-Consolidation.

On October 19, 2022, the Company announced the termination of the proposed Transaction with Sendero.