

# RockTech Lithium

Rock Tech Lithium Inc.  
Condensed Interim Consolidated Financial Statements  
June 30, 2023

Expressed in Canadian Dollars (CAD) (Unaudited)

Condensed Interim Consolidated Statements of Financial Position  
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss  
Condensed Interim Consolidated Statements of Shareholders' Equity  
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Notes to the Condensed Interim Consolidated Financial Statements

Rock Tech Lithium Inc.  
Condensed Interim Consolidated Statements of Financial Position  
(Expressed in Canadian dollars)  
(Unaudited)

	<i>Note</i>	<b>June 30, 2023</b>	<b>December 31, 2022</b>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	<b>11, 14</b>	\$ 20,414,779	\$ 34,839,430
Receivables		549,515	3,231,363
Prepaid expenses and deposits		861,927	1,014,554
<b>Total Current Assets</b>		<b>21,826,221</b>	<b>39,085,347</b>
<b>Non-current assets</b>			
Property, plant and equipment	<b>3</b>	3,179,547	2,350,199
Right of use assets	<b>4</b>	717,327	901,576
Exploration and evaluation assets	<b>5</b>	23,983,596	21,940,793
Investment in joint venture	<b>6</b>	676,833	689,085
<b>TOTAL ASSETS</b>		<b>\$ 50,383,524</b>	<b>\$ 64,967,000</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	<b>7, 9</b>	\$ 5,099,443	\$ 7,420,224
Current portion of lease liabilities	<b>4</b>	278,190	270,454
<b>Total Current Liabilities</b>		<b>5,377,633</b>	<b>7,690,678</b>
<b>Non-current liabilities</b>			
Non-current portion of lease liabilities	<b>4</b>	646,387	746,962
Deferred tax liability	<b>13</b>	75,895	214,605
<b>TOTAL LIABILITIES</b>		<b>6,099,915</b>	<b>8,652,245</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	<b>8</b>	163,275,116	157,625,866
Reserves	<b>8</b>	21,115,610	19,917,453
Accumulated other comprehensive income (loss)		(188,701)	105,637
Deficit		(139,918,416)	(121,334,201)
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>44,283,609</b>	<b>56,314,755</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>\$ 50,383,524</b>	<b>\$ 64,967,000</b>

NATURE AND CONTINUANCE OF OPERATIONS (Note 1)  
SUBSEQUENT EVENT (Note 16)

Approved on behalf of the Board on August 18, 2023:

*"Dirk Harbecke"*

Dirk Harbecke – Director

*"Michelle Gahagan"*

Michelle Gahagan – Director

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

Rock Tech Lithium Inc.  
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss  
(Expressed in Canadian dollars)  
(Unaudited)

	<i>Note</i>	Three months ended June 30,		Six months ended June 30,	
		2023	2022	2023	2022
<b>Expenses</b>					
Downstream development	<b>9, 10</b>	\$ 2,652,698	\$ 7,914,482	\$ 10,791,307	\$ 12,876,362
Consulting fees	<b>9</b>	728,983	775,621	1,470,610	2,646,169
Professional fees		478,874	1,240,275	843,033	2,109,742
Community relations		11,656	2,061,174	26,072	2,061,174
Marketing and communication		128,118	48,888	239,175	61,731
General administration		574,596	456,591	1,198,027	861,170
Salaries and wages	<b>9</b>	1,219,614	1,462,415	2,674,052	2,975,136
Stock-based payments	<b>8, 9</b>	564,213	1,230,943	1,198,157	2,340,007
Amortization	<b>3, 4</b>	145,553	49,256	262,228	98,586
Finance charges		10,534	1,892	21,367	4,293
Foreign exchange loss (gain)	<b>11</b>	36,778	(2,250,974)	68,826	(1,699,242)
<b>Total Expenses</b>		\$ (6,551,617)	\$ (12,990,563)	\$ (18,792,854)	\$ (24,335,128)
<b>Other items:</b>					
Interest Income		(190,947)	(85)	(190,947)	(628)
Share of loss in joint venture	<b>6</b>	6,987	-	12,464	-
<b>Net loss for the period (before taxes)</b>		(6,367,657)	(12,990,478)	(18,614,371)	(24,334,500)
Current income tax expense		(108,554)	-	(108,554)	-
Deferred tax recovery		73,582	-	138,710	-
<b>Net loss for the period</b>		(6,402,629)	(12,990,478)	(18,584,215)	(24,334,500)
Other comprehensive income:					
Item that may be reclassified to profit or loss					
Foreign currency translation		(400,416)	(1,415,901)	(294,338)	(1,489,912)
<b>Comprehensive loss for the period</b>		(6,803,045)	(14,406,379)	\$ (18,878,553)	\$ (25,824,412)
<b>Loss per share - basic and diluted</b>		\$ (0.07)	\$ (0.18)	\$ (0.20)	\$ (0.33)
<b>Weighted average number of shares outstanding - basic and diluted</b>		96,763,662	72,739,809	94,813,614	72,739,809

Certain prior period comparative amounts have been reclassified for consistency with the current period presentation. These reclassifications had no effect on the reported comprehensive loss for the period.

Rock Tech Lithium Inc.  
Condensed Interim Consolidated Statement of Shareholders' Equity  
(Expressed in Canadian dollars)  
(Unaudited)

	Common Shares		Reserves			Accumulated other comprehensive income (loss)	Deficit	Total Shareholders' Equity	
	Note	Number	Amount	Conversion feature reserve	Stock option reserve				Warrant reserve
<b>Balance, December 31, 2021</b>		<b>72,483,898</b>	<b>\$ 107,646,762</b>	<b>\$ 75,994</b>	<b>\$ 13,396,703</b>	<b>\$ 748,266</b>	<b>\$ 41,196</b>	<b>\$ (59,689,863)</b>	<b>\$ 62,219,058</b>
Shares issued for private placements	8	331,429	1,720,184	-	-	-	-	-	1,720,184
Stock-based compensation	8	-	-	-	2,340,007	2,061,174	-	-	4,401,181
Shares issued on exercise of warrants	8	189,447	171,786	-	-	-	-	-	171,786
Shares issued on exercise of stock options	8	250,000	266,710	-	(125,460)	-	-	-	141,250
Loss and comprehensive loss for the period		-	-	-	-	-	(1,489,912)	(24,334,500)	(25,824,412)
<b>Balance, June 30, 2022</b>		<b>73,254,774</b>	<b>\$ 109,805,442</b>	<b>\$ 75,994</b>	<b>\$ 15,611,250</b>	<b>\$ 2,809,440</b>	<b>\$ (1,448,716)</b>	<b>\$ (84,024,363)</b>	<b>\$ 42,829,047</b>
<b>Balance, December 31, 2022</b>		<b>93,336,162</b>	<b>\$ 157,625,866</b>	<b>\$ 75,994</b>	<b>\$ 17,032,019</b>	<b>\$ 2,809,440</b>	<b>\$ 105,637</b>	<b>\$ (121,334,201)</b>	<b>\$ 56,314,755</b>
Stock-based payments	8	-	-	-	1,198,157	-	-	-	1,198,157
Shares issued on exercise of warrants	8	3,427,500	5,649,250	-	-	-	-	-	5,649,250
Loss and comprehensive loss for the period		-	-	-	-	-	(294,338)	(18,584,215)	(18,878,553)
<b>Balance, June 30, 2023</b>		<b>96,763,662</b>	<b>\$ 163,275,116</b>	<b>\$ 75,994</b>	<b>\$ 18,230,176</b>	<b>\$ 2,809,440</b>	<b>\$ (188,701)</b>	<b>\$ (139,918,416)</b>	<b>\$ 44,283,609</b>

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

Rock Tech Lithium Inc.  
Condensed Interim Consolidated Statement of Cash Flows  
(Expressed as Canadian Dollars)  
(Unaudited)

	<b>Six months ended June 30,</b>	
	<b>2023</b>	<b>2022</b>
<b>Operating Activities</b>		
Net loss for the period	(18,584,215)	\$ (24,334,500)
Items Not Affecting Cash:		
Amortization	262,228	98,586
Non-cash interest	21,367	4,293
Share of loss in joint venture	12,464	-
Stock-based payments	1,198,157	4,401,181
Deferred tax recovery	(138,710)	-
Changes in Non-Cash Operating Working Capital:		
Receivables	2,681,848	(1,397,531)
Prepaid expenses and deposits	152,627	(216,674)
Accounts payable and accrued liabilities	(2,312,798)	(3,408,714)
<b>Net Cash used in Operating Activities</b>	<b>(16,707,032)</b>	<b>(24,853,359)</b>
<b>Investing Activities</b>		
Expenditures on exploration and evaluation assets	(2,050,786)	(7,254,614)
Purchase of property, plant and equipment	(917,572)	(1,891,934)
<b>Net Cash used in Investing Activities</b>	<b>(2,968,358)</b>	<b>(9,146,548)</b>
<b>Financing Activities</b>		
Lease payments made	(114,207)	(85,414)
Proceeds from warrant exercises	5,649,250	171,786
Proceeds from option exercises	-	141,250
Proceeds from private placements	-	1,720,184
<b>Net Cash provided by Financing Activities</b>	<b>5,535,043</b>	<b>1,947,806</b>
Effect of foreign exchange on cash	(284,304)	(1,369,592)
Decrease in cash and cash equivalents	(14,424,651)	(33,421,693)
Cash and cash equivalents, beginning of year	34,839,430	55,761,461
<b>Cash and cash equivalents, end of period</b>	<b>20,414,779</b>	<b>\$ 22,339,768</b>
<b>Supplemental cash flow information:</b>		
Exploration and evaluation assets in accounts payable and accrued liabilities	350,055	\$ 311,280

See details of cash and cash equivalents in Note 14.

**1. Nature and continuance of operations**

Rock Tech Lithium Inc. (the “Company”) was incorporated in British Columbia (“BC”) and is a Tier I listed issuer on the TSX Venture Exchange (“TSX-V”) and trades under the symbol “RCK”. The Company is strategically focused on developing and optimizing high-quality battery grade lithium hydroxide monohydrate through the construction and operation of multiple lithium hydroxide manufacturing plants (each, a “Converter”) in Europe and North America, beginning with the Company’s proposed lithium hydroxide merchant Converter and refinery facility in Guben, Germany (the “Guben Converter”) and on developing its wholly-owned Georgia Lake spodumene project located in the Thunder Bay Mining District of Ontario, Canada (the “Georgia Lake Project”). The head office, principal address and records office of the Company are located at 777 Hornby Street, Suite 600, Vancouver, BC, Canada, V6Z 1S4.

These condensed interim consolidated financial statements have been prepared on the assumption that the Company and its subsidiaries (the “Company”) will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The recoverability of carrying amounts for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying mineral properties, the ability of the Company to obtain necessary financing to complete exploration and development, achievement of future profitable production or proceeds from the disposition thereof. The Company has not yet determined whether these properties contain ore reserves that are economically recoverable.

The Company does not yet have a source of revenue and its continuation as a going-concern is dependent upon the successful results of its mineral property exploration and downstream development activities and its ability to raise equity capital sufficient to meet current and future obligations. As at June 30, 2023, the Company had cash and cash equivalents of \$20,414,779 which alleviates significant doubt about the Company’s ability to continue as a going concern.

**2. Significant accounting policies and basis of preparation**

These financial statements were authorized for issue on August 18, 2023, by the directors of the Company.

***Statement of compliance with International Financial Reporting Standards***

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

***Basis of preparation***

The condensed interim consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The condensed interim consolidated financial statements are presented in Canadian dollars (CAD) unless otherwise noted.

These unaudited condensed interim consolidated financial statements have been prepared based on the principles of International Financial Reporting Standards (IFRS) and International Accounting Standard 34, “Interim Financial Reporting” and follows the same accounting policies and methods of application as the Company’s most recent annual financial statements. The unaudited interim condensed consolidated financial statements should be read in conjunction with the Company’s annual consolidated financial statements and accompanying notes for the year ended December 31, 2022. Accordingly, the accounting policies applied are the same as those applied in the annual financial statements which are filed on SEDAR at [www.sedar.com](http://www.sedar.com).

**2. Significant accounting policies and basis of preparation (continued)**

***Functional currency***

The Company's functional currency is the Canadian dollars. The functional currency is determined based on the primary economic environment in which the Company operates. The condensed interim consolidated financial statements are prepared in Canadian dollars, which is the Company's reporting currency.

***Foreign Currency Transactions and Translations***

Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at rates prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the translation and settlement of these items are recognized in the condensed interim consolidated statement of loss and comprehensive loss. Income and expenses of foreign operations are translated at average rates of exchange for the reporting period.

***Consolidation***

The condensed interim consolidated financial statements include the accounts of the Company and its controlled entities. Details of controlled entities are as follows:

	Province/Country of incorporation	Percentage owned	
		Jun. 30, 2023	Dec. 31, 2022
Rock Tech Georgia Lake Inc.	Ontario	100%	100%
Rock Tech Consulting GmbH	Germany	100%	100%
Rock Tech Guben GmbH	Germany	100%	100%
Rock Tech Europe Holding S.A. R.L.	Luxembourg	-	100%

Inter-company balances and transactions, including income and expenses arising from inter-company transactions, are eliminated on consolidation.

During the period ended June 30, 2023, Rock Tech Europe Holding S.A.R.L. was merged with Rock Tech Consulting GmbH.

## 2. Significant accounting policies and basis of preparation (continued)

### ***Significant estimates and assumptions***

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

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the useful lives of property, plant and equipment, the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments and stock-based payments and other equity-based payments, the recognition and valuation of provisions for restoration and environmental liabilities, and the recoverability and measurement of deferred tax assets and liabilities. Actual results may differ from those estimates and assumptions.

### ***Significant judgments***

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's financial statements include: the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty, the classification / allocation of expenditures as exploration and evaluation expenditures or operating expenses, the classification / allocation of downstream development costs as capital assets or operating expenses, whether the Company has control, joint control or significant influence over its investments, whether joint arrangements are joint ventures or jointly controlled operations, and whether mineral properties are in the exploration and evaluation stage or have established technical feasibility and commercial viability.



### 3. Property, plant and equipment

	Equipment	Land	Computer Software	Asset under Construction	Total
<b>Cost:</b>					
December 31, 2021	\$ 111,270	\$ 1,822,991	\$ -	\$ -	\$ 1,934,261
Foreign exchange	(178)	20,998	-	-	20,820
Additions for the year	53,944	2,287	428,027	-	484,258
Disposals for the year	(1,649)	-	-	-	(1,649)
At December 31, 2022	\$ 163,387	\$ 1,846,276	\$ 428,027	\$ -	\$ 2,437,690
Foreign exchange	(747)	(17,462)	11,184	-	(7,025)
Additions for the period	-	-	60,552	857,020	917,572
<b>At June 30, 2023</b>	<b>\$ 162,640</b>	<b>\$ 1,828,814</b>	<b>\$ 499,763</b>	<b>\$ 857,020</b>	<b>\$ 3,348,237</b>
<b>Accumulated amortization:</b>					
At December 31, 2021	\$ (50,114)	\$ -	\$ -	\$ -	\$ (50,114)
Foreign exchange	(80)	-	-	-	(80)
Charge for the year	(37,711)	-	-	-	(37,711)
Disposals for the year	414	-	-	-	414
At December 31, 2022	\$ (87,491)	\$ -	\$ -	\$ -	\$ (87,491)
Foreign exchange	599	-	(3,820)	-	(3,221)
Charge for the period	(21,138)	-	(56,840)	-	(77,978)
<b>At June 30, 2023</b>	<b>\$ (108,030)</b>	<b>\$ -</b>	<b>\$ (60,660)</b>	<b>\$ -</b>	<b>\$ (168,690)</b>
<b>Net book value:</b>					
At December 31, 2022	\$ 75,896	\$ 1,846,276	\$ 428,027	\$ -	\$ 2,350,199
<b>At June 30, 2023</b>	<b>\$ 54,610</b>	<b>\$ 1,828,814</b>	<b>\$ 439,103</b>	<b>\$ 857,020</b>	<b>\$ 3,179,547</b>

During the period ended June 30, 2023, the Company commenced site preparation for construction of the Guben Converter and incurred costs of \$857,020 which have been capitalized as property, plant and equipment.

### 4. Right of use asset and lease liability

The Company entered into a lease agreement for long-term office space during the year ended December 31, 2022 and recognized an initial lease liability of \$878,785 under IFRS 16, measured using the present value of the lease payments discounted using an incremental borrowing rate of 4%. The Company recorded a right of use asset of the same amount which relates to a long-term office lease. Depreciation of the right of use asset is calculated using the straight-line method over the remaining lease term.

During the six months ended June 30, 2023, the Company recognized interest expense on the lease liability of \$21,367 (June 30, 2022 - \$4,293) which was recorded within finance charges.

#### Right-of-use assets:

Balance - December 31, 2021	\$ 260,991
Additions	878,785
Depreciation	(238,200)
Balance - December 31, 2022	\$ 901,576
Additions	-
Depreciation	(184,250)
<b>Balance - June 30, 2023</b>	<b>\$ 717,327</b>

**4. Right of use asset and lease liability (continued)**

**Lease liability:**

Balance - December 31, 2021	\$ 263,120
Additions	878,785
Lease payments	(146,610)
Finance charges	22,121
Balance - December 31, 2022	\$ 1,017,416
Additions	-
Lease payments	(114,206)
Finance charges	21,367
<b>Balance - June 30, 2023</b>	<b>\$ 924,577</b>
Current lease liability included in lease	\$ 278,190
Non-current lease liability included in long-term lease	646,387
<b>Total</b>	<b>\$ 924,577</b>

**Maturity Analysis - Undiscounted contractual payments:**

	June 30, 2023
Short-term portion of the lease (<1 Year)	\$ 352,509
Long-term portion of the lease (>1 Year)	\$ 635,771
<b>Total</b>	<b>\$ 988,280</b>

**5. Exploration and evaluation assets**

	<b>For the period ended:</b>		<b>For the year ended:</b>	
	<b>June 30, 2023</b>		<b>December 31, 2022</b>	
<b>Georgia Lake:</b>				
Balance, beginning of year	\$	21,940,793	\$	12,976,889
Costs incurred during period:				
General management		483,731		1,211,873
Engineering		183,533		1,449,969
Exploration		1,241,095		4,912,807
Environment and permitting		109,445		1,389,255
<b>Balance, end of period</b>	<b>\$</b>	<b>23,958,596</b>	<b>\$</b>	<b>21,940,793</b>
<b>Boston Lake:</b>				
Balance, beginning of year	\$	-	\$	-
Costs incurred during period:				
Acquisition costs		25,000		-
<b>Balance, end of period</b>	<b>\$</b>	<b>25,000</b>	<b>\$</b>	<b>-</b>
<b>Total Exploration and Evaluations Assets</b>	<b>\$</b>	<b>23,983,596</b>	<b>\$</b>	<b>21,940,793</b>

**Georgia Lake, Ontario**

The Company holds a 100% interest in the Georgia Lake lithium project. The Georgia Lake Project is subject to a 1.5% NSR Royalty.

**Boston Lake Option Agreement (the "Option Agreement")**

In July 2023, the Company was granted the option to acquire a 100% undivided interest in the unpatented mining claims associated with the property in the Thunder Bay Mining District of Ontario (the "Boston Lake Claims").

During the three-year term of the Option Agreement, the Company will make annual cash payments totaling \$175,000 and must incur aggregated exploration expenditures in the amount of \$350,000 in stages. During the period ended June 30, 2023, the Company made payments of \$25,000 (June 30, 2022 - \$nil) in association with the Agreement.

Concurrent with the cash payments, the Company will issue in total a maximum of 88,361 common shares of the Company, of which the first tranche of 12,623 shares with a value of \$25,000 were issued subsequent to period end in July 2023.

The Option Agreement provides for a payment of 2% net smelter return royalties (NSR) equaling to 2% of the net value of products mined and removed from the property to the optionor. Provided by the terms of the Agreement, the Company has the right at any time to purchase from the optionor 1% of the 2% royalties by way of a one-time payment of \$1,000,000.

**6. Investment in joint venture**

In October 2022, the Company and Transmine Holdings and Investments Limited (“Transamine”) entered into a definitive agreement to form a joint venture entity called RTT Lithium SA (“RTT”). Pursuant to the definitive agreement, RTT shall identify, pursue, and secure the supply of and establish a new route for lithium-bearing spodumene for the Company’s planned European lithium converters. During the year ended December 31, 2022, the Company contributed a 500,000 Swiss Francs (“CHF”) initial investment, representing 50% ownership of RTT. The Company’s investment in RTT is accounted for using the equity method.

	<b>June 30, 2023</b>	<b>December 31, 2022</b>
Opening balance	\$ 689,085	\$ -
Initial investment in RTT	-	689,085
Company's share of RTT's net loss	(12,464)	-
Company's equity - other comprehensive loss	212	-
Investment in joint venture, carrying value	\$ 676,833	\$ 689,085

	<b>June 30, 2023</b>	<b>December 31, 2022</b>
As at		
Current assets	\$ 1,417,029	\$ 1,466,100
Current liabilities	(24,503)	-
Net assets	\$ 1,392,525	\$ 1,466,100
The Company's share of net assets - 50% (2022 - 50%)	\$ 696,263	\$ 733,050

**7. Accounts payable and accrued liabilities**

	<b>June 30, 2023</b>	<b>December 31, 2022</b>
Trade payables	\$ 2,568,254	\$ 3,350,630
Accrued liabilities	2,531,189	4,069,594
	<b>\$ 5,099,443</b>	<b>\$ 7,420,224</b>

**8. Share capital**

***Authorized share capital***

Unlimited number of common shares without par value.

***Issued share capital***

At June 30, 2023, the Company had 96,763,662 common shares issued and outstanding.

During the six months ended June 30, 2023, the Company issued 3,427,500 common shares related to the exercise of share purchase warrants and received proceeds of \$5,649,250.

During the year ended December 31, 2022, the Company had the following share transactions:

On January 5, 2022, the Company issued 331,429 units at US\$4.20 (\$5.37) per unit related to a private placement for total gross proceeds of \$1,779,826 and recorded \$59,642 as share issuance costs, for net proceeds of \$1,720,184. Each unit consisted of one common share and one share purchase warrant exercisable into one common share at a price of \$6.77 until July 5, 2024.

On August 19, 2022, the Company closed an offering (the "Offering") consisting of both an underwritten offering and non-brokered private placement. In connection with the closing of the Offering, the Company issued an aggregate of 11,449,743 units at a price of \$3.50 per unit for aggregate gross proceeds of \$40,074,100. Each unit is comprised of one common share and one-half of one Common Share purchase warrant. Each warrant entitles the holder thereof to acquire one Common Share for a period of 36 months from August 19, 2022, at an exercise price of \$4.50. The Company recorded \$2,959,350 as share issuance costs during the year ended December 31, 2022.

During the year ended December 31, 2022, the Company issued 375,000 common shares related to the exercise of stock options and received proceeds of \$216,250.

During the year ended December 31, 2022, the Company issued 8,696,092 common shares related to the exercise of share purchase warrants and received proceeds of \$10,742,947.

***Basic and diluted loss per share***

The calculation of basic and diluted loss per share for the three and six month periods ended June 30, 2023 and 2022 were based on the loss attributable to common shareholders and the weighted average number of common shares outstanding. Diluted loss per share did not include the effect of stock options and warrants as the effect would be anti-dilutive. During the six month period ended June 30, 2023, the Company had a loss per share of \$0.20 (June 31, 2022 - \$0.33).

***Stock options***

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the Company's issued and outstanding common shares. In connection with the foregoing, the number of Common Shares reserved for issuance to any one person in any 12-month period under this Plan and any Other Share Compensation Arrangement shall not exceed 5% of the outstanding Common Shares at the time of the grant, unless the Company has obtained Disinterested Shareholder Approval to exceed such limit.

**8. Share capital (continued)**

***Stock options (continued)***

On May 3, 2021, the Company granted 65,000 stock options to employees of the Company. The options have an exercise price of \$4.42 and fully vest on May 3, 2022, with an expiry date of May 3, 2024. The fair value of the options granted was \$178,769, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 0.29%; volatility of 101%; dividend rate 0%; forfeiture rate 0%; and expected life of 3 years. The share-based compensation expense recognized in the period for the vesting of these options was \$nil (2022 - \$60,242).

On May 3, 2021, the Company granted 65,000 stock options to employees of the Company. The options have an exercise price of \$4.42 and fully vest on May 3, 2023, with an expiry date of May 3, 2025. The grant date fair value of the options was \$190,177, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 0.29%; volatility of 95.4%; dividend rate 0%; forfeiture rate 0%; and expected life of 4 years. The stock-based compensation expense recognized in the period ended June 30, 2023 for the vesting of these options was \$32,044 (2022 - \$47,153).

On May 25, 2021, the Company granted 600,000 stock options to a consultant of the Company. The options have an exercise price of \$4.06 with an expiry date of May 25, 2023, and vest as follows: 25% on August 25, 2021, 25% on November 25, 2021, 25% on February 25, 2022, and 25% on May 25, 2022. The fair value of the options granted was \$1,402,851, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 0.30%; volatility of 113%; dividend rate 0%; forfeiture rate 0%; and expected life of 2 years. The share-based compensation expense recognized in the period for the vesting of these options was \$nil (2022 - \$210,483).

On July 6, 2021, the Company granted 12,500 stock options to an employee of the Company. The options have an exercise price of \$5.21 and fully vest on July 6, 2022, with an expiry date of July 6, 2024. The fair value of the options granted was \$40,568, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 0.46%; volatility of 101%; dividend rate 0%; forfeiture rate 0%; and expected life of 3 years. The share-based compensation expense recognized in the period for the vesting of these options was \$nil (2022 - \$20,117).

On July 6, 2021, the Company granted 12,500 stock options to an employee of the Company. The options have an exercise price of \$5.21 and fully vest on July 6, 2023, with an expiry date of July 6, 2025. The grant date fair value of the options was \$43,384, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 0.46%; volatility of 96%; dividend rate 0%; forfeiture rate 0%; and expected life of 4 years. The stock-based compensation expense recognized in the period ended June 30, 2023 for the vesting of these options was \$10,757 (2022 - \$10,757).

On January 12, 2022, the Company granted 1,196,000 stock options to directors, employees and consultants of the Company. The options have an exercise price of \$6.08 and fully vest between January 12, 2024 and January 12, 2026, with expiry dates between January 12, 2026 and January 12, 2028. The grant date fair value of the options was \$5,182,690, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 1.09%; volatility between 97% and 105%; dividend rate 0%; forfeiture rate 0%; and expected life between 4 and 6 years. The stock-based compensation expense recognized in the period ended June 30, 2023 for the vesting of these options was \$426,485 (2022 - \$1,811,409).

On February 14, 2022, the Company granted 100,000 stock options to employees of the Company. The options have an exercise price of \$5.03 and fully vest on February 14, 2026, with an expiry date on February 14, 2028. The grant date fair value of the options was \$402,969, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 1.43%; volatility of 103%; dividend rate 0%; forfeiture rate 0%; and expected life of 6 years. The stock-based compensation expense recognized in the period ended June 30, 2023 for the vesting of these options was \$33,775 (2022 - \$88,512).

**8. Share capital (continued)**

***Stock options (continued)***

On March 7, 2022, the Company granted 25,000 stock options to an employee of the Company. The options have an exercise price of \$4.19 and fully vest on March 7, 2026, with an expiry date of March 7, 2028. The grant date fair value of the options was \$83,453, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 1.36%; volatility of 102%; dividend rate 0%; forfeiture rate 0%; and expected life of 6 years. The stock-based compensation expense recognized in the period ended June 30, 2023 for the vesting of these options was \$17,247 (2022 - \$15,468).

On April 8, 2022, the Company granted 1,000 stock options to an employee of the Company. The options have an exercise price of \$5.57 and fully vest on April 8, 2026, with an expiry date of April 8, 2028. The grant date fair value of these options was \$4,310, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 2.34%; volatility of 95%; dividend rate 0%; forfeiture rate 0%; and expected life of 6 years. The stock-based compensation expense recognized in the period ended June 30, 2023 for the vesting of these options was \$996 (2022 - \$577).

On April 25, 2022, the Company granted 100,000 stock options to an employee of the Company. The options have an exercise price of \$4.91 and fully vest on April 25, 2026, with an expiry date of April 25, 2028. The grant date fair value of these options was \$379,313, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 2.50%; volatility of 95%; dividend rate 0%; forfeiture rate 0%; and expected life of 6 years. The stock-based compensation expense recognized in the period ended June 30, 2023 for the vesting of these options was \$92,740 (2022 - \$40,366).

On May 4, 2022, the Company granted 100,000 stock options to an officer of the Company. The options have an exercise price of \$4.92 and fully vest on May 4, 2026, with an expiry date of May 4, 2028. The grant date fair value of these options was \$380,149, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 2.59%; volatility of 95%; dividend rate 0%; forfeiture rate 0%; and expected life of 6 years. In 2023, 75,000 of these stock options were cancelled prior to vesting. A net reversal of stock-based compensation expense of \$52,619 was recorded in the period ended June 30, 2023 (2022 - \$34,923 stock-based compensation expense).

On October 17, 2022, the Company granted 300,000 stock options to directors of the Company. The options have an exercise price of \$2.77 and fully vest on October 17, 2024, with an expiry date of October 17, 2026. The grant date fair value of these options was \$557,023, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 4.10%; volatility of 96%; dividend rate 0%; forfeiture rate 0%; and expected life of 4 years. The stock-based compensation expense recognized in the period ended June 30, 2023 for the vesting of these options was \$81,178.

On October 21, 2022, the Company granted 185,000 stock options to employees and an officer of the Company. The options have an exercise price of \$3.73 and fully vest on October 21, 2026, with an expiry date of October 21, 2028. The grant date fair value of these options was \$457,334, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 4.15%; volatility of 90%; dividend rate 0%; forfeiture rate 0%; and expected life of 6 years. The stock-based compensation expense recognized in the period ended June 30, 2023 for the vesting of these options was \$133,474.

On December 15, 2022, the Company granted 170,000 stock options to an employee and an officer of the Company. The options have an exercise price of \$2.50 and fully vest on December 15, 2026, with an expiry date of December 15, 2028. The grant date fair value of these options was \$327,425, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 3.68%; volatility of 89%; dividend rate 0%; forfeiture rate 0%; and expected life of 6 years. The stock-based compensation expense recognized in the period ended June 30, 2023 for the vesting of these options was \$119,269.

**8. Share capital (continued)**

***Stock options (continued)***

On April 21, 2023, the Company granted 52,500 stock options to employees of the Company. The options have an exercise price of \$2.48 and fully vest on April 21, 2027, with an expiry date of April 21, 2029. The grant date fair value of these options was \$98,187, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 3.8%; volatility of 90%; dividend rate 0%; forfeiture rate 0%; and expected life of 6 years. The stock-based compensation expense recognized in the period ended June 30, 2023 for the vesting of these options was \$11,064.

On May 24, 2023, the Company granted 25,000 stock options to an employee of the Company. The options have an exercise price of \$2.33 and fully vest on May 24, 2027, with an expiry date of May 24, 2029. The grant date fair value of these options was \$44,349, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 4.18%; volatility of 90%; dividend rate 0%; forfeiture rate 0%; and expected life of 6 years. The stock-based compensation expense recognized in the period ended June 30, 2023 for the vesting of these options was \$2,640.

On June 22, 2023, the Company granted 1,640,000 stock options to employees and officers of the Company. The options have an exercise price of \$2.00 and fully vest on June 22, 2025, with an expiry date of June 21, 2029. The grant date fair value of these options was \$2,509,548, based on the Black-Scholes Option Pricing Model, with the following assumptions: risk free rate 4.69%; volatility of 90%; dividend rate 0%; forfeiture rate 0%; and expected life of 6 years. The stock-based compensation expense recognized in the period ended June 30, 2023 for the vesting of these options was \$289,107.

The changes in options during the six months ended June 30, 2023 and 2022 are as follows:

	June 30, 2023		June 30, 2022	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning	5,432,000	\$3.91	4,410,000	\$3.29
Options granted	1,717,500	\$2.02	1,522,000	\$5.83
Options exercised	-	-	(250,000)	\$0.57
Options expired	(2,366,000)	\$4.13	-	-
Options cancelled	(235,000)	\$4.07	-	-
<b>Options outstanding, ending</b>	<b>4,548,500</b>	<b>\$3.07</b>	<b>5,682,000</b>	<b>\$4.09</b>



**8. Share capital (continued)**

***Stock options (continued)***

Details of options outstanding and exercisable at June 30, 2023 are as follows:

<b>Number outstanding</b>	<b>Number exercisable</b>	<b>Price</b>	<b>Expiry Date</b>	<b>Remaining Life</b>	<b>Weighted average grant date fair value</b>
475,000	475,000	\$5.05	September 1, 2023	0.17 years	\$2.83
65,000	65,000	\$4.42	May 3, 2024	0.84 years	\$2.75
12,500	12,500	\$5.21	July 6, 2024	1.02 years	\$3.25
65,000	65,000	\$4.42	May 3, 2025	1.84 years	\$2.93
12,500	-	\$5.21	July 6, 2025	2.02 years	\$3.47
715,000	715,000	\$0.53	December 31, 2025	2.51 years	\$0.46
670,000	474,581	\$6.08	January 12, 2026	2.54 years	\$4.10
200,000	89,167	\$2.77	October 17, 2026	3.30 years	\$1.86
30,000	30,000	\$3.73	October 21, 2026	3.31 years	\$2.58
30,000	10,625	\$6.08	January 12, 2028	4.54 years	\$4.90
75,000	24,999	\$5.03	February 14, 2028	4.63 years	\$4.03
25,000	7,813	\$4.19	March 7, 2028	4.69 years	\$3.34
1,000	292	\$5.57	April 8, 2028	4.78 years	\$4.31
100,000	29,167	\$4.91	April 25, 2028	4.82 years	\$3.79
185,000	-	\$3.73	October 21, 2028	5.32 years	\$2.47
170,000	-	\$2.50	December 15, 2028	5.47 years	\$1.93
52,500	-	\$2.48	April 21, 2029	5.81 years	\$1.85
25,000	-	\$2.33	May 24, 2029	5.90 years	\$1.77
1,640,000	162,500	\$2.00	June 21, 2029	5.98 years	\$1.53
<b>4,548,500</b>	<b>2,161,644</b>	<b>\$3.07</b>		<b>3.92 years</b>	<b>\$2.13</b>

**8. Share capital (continued)**

***Warrants***

The changes in warrants during the six months ended June 30, 2023 and 2022 are as follows:

	June 30, 2023		June 30, 2022	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Warrants outstanding, beginning	19,664,276	\$ 5.19	21,554,068	\$ 3.72
Warrants issued	-	\$ -	1,081,429	\$ 6.29
Warrants exercised	(3,427,500)	\$ 1.65	(189,447)	\$ 0.91
<b>Warrants outstanding, ending</b>	<b>16,236,776</b>	<b>\$ 5.94</b>	<b>22,446,050</b>	<b>\$ 3.87</b>

Details of warrants outstanding and exercisable as at June 30, 2023 are as follows:

Number outstanding	Price	Expiry Date	Remaining Life
9,430,476	\$6.77	June 30, 2024	1.00 years
331,429	\$6.77	July 5, 2024	1.02 years
5,724,871	\$4.50	August 19, 2025	2.14 years
750,000	\$6.08	June 30, 2027	4.00 years
<b>16,236,776</b>	<b>\$5.94</b>		<b>1.54 years</b>

***Reserves***

***Stock option reserve***

The stock option reserve records items recognized as stock-based compensation expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital. If the options expire unexercised, the amount remains in the reserve account.

***Warrant reserve***

The warrant reserve records items recognized as the value of agent's warrants issued with respect to financings, until such time as the warrants are exercised, at which time the corresponding amount will be transferred to share capital. If the warrants expire unexercised, the amount remains in the reserve account.

***Conversion feature reserve***

The conversion feature reserve records the value of conversion features related to convertible debt financings, until such time as the conversion feature is exercised, at which time the corresponding amount will be transferred to share capital. If the debt expires unconverted, the amount remains in the reserve account.

**9. Related party transactions**

Included in accounts payable and accrued liabilities are amounts due to related parties of \$412,750 (December 31, 2022- \$337,714). These amounts have arisen during the normal course of operations and are unsecured and non-interest bearing.

The Company's key management consists of its officers and directors. Key management compensation for the six months ended June 30, 2023 and 2022 is as follows:

	<b>Six months ended June 30,</b>	
	<b>2023</b>	<b>2022</b>
Salaries and wages	\$ 672,424	\$ 479,186
Consulting fees	561,985	502,742
Stock-based payments	786,014	1,479,955
Downstream development	-	127,681
	<b>\$ 2,020,423</b>	<b>\$ 2,589,564</b>

**10. Downstream development**

During the year ended December 31, 2020, the Company commenced plans to build lithium hydroxide converters. During the period ended June 30, 2023, the Company continued to progress the development of the Guben Converter, which is being designed to process spodumene concentrate from multiple sources, with initial supply sourced via third-party feedstock agreements, to process lithium hydroxide. Expenses incurred during the periods ended June 30, 2023 and 2022 were as follows:

	<b>Six months ended June 30,</b>	
<b>Lithium Hydroxide Converter</b>	<b>2023</b>	<b>2022</b>
Engineering	\$ 5,682,309	\$ 10,085,171
Project Management	3,082,734	2,069,072
Permitting	1,403,568	573,233
Research & Development	345,377	-
Other	277,319	148,886
<b>Total</b>	<b>\$ 10,791,307</b>	<b>\$ 12,876,362</b>

In October 2022, the Company entered into a volume commitment agreement with Mercedes-Benz (the "Volume Commitment Agreement"). The Volume Commitment Agreement provides for the supply of an average of 10,000 tonnes of battery-grade lithium hydroxide per year to Mercedes-Benz for a term of five years commencing in 2026 after a product qualification period.

**11. Financial instruments**

***Categories of financial instruments***

	June 30, 2023	December 31, 2022
Financial Assets		
Amortized cost		
Cash and cash equivalents	\$ 20,414,779	\$ 34,839,430
Receivables	\$ 549,515	\$ 3,231,363
<b>Total Financial Assets</b>	<b>\$ 20,964,294</b>	<b>\$ 38,070,793</b>
Financial Liabilities		
Amortized cost		
Trade payables	\$ 2,568,254	\$ 3,350,630
<b>Total Financial Liabilities</b>	<b>\$ 2,568,254</b>	<b>\$ 3,350,630</b>

***Fair value***

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amounts of all its financial assets and financial liabilities recognized at amortized cost in these condensed interim consolidated financial statements approximate their fair values due to the demand nature or short-term maturity of these instruments. There were no transfers between Level 1 and Level 2 during the period ended June 30, 2023.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data. As at June 30, 2023, the Company does not have any Level 3 financial instruments.

The Company's financial instruments are exposed to the following risks:

***Foreign currency risk***

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency.

The Company is exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in Euros ("EUR"). At June 30, 2023, the Company holds cash of \$13,539,505 (December 31, 2022 - \$13,958,453) in EUR bank accounts and \$86,728 (December 31, 2022 - \$235,384) in U.S. dollar bank accounts. A 1% change in foreign exchange rates would have an effect of \$194,431 (December 31, 2022 - \$203,370) on foreign currency. During the six month period ended June 30, 2023, the Company had a foreign exchange loss of \$68,826 (June 30, 2022 - \$1,699,242 foreign exchange gain).

**11. Financial instruments (continued)**

***Fair value (continued)***

*Credit risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The cash is deposited in bank accounts held with major banks in Canada and Germany. As all of the Company's cash is held by two banks, there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. The Company's secondary exposure to credit risk is on its other receivables. This risk is minimal as receivables consist primarily of refundable government goods and services taxes.

*Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. The Company believes it has adequate cash at June 30, 2023 to reduce its risk.

*Interest rate risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its cash equivalents as these instruments have original maturities of three month periods or less and are therefore exposed to interest rate fluctuations on renewal. A 1% change in market interest rates would not have a material impact on the Company's net loss.

**12. Capital management**

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of \$16,448,588 of working capital and \$163,275,116 of share capital (December 31, 2022 - \$31,394,669 working capital and \$157,625,866 share capital). There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

**13. Income tax expense and deferred tax assets and liabilities**

The Company has recognized the following deferred tax liability:

	June 30, 2023	December 31, 2022
Canadian non-capital loss carry-forwards	\$ 381,745	\$ 243,184
Exploration and evaluation assets	(482,425)	(482,425)
Land and equipment	24,785	24,636
<b>Net deferred tax liability</b>	<b>\$ (75,895)</b>	<b>\$ (214,605)</b>

**14. Supplemental cash flow disclosures**

The Company's cash and cash equivalents are comprised of the following:

	June 30, 2023	December 31, 2022
<b>Cash and cash equivalents consist of:</b>		
Cash	\$ 20,414,779	\$ 33,889,430
Redeemable Guaranteed Investment Certificate	-	950,000
	<b>\$ 20,414,779</b>	<b>\$ 34,839,430</b>

**15. Segmented information**

The Company operates in three operating reportable segments: Corporate, Converter Project, and Georgia Lake Project.

A breakdown of net loss (income) for each operating segment for the six months ended June 30, 2023, and 2022 is as follows:

<b>For the period ended June 30, 2023</b>	<b>Corporate</b>	<b>Converter Project</b>	<b>Georgia Lake Project</b>	<b>Total</b>
Non-cash stock-based payments	\$ 1,198,157	\$ -	\$ -	\$ 1,198,157
Other operating expenses	6,721,450	10,791,307	106,939	17,619,696
Interest income	(190,947)	-	-	(190,947)
Share of loss in joint venture	12,464	-	-	12,464
Current income tax expense	108,554	-	-	108,554
Deferred tax recovery	-	-	(138,710)	(138,710)
<b>Net loss (income) for the period</b>	<b>\$ 7,849,678</b>	<b>\$ 10,791,307</b>	<b>\$ (31,771)</b>	<b>\$ 18,609,214</b>

  

<b>For the period ended June 30, 2022</b>	<b>Corporate</b>	<b>Converter Project</b>	<b>Georgia Lake Project</b>	<b>Total</b>
Non-cash stock-based payments	\$ 2,340,007	\$ -	\$ -	\$ 2,340,007
Other operating expenses	9,117,029	12,876,362	1,730	21,995,121
Interest income	(628)	-	-	(628)
<b>Net loss for the period</b>	<b>\$ 11,456,408</b>	<b>\$ 12,876,362</b>	<b>\$ 1,730</b>	<b>\$ 24,334,500</b>

**15. Segmented information (continued)**

A breakdown of non-current assets for each operating segment as of June 30, 2023, and December 31, 2022 is as follows:

				Georgia Lake	
<b>At June 30, 2023</b>	<b>Corporate</b>	<b>Converter Project</b>	<b>Project</b>	<b>Project</b>	<b>Total</b>
Property, plant and equipment	\$ 484,312	\$ 2,692,431	\$ 2,804	\$	3,179,547
Right of use assets	717,327	-	-	-	717,327
Exploration and evaluation assets	-	-	23,958,596	-	23,958,596
Investment in joint venture	676,833	-	-	-	676,833
<b>Total non-current assets</b>	<b>\$ 1,878,472</b>	<b>\$ 2,692,431</b>	<b>\$ 23,961,400</b>	<b>\$</b>	<b>28,532,303</b>

  

				Georgia Lake	
<b>At December 31, 2022</b>	<b>Corporate</b>	<b>Converter Project</b>	<b>Project</b>	<b>Project</b>	<b>Total</b>
Property, plant and equipment	\$ 500,558	\$ 1,846,276	\$ 3,365	\$	2,350,199
Right of use assets	901,576	-	-	-	901,576
Exploration and evaluation assets	-	-	21,940,793	-	21,940,793
Investment in joint venture	689,085	-	-	-	689,085
<b>Total non-current assets</b>	<b>\$ 2,091,219</b>	<b>\$ 1,846,276</b>	<b>\$ 21,944,158</b>	<b>\$</b>	<b>25,881,653</b>

The Company's non-current, non-financial assets are located in the following geographical areas:

<b>June 30, 2023</b>		<b>Canada</b>		<b>Germany</b>		<b>Total</b>
Property, plant and equipment	\$	4,082	\$	3,175,465	\$	3,179,547
Right of use assets		-		717,327		717,327
Exploration and evaluation assets		23,958,596		-		23,958,596
<b>Total</b>	<b>\$</b>	<b>23,962,678</b>	<b>\$</b>	<b>3,892,792</b>	<b>\$</b>	<b>27,855,470</b>

  

<b>December 31, 2022</b>		<b>Canada</b>		<b>Germany</b>		<b>Total</b>
Property, plant and equipment	\$	6,651	\$	2,343,548	\$	2,350,199
Right of use assets		-		901,576		901,576
Exploration and evaluation assets		21,940,793		-		21,940,793
<b>Total</b>	<b>\$</b>	<b>21,947,444</b>	<b>\$</b>	<b>3,245,124</b>	<b>\$</b>	<b>25,192,568</b>

**16. Subsequent event**

Subsequent to period end, the Company issued 12,623 common shares with a total value of \$25,000 as part of consideration for the Boston Lake Option Agreement.