STRIA LITHIUM INC.

Consolidated Financial Statements

For the years ended September 30, 2022 and 2021

(Expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders of Stria Lithium Inc.:

Opinion

We have audited the consolidated financial statements of Stria Lithium Inc. and its subsidiary (the "Company"), which comprise the consolidated statements of financial position as at September 30, 2022 and September 30, 2021, and the consolidated statements of comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at September 30, 2022 and September 30, 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the consolidated financial statements, which indicates that the Company is in the exploration stage and has not yet earned revenue from operations. In addition the Company incurred a net loss and had negative cash flows from operations for the year ended September 30, 2022, and, as of that date, the Company had an accumulated deficit. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Gordon Wright.

MNP LLP

Chartered Professional Accountants

Ottawa, Ontario
January 20, 2023

Licensed Public Accountants

Stria Lithium Inc.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

As at	**September 30, 2022**	September 30, 2021
	$	$
ASSETS		
Current assets		
Cash	**2,734,971**	1,106,211
Sales tax receivable	**34,620**	79,136
Other receivables (Note 6)	**133,593**	-
Tax credits	**39,685**	547,618
Prepaid expenses	**36,258**	1,300
	2,979,127	1,734,265
Mineral exploration properties (Note 6)	**589,975**	352,475
Exploration and evaluation assets (Note 6)	**1,650,609**	1,573,273
Total assets	**5,219,711**	3,660,013
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	**147,348**	343,546
Deposits (Note 6)	**1,350,000**	-
Deferred government grant (Note 7)	**41,250**	-
Amounts due to related parties (Note 13)	**-**	765,884
	1,538,598	1,109,430
Long-term liability (Note 8)	**-**	10,000
Total liabilities	**1,538,598**	1,119,430
EQUITY		
Share capital (Note 9)	**6,747,779**	5,462,511
Warrants (Note 10)	**10,092**	108,355
Contributed surplus (Note 11)	**1,917,734**	630,712
Deficit	**(4,994,492)**	(3,660,995)
Total equity	**3,681,113**	2,540,583
Total liabilities and equity	**5,219,711**	3,660,013

Going concern (Note 2)

On behalf of the Board

(signed) "Dean Hanisch"
Dean Hanisch, Director

(signed) "Jeffrey York"
Jeffrey York, Director

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

Stria Lithium Inc.

Consolidated Statements of Comprehensive Loss

(Expressed in Canadian dollars)

For the years ended September 30	**2022**	2021
	$	$
Operating expenses		
Management and consulting fees (Note 13)	**92,488**	118,418
Professional fees	**219,599**	200,584
Insurance	**13,825**	4,500
Agent fees	**22,783**	21,512
Stock-based compensation (Note 11)	**916,095**	-
Other	**10,591**	29,797
Loss before other (expense) income	**(1,275,381)**	(374,811)
Other (expense) income		
Other income (Note 8)	**2,500**	-
Accretion expense on amount due to related party (Note 13)	**(60,616)**	(64,384)
Net loss and total comprehensive loss	**(1,333,497)**	(439,195)
Basic and diluted net loss per common share	**(0.08)**	(0.05)
Basic and diluted weighted average number of common shares outstanding	**16,334,519**	9,308,678

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

Stria Lithium Inc.
Consolidated Statements of Changes in Equity
(Expressed in Canadian dollars)

	Share capital		Warrants	Contributed surplus	Deficit	Total
	# of shares	$	$	$	$	$
Balance, September 30, 2020	**7,246,037**	**3,648,682**	**192,052**	**541,424**	**(3,221,800)**	**1,160,358**
Shares issued for cash	5,200,000	1,300,000	-	-	-	1,300,000
Shares issued on exercise of warrants	97,000	48,500	-	-	-	48,500
Shares issued on exercise of options	15,000	9,937	-	(2,437)	-	7,500
Expiry of warrants	-	-	(91,725)	91,725	-	-
Share issuance costs	-	(44,608)	8,028	-	-	(36,580)
Shares issued in settlement of amount due to related party (Note 13)	2,000,000	500,000	-	-	-	500,000
Net loss	-	-	-	-	(439,195)	(439,195)
Balance, September 30, 2021	**14,558,037**	**5,462,511**	**108,355**	**630,712**	**(3,660,995)**	**2,540,583**
Shares issued for cash	4,274,999	641,250	-	-	-	641,250
Shares issued on exercise of warrants	200,000	120,000	(20,000)	-	-	100,000
Expiry of warrants	-	-	(80,327)	80,327	-	-
Share issuance costs	-	(24,382)	2,064	-	-	(22,318)
Shares issued to acquire mineral property (Note 6)	750,000	112,500	-	-	-	112,500
Shares issued in settlement of amount due to related party (Note 13)	1,453,000	435,900	-	290,600	-	726,500
Stock-based compensation	-	-	-	916,095	-	916,095
Net loss	-	-	-	-	(1,333,497)	(1,333,497)
Balance, September 30, 2022	**21,236,036**	**6,747,779**	**10,092**	**1,917,734**	**(4,994,492)**	**3,681,113**

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

Stria Lithium Inc.
Consolidated Statements of Cash Flows
(*Expressed in Canadian dollars)*

For the years ended September 30	**2022**	2021
	$	$
OPERATING ACTIVITIES		
Net loss	**(1,333,497)**	(439,195)
Adjustments for:		
Stock-based compensation	**916,095**	-
Other income	**(2,500)**	-
Accretion expense on amount due to related party	**60,616**	64,384
Changes in non-cash working capital items (Note 12)	**(186,640)**	(79,048)
Net cash flows from operating activities	**(545,926)**	(453,859)
INVESTING ACTIVITIES		
Acquisition on mineral exploration property (Note 6)	**(125,000)**	-
Exploration and evaluation costs	**(250,614)**	(654,980)
Deposit received for option of mineral exploration property (Note 6)	**1,000,000**	-
Government grant received (Note 7)	**41,250**	-
Tax credits and mining duties received	**547,618**	-
Net cash flows from investing activities	**1,213,254**	(654,980)
FINANCING ACTIVITIES		
Proceeds from issuance of shares/units	**641,250**	1,300,000
Proceeds from exercise of options	**-**	7,500
Loans from related parties	**-**	750,000
Deposit received for private placement (Note 6)	**350,000**	-
Repayment on long-term liability (Note 8)	**(7,500)**	-
Share issuance costs	**(22,318)**	(36,580)
Net cash flows from financing activities	**961,432**	2,020,920
Increase in cash	**1,628,760**	912,081
Cash, beginning of the year	**1,106,211**	194,130
Cash, end of the year	**2,734,971**	1,106,211

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

1. NATURE OF OPERATIONS

Stria Lithium Inc. (the “Company” or “Stria”) was incorporated on May 24, 2011 under the Canada Business Corporations Act. The Company’s shares are listed on the TSX Venture Exchange under the symbol SRA. The head office of the Company is located at 945 Princess Street, Box # 118, Kingston, Ontario.

The Company is engaged in the acquisition, exploration, and development of mineral properties in Quebec, Canada.

2. GOING CONCERN ASSUMPTION

These consolidated financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards (“IFRS”). The going concern basis of presentation assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The Company is in the exploration stage and has not earned revenue from operations. During the year ended September 30, 2022, the Company incurred a net loss of $1,333,497 and had negative cash flows from operations of $545,926. In addition, the Company has a deficit of $4,994,492.

The above factors indicate that a material uncertainty exists that may cast significant doubt about the Company’s ability to continue as a going concern. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company’s own resources and external market conditions.

The Company’s ability to continue as a going concern, realize its assets and discharge its liabilities in the normal course of business, meet its corporate administrative obligations and continue its exploration activities in the 2023 fiscal year, may be dependent upon management’s ability to obtain additional financing, through various means including but not limited to equity financing. No assurance can be given that any such additional financing will be available, or that it can be obtained on terms favorable to the Company.

These consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption was not appropriate. If the going concern basis was not appropriate for these consolidated financial statements, then adjustments would be necessary to the carrying amounts of assets and liabilities, the reported expenses and the classifications used in the consolidated statements of financial position.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation and compliance with IFRS

These consolidated financial statements have been prepared on a historical cost basis and are expressed in Canadian dollars, which is also the functional currency of the Company. These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the IFRS Interpretations Committee (“IFRIC”).

These financial statements were authorized for issue by the Board of Directors on January 20, 2023.

(b) Judgments, estimates and assumptions

When preparing the consolidated financial statements, management makes a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgment

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the consolidated financial statements.

Recognition of deferred income tax assets and measurement of income tax expense

Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgment. To date, management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances. See Note 2 for more information.

Tax credits and mining duties

The Company is eligible to claim certain credits on eligible exploration expenditures. Determining the eligibility of the amounts and the credit to be received requires management's judgement.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment of mineral exploration properties and exploration and evaluation assets

Determining if there are any facts or circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

Determining whether to test for impairment of mineral exploration properties and exploration and evaluation assets requires management's judgment, among others, regarding the following: the period for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined. Identifying the cash-generating units requires management judgment. In testing an individual asset or cash-generating unit for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances. These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ in such a situation and significant adjustments to the Company's assets and earnings may occur during the next period.

(Expressed in Canadian dollars)

Share-based payments and warrants

The estimation of stock-based compensation and valuation assigned to warrants requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company has made estimates as to the volatility of its own shares, the probable life of stock options and warrants granted and the time of exercise of those stock options and warrants. The valuation model used by the Company is the Black-Scholes model.

Allocation of proceeds from unit private placements

The Company allocates values to share capital and to warrants on the residual basis when the two are issued together as a unit. As this allocation is based upon the share price at the time of issuance and the stock is thinly traded, the actual value of the components may differ from this allocation.

Market interest rate

The Company is required to determine the fair value of non-interest bearing or low interest loans using the contractual cash flows and an estimated discount rate based on market interest rates.

(c) Basis of consolidation

These consolidated financial statements incorporate the financial statements of the Company and its subsidiary. Stria Lithium Inc. is the ultimate parent company of the consolidated group. Subsidiaries are consolidated from the date on which the Company obtains control and continue to be consolidated until control ceases. Control is established when the Company has the power to govern the financial and operating policy decisions of the entity so as to obtain benefits from the entity's activities, and generally exists where more than 50% of the voting power of the entity is held by the Company. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. All material intercompany transactions and balances are eliminated in full upon consolidation.

Where the ownership of a subsidiary is less than 100%, and a non-controlling interest exists, any losses of that subsidiary are attributed to the non-controlling interest even if it results in a deficit. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The subsidiaries of the Company and their principal activities as at September 30, 2022 and 2021 were as follows:

		Ownership interest as at September 30,		
Name of subsidiary	Place of incorporation	2022	2021	Principal activity
Pueblo Lithium LLC	United States	100%	100%	Inactive

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

(d) Financial instruments

<u>Recognition, initial measurement and derecognition</u>

IFRS 9 provides a model for recognition and measurement of financial instruments and a single, forward-looking “expected loss” impairment model.

Measurement – initial recognition

Financial assets and financial liabilities are recognized in the Company’s statement of financial position when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, all financial assets and financial liabilities are recorded at fair value, net of attributable transaction costs, except for financial assets and liabilities classified as at fair value through profit or loss (“FVTPL”). The directly attributable transaction costs of financial assets and liabilities classified as at FVTPL are expensed in the period in which they are incurred.

Subsequent measurement of financial assets and liabilities depends on the classifications of such assets and liabilities.

<u>Classification of financial assets</u>

<u>Amortized cost</u>

Financial assets that meet the following conditions are measured subsequently at amortized cost:

(i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and

(ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. Interest income is recognized using the effective interest method. The Company’s cash and other receivables fall into this category of financial instruments.

<u>Fair value through other comprehensive income (“FVTOCI”)</u>

Financial assets that meet the following conditions are measured at FVTOCI:

(i) The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and

(ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

<u>Financial assets measured subsequently at FVTPL</u>

By default, all other financial assets are measured subsequently at FVTPL.

Financial assets measured at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship.

Classification of financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities that are not contingent consideration of an acquirer in a business combination, held for trading or designated as at FVTPL, are measured at amortized cost using the effective interest method. The Company's financial liabilities measured at amortized cost include accounts payable and accrued liabilities, amounts due to related parties and long-term liability.

Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on its financial assets. The amount of expected credit losses is updated at each reporting period to reflect changes in credit risk since initial recognition of the respective financial instruments.

(e) Government assistance

Government grants and assistance are recognized when there is reasonable assurance that the grant or assistance will be received, and all attached conditions will be complied with. Government grants or assistance relating to an expense item are recognized within other income in the consolidated statements of comprehensive loss.

When government assistance is received which relates to expenditures of future periods, the amount is deferred and either amortized to income as the related expenditures are incurred or recognized as a reduction of an asset to which the grant relates.

(f) Tax credits and credit on duties

The Company is eligible for a refundable credit on mining duties under the Quebec Mining Duties Act. This refundable credit on mining duties is equal to 16% applicable on 50% of the eligible expenses. The accounting treatment for refundable credits on mining duties depends on management's intention to either go into production in the future or to sell its mining properties to a mining company once the technical feasibility and the economic viability of the properties have been demonstrated. This assessment is made at the level of each mining property.

In the first case, the credit on mining duties is recorded as an income tax recovery, under IAS 12, Income Taxes, which generates a deferred tax liability and deferred tax expense since the exploration and evaluation assets have no tax basis following the Company's election to claim the refundable credit.

In the second case, it is expected that no mining duties will be paid in the future and, accordingly, the credit on mining duties is recorded against exploration and evaluation assets.

Currently, it is management's intention to have the Company sell its mining properties to a mining company, as such, the credit on mining duties is recorded against exploration and evaluation assets.

The Company is eligible for a refundable tax credit related to resources for mining industry companies in relation to eligible expenses incurred. The refundable tax credit related to resources can represent up to 38.75% for eligible expenses and is recorded as a government grant against exploration and evaluation assets. Credits related to resources and credits for mining duties recognized against exploration and evaluation assets are initially recorded at fair value when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant.

(g) Mineral exploration properties and exploration and evaluation assets

Mineral exploration properties include the cost of acquiring mining rights. Exploration and evaluation assets include expenses directly related to the exploration and evaluation activities. These costs are capitalized and are carried at cost less any impairment loss recognized. Costs incurred before the legal right to undertake exploration and evaluation activities on a project is acquired, are expensed in the statement of comprehensive loss.

Mining rights and expenses related to exploration and evaluation activities are capitalized on a property by property basis pending determination of the technical feasibility and commercial viability of the project. No amortization is recognized during the exploration and evaluation phase. Costs capitalized include drilling, project consulting, geophysical, geological and geochemical studies, as well as other costs related to the evaluation of the technical feasibility and commercial viability of extracting a mineral resource.

When technical feasibility and commercial viability of extracting a mineral resource are demonstrable, mining rights and expenses related to exploration and evaluation activities of the related mining property are transferred to mining assets under construction. Before the reclassification, mineral exploration properties and exploration and evaluation assets are tested for impairment and any impairment loss is recognized in profit or loss before reclassification.

Upon transfer of exploration and evaluation assets into mining assets under construction, all subsequent expenditures on the construction, installation or completion of infrastructure facilities are capitalized with mining assets under construction. After the development stage, all assets included in mining assets under construction are transferred to mining assets and amortized over the expected productive lives of the assets

From time to time, the Company may dispose of mineral assets pursuant to option agreements. The Company credits the fair value of any cash, shares or other consideration received from the acquirer against the carrying amount of the portion of interest in the mineral asset retained with any excess recognized as a gain in the consolidated statements of comprehensive loss. Any amounts received prior to the execution of an option agreement are recorded as deposits in the consolidated statements of financial position.

(h) Impairment of non-financial assets

Impairment assessment and testing is done at the level of a cash generating unit (“CGU”). The Company considers each mineral property to be a separate CGU, and therefore assesses for indicators of impairment individually for each mineral property.

The Company assesses non-financial assets including mineral exploration properties and exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of the asset may not exceed its recoverable amount, being the higher of the value in use and the fair value less costs of disposal. Additionally, when technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the assets of the mineral property are tested for impairment before these items are transferred to mining assets under construction. If the recoverable amount of the asset is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount with the impairment recognized immediately in profit or loss.

Where an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, subject to the amount not exceeding the carrying amount that would have been determined had impairment not been recognized for the asset in prior periods. Any reversal of impairment is recognized immediately in profit or loss.

(i) Provisions and contingent liabilities

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation, and the amount of the obligation can be reliably estimated. Timing or amount of the outflow may still be uncertain. If the effect is material, provisions are measured by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

The Company's operations are governed by government environment protection legislation. Environmental consequences are difficult to identify in terms of amounts, timetable and impact. As of the reporting date, management believes that the Company's operations are in compliance with current laws and regulations. Site restoration costs currently incurred are negligible. When the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated, a restoration provision will be recognized in the cost of the mining property when there is a constructive commitment that has resulted from past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be measured with sufficient reliability.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized, unless it was assumed in the course of a business combination. In a business combination, contingent liabilities are recognized in the course of the allocation of the purchase price to the assets and liabilities acquired in the business combination. They are subsequently measured at the higher amount of a comparable provision as described above and the amount initially recognized, less any amortization.

(j) Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred and current tax not recognized in other comprehensive income (loss) or directly in equity.

Current tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries and associates is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that the reversal will occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

(k) Basic and diluted earnings (loss) per share

Basic earnings (loss) per share is computed by dividing the net income (loss) for the period by the weighted average number of common shares outstanding during the period. The computation of diluted earnings (loss) per share assumes the conversion or exercise of securities only when such conversion or exercise would have a dilutive effect on earnings per share. For the years ended September 30, 2022 and 2021, the diluted loss per share is equal to the basic loss per share because the effect of warrants and stock options (Notes 10 and 11) is antidilutive as it would decrease the loss per share.

(l) Equity

Share capital

Share capital represents the amount received on the issue of shares. Transaction costs directly attributable to the issuance of common shares are recognized as a reduction of share capital. When shares are issued upon the exercise of stock options or warrants, the proceeds are allocated to share capital and the value previously recorded to contributed surplus or warrants for these stock options or warrants, is transferred to share capital. In addition, if shares are issued as consideration for the acquisition of a mineral property or some other form of non-monetary assets, they are measured at the fair value of the assets or services received, if such fair value is determinable, otherwise they are measured at the fair value of the shares issued according to the quoted price on the day of the conclusion of the agreement.

Flow-through financings

Issuance of flow-through units represents in substance an issue of common shares, warrants (if applicable) and the sale of the right to tax deductions to the investors. When flow-through units are issued, the sale of the right to tax deductions is deferred and included within other current liabilities in the consolidated statements of financial position. The proceeds received from flow-through placements are allocated between share capital, warrants issued (if applicable) and the liability using the residual method. Proceeds are first allocated to shares according to the quoted price of existing shares at the time of issuance, then to warrants (if applicable) according to the fair value of the warrants at the time of issuance and any residual in the proceeds is allocated to the liability. The fair value of the warrants is estimated using the Black-Scholes valuation model. The liability component recorded initially on the issuance of shares is reversed on renouncement of the right to tax deductions to the investors and when eligible expenses are incurred, and recognized in profit or loss as other income related to flow-through shares.

Unit placements

Under the residual method, proceeds are first allocated to shares according to the quoted prices of existing shares at the time of issuance and any residual in the proceeds is allocated to warrants.

Warrants

Warrants include charges related to the issuance of warrants until such equity instruments are exercised, expire or are forfeited.

Contributed surplus

Contributed surplus includes charges related to stock-based compensation until such equity instruments are exercised, as well as expired or forfeited warrants. When shares or other equity instruments are issued to a creditor to extinguish all or part of a financial liability and the creditor is considered to be acting in its capacity as a shareholder of the Company, the Company determines the fair value of the consideration paid on extinguishment. If the fair value of consideration paid exceeds the carrying value of the financial liability extinguished, the difference is recorded in contributed surplus.

Deficit

Deficit includes all current and prior period profits or losses.

(m) Equity-settled stock-based payment transactions

The Company provides an equity-settled stock-based remuneration plan (stock option plan) for directors, officers, employees and certain consultants. The Company's plan does not feature any options for a cash settlement. Occasionally, the Company may issue warrants to brokers.

All goods and services received in exchange for the grant of any stock-based payments are measured at their fair values, unless that fair value cannot be estimated reliably. If the Company cannot estimate reliably the fair value of the goods or services received, the Company shall measure their value indirectly by reference to the fair value of the equity instruments granted. Where employees, or consultants providing similar services, are rewarded using stock-based payments, the fair values of the services rendered are determined indirectly by reference to the fair value of the equity instruments granted. The fair value is measured at the grant date and if applicable, recognized over the vesting period. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. Estimates are subsequently revised if there is any indication that the number of stock options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior periods if stock options ultimately exercised are different to that estimated on vesting. Stock-based compensation expense incorporates an expected forfeiture rate.

All stock-based payments under the plan (except warrants to brokers) are ultimately recognized as an expense in profit or loss or capitalized as an exploration and evaluation asset, depending on the nature of the payment with a corresponding credit to contributed surplus, in equity. At the same time, upon exercise of a stock option, the proceeds received net of any directly attributable transaction costs are recorded as share capital. The accumulated charges related to the stock options recorded in contributed surplus are then transferred to share capital. Warrants issued to brokers are recognized as issuance costs of equity instruments with a corresponding credit to warrants, in equity. Upon exercise, the proceeds received net of any directly attributable transaction costs are recorded as share capital. The charges related to the warrants recorded in warrants are then transferred to share capital.

(n) Standards, amendments and interpretations

Issued but not yet effective

IAS 1 "Presentation of Financial Statements" ("IAS 1")

In January 2020, the International Accounting Standards Board (IASB) issued amendments to IAS 1 which were incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in April 2020. The amendments clarify the requirements for classifying liabilities as either current or non-current by:

- Specifying that the conditions which exist at the end of the reporting period determine if a right to defer settlement of a liability exists;

- Clarifying that settlement of a liability refers to the transfer to the counterparty of cash, equity instruments, other assets or services;

- Clarifying that classification is unaffected by management's expectation about events after the balance sheet date; and

- Clarifying the classification requirements for debt an entity may settle by converting it into equity.

The amendments clarify existing requirements, rather than make changes to the requirements, and so are not expected to have a significant impact on the Company's financial statements. However, the clarifications may result in reclassification of some liabilities from current to non-current or vice-versa. In July 2020, the IASB issued an amendment to defer the effective date of the amendments by one year from its originally planned effective date to annual periods beginning on or after January 1, 2023 due to the impact of the COVID-19 pandemic. Early application is permitted. The AcSB endorsed the IASB's amendment to defer the effective date in October 2020.

IAS 1 "Presentation of Financial Statements" ("IAS 1") and IFRS Practice Statement 2 "Making Materiality Judgments"

In February 2021, the IASB issued amendments to IAS 1 *Presentation of Financial Statements* and IFRS Practice Statement 2 *Making Materiality Judgements* which were incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in June 2021. The amendments help entities provide accounting policy disclosures that are more useful to primary users of financial statements by:

- Replacing the requirement to disclose "significant" accounting policies under IAS 1 with a requirement to disclose "material" accounting policies. Under this, an accounting policy would be material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that primary users of general purpose financial statements make on the basis of those financial statements.

- Providing guidance in IFRS Practice Statement 2 to explain and demonstrate the application of the four-step materiality process to accounting policy disclosures.

The amendments shall be applied prospectively. The amendments to IAS 1 are effective for annual periods beginning on or after January 1, 2023. Earlier application is permitted. Once an entity applies the amendments to IAS 1, it is also permitted to apply the amendments to IFRS Practice Statement 2.

IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" ("IAS 8")

In February 2021, the IASB issued amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* which were incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in June 2021. The amendments introduce a new definition of "accounting estimates" to replace the definition of "change in accounting estimates" and also include clarifications intended to help entities distinguish changes in accounting policies from changes in accounting estimates. The amendments are effective for annual periods beginning on or after January 1, 2023. Earlier application is permitted. The Company is currently evaluating the impact of the above amendment on its consolidated financial statements. The Company plans to apply the above amendments on the first annual reporting period following the effective date of the respective amendment.

4. RISK MANAGEMENT AND CAPITAL MANAGEMENT

Risk management

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

(i) Credit risk

Credit risk is the risk of an unexpected loss if a party to its financial instruments fails to meet its contractual obligations. The Company's financial assets exposed to credit risk include cash and other receivables and maximum exposure is equal to the carrying value of these assets, totalling $2,868,564 at September 30, 2022 (2021 - $1,106,211). The Company's cash is held at a Canadian chartered bank with high external credit ratings. The exposure to credit risk for the Company's other receivables is considered immaterial. It is management's opinion that the Company is not exposed to significant credit risk.

Management considers that all the above financial assets that are not impaired or past due for each of the reporting dates are of good credit quality. There are no financial assets that are past due but not impaired for the periods presented.

(ii) 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 manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business as well as anticipated transactions. As at September 30, 2022, the Company had working capital of $1,440,529, including $2,734,971 in cash and current liabilities of $1,538,598 due within the next 12 months. There has been no change to management's assessment of liquidity risk compared with the prior year.

Capital management

The Company manages its capital to ensure its ability to continue as a going concern and to provide an adequate return to its shareholders as well as ensuring that all flow-through monies obtained are utilized in exploration activities and spent by the required deadline. In the management of capital, the Company includes the components of shareholders' equity and loans from related parties. As long as the Company is in the exploration stage with its mining properties, it is not the intention of the Company to contract additional debt obligations to finance its work programs. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares. When financing conditions are not optimal, the Company may enter into option agreements or find other solutions to continue its activities or may slow its activities until conditions improve. While the Company is not subject to any external capital requirements, neither regulatory nor contractual, funds from flow-through financings to be spent on the Company's exploration properties are restricted for this use. In order to facilitate the management of its capital requirements, the Company prepares annual budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

(Expressed in Canadian dollars)

5. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, other receivables, accounts payable and accrued liabilities, amounts due to related parties and long-term liability. The fair value of these financial instruments approximates their carrying value due to their short-term nature.

The classification of financial instruments is as follows:

	September 30, 2022	September 30, 2021
	$	$
Financial assets		
Amortized cost		
Cash	**2,734,971**	1,106,211
Other receivables	**133,593**	-
Total financial assets	**2,868,564**	1,106,211
Financial liabilities		
Amortized cost		
Accounts payable and accrued liabilities	**(147,348)**	(343,546)
Amounts due to related parties	**-**	(765,884)
Long-term liability	**-**	(10,000)
Total financial liabilities	**(147,348)**	(1,119,430)

6. MINERAL EXPLORATION PROPERTIES AND EXPLORATION AND EVALUATION ASSETS

	September 30, 2022		September 30, 2021	
	Mineral exploration properties	**Exploration and evaluation assets**	Mineral exploration properties	Exploration and evaluation assets
	$	**$**	$	$
a) Pontax-Lithium	**352,475**	**1,590,585**	352,475	1,573,273
b) Romer	**237,500**	**60,024**	-	-
	589,975	**1,650,609**	352,475	1,573,273

a) Pontax-Lithium

On December 6, 2013, the Company acquired a 100% interest in the Pontax-Lithium property from Khalkos Exploration Inc. (“Khalkos”) in consideration for a cash payment of $100,000 and the issuance of 833,333 common shares. The property was recorded at a value of $350,000 upon initial recognition, based on the fair value of the property received and consideration paid. The Pontax-Lithium property is comprised of a group of 68 contiguous mining claims located in the James Bay Territory of Northern Quebec.

(Expressed in Canadian dollars)

In July 2022, the Company entered into a binding term sheet with Cygnus Gold Limited ("Cygnus"), which was formalized subsequent to year end with a definitive agreement, pursuant to which Cygnus can earn a 70% interest in the Pontax-Lithium property (Note 16).

In connection with the binding term sheet, certain conditions were required to be met prior to the execution of a definitive agreement, including but not limited to, the payment of $1,000,000 to Stria and the subscription for common shares of Stria by Cygnus for $350,000. Prior to September 30, 2022, Stria received a total of $1,350,000 from Cygnus in respect of these conditions, which has been included in deposits in the consolidated statements of financial position.

In addition, prior to September 30, 2022, Stria incurred exploration expenditures on the Pontax-Lithium property in the amount of $133,593, which were reimbursed by Cygnus subsequent to year end. As at September 30, 2022, the amount has been included in other receivables in the consolidated statements of financial position.

b) Romer

On August 11, 2022, the Company completed the acquisition of the Romer property from Braille Energy Systems Inc. ("BESI"), a related party which shares common management, for total consideration of $237,500, comprised of $125,000 in cash and 750,000 common shares of Stria with a fair value of $112,500. The Romer property is an early-stage exploration project located in the Labrador Trough sector of Nunavik, the northern division of the Nord-du-Québec administrative region.

BESI retained a net smelter royalty ("NSR") of 1.0%, half of which Stria has the option to purchase such that the NSR is reduced from 1.0% to 0.5% (the "Partial NSR Buyout Option"). The Partial NSR Buyout Option may be exercised at any time by Stria for consideration of $500,000 payable in cash or stock or a combination thereof at Stria's discretion

The following table reflects changes to mineral exploration properties between October 1, 2020 and September 30, 2022:

Year ended September 30	**2022**	2021
	$	$
Balance, beginning of the year	**352,475**	352,475
Acquisition of mineral exploration property	**237,500**	-
Balance, end of the year	**589,975**	352,475

(Expressed in Canadian dollars)

The following table reflects changes to exploration and evaluation assets between October 1, 2020 and September 30, 2022:

Year ended September 30	**2022**	2021
	$	$
Balance, beginning of the year	**1,573,273**	1,868,091
Additions		
Drilling	**9,780**	-
Geochemical survey	**97,498**	-
Metallurgical analysis	**4,145**	-
Property maintenance	**5,598**	925
	117,021	925
Tax credits and credit on duties	**(39,685)**	(295,743)
Balance, end of the year	**1,650,609**	1,573,273

7. DEFERRED GOVERNMENT GRANT

In July 2022, the Company was awarded a $275,000 grant by the government of Quebec's Ministry of Energy and Natural Resources (MERN). The grant will be used to finance a geometallurgical study of lithium-bearing spodumene pegmatites at the Company’s Pontax property.

As at September 30, 2022, $41,250 was included in deferred government grant in the consolidated statements of financial position. This amount, representing 15% of the total grant, was received by the Company in September 2022 and has been deferred until the related work has been conducted.

8. LONG TERM LIABILITY

During the year ended September 30, 2020, the Company received a $10,000 loan in connection with the Regional Relief and Recovery Fund (RRRF). The loan was non-interest bearing until January 1, 2023 and if not repaid by December 31, 2022, the remaining balance was to be converted to a 3-year term loan at 5% annual interest, effective January 1, 2023, with the full balance to be repaid by no later than December 31, 2025. An amount of $2,500 was forgivable, provided the Company repaid $7,500 by December 31, 2022.

During the year ended September 30, 2022, the Company repaid $7,500 and recognized the forgivable portion of $2,500 in other income in the consolidated statements of comprehensive loss.

(Expressed in Canadian dollars)

9. SHARE CAPITAL

Authorized

Unlimited number of common shares, voting, participating and without par value.

Issued and fully paid

Common shares

Share Consolidation

On May 12, 2022, the Company announced that the TSX-V had approved the consolidation of the Company's common shares on the basis of one (1) post-consolidation common share for every ten (10) pre-consolidation common shares. The Company's shares began trading on a post-consolidated basis effective at the opening of the market on May 16, 2022. All share capital, warrant and stock option data has been retroactively restated to reflect the share consolidation in these consolidated financial statements.

	Number of shares	$
Balance, September 30, 2020	**7,246,037**	**3,648,682**
Shares issued for cash (1)	5,200,000	1,300,000
Shares issued on exercise of warrants	97,000	48,500
Shares issued on exercise of stock options	15,000	9,937
Shares issued in settlement of amount due to related party (2)	2,000,000	500,000
Share issuance costs	-	(44,608)
Balance, September 30, 2021	**14,558,037**	**5,462,511**
Shares issued for cash (3)	4,274,999	641,250
Shares issued on exercise of warrants	200,000	120,000
Shares issued in settlement of amount due to related party (4)	1,453,000	435,900
Shares issued to acquire mineral exploration property (Note 6)	750,000	112,500
Share issuance costs	-	(24,382)
Balance, September 30, 2022	**21,236,036**	**6,747,779**

(1) On June 24, 2021, the Company completed a private placement for gross proceeds of $1,300,000. The private placement was comprised of 5,200,000 units at a price of $0.25 per unit. Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the Company at a price of $0.50 until June 24, 2023. In connection with the financing, the Company paid cash finders' fees of $12,000 and issued, as additional consideration, 48,000 non-transferable broker warrants, each broker warrant entitling the holder to acquire one common share of the Company at a price of $0.50 until June 24, 2023. The proceeds from the financing ($1,300,000) were allocated entirely to share capital ($1,300,000), after which there was no residual amount to allocate to the warrants. The warrants issued as commissions have been recorded at a value of $8,028 based on the Black-Scholes option pricing model, using the following assumptions: stock price of $0.25, risk-free interest rate of 0.42%, expected life of warrants of 2 years, annualized volatility of 166% and dividend rate of 0%. The underlying expected stock price volatility is based on

historical data of the Company's shares over the last two years. The risk-free interest rate is based on the yield of a Government of Canada benchmark bond in effect at the time of issuance with an expiry commensurate with the expected life of the warrants. Other share issuance costs total $24,580. The value of the broker warrants, cash finders' fees and other share issuance costs were presented as a reduction of share capital. Two Directors of the Company participated in the private placement for a total of $175,000.

(2) On June 14, 2021, the Company settled outstanding indebtedness to JJJY Holdings Inc., a company controlled by a Director of the Company, in the amount of $500,000, through the issuance of 2,000,000 common shares of the Company at a fair value of $0.25 per share.

(3) On August 19, 2022, the Company completed a private placement for gross proceeds of $641,250. The private placement was comprised of 4,274,999 units at a price of $0.15 per unit. Each unit is comprised of one common share and one half of a common share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company at a price of $0.50 until August 19, 2024. In connection with the financing, the Company paid cash finders' fees of $7,200 and issued, as additional consideration, 48,000 non-transferable broker warrants, each broker warrant entitling the holder to acquire one common share of the Company at a price of $0.50 until August 19, 2024. The proceeds from the financing ($641,250) were allocated entirely to share capital ($641,250), after which there was no residual amount to allocate to the warrants. The warrants issued as commissions have been recorded at a value of $2,064 based on the Black-Scholes option pricing model, using the following assumptions: stock price of $0.16, risk-free interest rate of 3.42%, expected life of warrants of 2 years, annualized volatility of 224% and dividend rate of 0%. The underlying expected stock price volatility is based on historical data of the Company's shares over the last two years. The risk-free interest rate is based on the yield of a Government of Canada benchmark bond in effect at the time of issuance with an expiry commensurate with the expected life of the warrants. Other share issuance costs total $15,118. The value of the broker warrants, cash finders' fees and other share issuance costs were presented as a reduction of share capital.

(4) On January 27, 2022, the Company settled outstanding indebtedness to JJJY Holdings Inc., a company controlled by a Director of the Company, in the amount of $726,500, through the issuance of 1,453,000 common shares of the Company at a deemed price of $0.50 per share. In connection with the debt settlement, the Company recognized an amount of $290,600 in contributed surplus, representing the difference between the debt that was settled ($726,500) and the fair value of the shares issued in settlement of the debt ($435,900).

(Expressed in Canadian dollars)

10. WARRANTS

The following table reflects the continuity of warrants outstanding:

	Number of warrants	Weighted average exercise price
		$
Balance, September 30, 2020	**4,196,800**	**0.54**
Issued	5,248,000	0.50
Exercised	(97,000)	0.50
Expired	(1,676,000)	0.53
Balance, September 30, 2021	**7,671,800**	**0.51**
Issued	2,185,500	0.50
Exercised	(200,000)	0.50
Expired	(2,223,800)	0.54
Balance, September 30, 2022	**7,433,500**	**0.50**

As at September 30, 2022, the following warrants were issued and outstanding:

Number of warrants	Allocated value	Exercise price	Expiry date
	$	$	
5,200,000	-	0.50	June 24, 2023
48,000	8,028	0.50	June 24, 2023
2,137,500	-	0.50	August 19, 2024
48,000	2,064	0.50	August 19, 2024
7,433,500	**10,092**		

(Expressed in Canadian dollars)

As at September 30, 2021, the following warrants were issued and outstanding:

Number of warrants	Allocated value	Exercise price	Expiry date
	$	$	
615,000	61,500	0.50	November 9, 2021
340,000	-	0.50	December 8, 2021
16,800	6,520	0.50	December 8, 2021
500,000	-	0.70	January 22, 2022
888,000	-	0.50	January 27, 2022
64,000	32,307	0.50	January 27, 2022
5,200,000	-	0.50	June 24, 2023
48,000	8,028	0.50	June 24, 2023
7,671,800	**108,355**		

11. STOCK OPTIONS

The following table reflects the continuity of stock options outstanding:

	Number of stock options	Weighted average exercise price
		$
Balance, September 30, 2020	**685,845**	**0.60**
Exercised	(15,000)	0.50
Expired/Forfeited	(227,977)	0.53
Balance, September 30, 2021	**442,868**	**0.62**
Granted (1)(2)(3)	4,345,000	0.24
Expired	(307,118)	0.68
Balance, September 30, 2022	**4,480,750**	**0.25**

(1) On March 8, 2022, 910,000 stock options were granted to Directors, Officers, employees and consultants at an exercise price of $0.50 per share, which all vested immediately and expire on March 8, 2027.

(2) On August 24, 2022, 2,195,000 stock options were granted to Directors, Officers, employees and consultants at an exercise price of $0.17 per share, which all vested immediately and expire on August 24, 2027.

(3) On August 29, 2022, 1,240,000 stock options were granted to Directors, Officers, employees and consultants at an exercise price of $0.175 per share, which all vested immediately and expire on August 29, 2027.

(Expressed in Canadian dollars)

As at September 30, 2022, the following stock options were outstanding and exercisable:

	Outstanding			Exercisable	
Exercise price	Number outstanding	Weighted average remaining contractual life	Weighted average outstanding exercise price	Number exercisable	Weighted average exercisable exercise price
		(in years)	$		$
$0.17	2,195,000	4.90	0.17	2,195,000	0.17
$0.175	1,240,000	4.92	0.175	-	-
$0.50	1,045,750	4.06	0.50	1,045,750	0.50
	4,480,750	**4.71**	**$0.25**	**3,240,750**	**$0.28**

As at September 30, 2021, the following stock options were outstanding and exercisable:

	Outstanding			Exercisable	
Range of exercise prices	Number outstanding	Weighted average remaining contractual life	Weighted average outstanding exercise price	Number exercisable	Weighted average exercisable exercise price
		(in years)	$		$
$0.50	170,750	2.17	0.50	170,750	0.50
$0.60	204,500	0.52	0.60	204,500	0.60
$1.00	67,618	0.35	1.00	67,618	1.00
	442,868	**1.14**	**$0.62**	**442,868**	**$0.62**

The following table reflects the weighted-average fair value of stock options granted between October 1, 2020 and September 30, 2022 and the related Black-Scholes option pricing model inputs that were used in the calculations:

Year ended September 30	**2022**	2021
Stock options granted	**4,345,000**	-
Weighted average fair value	**0.21**	-
Weighted-average exercise price	**0.24**	-
Weighted-average market price at date of grant	**0.21**	-
Expected life of stock options (years)	**5**	-
Expected stock price volatility	**224%**	-
Risk-free interest rate	**2.93%**	-
Expected dividend yield	**0%**	-

The underlying expected stock price volatility is based on historical data of the Company's shares over a period commensurate with the expected life of the options.

The risk-free interest rate is based on the yield of a Government of Canada benchmark bond in effect at the time of grant with an expiry commensurate with the expected life of the options.

(Expressed in Canadian dollars)

Stock-based compensation of $916,095 (all of which relate to equity-settled stock-based payment transactions) was included in the statement of comprehensive loss for the year ended September 30, 2022 (2021 - $Nil) and credited to contributed surplus.

12. SUPPLEMENTAL CASH FLOW INFORMATION

	2022	2021
	$	$
Changes in non-cash working capital are as follows:		
Sales taxes receivable	**44,516**	28,785
Prepaid expenses	**(34,958)**	-
Accounts payable and accrued liabilities	**(196,198)**	(95,946)
Amounts due to related parties	**-**	(11,887)
	(186,640)	(79,048)
Changes in non-cash investing and financing activities are as follows:		
Tax credits and credit on duties receivable reclassified from (to) exploration and evaluation assets	**39,685**	295,743
Exploration and evaluation assets reclassified from (to) tax credits and credit on duties receivable	**(39,685)**	(295,743)
Amounts due to related party settled through issuance of shares	**(826,500)**	(548,500)

13. RELATED PARTY TRANSACTIONS

Transactions with related parties not disclosed elsewhere in these financial statements are as follows:

Unless otherwise stated, none of these transactions incorporated special terms and conditions and no guarantees were given or received.

Loans from JJJY Holdings Inc.

During the year ended September 30, 2020, the Company received a $500,000 loan from JJJY Holdings Inc. (“JJJY”), an entity controlled by a director of the Company, for general working capital purposes. On June 1, 2021, the Company issued 2,000,000 common shares at a fair value of $0.25 per share, in settlement of the $500,000 debt.

On March 26, 2021, the Company received a $750,000 loan from JJJY, for general working capital purposes. The loan was non-interest bearing, included a lender fee in the amount of $125,000 and was payable on maturity or earlier with no early payment penalty. During the year ended September 30, 2021, JJJY exercised 97,000 warrants at $0.50 per warrant for total proceeds to the Company of $48,500 and during the year ended September 30, 2022, JJJY exercised 200,000 warrants at $0.50 per warrant for total proceeds to the Company of $100,000. In lieu of paying the Company $48,500 and $100,000, respectively, for the exercise of these warrants, both parties agreed to instead reduce the balance of the loan by these amounts. On January 27, 2022, the Company issued 1,453,000 common shares at a deemed price of $0.50 per share in settlement of the balance of the loan ($726,500). In connection with the debt settlement, the Company recognized an amount of $290,600 in contributed surplus, representing the difference between the debt that was settled ($726,500) and the fair value of the shares issued in settlement of the debt ($435,900).

(Expressed in Canadian dollars)

During the year ended September 30, 2022, the Company recorded accretion expense in the amount of $60,616 (2021 - $64,384), related to the $750,000 loan.

As at September 30, 2022, included in amounts due to related parties is $Nil owing to JJJY (2021 - $765,884).

Key management compensation

The following table reflects compensation of key management personnel (Directors and Officers of the Company):

Year ended September 30	**2022**	2021
	$	$
Consulting fees	**35,000**	-
Stock-based compensation	**700,352**	-
	735,352	-

14. CONTINGENT LIABILITY

During the year ended September 30, 2021, a legal claim was brought against the Company by a former officer of the Company. Pleadings are closed but productions have not been exchanged nor have examinations for discovery been completed. As such, it is too early to evaluate this claim.

15. INCOME TAXES

Relationship between expected tax expense and accounting profit or loss

The relationship between the expected tax expense (recovery) based on the combined federal and provincial income tax rate in Canada and the reported tax expense in the statements of comprehensive loss can be reconciled as follows:

Year ended September 30	**2022**	2021
	$	$
Net loss before income tax	**(1,333,497)**	(439,195)
Expected tax (recovery) expense calculated using the combined federal and provincial income tax rate in Canada of 26.5% (26.5% in 2021)	**(353,377)**	(116,387)
Adjustments for the following items:		
Tax impact of temporary difference for which no deferred tax asset was recorded	**17,184**	115,867
Stock-based compensation	**242,765**	-
Other	**93,428**	520
Income tax expense (recovery)	**-**	-

(Expressed in Canadian dollars)

Deferred tax assets and liabilities and variation of recognized amounts during the period

The company has recognized the following deferred tax assets and liabilities:

	Balance September 30, 2021	Recognized in profit or loss	Recognized in equity	Balance September 30, 2022
	$	$	$	$
Mineral exploration properties and exploration and evaluation assets	(333,683)	145,624	-	(188,059)
Non-capital losses	333,683	(145,624)	-	188,059
	-	**-**	**-**	**-**

	Balance September 30, 2020	Recognized in profit or loss	Recognized in equity	Balance September 30, 2021
	$	$	$	$
Mineral exploration properties and exploration and evaluation assets	(332,323)	(1,360)	-	(333,683)
Non-capital losses	332,323	1,360	-	333,683
	-	**-**	**-**	**-**

As at September 30, 2022 and 2021, the Company had the following temporary differences. No deferred tax assets were recorded for these temporary differences.

	2022	2021
	$	$
Share issuance costs	**53,061**	68,673
Property and equipment	**121,402**	7,728
Reserves	**-**	159,192
Research and development expenses deducted for accounting purposes in excess of tax, net of investment tax credits	**191,349**	197,134
Mineral exploration properties and exploration and evaluation assets	**176,303**	311,230
Non-capital losses	**3,668,497**	2,008,214
	4,210,612	2,752,171

(Expressed in Canadian dollars)

As at September 30, 2022, the Company has the following non-capital losses for which no deferred tax asset was recorded. These carryforward balances expire as follows:

	Federal	Quebec
	$	$
2034	637,052	565,090
2035	599,355	524,765
2036	528,629	439,037
2037	367,253	382,656
2038	320,366	320,009
2039	172,697	172,697
2040	228,543	230,024
2041	324,355	324,355
2042	490,247	490,247
	3,668,497	3,448,880

The temporary difference relating to the share issuance costs which the Company has not recognized will be deductible until the year 2026.

The Company has unclaimed scientific research and experimental development expenditures of $155,833 (2021 - $155,833) that are available to reduce future years' taxable income. These unclaimed expenditures can be carried forward indefinitely.

The Company has unused investment tax credits of $35,516 (2021 - $35,516) and $5,785 (2021 - $5,785) to offset against future federal and provincial income taxes, respectively. The credits begin to expire in 2034.

16. SUBSEQUENT EVENTS

Execution of Definitive Agreement with Cygnus Gold Limited and Closing of Private Placement

On October 17, 2022, the Company announced the execution of a definitive agreement (the "Definitive Agreement") with Cygnus Gold Limited (ASX: CY5) ("Cygnus") following the execution of a binding term sheet between the parties dated July 26, 2022. Pursuant to the Definitive Agreement, Cygnus has been granted the sole and exclusive option (the "Option") to acquire up to a 70 % undivided interest in Stria's Pontax-Lithium property (the "Property") under a two-stage option for total cash payments of $6,000,000 and exploration expenditure commitments totaling $10,000,000 (the "Transaction"). Following the exercise of the Option, the parties will form a joint venture (the "Joint Venture") with each of Cygnus and Stria holding an undivided interest of 70% and 30% respectively, with Cygnus acting as operator of the Joint Venture. Stria's interest in the Joint Venture will be free carried until Cygnus delivers a feasibility study on the property.

In consideration for the Option, Cygnus paid cash consideration of $1,000,000 and subscribed for 1,400,000 common shares of the Company at a price of $0.25 per common share for aggregate gross proceeds of $350,000. The shares were issued to Cygnus on October 17, 2022 and are subject to a statutory four month and one day hold period.

The transactions contemplated herein remain subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and other approvals, including the acceptance by the TSX-V.

The terms of the two-stage option can be summarized as follows:

1st option to acquire a 51% undivided interest ("First Option") - Under the First Option, Cygnus is required to incur exploration expenditures on the Property in the amount of $4,000,000 over a period of 18 months. Following completion of such expenditures, in order to complete the First Option, Cygnus shall pay Stria a cash amount of $2,000,000.

2nd option to acquire an additional 19% interest ("Second Option") - Under the Second Option, conditional upon the exercise of the First Option, Cygnus shall incur additional exploration expenditures in the amount of $6,000,000 over a period of 30 months from the date of exercise of the First Option. Following completion of such expenditures, in order to complete the Second Option, Cygnus shall pay Stria an additional cash amount of $3,000,000. Upon the exercise of the Second Option, Cygnus shall have acquired a 70% undivided interest in the Property. In the event Cygnus elects not to proceed with, or otherwise fails to exercise the Second Option, the parties will form the Joint Venture with Cygnus automatically transferring a 2% undivided interest back to Stria for a nominal consideration. Each of Cygnus and Stria shall thereafter hold an undivided Joint Venture interest of 49% and 51% respectively, with Stria becoming operator of the Joint Venture

Closing of Private Placement

On November 7, 2022, the Company completed a private placement for gross proceeds of $604,125. The private placement was comprised of 2,685,000 units at a price of $0.225 per unit. Each unit is comprised of one common share and one half of a common share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company at a price of $0.50 until November 7, 2024.

Grant of Stock Options

On November 11, 2022, 530,000 stock options were granted to Directors, Officers, employees and consultants at an exercise price of $0.35 per share, expiring on November 11, 2027.