FORZA LITHIUM CORP.
Condensed Interim Financial Statements
For the Six months ended April 30, 2023
(Unaudited and Expressed in Canadian dollars)

FORZA LITHIUM CORP.
Condensed Interim Statement of Financial Position
(Unaudited and expressed in Canadian dollars)

	April 30, 2023	October 31, 2022
	$	$
Assets		
Current		
Cash	**48,158**	**105,385**
GST receivable	**8,785**	**18,840**
Deferred financing costs – note 11	**62,250**	**36,000**
Prepaids	**-**	**4,988**
Total assets	**119,193**	**165,213**
Liabilities		
Current		
Accounts payable and accrued liabilities – note 6	**93,094**	**26,295**
Shareholders' equity		
Share capital – note 5	**347,500**	**347,500**
Options reserve – note 5	**24,900**	**24,900**
Deficit	**(346,301)**	**(233,482)**
	26,099	**138,918**
Total liabilities and shareholders' equity	**119,193**	**165,213**

Operations and going concern – Note 1
Commitments – Note 7
Subsequent event – Note 11

(The accompanying notes are an integral part of these condensed interim financial statements)

FORZA LITHIUM CORP.
Condensed Interim Statement of Loss and Comprehensive Loss
(Unaudited and expressed in Canadian dollars)

		Three Months Ended April 20, 2023,			Six Months Ended April 30, 2023,	
		2023	2022		**2023**	2022
Administrative expenses						
Management	$	**34,500**	4,000	$	**46,500**	4,000
Legal and accounting		**12,250**	8,446		**18,394**	8,446
Travel and entertainment		**10,161**	515		**13,169**	515
Mineral exploration costs		**6,896**	41,495		**12,406**	41,495
Office and miscellaneous		**6,431**	503		**7,878**	503
Regulatory and transfer agent fees		**646**	-		**9,886**	-
Rent		**2,250**	750		**4,500**	750
Shareholder & investor relations		**86**	-		**86**	-
Net loss and comprehensive loss		**(73,220)**	(55,709)		**(112,819)**	(55,709)
Loss per share, basic and diluted	$	**(0.00)**	(0.00)	$	**(0.00)**	(0.00)
Weighted average number of common shares outstanding		**12,125,000**	**12,125,000**		**12,125,000**	**12,125,000**

(The accompanying notes are an integral part of these condensed interim financial statements)

FORZA LITHIUM CORP.
Condensed Interim Statement of Changes in Shareholders' Equity
(Unaudited and expressed in Canadian dollars)

	Share Capital		Options		Total Shareholders'
	Shares	**Amount**	**Reserve**	**Deficit**	**Equity**
	#	**$**	**$**	**$**	**$**
Balance, March 3, 2022	**-**	**-**		**-**	**-**
Incorporation share	1	-	-	-	-
Issuance of common shares	6,499,999	235,000	-	-	235,000
Issuance of flow-through shares	5,625,000	112,500	-	-	112,500
Share-based payments	-	-	24,900	-	24,900
Net loss and comprehensive loss	-	-	-	(233,482)	(233,482)
Balance, October 31, 2022	**12,125,000**	**347,500**	**24,900**	**(233,482)**	**138,918**
Net loss and comprehensive loss	-	-	-	(112,819)	(112,819)
Balance, April 30, 2023	**12,125,000**	**347,500**	**24,900**	**(346,301)**	**26,099**

(The accompanying notes are an integral part of these condensed interim financial statements)

FORZA LITHIUM CORP.
Condensed Interim Statement of Cash Flows
(Unaudited and expressed in Canadian dollars)

Cash provided by (used for)		For the Three Months ended April 30, 2023	2022		For the Six Months Ended April 30, 2023	2022
Operating activities						
Loss for the period	$	**(73,220)**	(55,709)	$	**(112,819)**	(55,709)
Net change in non-cash working capital:						
GST receivable		**(4,993)**	(4,464)		**10,055**	(4,464)
Prepaid expenses		**4,988**	-		**4,988**	-
Accounts payable and accrued liabilities		**52,900**	(2,791)		**66,799**	2,791
		(20,325)	(57,382)		**(30,977)**	(57,382)
Financing activities						
Proceeds from share issuances		**-**	167,500		**(26,250)**	167,500
		-	108,500		**-**	167,500
Change in cash during the period		**(20,325)**	(110,118)		**(57,227)**	(110,118)
Cash and cash equivalents, beginning of period		**68,483**	-		**105,385**	-
Cash and cash equivalents, end of period	$	**48,158**	110,118	$	**48,158**	110,118

Supplemental cash flow information	
Interest paid	-
Income taxes paid	-
Non-cash financing activity	
Deferred financing costs included in accounts payable and accrued liabilities	26,250

(The accompanying notes are an integral part of these condensed interim financial statements)

1. OPERATIONS AND GOING CONCERN

Forza Lithium Corp. (the "Company" or "Forza") was incorporated on March 3, 2022, under the Business Corporations Act (British Columbia). The address of the Company's corporate office and principal place of business is 9285 – 203B Street, Langley, British Columbia, V1M 2L9.

The Company is in the exploration stage and its principal business activity is the sourcing and exploration of resource properties.

The Company is in the process of exploring its principal resource property in Ontario and has not yet determined whether the property contains ore reserves that are economically recoverable.

The Company incurred a net loss of $112,819 for the six-month period ended April 30, 2023, and has an accumulated deficit of $346,3011 as at April 30, 2023 (October 31, 2022 - $233,482) which has been funded by the issuance of equity. The Company's ability to continue as a going concern is uncertain and is dependent upon the generation of profits from resource properties, obtaining additional financing or maintaining continued support from its shareholders and creditors. While the Company has been successful in obtaining financing in the past, there is no assurance that such financing will continue to be available or be available on favourable terms in the future. An inability to raise additional financing may impact the future assessment of the Company as a going concern. In the event that additional financial support is not received, or operating profits are not generated, the carrying values of the Company's assets may be adversely affected. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

These condensed interim financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying condensed interim financial statements. In assessing the appropriateness of the going concern assumption management is required to consider all available information about the future, which is at least, but not limited to, 12 months from the statement of financial position date. Management has carried out an assessment of the going concern assumption and has concluded that it is appropriate that the condensed interim financial statements are prepared on a going concern basis. Accordingly, these condensed interim financial statements do not reflect any adjustments to the carrying value of assets and liabilities, or the impact on the statement of loss and comprehensive loss and statement of financial position classifications that would be necessary were the going concern assumption not appropriate.

2. BASIS OF PREPARATION

Statement of Compliance

These financial statements have been prepared in accordance the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These condensed interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 – Interim Financial Reporting. Accordingly, they do not include all the information required for full annual financial statements and should be read in conjunction with the Company's most recent annual financial statements as at and for the period ended October 31, 2022. The same accounting policies and methods of computation are followed in these condensed interim financial statements as compared with the most recent annual financial statements as at and for the period ended October 31, 2022.

These financial statements were reviewed by the Audit Committee and approved and authorized for issuance by the Board of Directors on July 7, 2023.

(Unaudited and expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and expenses for the period reported. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. Actual results could differ from estimates. No significant estimates were identified for the period ended April 30, 2023.

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments with a significant risk of material adjustment in the next year. No significant judgments were identified for the period ended April 30, 2023.

4. RESOURCE PROPERTY INTEREST

On March 23, 2022 and amended on January 9, 2023, the Company entered into an option agreement with Gravel Ridge Resources Ltd. and 1544230 Ontario Inc. (collectively, the “Optionors”) to acquire a 100% undivided interest in the unpatented mining claims associated with the Jeanette lithium property which consists of four (4) claims comprising 1,820 hectares (the “Property”) and is located 80 km northeast of Ear Falls, Ontario (the “Agreement”).

Under the terms of the Agreement, the Company can earn a 100% interest in the Property by making aggregate cash payments of $80,000 and issuing 400,000 common shares as set out in the table below.

The Property is also subject to a 1.5% net smelter royalty (“NSR”), of which up to one-third may be purchased by way of a one-time payment to the Optionors the sum of $500,000.

Payment Term	Common Shares of the Company to be issued	Cash Payment
Upon the signing of the Agreement	Nil	$12,000 (paid)
The earlier of the date of listing on the Canadian Securities Exchange (“CSE”) and September 30, 2023	400,000	$16,000
The earlier of the first anniversary of the CSE listing date and September 30, 2024	Nil	$22,000
The earlier of the second anniversary of the CSE listing date and September 30, 2025	Nil	$30,000

(Unaudited and expressed in Canadian dollars)

5. SHARE CAPITAL

a) Authorized – Unlimited common shares without par value.

b) Allotments – 12,125,000

On March 3, 2022, the Company issued a common share on incorporation.

On March 9, 2022, the Company issued 1,999,999 common shares to the Directors and Officers of the Company at a fair value of $0.005 per share.

On April 13, 2022, the Company issued 4,125,000 flow-through shares at a fair value of $0.02 per share.

On April 14, 2022, the Company issued 1,500,000 flow-through shares at a fair value of $0.02 per share.

On April 14, 2022, the Company issued 900,000 common shares at a fair value of $0.05 per share.

On September 29, 2022, the Company issued 3,600,000 common shares at a fair value of $0.05 per share.

c) Options

The Company has an incentive stock option plan (the "Plan") pursuant to which the Board may, from time to time, grant options to directors, officers, employees and consultants of the Company. The number of common shares granted under each option and the vesting terms thereof are at the discretion of the Board after discussion with management. Options granted under the Plan must have a term of no more than ten years from the date of grant. The exercise price of each option granted under the Plan is at the discretion of the Board, provided that the exercise price is not lower than the greater of the closing market prices of the underlying securities on (a) the trading day prior to the date of grant of the stock options: and (b) the date of grant of the stock options. The number of common shares that may be optioned under the Plan is limited to 10% of the outstanding common shares from time to time; provided, that any one participant under the Plan shall not be entitled to receive options to acquire an aggregate of greater than 5% (2% in the case of consultants and those providing investor relations services) of the outstanding common shares in any 12-month period.

On October 14, 2022, the Company granted incentive stock options to various directors, officers and consultants to purchase up to 750,000 common shares exercisable on or before October 14, 2027, at an exercise price of $0.10 per share. The options vested immediately upon grant. As at April 30, 2023, 750,000 options remain outstanding and exercisable and had a remaining life of 4.70 years.

The following assumptions were used for the Black-Scholes option pricing model:

	Period from incorporation on March 3, 2022 to October 31, 2022
Share price	$0.05
Exercise price	$0.10
Risk free interest rate	3.64%
Expected life of stock options	5 years
Expected annualized volatility	100%
Expected dividend rate	0%

Expected annualized volatility was based on historical stock prices of comparable public companies.

(Unaudited and expressed in Canadian dollars)

6. RELATED PARTY TRANSACTIONS AND BALANCES

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. The Company has identified the Directors, President and Chief Executive Officer and the Chief Financial Officer as its key management personnel.

Included in accounts payable as at April 30, 2023 is $30,830 (October 31, 2022 - $10,295) owing for services and expenses incurred by companies controlled by directors and officers of the Company. These amounts are unsecured, non-interest bearing, and are due on demand.

During the period ended April 30, 2023, the Company had the following related party transactions with key management personnel:

		April 30, 2023
Accounting	$	3,500
Management fees		22,500

7. COMMITMENTS

The Company has a management agreement with a company for management and administrative services in the amount of $4,000 per month. Either party may terminate this Agreement by giving written notice thereof to the other party. If the Company terminates this agreement, the Company shall provide working notice, payment in lieu of working notice, or a combination thereof, equal to three (3) months of the fees.

8. MANAGEMENT OF CAPITAL

The Company defines capital as all components of shareholders' equity, totaling $26,099 (October 31, 2022 - $138,918). The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of resource properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company is not subject to any externally imposed capital requirements.

The resource property in which the Company currently has an interest is in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

9. RISK AND FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and accounts payable and accrued liabilities. As at April 30, 2023, the Company classifies its cash as fair value through profit or loss, and its accounts payable and accrued liabilities as amortized cost. The fair value of accounts payable and accrued liabilities approximates carrying value because of their current nature. Cash is classified as a Level 1 financial instrument.

The Company classifies financial instruments carried at fair value according to the following hierarchy based on the amount of observable inputs used to value the instrument:

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

Level 2 – Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices). The Company does not have any financial instruments classified under Level 2.

Level 3 – Valuations in the level are those with inputs for the asset or liability that are not based on observable market data. The Company does not have any financial instruments classified under Level 3.

During the period ended April 30, 2023, there were no transfers between level 1, level 2 and level 3 classified assets and liabilities.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial instruments which are potentially subject to credit risk for the Company consist primarily of cash. The carrying amount of financial assets represents the maximum credit exposure. The Company has gross credit exposure at April 30, 2023 relating to cash of $48,158 (October 31, 2022 - $105,385). The cash is held at a Canadian chartered bank and the Company considers the credit risk to be minimal.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company. The Company manages its liquidity risk by forecasting cash flows to be used in operations and anticipating any investing and financing activities. As at April 30, 2023, the Company has a cash balance of $48,158 (October 31, 2022 - $105,385) to settle its short-term liabilities of $93,094 (October 31, 2022 - $26,295).

9. RISK AND FINANCIAL INSTRUMENTS (continued)

(c) Market Risk

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

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has cash balances with interest based on the prime rate. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institution. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market price of lithium. The Company closely monitors commodity prices to determine the appropriate course of actions to be taken.

10. SEGMENTED DISCLOSURE

The Company has one operating segment: mineral exploration. The Company operates in one geographical segment, Canada. Corporate administrative activities are conducted in Canada.

11. SUBSEQUENT EVENTS

On June 27, 2023, the Company announced that it has completed its Initial Public Offering (the "IPO") of 5,000,000 common shares (the "Shares") at a price of $0.10 per Share for gross proceeds of $500,000. Leede Jones Gable Inc. (the "Agent") also elected to exercise its over-allotment option in full in connection with the IPO. Pursuant to the Agent's exercise of the Over Allotment Option, the Company has issued an additional 750,000 Shares at a price of $0.10 per Share for gross proceeds of $75,000.

The Agent has been paid a cash commission equal to 9.0% of the gross proceeds from the sale of the Common Shares pursuant to the IPO and its exercise of the Over Allotment Option, together with a cash corporate finance fee. Additionally, the Company has granted compensation options to the Agent entitling the Agent to purchase up to 517,500 Shares at an exercise price of $0.10 per Share, exercisable on or before June 27, 2025.

The Company has also issued 400,000 common shares to Gravel Ridge Resources, Ltd., a private company controlled by Michael Frymire, and 1544230 Ontario Inc, a private company controlled by Perry English (collectively, the "Optionors") pursuant to the Jeanette Property option agreement dated March 23, 2022, as amended January 9, 2023, made between the Company and the Optionors.

The Company currently has 18,275,000 Shares issued and outstanding.

The Company's Shares are listed on the Canadian Securities Exchange ("CSE") and began trading on the CSE under the symbol "FZ" on June 28, 2023.