



Geomega Resources Inc.

Unaudited Condensed Interim Consolidated Financial Statements

Six months ended November 30, 2021

*The attached financial statements have been prepared by management
Geomega Resources Inc. and were not reviewed by auditors*

Geomega Resources Inc.
Consolidated Statements of Financial Position
(Unaudited, in Canadian dollars)

| | Note | As at November 30, 2021 \$ | As at May 31, 2021 \$ |
|---|------|-------------------------------------|--------------------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 4 | 3,058,432 | 3,389,195 |
| Accounts receivable | | 124,808 | 74,595 |
| Tax credits and government grant receivable | | 192,494 | 98,722 |
| Prepaid expenses and others | | 109,787 | 115,689 |
| Inventories | | 11,587 | 11,587 |
| Current assets | | 3,497,108 | 3,689,788 |
| Non-current assets | | | |
| Investment in an associate | 5 | 1,542,606 | 1,342,522 |
| Property and equipment | 6 | 45,771 | 27,590 |
| Right-of-use asset | 7 | 652,390 | 692,538 |
| Non-current assets | | 2,240,767 | 2,062,650 |
| Total assets | | 5,737,875 | 5,752,438 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | | 285,907 | 220,018 |
| Current portion of the lease liability | 8 | 64,094 | 61,896 |
| Total Current liabilities | | 350,001 | 281,914 |
| Non-current liabilities | | | |
| Lease liability | 8 | 643,563 | 677,891 |
| Long-term debt | 9 | 74,173 | 71,629 |
| Non-current liabilities | | 717,736 | 749,520 |
| Total liabilities | | 1,067,737 | 1,031,434 |
| Equity | | | |
| Share capital | | 35,826,024 | 35,437,309 |
| Warrants | 10 | 170,631 | 197,268 |
| Broker warrants | 11 | 39,054 | 43,979 |
| Stock options | 12 | 786,385 | 688,438 |
| Contributed surplus | | 4,424,649 | 4,424,649 |
| Deficit | | (36,576,585) | (36,070,639) |
| Total equity | | 4,670,138 | 4,721,004 |
| Total liabilities and equity | | 5,737,875 | 5,752,438 |

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

Geomega Resources Inc.
Consolidated Statements of loss and Comprehensive loss
(Unaudited, in Canadian dollars)

| | Note | Three months ended November 30 | | Six months ended November 30 | |
|--|------|-----------------------------------|------------------|---------------------------------|------------------|
| | | 2021 | 2020 | 2021 | 2020 |
| | | \$ | \$ | | |
| Research fees | | - | - | 60,000 | - |
| Revenues | | - | - | 60,000 | - |
| Operating expenses | | | | | |
| Salaries, employee benefits, settlement and share-based compensation | | 76,501 | 42,418 | 128,932 | 94,304 |
| Exploration and evaluation expenses, net of tax credits | 13 | 112,608 | (17,563) | 254,065 | 81,771 |
| Professional fees | | 26,281 | 42,928 | 71,200 | 116,479 |
| Travel, conference and investor relations | | 78,221 | 67,962 | 168,556 | 115,382 |
| Administration | | 10,064 | 10,617 | 25,541 | 25,048 |
| Filing fees | | 32,207 | 15,241 | 48,956 | 20,670 |
| Rent | | 3,227 | 43,286 | 22,047 | 55,412 |
| Depreciation of right-of-use asset | | 20,073 | 20,073 | 40,148 | 40,146 |
| Insurance, taxes and permits | | 5,162 | 2,843 | 9,454 | 7,042 |
| Operating loss | | (364,344) | (227,805) | (768,898) | (556,254) |
| Other income (expenses) | | | | | |
| Investment income | | 3,527 | 92 | 7,627 | 492 |
| Gain (loss) of foreign exchange | | 808 | (945) | 21,467 | (14,495) |
| Finance costs | | (12,131) | (14,348) | (26,226) | (30,182) |
| Gain on disposal of property and equipment | | - | 50,000 | - | 50,000 |
| Share of loss of associate | 5 | (57,247) | (6,377) | (84,747) | (20,130) |
| Net gain (loss) on dilution of investment in an associate | 5 | 284,831 | (25,068) | 284,831 | (38,067) |
| | | 219,788 | 3,654 | 202,952 | (52,382) |
| Net and comprehensive loss | | (144,556) | (224,151) | (505,946) | (608,636) |
| Basic and diluted earnings per share | | (0.001) | (0.002) | (0.004) | (0.006) |
| Weighted average number of basic and diluted shares outstanding | | 129,943,035 | 108,872,961 | 129,427,323 | 106,819,718 |

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

Geomega Resources Inc.
Consolidated Statements of Changes in Equity
(Unaudited, in Canadian dollars)

| | Note | Number of shares outstanding | Capital Stock | Warrants | Broker warrants | Stock- options | Contributed Surplus | Deficit | Total equity |
|-------------------------------------|------|------------------------------------|----------------------|-------------------|--------------------|-------------------|------------------------|------------------------|---------------------|
| Balance at May 31, 2021 | | 128,224,536 | \$ 35,437,309 | \$ 197,268 | \$ 43,979 | \$ 688,438 | \$ 4,424,649 | \$ (36,070,639) | \$ 4,721,004 |
| Net and comprehensive loss | | - | - | - | - | - | - | (505,946) | (505,946) |
| Exercised stock options | | 1,150,000 | 188,600 | - | - | (79,350) | - | - | 109,250 |
| Exercised warrants | | 737,875 | 174,229 | (26,637) | - | - | - | - | 147,592 |
| Exercised broker warrants | | 104,800 | 25,886 | - | (4,925) | - | - | - | 20,961 |
| Shared-based compensation | | - | - | - | - | 177,277 | - | - | 177,277 |
| Balance at November 30, 2021 | | 130,217,211 | 35,826,024 | 170,631 | 39,054 | 786,365 | 4,424,649 | (36,576,585) | 4,670,138 |

| | Note | Number of shares outstanding | Capital Stock | Warrants | Broker stock options | Stock- options | Contributed Surplus | Deficit | Total equity |
|--|------|------------------------------------|----------------------|-------------------|-------------------------|-------------------|------------------------|------------------------|---------------------|
| Balance at May 31, 2020 | | 104,559,928 | \$ 31,132,420 | \$ 570,300 | \$ 5,742 | \$ 501,688 | \$ 4,385,820 | \$ (34,616,876) | \$ 1,979,094 |
| Net and comprehensive loss | | - | - | - | - | - | - | (608,636) | (608,636) |
| Unit issued as part of a private placement | | 14,709,093 | 2,344,769 | - | 39,053 | - | - | - | 2,383,822 |
| Exercised stock options | | 660,000 | 84,925 | - | - | (36,025) | - | - | 48,900 |
| Exercised warrants | | 277,778 | 74,843 | (35,952) | - | - | - | - | 38,891 |
| Expired warrants | | - | - | (38,829) | - | - | 38,829 | - | - |
| Shared-based compensation | | - | - | - | - | 137,769 | - | - | 137,769 |
| Balance at November 30, 2020 | | 120,206,799 | 33,636,957 | 495,519 | 44,795 | 603,432 | 4,424,649 | (35,225,512) | 3,979,840 |

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

Geomega Resources Inc.
Consolidated Statements of Cash Flows
(Unaudited, in Canadian dollars)

| | Note | Six months ended November 30 | |
|---|------|---------------------------------|------------------|
| | | 2021 | 2020 |
| | | \$ | \$ |
| Operating activities | | | |
| Net and comprehensive loss | | (505,946) | (608,636) |
| Adjustment for: | | | |
| Share-based compensation | | 177,277 | 137,769 |
| Depreciation of property and equipment | | 14,666 | 8,859 |
| Depreciation of right-of-use asset | | 40,148 | 40,146 |
| Finance costs for the accretion of long-term debt | | 2,544 | 1,908 |
| Gains on disposals of property and equipment | | - | (50,000) |
| Share of loss of an associate | | 84,747 | 20,130 |
| Net loss (gain) on dilution of investment in an associate | | (284,831) | 38,067 |
| Change in non-cash working capital items | 14 | (72,194) | (91,039) |
| Cash flows used in operating activities | | (543,589) | (502,796) |
| Investing activities | | | |
| Acquisition of property and equipment | | (32,847) | - |
| Disposal of property and equipment | | - | 50,000 |
| Cash flows from investing activities | | (32,847) | 50,000 |
| Financing activities | | | |
| Private placement, net of issuing fees | | - | 2,383,822 |
| Exercise of warrants | | 147,592 | 38,891 |
| Exercise of stock options | | 109,250 | 48,900 |
| Exercise of broker stock options | | 20,961 | - |
| Repayments of lease liability | | (32,130) | (28,358) |
| Cash flows from financing activities | | 245,673 | 2,443,255 |
| Net change in cash flow | | (330,763) | 1,990,459 |
| Cash and cash equivalents - at the beginning | | 3,389,195 | 485,780 |
| Cash and cash equivalents- at the end | | 3,058,432 | 2,476,239 |

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

Geomega Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited, in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Geomega Resources Inc. (the “Corporation” or “Company”) is incorporated under the Canada Business Corporations Act and is engaged in the acquisition, exploration and evaluation of mining properties in Canada. Through its private and wholly owned subsidiary Innord, the Corporation is developing innovative technologies for extraction and separation of rare earth elements and other critical and strategic metals from its mining properties and other mining and industrial waste, in an environmentally sustainable way. The Corporation’s shares are listed on the TSX Venture Exchange (the “Exchange”) under symbol GMA. The address of the Corporation’s registered office and principal place of business is 75, de Mortagne Boulevard, Boucherville, Quebec, Canada, J4B 6Y4. These unaudited condensed interim consolidated financial statements (the “Financial Statements”) were approved by the Corporation’s Board of Directors on January 25, 2022.

These Financial Statements have been prepared on the basis of accounting principles applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. 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. For the six months ended November 30, 2021, the Corporation reported a net loss of \$505,946 and has accumulated a deficit of \$36,576,585 up to that date. As at November 30, 2021, the Corporation had a working capital of \$3,147,107.

Any funding shortfall may be met in the future in a number of ways including but not limited to, the issuance of new equity or debt financing. While management has been successful in securing financing in the past, there can be no assurance that it will be able to do so in the future or that these sources of funding or initiatives will be available to the Corporation or that they will be available on terms which are acceptable to the Corporation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance

The Financial Statements have been prepared in accordance with the *International Financial Reporting Standards* (“IFRS”) as issued by the *International Accounting Standards Board* (“IASB”) applicable to the preparation of interim financial statements, including *International Accounting Standard* (“IAS”) 34, *Interim Financial Reporting*. Accordingly, the Financial Statements do not include all of the information and footnotes required by IFRS for complete financial statements for year-end reporting purposes.

2.2 Basis of Presentation

The Financial Statements should be read in conjunction with the annual financial statements for the year ended May 31, 2021, which have been prepared in accordance with IFRS. The accounting policies, methods of computation and presentation applied in the Financial Statements are consistent with those of the previous financial year ended May 31, 2021, except for the following conventions:

Revenue recognition

Revenues correspond to research fees invoiced by Innord for collaborative research work with third parties in the valuation of mining and industrial residues as the critical and strategic metals sectors.

Geomega Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited, in Canadian dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Fees received are recognized in the statement of comprehensive loss as the work is performed and there is no longer any obligation for the Corporation in consideration for the amounts received.

Revenues are measured at the fair value of the consideration received.

3. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

The preparation of Financial Statements in conformity with IFRS requires the Corporation to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. The Corporation also makes estimates and assumptions concerning the future. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates.

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing the Financial Statements, the significant judgements made by management in applying the Corporation's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended May 31, 2021.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the two following investments:

- Short-term deposit of \$750,000 at a rate of 0.45% maturing on January 17, 2022. Interests and capital are cashable at any time without penalty.
- Investment of \$340,510 USD (\$433,715 CAD) in a high-interest savings exchange-traded fund.
- Investment of \$1,709,234 in a high-interest savings exchange-traded fund.

5. INVESTMENT IN AN ASSOCIATE

Kintavar Exploration Inc. ("Kintavar") is the Corporation's only associate and it is material to the group. Kintavar's share capital consists solely of ordinary shares, which is the class are held directly by the Corporation. Kintavar is incorporated in Canada where are its exploration and evaluation activities are being carried out on bearing properties, and which are not strategic to the Corporation's own activities, are carried out. The proportion of ownership interest is the same as the proportion of voting rights held. The investment in Kintavar is accounted for under the equity method. Its fair value as at November 30, 2021 is \$3,034,286 (16,857,143 shares at \$0.18, being the closing price on the Exchange on November 30, 2021). The Corporation categorized the fair value measurement as Level 1, as it is derived from quoted prices in active markets. The Corporation's interest in Kintavar represents 13.80% as at November 30, 2021 (15.91% as at May 31, 2021).

Determination of significant influence

Management determines its ability to exercise significant influence over an investment in shares of other companies by looking at its percentage interest and other qualitative factors including but not limited to its voting rights, representation on the board of directors, participation in policy-making processes, material transactions between the Corporation and the associate, interchange of managerial personnel, provision of essential technical information and operating involvement. Considering these factors, Geomega is considered to have significant influence over Kintavar.

Geomega Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited, in Canadian dollars)

5. INVESTMENT IN AN ASSOCIATE (CONT'D)

| | Six months Ended November 30, 2021 | Year ended May 31, 2021 |
|---|---|----------------------------|
| | \$ | \$ |
| Balance at beginning of period | 1,342,522 | 1,508,159 |
| Share of net and comprehensive loss | (84,747) | (154,651) |
| Net gain (loss) on dilution of investment in an associate | 284 831 | (10,986) |
| Balance at end of period | 1,542,606 | 1,342,522 |

6. PROPERTY AND EQUIPMENT

| | Office equipment | E&E Equipment | Total |
|---------------------------------|---------------------|------------------|------------------|
| | \$ | \$ | \$ |
| Fiscal 2022 | | | |
| Opening net book value | - | 27,590 | 27,590 |
| Additions | - | 32,847 | 32,847 |
| Depreciation | - | (14,666) | (14,666) |
| Closing net book value | - | 45,771 | 45,771 |
| As at November 30, 2021 | | | |
| Cost | 14,984 | 276,614 | 291,598 |
| Accumulated Depreciation | (14,984) | (230,843) | (245,827) |
| Closing net book value | - | 45,771 | 45,771 |

| | Office equipment | E&E Equipment | Total |
|---------------------------------|---------------------|------------------|------------------|
| | \$ | \$ | \$ |
| Fiscal 2021 | | | |
| Opening net book value | - | 29,132 | 29,132 |
| Additions | - | 17,159 | 17,159 |
| Depreciation | - | (18,701) | (18,701) |
| Closing net book value | - | 27,590 | 27,590 |
| As at May 31, 2021 | | | |
| Cost | 14,984 | 243,765 | 258,749 |
| Accumulated depreciation | (14,984) | (216,175) | (231,159) |
| Closing net book value | - | 27,590 | 27,590 |

Geomega Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited, in Canadian dollars)

7. RIGHT-OF-USE ASSET

| | Industrial building |
|---------------------------------|---------------------|
| | \$ |
| Fiscal 2022 | |
| Opening net book value | 692,538 |
| Depreciation | (40,148) |
| Closing net book value | 652,390 |
| As at November 30, 2021 | |
| Cost | 802,942 |
| Accumulated Depreciation | (150,552) |
| Closing net book value | 652,390 |

| | Industrial building |
|---------------------------------|---------------------|
| | \$ |
| Fiscal 2021 | |
| Opening net book value | 772,832 |
| Additions | - |
| Depreciation | (80,294) |
| Closing net book value | 692,538 |
| As at May 31, 2021 | |
| Cost | 802,942 |
| Accumulated Depreciation | (110,404) |
| Closing net book value | 692,538 |

8. LEASE LIABILITY

| | Six months ended November 30, 2021 | Year ended May 31, 2021 |
|-------------------------------|---------------------------------------|----------------------------|
| | \$ | \$ |
| Balance, opening | 739,787 | 795,789 |
| Repayments of lease liability | (32,130) | (56,002) |
| Balance | 707,657 | 739,787 |
| Balance, current | (64,094) | (61,896) |
| Balance, non-current | 643,563 | 677,891 |

Geomega Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited, in Canadian dollars)

9. LONG-TERM DEBT

| | As at November 30, 2021 | As at May 31, 2021 |
|---|-------------------------------|--------------------------|
| | \$ | \$ |
| Canada Emergency Business Account ("CEBA") received in the context of the COVID-19 pandemic outbreak. The loan bears no interest and capital is payable in full on or before December 31, 2022. | 74,173 | 71,629 |
| Long-term debt, non-current | 74,173 | 71,629 |

10. WARRANTS

Changes in the Corporation's warrants are as follows:

| | Six months ended November 30, 2021 | | Year ended May 31, 2021 | |
|---------------------|---------------------------------------|------------------------------------|----------------------------|------------------------------------|
| | Number of warrants | Weighted average exercise price | Number of warrants | Weighted average exercise price |
| | | \$ | | \$ |
| Opening | 17,250,468 | 0.21 | 9,368,886 | 0.17 |
| Issued | - | - | 14,709,093 | 0.22 |
| Exercised | (737,875) | 0.20 | (6,527,511) | 0.18 |
| Expired | - | - | (300,000) | 0.15 |
| Balance, end | 16,512,593 | 0.21 | 17,250,468 | 0.21 |

The number of outstanding warrants as at November 30, 2021 are as follows:

| Number of warrants | Exercise price | Expiry date |
|--------------------|----------------|-------------------|
| | \$ | |
| 481,250 | 0.15 | May 2, 2022 |
| 1,156,250 | 0.15 | May 14, 2022 |
| 576,000 | 0.15 | May 18, 2022 |
| 14,299,093 | 0.22* | November 6, 2022* |
| 16,512,593 | | |

*Warrants issued on November 6, 2020 have an exercise price of \$0.22 for the first 24 months, after which the price is \$0.25 for the following 12 months.

Geomega Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited, in Canadian dollars)

11. BROKER WARRANTS

Changes in the Corporation's broker warrants are as follows:

| | Six months ended November 30, 2021 | | Year ended May 31, 2021 | |
|---------------------|---------------------------------------|------------------------------------|-----------------------------------|------------------------------------|
| | Number of broker stock options | Weighted average exercise price | Number of broker stock options | Weighted average exercise price |
| | | \$ | | \$ |
| Balance, opening | 631,344 | 0.22 | 120,800 | 0.20 |
| Issued | - | - | 526,544 | 0.22 |
| Exercised | (104,800) | 0.20 | (16,000) | 0.20 |
| Balance, end | 526,544 | 0.22 | 631,344 | 0.22 |

The number of outstanding brokers warrants as at November 30, 2021 are as follows:

| Number of broker stock options | Exercise price | Expiry date |
|--------------------------------|----------------|------------------|
| | \$ | |
| 526,544 | 0.22 | November 6, 2022 |
| 526,544 | | |

12. STOCK OPTIONS

Changes in the Corporation's stock options are as follow:

| | Six months ended November 30, 2021 | | Year ended May 31, 2021 | |
|--------------------------|---------------------------------------|---------------------------------------|----------------------------|---------------------------------------|
| | Number of Options | Weighted Average Exercise Price | Number of Options | Weighted Average Exercise Price |
| | | \$ | | \$ |
| Balance, beginning | 9,296,250 | 0.17 | 9,248,750 | 0.12 |
| Granted | 2,145,000 | 0.305 | 2,525,000 | 0.26 |
| Exercised | (1,150,000) | 0.095 | (2,271,250) | 0.10 |
| Forfeited | - | - | (206,250) | 0.17 |
| Balance, end | 10,291,250 | 0.20 | 9,296,250 | 0.17 |
| Balance, end exercisable | 6,421,250 | 0.15 | 5,723,750 | 0.11 |

Geomega Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited, in Canadian dollars)

12. STOCK OPTIONS (CONT'D)

The number of options outstanding as at November 30, 2021 are as follows:

| Number of options outstanding | Number of options exercisable | Exercise price | Expiry date |
|--|--|---------------------------|--------------------|
| | | \$ | |
| 658,750 | 658,750 | 0.09 | October 19, 2022 |
| 325,000 | 243,750 | 0.34 | January 27, 2023 |
| 400,000 | 400,000 | 0.08 | September 14, 2023 |
| 400,000 | - | 0.305 | October 27, 2023 |
| 775,000 | 775,000 | 0.085 | November 20, 2023 |
| 250,000 | 250,000 | 0.175 | July 29, 2024 |
| 1,362,500 | 1,362,000 | 0.155 | October 23, 2024 |
| 200,000 | 200,000 | 0.155 | November 28, 2024 |
| 75,000 | 37,500 | 0.185 | January 19, 2025 |
| 1,450,000 | 1,306,250 | 0.165 | April 16, 2025 |
| 450,000 | 337,500 | 0.165 | April 21, 2025 |
| 250,000 | 125,000 | 0.155 | June 3, 2025 |
| 100,000 | 50,000 | 0.155 | June 8, 2025 |
| 500,000 | 250,000 | 0.175 | August 13, 2025 |
| 75,000 | 37,500 | 0.205 | August 31, 2025 |
| 250,000 | 125,000 | 0.18 | October 21, 2025 |
| 1,050,000 | 425,000 | 0.34 | January 27, 2026 |
| 1,720,000 | - | 0.305 | October 27, 2026 |
| 10,291,250 | 6,421,250 | | |

Geomega Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited, in Canadian dollars)

13. EXPLORATION AND EVALUATION EXPENSES

| Montviel Property | Three months ended November 30 | | Six months ended November 30 | |
|--|-----------------------------------|-----------------|---------------------------------|----------------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$ | \$ | \$ | \$ |
| Acquisition and maintenance | 1,109 | 418 | 1,470 | 418 |
| Exploration | | | | |
| Salaries and benefits | 372 | - | 372 | - |
| Share-based compensation | 4,030 | 4,095 | 8,433 | 9,183 |
| Geology | 654 | - | 1,308 | - |
| Transport and lodging | (124) | (1,792) | (124) | (954) |
| Taxes, permits and insurances | - | - | - | 360 |
| Total exploration | 4,932 | 2,303 | 9,989 | 8,589 |
| Evaluation | | | | |
| Salaries and benefits | 134,910 | 127,824 | 268,736 | 226,248 |
| Share-based compensation | 27,253 | 9,307 | 53,546 | 24,690 |
| Separation process | 23,121 | 13,178 | 48,962 | 30,238 |
| Depreciation of property and equipment | 8,015 | 4,430 | 14,666 | 8,860 |
| Engineering | 13,908 | - | 51,631 | - |
| Total Evaluation | 207,207 | 154,739 | 437,541 | 290,036 |
| Gross E&E expenses | 213,248 | 157,460 | 449,000 | 299,043 |
| Government grants | (100,409) | (95,526) | (129,381) | (134,016) |
| Net tax credits | (231) | (79,497) | (65,554) | (83,256) |
| Net E&E expenses - Montviel | 112,608 | (17,563) | 254,065 | 81,771 |

14. ADDITIONAL INFORMATION RELATING TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Change in non-cash working capital items

| | Six months ended November 30 | |
|--|---------------------------------|-----------------|
| | 2021 | 2020 |
| | \$ | \$ |
| Accounts receivable | (40,533) | (2,395) |
| Sales taxes receivable | (9,680) | 13,988 |
| Tax credits and government grants receivable | (93,772) | (61,572) |
| Prepaid expenses and other | 5,902 | 7,370 |
| Trade and other payables | 65,889 | (48,430) |
| | (72,194) | (91,039) |