



Condensed Consolidated Financial Statements
For the Period Ended September 30, 2022 and 2021

Notice of No Auditor Review of Interim Financial Statements

Under National Instrument 51-102, “Continuous Disclosure Obligations”, part 4 subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The Corporation’s external auditors have not performed a review of these financial statements.

VULCAN MINERALS INC.
September 30, 2022

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VULCAN MINERALS INC.
Condensed Consolidated Balance Sheets
(Unaudited)
As at

| (in Canadian dollars) | September 30 2022 | December 31 2021 |
|----------------------------------------------|----------------------|---------------------|
| | \$ | \$ |
| Assets | | |
| Current assets | | |
| Cash | 6,347,931 | 5,449,161 |
| Accounts receivable | 57,134 | 123,306 |
| Prepaid expenses | 5,805 | 9,582 |
| | 6,410,870 | 5,582,049 |
| Investments (Note 5) | 822,763 | 636,723 |
| Investment in associates (Note 6) | 38,164,878 | 42,069,385 |
| Exploration and evaluation assets (Note 7) | 1,225,575 | 999,489 |
| Capital assets (Note 8) | 9,695 | 12,459 |
| Total Assets | 46,633,781 | 49,300,105 |
| Liabilities | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | 36,838 | 101,157 |
| | 36,838 | 101,157 |
| Loan (Note 9) | 29,630 | 28,543 |
| Deferred income tax liability | 3,920,428 | 4,063,440 |
| | 3,986,896 | 4,193,140 |
| Equity (Note 10) | | |
| Shareholders' equity | 42,646,885 | 45,106,965 |
| | 42,646,885 | 45,106,965 |
| Total Liabilities and Equity | 46,633,781 | 49,300,105 |
| Contingencies (Note 14) | | |
| Subsequent events (Note 15) | | |
| Approved on Behalf of the Board of Directors | | |
| Patrick J. Laracy | Director | |
| Carson Noel | Director | |

See accompanying notes to the condensed consolidated financial statements

VULCAN MINERALS INC.
Condensed Consolidated Statements of Loss
(Unaudited)

| (in Canadian dollars) | Three Months Ended | | Nine Months Ended | |
|----------------------------------------------------------------|---------------------------|------------------|--------------------------|--------------------|
| | September 30 | | September 30 | |
| | 2022 | 2021 | 2022 | 2021 |
| | \$ | \$ | \$ | \$ |
| Income (Expenses) | | | | |
| Income from option payments | - | - | 192,892 | - |
| Interest income | 28,957 | 13,470 | 49,842 | 18,926 |
| Income from receipt of shares (Note 6) | 391,618 | - | 391,618 | - |
| Share-based compensation (Note 11) | (178,206) | (207,175) | (756,142) | (1,003,900) |
| Dilution loss | (2,756,715) | - | (3,736,257) | - |
| Gain on sale of mineral property (Note 7) | - | - | 1,051,400 | - |
| General and administrative (Note 12) | (128,184) | (323,216) | (405,049) | (1,298,795) |
| Director's fees | - | - | (20,000) | (45,000) |
| Loss from equity accounted investments | (206,089) | - | (559,868) | - |
| Government assistance | (368) | (351) | (1,087) | (1,037) |
| Depreciation | (911) | (1,727) | (2,764) | (4,489) |
| Loss before income taxes | (2,849,898) | (518,999) | (3,795,415) | (2,334,295) |
| Income tax recovery (expense) | 296,605 | - | 114,479 | - |
| Net loss | (2,553,293) | (518,999) | (3,680,936) | (2,334,295) |
| Net loss attributable to: | | | | |
| Common shareholders | (2,553,293) | (266,103) | (3,680,936) | (1,250,758) |
| Non-controlling interest | - | (252,896) | - | (1,083,537) |
| | (2,553,293) | (518,999) | (3,680,936) | (2,334,295) |
| Net loss per share - basic | (0.022) | (0.005) | (0.033) | (0.026) |
| Net loss per share - diluted | (0.019) | (0.005) | (0.024) | (0.026) |
| Weighted-average number of common shares outstanding - basic | 113,704,950 | 105,879,939 | 112,252,347 | 90,081,625 |
| Weighted-average number of common shares outstanding - diluted | 152,391,799 | 105,879,939 | 151,321,856 | 90,081,625 |

VULCAN MINERALS INC.
Condensed Consolidated Statements of Comprehensive Loss
(Unaudited)

| (in Canadian dollars) | Three Months Ended | | Nine Months Ended | |
|--------------------------------------------------------------------------|--------------------|-----------|--------------------|-------------|
| | September 30 | | September 30 | |
| | 2022 | 2021 | 2022 | 2021 |
| | \$ | \$ | \$ | \$ |
| Net loss | (2,553,293) | (518,999) | (3,680,936) | (2,334,295) |
| Other comprehensive loss: | | | | |
| Items that may subsequently be reclassified to profit or loss | | | | |
| Change in fair value on investments classified as FVOCI, net of taxes | (516,331) | (331,769) | (881,344) | (271,625) |
| | (516,331) | (331,769) | (881,344) | (271,625) |
| Comprehensive loss | (3,069,624) | (850,768) | (4,562,280) | (2,605,920) |
| Comprehensive loss attributable to: | | | | |
| Common shareholders | (3,069,624) | (597,872) | (4,562,280) | (1,522,383) |
| Non-controlling interest | - | (252,896) | - | (1,083,537) |
| | (3,069,624) | (850,768) | (4,562,280) | (2,605,920) |

VULCAN MINERALS INC.
Condensed Consolidated Statements of Changes in Equity
(Unaudited)

| (in Canadian dollars) | Share Capital | Warrants | Contributed Surplus | Accumulated Other Comprehensive Income (Loss) | Deficit | Total Shareholders' Equity | Non-Controlling Interest | Total Equity |
|-----------------------------------------------------------------------------------------|-------------------|------------------|---------------------|-----------------------------------------------|---------------------|----------------------------|--------------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| | (Note 10) | (Note 10) | (Note 10) | | | | | |
| Balance December 31, 2020 | 19,737,670 | 476,496 | 2,917,126 | 35,261 | (20,930,618) | 2,235,935 | 446,226 | 2,682,161 |
| Net loss and comprehensive income (loss) | | | | | | | | |
| January 1, 2021 - September 30, 2021 | - | - | - | (271,625) | (1,250,758) | (1,522,383) | (1,083,537) | (2,605,920) |
| Adjustment for change in ownership in subsidiary | - | - | - | - | (292,071) | (292,071) | 292,071 | - |
| Issuance of shares and warrants pursuant to private placements | 2,326,428 | 2,173,572 | - | - | - | 4,500,000 | - | 4,500,000 |
| Issuance of brokers warrants pursuant to private placements | - | 73,968 | - | - | - | 73,968 | - | 73,968 |
| Exercise of options - parent | 36,750 | - | (11,750) | - | - | 25,000 | - | 25,000 |
| Exercise of warrants - parent | 306,330 | (124,330) | - | - | - | 182,000 | - | 182,000 |
| Share issuance costs - parent | (171,639) | - | - | - | - | (171,639) | - | (171,639) |
| Issuance of shares, options and warrants - subsidiary | - | - | - | - | 3,216,909 | 3,216,909 | 5,233,078 | 8,449,987 |
| Sale of shares of subsidiary - parent | - | - | - | - | 360,000 | 360,000 | - | 360,000 |
| Share issuance costs - subsidiary | - | - | - | - | (223,652) | (223,652) | (363,825) | (587,477) |
| Exercise of options - subsidiary | - | - | - | - | 3,807 | 3,807 | 6,193 | 10,000 |
| Exercise of warrants - subsidiary | - | - | - | - | 448,119 | 448,119 | 275,471 | 723,590 |
| Share-based compensation in parent | - | - | 273,300 | - | - | 273,300 | - | 273,300 |
| Share-based compensation in subsidiary | - | - | - | - | 293,763 | 293,763 | 477,876 | 771,639 |
| Balance, September 30, 2021 | 22,235,539 | 2,599,706 | 3,178,676 | (236,364) | (18,374,501) | 9,403,056 | 5,283,553 | 14,686,609 |
| Net loss and comprehensive income (loss) | | | | | | | | |
| October 1, 2021 - December 31, 2021 | - | - | - | 175,106 | 35,294,834 | 35,469,940 | (506,556) | 34,963,384 |
| Adjustment for change in ownership in subsidiary | - | - | - | - | (420,013) | (420,013) | 420,013 | - |
| Loss of control of subsidiary | - | - | - | - | - | - | (5,891,907) | (5,891,907) |
| Exercise of options - parent | 6,755 | - | (1,755) | - | - | 5,000 | - | 5,000 |
| Exercise of warrants - parent | 866,592 | (365,092) | - | - | - | 501,500 | - | 501,500 |
| Share issuance costs, net of taxes - parent | 40,934 | - | - | - | - | 40,934 | - | 40,934 |
| Issuance of shares, options and warrants - subsidiary | - | - | - | - | (53,297) | (53,297) | 53,297 | - |
| Share issuance costs - subsidiary | - | - | - | - | 3,700 | 3,700 | (3,700) | - |
| Exercise of warrants - subsidiary | - | - | - | - | 77,465 | 77,465 | 602,748 | 680,213 |
| Share-based compensation capitalized to exploration and evaluation assets in parent | - | - | 12,637 | - | - | 12,637 | - | 12,637 |
| Share-based compensation capitalized to exploration and evaluation assets in subsidiary | - | - | - | - | 12,086 | 12,086 | 20,196 | 32,282 |
| Share-based compensation in parent | - | - | 48,348 | - | - | 48,348 | - | 48,348 |
| Share-based compensation in subsidiary | - | - | - | - | 5,609 | 5,609 | 22,356 | 27,965 |
| Balance, December 31, 2021 | 23,149,820 | 2,234,614 | 3,237,906 | (61,258) | 16,545,883 | 45,106,965 | - | 45,106,965 |
| Net loss and comprehensive loss | | | | | | | | |
| January 1, 2022 - September 30, 2022 | - | - | - | (881,344) | (3,680,936) | (4,562,280) | - | (4,562,280) |
| Adjustment for change in ownership in subsidiary | - | - | - | - | 15,538 | 15,538 | - | 15,538 |
| Exercise of options | 232,555 | - | (150,055) | - | - | 82,500 | - | 82,500 |
| Exercise of warrants | 1,258,310 | (47,361) | - | - | - | 1,210,949 | - | 1,210,949 |
| Issuance of shares for purchase of mineral exploration and evaluation assets | 30,000 | - | - | - | - | 30,000 | - | 30,000 |
| Share issuance costs, net of taxes | (6,975) | - | - | - | - | (6,975) | - | (6,975) |
| Share-based compensation capitalized to exploration and evaluation assets in parent | - | - | 14,046 | - | - | 14,046 | - | 14,046 |
| Share-based compensation in parent | - | - | 756,142 | - | - | 756,142 | - | 756,142 |
| Balance, September 30, 2022 | 24,663,710 | 2,187,253 | 3,858,039 | (942,602) | 12,880,485 | 42,646,885 | - | 42,646,885 |

See accompanying notes to the condensed consolidated financial statements

VULCAN MINERALS INC.
Condensed Consolidated Statements of Cash Flows
Period Ended

| (in Canadian dollars) | September 30 2022 | December 31 2021 |
|-------------------------------------------------------------------|----------------------|---------------------|
| | | \$ |
| Operating Activities | | |
| Net (loss) income | (3,680,936) | 32,453,983 |
| Adjustment for non cash items: | | |
| Gain resulting from loss of control of a subsidiary | - | (38,546,475) |
| Dilution loss | 3,736,257 | - |
| Income from equity accounted investments | 559,868 | 3,193 |
| Deferred option payments and investment in unrelated companies | (1,102,891) | (625,108) |
| Shares received on distribution of spin out | (391,618) | - |
| Shares issued in exchange for exploration and evaluation assets | 30,000 | - |
| Interest accretion on loan | 1,087 | 1,393 |
| Deferred income tax liability | (114,480) | 4,095,659 |
| Share-based compensation | 756,142 | 1,121,252 |
| Depreciation | 2,764 | 5,756 |
| | (203,807) | (1,490,347) |
| Changes in non-cash working capital | | |
| Accounts receivable | 66,172 | (184,711) |
| Prepaid expenses | 3,777 | (7,160) |
| Accounts payable and accrued liabilities | (64,319) | 204,906 |
| | (198,177) | (1,477,312) |
| Financing Activities | | |
| Share issuance costs, net of tax - parent | - | (56,737) |
| Cash received upon exercise of options | 82,500 | 30,000 |
| Cash received upon exercise of warrants | 1,210,950 | 683,500 |
| Cash received upon exercise of options and warrants in subsidiary | - | 1,413,803 |
| Sale of shares of subsidiary | - | 360,000 |
| Private placement - parent | - | 4,500,000 |
| Private placements - subsidiary | - | 8,583,321 |
| Share issuance costs - subsidiary | - | (587,477) |
| | 1,293,450 | 14,926,410 |
| Investing Activities | | |
| Cash disposed of through the loss of control of a subsidiary | - | (8,561,117) |
| Exploration and evaluation expenditures | (357,263) | (810,696) |
| Refunds on exploration and evaluation assets | 7,750 | 31,650 |
| Deposits on exploration and evaluation assets | (5,590) | (193,297) |
| Sale of mineral property | 158,600 | - |
| Purchase of capital assets | - | (12,077) |
| Proceeds from gypsum revenues | - | 354,885 |
| | (196,503) | (9,190,652) |
| Net change in cash for the year | 898,770 | 4,258,446 |
| Cash, beginning of year | 5,449,161 | 1,190,715 |
| Cash, end of period | 6,347,931 | 5,449,161 |

See accompanying notes to the condensed consolidated financial statements

VULCAN MINERALS INC.

Notes to the Condensed Consolidated Financial Statements

September 30, 2022

1. NATURE OF OPERATIONS

Vulcan Minerals Inc. is engaged in the evaluation, acquisition and exploration of minerals in Newfoundland and Labrador. The Company plans to ultimately develop the properties as joint ventures, bring them into production, option or lease properties to third parties, or sell the properties outright. The Company is in the exploration stage on most of its projects. The Company is a publicly traded company, incorporated under the laws of the Province of Alberta, Canada. Its registered address is 333 Duckworth Street, St. John's, NL A1C 1G9.

2. DECONSOLIDATION OF A SUBSIDIARY

As of December 31, 2020, the Company had 63.03% ownership interest in Atlas Salt Inc. ("Atlas Salt" or "Atlas") and determined that it had control over Atlas. The Company assessed its investment in Atlas and judged that it had maintained control over Atlas as defined by IFRS 10 and continued to consolidate Atlas from January 1, 2021 to October 31, 2021. Pursuant to four private placements in Atlas during 2021, as well as additional warrants and options exercised during the year, Vulcan's ownership interest in Atlas was reduced to 37.44%. On October 31, 2021, management determined that Atlas no longer required to be consolidated and now accounts for the retained investment in Atlas as an investment using the equity method. A gain resulting from loss of control of a subsidiary of \$38,943,667 and an equity investment in Atlas of \$42,469,770 was recognized on that date.

The carrying value of Atlas Salt's net assets deconsolidated and the gain resulting from loss of control of a subsidiary are as follows:

| | October 31, 2021 |
|-------------------------------------------------|-------------------------|
| | \$ |
| Cash and cash equivalents | 8,561,117 |
| Accounts receivable | 149,365 |
| Prepaid expenses | 11,250 |
| Capital assets | 8,007 |
| Mineral exploration and evaluation assets | 1,213,831 |
| Accounts payable and accrued liabilities | (251,829) |
| Flow through share premium | (133,334) |
| Asset retirement obligation | (140,397) |
| | 9,418,010 |
| Non-controlling interest | (5,891,907) |
| | 3,526,103 |
| Fair value of the investment in Atlas Salt Inc. | 42,469,770 |
| | 38,943,667 |

VULCAN MINERALS INC.
Notes to the Condensed Consolidated Financial Statements
September 30, 2022

3. BASIS OF PRESENTATION

The Company prepares its condensed consolidated financial statements with Canadian generally accepted accounting principles (“GAAP”) as set out in the Canadian Professional Accountants of Canada Handbook – Accounting – Part I (“CPA Canada Handbook”) which incorporates International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

These condensed consolidated financial statements have been prepared on an historical cost basis, except for investments which are measured at fair value.

In addition to the Company, the consolidated financial statements include all subsidiaries. Subsidiaries are all corporations, over which the Company is able, directly or indirectly, to control financial and operating policies, which is the authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. Intercompany transactions and balances are eliminated upon consolidation. They are deconsolidated from the date that control by the Company ceases. Any retained interest is measured to its fair value with the change in carrying amount recognized in income or loss. The fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or joint venture.

As of September 30, 2022 and 2021, the subsidiaries of the Company are as follows:

| Subsidiaries | 2022 | 2021 |
|-------------------------|-------------|-------------|
| Atlas Salt Inc. | -% (*) | 38.07% |
| Devonian Resources Inc. | 100% | 100% |
| London Resources Inc. | 100% | 100% |

(*) On October 31, 2021, Atlas was deconsolidated as described in Note 2.

These unaudited interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The accounting policies used in preparing these unaudited interim condensed consolidated financial statements are consistent with those used in the preparation of the Company’s annual financial statements. A summary of the Company’s significant accounting policies under IFRS is presented in Note 5 to the year-end financial statements, December 31, 2021.

These condensed consolidated financial statements were approved and authorized for issuance by the Board of Directors on November 28, 2022.

VULCAN MINERALS INC.
Notes to the Condensed Consolidated Financial Statements
September 30, 2022

4. NEW OR AMENDMENTS TO ACCOUNTING STANDARDS NOT YET ADOPTED

For the period ended September 30, 2022, there have been no accounting pronouncements by the IASB that would have a material impact on the Company's financial results or position.

Amendments to IAS 1, Presentation of Financial Statements, will be effective for years beginning with January 1, 2023. The amendments clarify how an entity classifies debt and other financial liabilities as current or non-current in particular circumstances.

The Company is assessing whether there could be a material impact on its consolidated financial statements in the year of application.

5. INVESTMENTS

| | September 30 2022 | December 31 2021 |
|-------------|------------------------------|-----------------------------|
| | \$ | \$ |
| Investments | 822,763 | 636,723 |

Investments classified as fair value through other comprehensive income consist of: shares in public companies received as consideration for option payments on mineral claims with an initial value of \$994,404 (December 31, 2021 – \$851,512). Shares were also received as consideration for the sale of mineral claims with an initial value of \$960,000 (December 31, 2021 - \$nil). At September 30, 2022, the market value of the shares is \$822,763 (December 31, 2021 – \$636,723).

6. INVESTMENT IN ASSOCIATES

| | September 30 2022 | December 31 2021 |
|-------------------------------------------|------------------------------|-----------------------------|
| | \$ | \$ |
| Investment in Atlas Salt Inc. | 37,776,258 | 42,069,385 |
| Investment In Triple Point Resources Ltd. | 388,620 | - |
| | 38,164,878 | 42,069,385 |

Atlas Salt Inc.

On October 31, 2021, as a result of the deconsolidation of Atlas Salt (Note 2), an equity investment of \$42,469,770 was recorded based on the fair value of the shares held on that date. At that date the Company's ownership in Atlas Salt was 37.44%. Management has determined that its investment in the common shares of Atlas Salt gives it significant influence over Atlas Salt. As a result, the Company applied the equity method of

VULCAN MINERALS INC.**Notes to the Condensed Consolidated Financial Statements**

September 30, 2022

accounting for its investment in Atlas Salt. Subsequent to the deconsolidation of Atlas Salt, the Company's ownership decreased to 32.98% as of September 30, 2022 (December 31, 2021 – 36.8%), resulting in a dilution loss of \$3,736,257 (December 31, 2021 - \$397,192).

The continuity of the Company's investment in Atlas Salt common shares is as follows:

| | September 30 2022 | December 31 2021 |
|------------------------------------------|----------------------|---------------------|
| | \$ | \$ |
| Balance, beginning of year | 42,069,385 | - |
| Balance as of October 31, 2021 | - | 42,469,770 |
| Share of income and comprehensive income | (556,870) | (3,193) |
| Dilution loss | (3,736,257) | (397,192) |
| Investment in Atlas Salt | 37,776,258 | 42,069,385 |

The fair value of the Company's investment in Atlas Salt as at September 30, 2022 was \$50,848,160 (December 31, 2021 - \$49,403,610).

The following summarized financial information of Atlas Salt as at September 30, 2022 and December 31, 2021 and for the period ended September 30, 2022 and December 31, 2021, including fair value adjustments made at the time of recognition of the interest, is as follows:

| | September 30 2022 | December 31 2021 |
|------------------------------------------------------------------------------------------|----------------------|---------------------|
| | \$ | \$ |
| Balance Sheet | | |
| Current assets | 10,442,831 | 9,059,247 |
| Non-current assets | 42,562,790 | 41,137,622 |
| Current liabilities | 326,747 | 283,292 |
| Non-current liabilities | 320,218 | 140,665 |
| Equity | 52,358,656 | 49,772,912 |
| Net loss and comprehensive loss | | |
| Period from January 1, 2022 – September 30, 2022 (November 1 – December 31, 2021) | | |
| Income | 162,282 | 60,222 |
| Net loss and comprehensive loss | 2,806,447 | 274,905 |

Triple Point Resources Ltd. ("Triple Point")

On September 22, 2022, Atlas Salt closed the Triple Point spin-out through a Plan of Arrangement. As part of the Arrangement, Atlas Salt distributed 23,747,026 common shares of Triple Point that it received under the Arrangement to holders of common shares

VULCAN MINERALS INC.
Notes to the Condensed Consolidated Financial Statements
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of Atlas Salt on a pro rata basis, such that Atlas Salt shareholders as of 12:01 a.m. on the Record Date received one share of Triple Point for every 3.68 shares owned of Atlas.

Vulcan received 7,832,350 shares of Triple Point as a result of this spin-out at a deemed price of \$0.05 per share. An equity investment of \$391,618 was recorded based on the fair value of the shares held on that date. At that date the Company's ownership in Triple Point was 10.27%. Management has determined that its investment in the common shares of Triple Point along with some common directors, gives it significant influence over Triple Point. As a result, the Company applied the equity method of accounting for its investment in Triple Point.

The continuity of the Company's investment in Triple Point common shares is as follows:

| | September 30 2022 | December 31 2021 |
|------------------------------------------|----------------------|---------------------|
| | \$ | \$ |
| Balance, beginning of year | - | - |
| Balance as of September 22, 2022 | 391,618 | - |
| Share of income and comprehensive income | (2,998) | - |
| Investment in Triple Point | 388,620 | - |

The fair value of the Company's investment in Triple Point as at September 30, 2022 was estimated to be \$391,618 (December 31, 2021 - \$nil).

The following summarized financial information of Triple Point as at September 30, 2022 and December 31, 2021 and for the period ended September 30, 2022 and December 31, 2021, including fair value adjustments made at the time of recognition of the interest, is as follows:

| | September 30 2022 | December 31 2021 |
|----------------------------------------------------------------------------|----------------------|---------------------|
| | \$ | \$ |
| Balance Sheet | | |
| Current assets | 3,019,145 | - |
| Non-current assets | 687,993 | - |
| Current liabilities | 129,103 | - |
| Equity | 3,578,035 | - |
| Net loss and comprehensive loss | | |
| Period from September 22 - 30, 2022 (January 1 – December 31, 2021) | | |
| Income | - | - |
| Net loss and comprehensive loss | 29,188 | - |

VULCAN MINERALS INC.**Notes to the Condensed Consolidated Financial Statements**

September 30, 2022

7. EXPLORATION AND EVALUATION ASSETS

The Company has 34 mineral licences (December 31, 2021 - 44) which consist of 2,129 claims (December 31, 2021 – 4,323), which are active and in good standing with the Department of Natural Resources in the Province of Newfoundland and Labrador. These licences are in the exploration and evaluation stage. As of September 30, 2022, 12 of these licences consisting of 624 claims are optioned to Sassy Resources Corporation (these have since been assigned to Gander Gold Corporation) and 3 licences consisting of 30 claims are optioned to Fjordland Exploration Inc.

A summary of the exploration and evaluation assets is as follows:

| | September 30, 2022 | | | |
|---------------------------------------------------------------|-------------------------------------------|------------------|------------------|-----------------------------------|
| | Balance, Beginning of Year | Additions | Disposals | Balance, End of Period |
| | \$ | \$ | \$ | \$ |
| Mineral properties | | | | |
| property acquisition costs | 383,829 | 54,231 | (158,600) | 279,460 |
| Feasibility study | 160,785 | - | - | 160,785 |
| Exploration costs | 1,803,598 | 330,455 | - | 2,134,053 |
| Deferred option payments | (134,892) | - | - | (134,892) |
| Deconsolidation due to loss of control of Atlas Salt (Note 2) | (1,213,831) | - | - | (1,213,831) |
| | 999,489 | 384,686 | (158,600) | 1,225,575 |

VULCAN MINERALS INC.
Notes to the Condensed Consolidated Financial Statements
September 30, 2022

| | December 31, 2021 | | | |
|--------------------------|-------------------------------------------|------------------|-------------------------------|---------------------------------|
| | Balance, Beginning of Year | Additions | Incidental Revenue | Balance, End of Year |
| | \$ | \$ | \$ | \$ |
| Mineral properties | | | | |
| property acquisition | | | | |
| costs | 136,625 | 247,204 | - | 383,829 |
| Feasibility study | - | 160,785 | - | 160,785 |
| Exploration costs | 1,538,243 | 620,240 | (354,885) | 1,803,598 |
| Deferred option | | | | |
| payments | - | (134,892) | - | (134,892) |
| Deconsolidation due to | | | | |
| loss of control of Atlas | | | | |
| Salt (Note 2) | - | - | - | (1,213,831) |
| | 1,674,868 | 893,337 | (354,885) | 999,489 |

Current year additions to mineral exploration costs include share-based compensation of \$14,046 (December 31, 2021 – \$12,637). During the first ten months of 2021, the Company recorded \$354,885 in incidental revenue from sales of gypsum from the Ace Gypsum mine (September 30, 2022 - \$nil).

In February 2021, the Company entered into an option agreement with Sassy Gold Corp. (previously Sassy Resources Corporation) (“Sassy”) in relation to the Company’s Gander Belt Gold mineral property (624 claims). Sassy has an option to earn a 100% interest in the property over a four-year period by incurring exploration expenditures of \$2,000,000 (\$200,000 in year 2021) and by making option payments of 2,500,000 common shares, and \$400,000 cash (\$100,000 upon signing). As at September 30, 2022, 1,000,000 common shares of Sassy and 300,000 common shares of Gander Gold (December 31, 2021 - 1,000,000 common shares of Sassy) having a market value of \$842,892 (December 31, 2021 - \$700,000) at the time of their issuance and \$150,000 cash (December 31, 2021 - \$100,000) have been received. Security deposits of \$28,950 paid on the 624 claims have been reimbursed to the Company. \$122,625 as of September 30, 2022 (December 31, 2021 - \$122,625) has been recorded as cost recoveries to the Gander properties and \$192,892 (December 31, 2021 - \$677,375) recorded as income during period. After Sassy earns its 100% interest, the Company can retain a 3% net smelter royalty (NSR) covering the 624 claims. Sassy has the right to repurchase one-half of that NSR (1.5%) for \$2,000,000 in cash and 500,000 common shares within one year following delivery to Vulcan of a Feasibility Report on any deposit advanced on the properties. Subsequent to the date of this agreement, Sassy assigned the option to Gander Gold Corporation (“Gander Gold”). The first anniversary and subsequent option payments will now be paid by Gander Gold including the issuance of Gander Gold shares.

VULCAN MINERALS INC.**Notes to the Condensed Consolidated Financial Statements****September 30, 2022**

On September 20, 2021, the Company entered into an option agreement with Fjordland Exploration Inc. (“Fjordland”) in relation to the Company's South Voisey’s Bay mineral licenses (30 claims). Fjordland has an option to earn a 100% interest in the property over a three-year period by incurring work commitment of \$250,000 (\$250,000 in year 2024) and by making option payments of 1,350,000 common shares, and \$70,000 cash (\$25,000 upon signing). As at September 30, 2022, 600,000 common shares (December 31, 2021 – 600,000) having a market value of \$60,000 (December 31, 2021 - \$60,000) at the time of their issuance and \$25,000 (December 31, 2021 - \$25,000) has been received. \$12,265 as of September 30, 2022 (December 31, 2021 - \$12,265) has been recorded as cost recoveries to the South Voisey’s Bay properties and \$nil (December 31, 2021 - \$72,735) recorded as income during the period. After Fjordland earns its 100% interest, the Company can retain a 2% net smelter returns royalty (NSR) covering the 30 claims. Fjordland has the right to buy down 50% of the NSR (1%) at any time within one year following the start of commercial production on the Property in consideration for the payment of \$2,000,000 in cash payable to the Company.

On May 9, 2022 the Company entered into a Purchase and Sale Agreement whereby the Company sold 12 mineral licences (2,440 claims) to Rocky Island Gold Corp (“Rocky Island”). Rocky Island paid \$250,000 cash and issued 3,000,000 common shares in the capital of Sassy Gold Corp. (“Sassy”). The Company received a one percent (1%) net smelter royalty covering the claims. As at September 30, 2022, 3,000,000 common shares (December 31, 2021 – \$nil) having a market value of \$960,000 (December 31, 2021 - \$nil) at the time of their issuance and \$250,000 (December 31, 2021 - \$nil) has been received. A gain on the sale of mineral property of \$1,051,400 has been recorded as income during the period (December 31, 2021 - \$nil).

8. CAPITAL ASSETS

| | September 30, 2022 | | | |
|----------------------|---------------------------|-------------------------------|---------------------------|------------------|
| | Drilling Rig | Furniture and Fixtures | Computer Equipment | Total |
| | \$ | \$ | \$ | \$ |
| Opening Balance | 798,368 | 12,296 | 89,645 | 900,309 |
| Additions | - | - | - | - |
| Sub-total | 798,368 | 12,296 | 89,645 | 900,309 |
| Opening Depreciation | (792,699) | (11,776) | (83,375) | (887,850) |
| Depreciation | (1,275) | (78) | (1,411) | (2,764) |
| Closing Balance | 4,394 | 442 | 4,859 | 9,695 |

VULCAN MINERALS INC.
Notes to the Condensed Consolidated Financial Statements
September 30, 2022

| | December 31, 2021 | | | |
|------------------------------------------------------------------|--------------------------|-----------------------------------|-------------------------------|--------------|
| | Drilling Rig | Furniture and Fixtures | Computer Equipment | Total |
| | \$ | \$ | \$ | \$ |
| Opening Balance | 798,368 | 12,296 | 77,568 | 888,232 |
| Additions | - | - | 12,077 | 12,077 |
| Sub-total | 798,368 | 12,296 | 89,645 | 900,309 |
| Opening Depreciation | (790,270) | (11,646) | (72,171) | (874,087) |
| Depreciation | (2,429) | (130) | (3,197) | (5,756) |
| Deconsolidation due to loss of control of Atlas Salt (Note 2) | - | - | (8,007) | (8,007) |
| Closing Balance | 5,669 | 520 | 6,270 | 12,459 |

9. LOAN

| | September 30 2022 | December 31 2021 |
|----------------------------|------------------------------|-----------------------------|
| | \$ | \$ |
| Balance, beginning of year | 28,543 | 27,150 |
| Fair value adjustment | 1,087 | 1,393 |
| Balance, end of period | 29,630 | 28,543 |

The Company availed of a \$40,000 loan under the federal government of Canada Covid-19 relief measures in 2020. The Canada Emergency Business Account loan provides a forgivable amount of \$10,000 if the amount of \$30,000 is repaid by December 31, 2022. This loan is non-interest bearing until January 1, 2023. In the event there is a loan balance outstanding on January 1, 2023, the loan will be renewed for a 3-year term with a fixed annual rate of interest of 5%. Interest accretion on the loan as of September 30, 2022 is \$1,087 (December 31, 2021 – \$1,393). In January 2022, the Government of Canada amended the CEBA program which delayed the required repayment date to December 31, 2023.

VULCAN MINERALS INC.
Notes to the Condensed Consolidated Financial Statements
September 30, 2022

10. SHARE CAPITAL

Authorized:

Unlimited number of voting common shares
 Unlimited number of preferred shares, issuable in series

Issued and outstanding:

| | September 30, 2022 | | December 31, 2021 | |
|---------------------------------------------------|--------------------|-------------------|--------------------|-------------------|
| | Number | Share Capital | Number | Share Capital |
| | | \$ | | \$ |
| Balance, beginning of year | 110,967,765 | 23,149,820 | 81,352,765 | 19,737,670 |
| Issued pursuant to private placements (Note 10) | - | - | 22,500,000 | 2,326,428 |
| Exercise of share warrants | 4,736,500 | 1,210,949 | 6,815,000 | 683,500 |
| Transfer to share capital on exercise of warrants | - | 47,361 | - | 489,422 |
| Exercise of options | 450,000 | 82,500 | 300,000 | 30,000 |
| Transfer to share capital on exercise of options | - | 150,055 | - | 13,505 |
| Issued pursuant to purchase of mineral licence | 100,000 | 30,000 | | |
| Share issuance cost, net of taxes | - | (6,975) | - | (130,705) |
| Balance, end of period | 116,254,265 | 24,663,710 | 110,967,765 | 23,149,820 |

Contributed surplus:

A summary of contributed surplus is as follows:

| | September 30 | December 31 |
|------------------------------------|------------------|------------------|
| | 2021 | 2021 |
| | \$ | \$ |
| Balance, beginning of year | 3,237,906 | 2,917,126 |
| Share-based compensation (Note 11) | 770,188 | 334,285 |
| Fair value of options exercised | (150,055) | (13,505) |
| Balance, end of period | 3,858,039 | 3,237,906 |

Private placements:

Pursuant to a private placement dated June 22, 2021 the Company closed 22,500,000 units at \$0.20 per unit for total cash consideration of \$4,500,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share of the Company at a price of \$0.30 per share until

VULCAN MINERALS INC.
Notes to the Condensed Consolidated Financial Statements
September 30, 2022

December 23, 2023. An amount of \$2,326,428 has been allocated to share capital and \$2,173,572 to the fair value of the warrants (Note 10).

Warrants:

A summary of warrants issued and exercisable and changes during the periods then ended is as follows:

| | September 30, 2022 | | December 31, 2021 | |
|----------------------------|---------------------------|----------------------------------------|---------------------------|----------------------------------------|
| | Number of Warrants | Weighted-Average Exercise Price | Number of Warrants | Weighted-Average Exercise Price |
| | | \$ | | \$ |
| Balance, beginning of year | 36,969,500 | 0.22 | 20,980,000 | 0.10 |
| Exercised | (4,736,500) | 0.26 | (6,815,000) | 0.10 |
| Issued to shareholders | - | - | 22,500,000 | 0.30 |
| Issued to brokers | - | - | 304,500 | 0.30 |
| Balance, end of period | 32,233,000 | 0.22 | 36,969,500 | 0.22 |

| | September 30 2022 | December 31 2021 |
|------------------------------------------------------|--------------------------|-------------------------|
| | \$ | \$ |
| Balance, beginning of year | 2,234,614 | 476,496 |
| Transferred to share capital on exercise of warrants | (47,361) | (489,422) |
| Fair value of warrants issued | - | 2,173,572 |
| Fair value of brokers warrants issued | - | 73,968 |
| Balance, end of period | 2,187,253 | 2,234,614 |

The weighted average fair value of the warrants was estimated on the date of issuance to be \$nil (December 31, 2021 – \$0.24) using the Black-Scholes fair value option pricing model and the following weighted average assumptions:

| | September 30 2022 | December 31 2021 |
|----------------------------------------|--------------------------|-------------------------|
| Expected volatility (%) | - | 237 |
| Risk free interest rate (%) | - | 0.41 |
| Weighted-average expected life (years) | - | 2.5 |
| Dividend yield (%) | - | - |

VULCAN MINERALS INC.**Notes to the Condensed Consolidated Financial Statements**

September 30, 2022

11. SHARE-BASED COMPENSATION**Vulcan Minerals Inc. stock options:**

The Company has a stock option plan under which directors, officers, management, consultants and employees of the Company and its subsidiary are eligible to receive stock options. The aggregate number of shares to be issued upon exercise of all options granted under the plan shall not exceed 10% of the issued shares of the Company at the time of granting the options. The maximum number of common shares optioned to any one optionee shall not exceed 5% of outstanding common shares of the Company. Options granted under the plan generally have a term of five years but may not exceed ten years and vest at terms to be determined by the directors at the time of grant. The exercise price of each option is determined by the directors at the time of grant but shall not be less than the price permitted by the policy or policies of the stock exchange(s) on which the Company's common shares are then listed.

A summary of the status of the Company's stock option plan is as follows:

| | September 30, 2022 | | December 31, 2021 | |
|--------------------------------|----------------------------------|-----------------------------------------------------|----------------------------------|-----------------------------------------------------|
| | Number of Options | Weighted- Average Exercise Price | Number of Options | Weighted- Average Exercise Price |
| Outstanding, beginning of year | 7,375,000 | \$ 0.12 | 5,425,000 | 0.10 |
| Granted | 2,150,000 | 0.30 | 2,950,000 | 0.16 |
| Exercised | (450,000) | 0.18 | (300,000) | 0.11 |
| Expired | (75,000) | (0.30) | (700,000) | 0.10 |
| Outstanding, end of period | 9,000,000 | 0.16 | 7,375,000 | 0.12 |
| Exercisable, end of period | 7,937,500 | 0.14 | 5,837,500 | 0.11 |

The weighted average remaining contractual life of outstanding options is 3.98 years (December 31, 2021 – 3.16 years). The weighted average remaining contractual life of exercisable options is 3.37 years (December 31, 2021 – 3.02 years).

The Company granted 1,800,000 stock options to directors with each option entitling the holder to purchase one common share at \$0.30 per share for a period of ten years. 900,000 options vested on the date of the grant January 10, 2022 and the remaining 900,000 options vest December 31, 2022. In addition, the Company granted 300,000 stock options to employees and advisory board members with each option entitling the holder to purchase one common share at \$0.30 per share for a period of five years. 150,000 options vested on the date of the grant January 10, 2022 and the remaining 150,000 options vest December 31, 2022.

VULCAN MINERALS INC.
Notes to the Condensed Consolidated Financial Statements
September 30, 2022

On July 12, 2022, the Company granted 50,000 stock options to an employee with each option entitling the holder to purchase one common share at \$0.35 per share for a period of five years. 50,000 options vest on November 1, 2022.

On March 9, 2021, the Company granted 2,700,000 stock options to directors with each option entitling the holder to purchase one common share at \$0.15 per share for a period of five years. 1,350,000 options vested on the date of the grant March 9, 2021 and the remaining 1,350,000 options vested June 1, 2022.

In addition, on September 20, 2021, the company granted 250,000 stock options to a consultant with each option entitling the holder to purchase one common share at \$0.25 per share for a period of one year. The options vest quarterly on December 20, 2021, March 20, 2022, June 20, 2022 and September 20, 2022.

Fair value assumptions:

The weighted average fair value of stock options granted in the period ended September 30, 2022 was estimated to be \$0.3012 (December 31, 2021 – \$0.1585) using the Black-Scholes fair value option pricing model and the following weighted average assumptions:

| | September 30 | December 31 |
|----------------------------------------|---------------------|--------------------|
| | 2022 | 2021 |
| Expected volatility (%) | 155 | 188 |
| Risk free interest rate (%) | 1.11 | 1.13 |
| Weighted-average expected life (years) | 9.19 | 4.66 |
| Dividend yield (%) | - | - |

Consolidated share-based compensation expense:

The Company recognized share-based compensation costs in the amount of \$770,188 in the period ended September 30, 2022 (December 31, 2021 - \$1,166,171). Share-based compensation in the amount of \$756,142 was expensed for the period September 30, 2022 (December 31, 2021 – \$1,121,252) and \$14,046 (December 31, 2021 – \$44,919) was capitalized to mineral exploration and evaluation assets.

VULCAN MINERALS INC.
Notes to the Condensed Consolidated Financial Statements
September 30, 2022

12. GENERAL AND ADMINISTRATIVE EXPENSES

| | Period ended | |
|--------------------------------------------------------------------------------------|----------------------|---------------------|
| | September 30 2022 | December 31 2021 |
| | \$ | \$ |
| Office and administrative | 253,237 | 539,573 |
| Management, salaries and contract fees and benefits | - | 166,146 |
| Marketing and communications | 1,000 | 617,880 |
| Investor relations | 58,500 | 62,000 |
| Transfer agent and professional fees | 90,507 | 165,863 |
| Conferences, travel and accommodation | 1,805 | 3,524 |
| | 405,049 | 1,554,986 |
| Expenses attributable to subsidiary, Atlas Salt Inc. to October 31, 2021 (Note 2) | - | 1,085,531 |
| Expenses attributable to parent, Vulcan Minerals Inc. | 405,049 | 469,455 |
| | 405,049 | 1,554,986 |

13. RELATED PARTY TRANSACTIONS

Compensation for key management personnel, which includes the President and Chief Executive Officer, Chief Financial Officer and Directors, is as follows:

| | Period ended | |
|-------------------------------------------------------------------------|----------------------|---------------------|
| | September 30 2022 | December 31 2021 |
| | \$ | \$ |
| Management fees, salaries and benefits for key management personnel: | | |
| General and administrative | 240,433 | 282,846 |
| Capitalized as mineral exploration and evaluation assets | 8,117 | 37,807 |
| Share-based compensation for key management personnel: | | |
| General and administrative | 756,142 | 1,121,252 |
| Capitalized as mineral exploration and evaluation assets | 14,046 | 44,919 |
| | 1,018,738 | 1,486,824 |

| | Period ended | |
|-----------------------------------------------------------------------------------|----------------------|---------------------|
| | September 30 2022 | December 31 2021 |
| | \$ | \$ |
| Rent paid to a corporation which is controlled by the President of the Company | 18,000 | 35,000 |

14. CONTINGENCIES

- a. The legal case initiated by Geophysical Service Incorporated (GSI) in 2011 against the Company has been discontinued (dropped) by GSI in 2021.
- b. The Company has been added as a co-defendant in an ongoing legal action Geophysical Service Incorporated (GSI) has with NWest Energy Corp. (now Ceylon Graphite Corp. by way of name change) regarding an alleged breach of an agreement between those parties. GSI has submitted a Statement of Claim and the Company has filed a Statement of Defence. The Company believes the claims against it are without basis or merit and no amounts have been recorded in the Company's accounts related to this claim. The Company is fully defending its interest.

15. SUBSEQUENT EVENTS

Subsequent to September 30, 2022 warrants exercised, options granted and exercised and the shares outstanding were as follows:

| | |
|----------------------------------------------------------|-------------|
| Outstanding Shares as of November 28, 2022: | 116,254,265 |
| Warrants Exercised October 1, 2022 to November 28, 2022: | Nil |
| Options Granted October 1, 2022 to November 28, 2022: | Nil |
| Options Exercised October 1, 2022 to November 28, 2022: | Nil |

CORPORATE INFORMATION

OFFICERS AND MANAGEMENT

Patrick J. Laracy
President and Chairman

Gillian Russell
Chief Financial Officer and Corporate
Secretary

BOARD OF DIRECTORS

Patrick J. Laracy

Carson Noel

Philip E. Collins

Fraser Edison

EXCHANGE LISTING

TSX Venture – “VUL”

LEGAL COUNSEL

Morris McManus, Calgary, AB
Morton Law, Vancouver, BC
Cox & Palmer, St. John's, NL

REGISTRAR AND TRANSFER AGENT

Computershare Trust Company of
Canada

AUDITORS

PricewaterhouseCoopers LLP

BANKERS

Scotiabank

ADDITIONAL INFORMATION

Please contact, Patrick J. Laracy

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