NEW TECH LITHIUM CORP.

(formerly American Potash Corp.)
An Exploration Stage Enterprise

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JANUARY 31, 2018 AND 2017

(Expressed in Canadian Dollars)

Unaudited Interim Financial Statements

In Accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited condensed consolidated interim financial statements for the period ended January 31, 2018.

NEW TECH LITHIUM CORP. (formerly American Potash Corp.)
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian Dollars - unaudited)

	Note	January 31, 2018	July 31, 2017
ASSETS		$	$
Current			
Cash		408,935	53,697
Prepaid expenses		366,348	1,500
GST receivable		47,421	8,188
Accounts receivable		16,907	-
Marketable securities	3,4	461,500	280,000
Total current assets		1,301,111	343,385
Non-current assets			
Exploration and evaluation assets	3	767,277	585,896
Total non-current assets		767,277	585,896
Total assets		2,068,388	929,281
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	5	109,188	42,386
Due to related parties	7	8,428	12,833
Total liabilities		117,616	55,219
EQUITY			
Equity attributable to shareholders			
Share capital	6	8,396,712	6,961,371
Subscriptions received	6	-	71,500
Reserves	6	2,424,004	2,097,182
Accumulated deficit		(8,869,944)	(8,255,991)
Total equity		1,950,772	874,062
Total liabilities and equity		2,068,388	929,281

Going concern – Note 1
Commitments – Note 9
Subsequent events – Note 13

On behalf of the board:

"Rudy de Jonge"   *"Kent Ausburn"*

Rudy de Jonge   Kent Ausburn

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

NEW TECH LITHIUM CORP. (formerly American Potash Corp.)
Condensed Consolidated Interim Statements of Comprehensive Loss
(Expressed in Canadian Dollars - unaudited)

	Six months ended January 31, 2018	Six months ended January 31, 2017	Three months ended January 31, 2018	Three months ended January 31, 2017
General and administrative expenses				
Consulting fees	$ 554,869	$ 30,000	$ 230,481	$ 15,000
Foreign exchange gain (loss)	(39,255)	3,765	(39,436)	30
Interest expense and bank charges	4,393	578	3,542	421
Investor relations, website and marketing	92,559	-	83,935	-
Office and administration	5,056	7,102	1,079	6,258
Professional fees	54,316	25,122	40,947	17,825
Transfer agent and filing fees	20,173	20,198	13,853	17,051
Travel and entertainment	23,595	8,000	3,318	8,000
Project investigation	6,162	-	6,162	-
	(721,868)	(94,765)	(343,881)	(64,585)
Other income				
Gain on sale of marketable securities	107,915	-	107,915	-
Current tax recovery	-	62,613	-	62,613
Net loss	(613,953)	(32,152)	(235,966)	(1,972)
Other comprehensive income				
Unrealized gain on marketable securities	335,500	-	175,500	-
Foreign currency translation	(8,678)	121	(15,218)	(3,339)
Total comprehensive loss	(287,131)	(32,031)	(75,684)	(5,311)
Loss per share, basic and diluted	$ **(0.01)**	$ **(0.00)**	$ **(0.01)**	$ **(0.00)**
Weighted average common shares outstanding - basic and diluted	**43,586,823**	**23,125,745**	**44,659,350**	**24,412,016**

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

NEW TECH LITHIUM CORP. (formerly American Potash Corp.)
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian Dollars - unaudited)

	Six months ended January 31,		Three months ended January 31,	
	2018	**2017**	**2018**	**2017**
Cash provided by (used in):	$	$	$	$
Operating activities:				
Net loss for the period	(613,953)	(32,152)	(394,103)	(1,972)
Non-cash item:				
Gain on sale of marketable securities	(107,915)	-	(107,915)	-
Changes in non-cash working capital:				
GST receivable and accounts receivable	(56,140)	30,421	15,858	31,666
Prepaid expenses	(364,848)	(32,897)	101,515	(34,989)
Accounts payable and accrued liabilities	81,802	(38,799)	105,058	(8,146)
Due to related parties	(4,405)	14,570	-	11,158
	(1,065,459)	(58,857)	(279,587)	(2,283)
Investing activities:				
Exploration and evaluation assets	(181,381)	(128,409)	(31,342)	(94,952)
Proceeds from sale of marketable securities	261,915	-	261,915	-
	80,534	(128,409)	230,573	(94,952)
Financing activities:				
Shares issued for cash (net of share issue costs)	1,187,700	226,118	10,000	154,980
Warrants exercised	161,141	-	52,777	-
	1,348,841	226,118	62,777	154,980
Effect of exchange rate changes	(8,678)	121	(15,218)	(3,339)
Net change in cash	355,238	38,973	(1,455)	54,406
Cash, beginning of period	53,697	29,430	410,390	13,997
Cash, end of period	408,935	68,403	408,935	68,403

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

NEW TECH LITHIUM CORP. (formerly American Potash Corp.)
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars - unaudited)

		Common Shares							
	Note	Number of Shares	Amount	Share-based Payment Reserve	Warrant Reserve	Other Comprehensive Income	Share Subscription Received	Deficit	Total Equity
			$	$	$	$	$	$	**$**
Balance on July 31, 2016		21,150,409	6,357,586	1,047,433	501,105	338,349	-	(8,052,209)	**192,264**
Shares issued for private placement	6	4,247,965	226,118	-	-	-	-	-	**226,118**
Net loss for the period		-	-	-	-	-	-	(32,152)	**(32,152)**
Foreign currency translation		-	-	-	-	122	-	-	**122**
Balance on January 31, 2017		25,398,374	6,583,704	1,047,433	501,105	338,471	-	(8,084,361)	**386,352**
Balance on July 31, 2017		30,301,152	6,961,371	1,235,144	563,617	298,421	71,500	(8,255,991)	**874,062**
Shares issued for private placement	6	12,920,000	1,259,200	-	-	-	(71,500)	-	**1,187,700**
Exercise of warrants	6	1,611,417	161,141	-	-	-	-	-	**161,141**
Shares issued for settlement of debt	6	125,000	15,000	-	-	-	-	-	**15,000**
Net loss for the period		-	-	-	-	-	-	(613,953)	**(613,953)**
Unrealized gain on marketable securities	4	-	-	-	-	335,500	-	-	**335,500**
Foreign currency translation		-	-	-	-	(8,678)	-	-	**(8,678)**
Balance on January 31, 2018		44,957,569	8,396,712	1,235,144	563,617	625,243	-	(8,869,944)	**1,950,772**

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

1. NATURE OF OPERATIONS

New Tech Lithium Corp. (formerly American Potash Corp.) (the "Company") was incorporated on June 5, 2006 under the laws of British Columbia. The Company's name has been changed to New Tech Lithium Corp. effective January 22, 2018. The shares of the Company are traded on the Canadian Securities Exchange ("CSE") under the new symbol 'NTM'. The Company is dedicated to the acquisition and development of metals and mineral deposits in the United States and elsewhere.

The Company's head office and registered and records office is 800 – 1199 West Hastings Street, Vancouver, BC, Canada V6E 3T5.

These condensed consolidated interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. As at January 31, 2018, the Company had not advanced its properties to commercial production and is not able to finance day to day activities through operations. The Company's continuation as a going concern is dependent upon the successful results from its mineral properties exploration activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and or private placement of common shares. Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its consolidated statement of financial position.

2. SIGNIFICANT ACCOUNTING POLICIES

These condensed consolidated interim financial statements were authorized for issue on April 2, 2018 by the directors of the Company.

Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards 34, Interim Financial Reporting (IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee (IFRIC"). The accounting policies and methods of computation applied by the Company in these condensed consolidated interim financial statements are the same as those applied in the Company's annual financial statements as at and for the year ended July 31, 2017.

These condensed consolidated interim financial statements do not include all of the information and note disclosures required for full annual financial statements and should be read in conjunction with the Company's annual financial statements as at and for the year ended July 31, 2017.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of preparation

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments classified as at fair value through profit or loss have been measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The consolidated financial statements are presented in Canadian dollars unless otherwise noted.

Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its controlled entity. Control is achieved when the Company has the power to govern the financial operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases. All inter-company transactions, balances, income and expenses are eliminated in full upon consolidation. Details of controlled entities are as follows:

	Country of Incorporation	Percentage owned as at January 31,		Principal Activity
		2018	2017	
American Potash LLC (“American Potash”)	United States	100%	100%	Mineral exploration

3. EXPLORATION AND EVALUATION ASSETS

Green River Potash Project

In May, 2009, and amended on November 2, 2010, December 6, 2011, January 28, 2014 February 23, 2015, and November 4, 2015, American Potash entered into an option agreement (the “Sweetwater Option”) to acquire applications to the United States Bureau of Land Management (“BLM”) in respect of certain Utah permits, together with all permits and other rights issued pursuant to the applications, to allow for the exploration of potash prospects in Utah. A director of the Company is a party to the Sweetwater Option.

On January 31, 2014, fourteen prospecting permits were formally signed and delivered to the Company, with an effective date of March 1, 2014; thereby initiating the Sweetwater Option period.

During the year ended July 31, 2015, the fourteen prospecting permits expired. Sweetwater River Resources LLC applied to the BLM for 12 new potash prospecting permits that encompass the same area as the original permits that expired. During the year ended July 31, 2015, no permits had been granted and as such the expired permits were impaired and fully written-off.

(Expressed in Canadian Dollars - unaudited)

3. EXPLORATION AND EVALUATION ASSETS (Continued)

Green River Potash Project (Continued)

On September 21, 2015, the Company's petition to the Federal Bureau of Land Management for reinstatement of 12 potash prospecting permits by Sweetwater River Resources LLC was denied. Consequently, Sweetwater has applied to the BLM for 12 new potash prospecting permits analogous to and encompassing the same area as the original 12 prospecting permits. The permits have not yet been issued. The Company will maintain its right to acquire a 100-per-cent interest in the 12 new potash prospecting permits through continuance of the option agreement with Sweetwater. Granting of new permits are at the discretion of the BLM, subject to a BLM Master Leasing Plan with expected completion of at least one year. During the year ended July 31, 2017, the scheduled payments were amended. The Company is now required to pay USD$75,000 within 30 days of new prospecting permits begin granted by the BLM.

On August 23, 2016, the Company completed the location of 157 placer claims totalling 3,140 acres in Grand County, Utah. The Company also controls the lithium and potassium exploration rights for nine Utah state lease blocks totalling 5,760 acres and nine non-contiguous Utah State Trust Land potash lease units. Total acreage of federal lode lithium mining claims and Utah state lithium leases is currently 8,900 acres. The new lithium claims occur in the north and northeast part of American Potash's existing approximately 27,256-acre federal potash prospecting permit application area. The eleven lease units are all within the boundaries of the BLM potash prospecting permit applications held by the Company. Payments of $154,570 made to Sweetwater for application related costs were capitalized as at January 31, 2018.

Green River Potash Project Expenditures

	Total for six months ended January 31, 2018	Total for year ended July 31, 2017
Mineral acquisition costs:	$	$
Balance, beginning	1	1
Balance, ending	1	1
Exploration and evaluation expenditures:		
Balance, beginning	275,483	232,824
Federal permit	6,288	19,346
Foreign exchange translation	(4,378)	23,313
Balance, ending	277,393	275,483
Total	277,394	275,483

3. EXPLORATION AND EVALUATION ASSETS (Continued)

Lithium Brines Project

During the year ended July 31, 2017, the Company acquired 230 lithium claims in Utah. On April 11, 2017, as amended on October 18, 2017 the Company closed a joint venture earn-in option agreement with Power Metals Corp. (“Power Metals”) to explore and develop lithium brines beneath the Company's existing lithium claims and Utah state lithium leases. The agreement entitles Power Metals to earn up to 65% of all of the Company’s lithium holdings in Utah by completing the following:

- Finance and complete two exploration wells targeting lithium brine occurrences beneath the Company's U.S. federal lithium claims and/or its Utah state lithium leases; the drill rig must be mobilized on site for the first well within six months of the definitive agreement signing date and the second well within one year of the definitive agreement signing date;
- Deliver to American Potash a cash deposit of $250,000 within 90 days of the definitive agreement signing date (subsequently deleted on amendment on October 18, 2017); and
- Issue one million common shares of Power Metals to the Company; shares will be issued according to the following schedule: one-third 180 days after the definitive agreement date, one-third after 270 days of the definitive agreement date and one-third on the first anniversary of the definitive agreement date (received).

On June 7, 2017, the Company received 1,000,000 shares of Power Metals (PWM) from the joint venture earn-in option agreement with Power Metals. The fair value of the shares at acquisition date and at July 31, 2017 were $280,000 and recorded as a reduction to the mineral properties, resulting in a gain on disposition of $145,290 (Note 4).

On September 26, 2017, the Company’s joint venture partner, Power Metals, has signed the definitive agreement with MGX Minerals Inc. (“MGX”).

The transaction terms are as follows:

- MGX acquires all of Power Metals' current U.S. petrolithium brine assets.
- MGX acquires a 20% working interest in all of Power Metals' current hard-rock assets and any future assets that Power Metals acquires for the following 36 months.
- MGX has the right to purchase an additional 15% working interest of Power Metals' hard-rock assets for a period of 36 months for a total of $10-million.
- MGX receives a call option to purchase up to 10 million common shares of Power Metals at a price of 65 cents per share for a period of 36 months.
- MGX pays to Power Metals three million common shares of MGX.

On October 26, 2017, the Company signed a six-month extension agreement with MGX. This extension applies to its joint venture option agreement dated April 3, 2017. The extension agreement extends the financing requirement of the first well to March 31, 2018, and the second well to 12 months after September 30, 2018. The Company also waived the requirement of the USD$250,000 deposit which was included in its April 3, 2017 agreement.

(Expressed in Canadian Dollars - unaudited)

3. EXPLORATION AND EVALUATION ASSETS (Continued)

Lithium Brines Project Expenditures

	Total for six months ended January 31, 2018	**Total for year ended July 31, 2017**
Mineral acquisition costs:	$	$
Balance, beginning	-	-
Acquisition of claims	-	107,720
Disposition of mineral property	-	(107,720)
Balance, ending	-	-
Exploration and evaluation expenditures:		
Balance, beginning	-	-
General administration	30,701	-
Federal permit	137,841	50,028
Disposition of mineral property	-	(26,990)
Reimbursement of joint venture expenses	(127,775)	-
Foreign exchange translation	(914)	(23,038)
Balance, ending	39,853	-
Total	39,853	-

Colorado Project

On March 30, 2017, the Company entered into an option agreement to acquire 608 U.S federal placer mining claims located in the southeast extension of the Paradox basin in San Miguel county, southwest Colorado. The beneficial ownership of the claims will be assigned for a total consideration $79,300, which is made up of the following costs:

- Staking costs of USD$76,000 ($125 per Claim); and
- County registration Fee of USD$3,300 ($8.25 per Claim).

The purchase price shall be paid as follows:

- USD$53,300 within 5 business days of the execution of the agreement (paid); and
- USD$26,000 within 60 days of the payment date (paid).

On November 9, 2017, the Company concluded the acquisition of a 640-acre Colorado state exploration permit. The new state exploration permit adds 640 acres to the company's Colorado lithium project, provides access to the property and adjacent federal lands for up to four years, and allows for exploration and initial development activities of lithium and other potentially valuable minerals (bromium and potassium) concentrated in subsurface brines. Subsequent to expiration of the four-year exploration mineral lease, the lease can be converted into a Colorado state mineral lease based on positive exploration results. A state mineral lease will allow development and ultimately production of lithium and other elements of value, excluding hydrocarbons (oil, gas and coal).

(Expressed in Canadian Dollars - unaudited)

3. EXPLORATION AND EVALUATION ASSETS (Continued)

Colorado Project (Continued)

The Company has capitalized the following exploration and evaluation assets during the six months ended January 31, 2018:

Colorado Project Expenditures

	Total for six months ended January 31, 2018	Total for year ended July 31, 2017
Mineral acquisition costs:	$	$
Balance, beginning	99,006	99,006
Balance, ending	99,006	99,006
Exploration and evaluation expenditures:		
Balance, beginning	211,406	-
General administration	5,659	-
Federal permit	1,920	-
Asset retirement obligation	14,269	-
Claim registration fees	118,507	211,407
Foreign exchange translation	(737)	-
Balance, ending	351,024	211,407
Total	450,030	310,413

4. MARKETABLE SECURITIES

The Company's marketable securities consist of shares in Power Metals (Note 3). The fair market value of the shares is summarized as follows:

	Number of shares		January 31, 2018	Number of shares		July 31, 2017
Balance, beginning	1,000,000	$	280,000	-	$	-
Addition	-		-	1,000,000		270,000
Increase in fair value	-		335,500	-		10,000
Sale	(350,000)		(154,000)	-		-
Balance, ending	650,000	$	461,500	1,000,000	$	280,000

The fair value of the shares at January 31, 2018 has been determined by reference to the closing price of the shares on the TSX-V on January 31, 2018. At the date, the closing price was $0.71 (July 31, 2017 – $0.28).

(Expressed in Canadian Dollars - unaudited)

4. MARKETABLE SECURITIES (Continued)

During the period ended January 31, 2018, the Company sold 350,000 marketable securities and recognized a gain of $107,915.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	January 31, 2018	July 31, 2017
	$	$
Accounts payable	108,271	41,469
Taxes payable	917	917
	109,188	42,386

6. SHARE CAPITAL

(a) Authorized

Unlimited common shares with no par value.

(b) Issued and outstanding

At January 31, 2018, there were 44,957,569 (July 31, 2017 – 30,301,152) issued and fully paid common shares.

(c) Common shares

<u>Period ended January 31, 2018</u>

On August 9, 2017, the Company closed a non-brokered private placement for 12,920,000 units at a $0.10 per unit for gross proceeds of $1,292,000. Each unit is composed of one common share of the issuer and one common share purchase warrant. Each warrant will be exercisable into a common share of the Company for a period of 12 months at an exercise price of $0.15. Using the residual method, a $Nil value was allocated to the warrants. In connection with the closing of the private placement, the Company paid $32,800 cash for finders' fees.

During the period ended January 31, 2018, the Company issued 1,611,417 common shares related to the exercise of 1,611,417 warrants at an exercise price of $0.10 per share.

During the period ended January 31, 2018, the Company settled $15,000 of debt from consulting services with the issuance of 125,000 common shares of the Company at a price of $0.12 per share.

6. SHARE CAPITAL (Continued)

(c) Common shares (Continued)

Year ended July 31, 2017

During the year ended July 31, 2017, the Company received $71,500 in share subscriptions toward a private placement which was closed during the current period.

On May 26, 2017, the Company closed a non-brokered private placement for 2,075,000 units at $0.10 per unit for gross proceeds of $207,500. Each unit consisted of one common share and one common share purchase warrant. Each warrant will be exercisable into one common share of the Company for a period of 12 months at an exercise price of $0.15. Using the residual value method, the value attributed to the warrants was $36,500. In connection with the closing of the private placement, the Company paid $7,525 cash and issued 75,250 purchase warrants for finders' fees. Each finder's warrant entitles the holder to purchase one additional common share of the Company at an exercise price of $0.15 for a period of one year. The fair value of the finder's warrants was determined to be $4,646 using the Black-Scholes valuation model with the following assumptions: expected life – 1 years, average risk-free interest rate – 0.69%, expected dividend yield – 0%, and average expected stock price volatility – 231%.

On April 13, 2017, the Company issued 50,000 common shares related to the exercise of 50,000 warrants at an exercise price of $0.10 per share.

On March 20, 2017, the Company closed the first tranche of a non-brokered private placement for 1,388,888 units at $0.09 per unit to raise total proceeds of $125,000 out of $250,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant will be exercisable into a common share of the Company for a period of 24 months at an exercise price of $0.10. Using the residual method, a $Nil value was allocated to the warrants.

On March 30, 2017, the Company closed the second tranche of a non-brokered private placement for 1,388,890 units at a $0.09 per unit to raise the rest of the total proceeds of $125,000 out of $250,000. Each unit was comprised of one common share and one common share purchase

warrant. Each warrant will be exercisable into a common share of the Company for a period of 24 months at an exercise price of $0.12. Using the residual method, the value attributed to the warrants was $13,888. In connection with the closing of the private placements, the Company paid $1,250 in finders' fees.

On December 1, 2016, the Company closed a non-brokered private placement of 2,927,256 units at a price of $0.055 per unit for gross proceeds of $161,000. Each unit consisted of one common share and one common share purchase warrant. Each Warrant will be exercisable into a common share of the Company for a period of twelve months at an exercise price of $0.10. Using the residual method, a $Nil value was allocated to the attached warrants. In connection with the closing of the private placement, the Company issued 109,453 finders' warrants and paid $19,562 in finders' fees. Each finder warrant entitles the holder to purchase one additional common share

6. SHARE CAPITAL (Continued)

(c) Common shares (Continued)

Year ended July 31, 2017 (Continued)

of the Company at an exercise price of $0.10 for 12 months. The fair value of the finder's warrants was determined to be $5,744 using the Black-Scholes valuation model with the following assumptions: expected life – 1 years, average risk-free interest rate – 0.68%, expected dividend yield – 0%, and average expected stock price volatility – 169%.

On September 20, 2016, the Company closed a non-brokered private placement of 1,320,709 units at a price of $0.055 per unit for gross proceeds of $72,634. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the Company at an exercise price of $0.10 for a period of 24 months. Using the residual method, a $Nil value was allocated to the attached warrants. In connection with the closing of the private placement, the Company paid $1,500 cash and issued 27,288 purchase warrants for finders' fees. Each finder's warrant entitles the holder to purchase one additional common share of the Company at an exercise price of $0.10 for a period of 24 months. The fair value of the finder's warrants was determined to be $1,734 using the Black-Scholes valuation model with the following assumptions: expected life – 1 years, average risk-free interest rate – 0.6%, expected dividend yield – 0%, and average expected stock price volatility – 249%

(d) Basic and diluted loss per share

Diluted loss per share did not include the effect of 1,800,000 (July 31, 2017 – 2,400,000) stock options and 26,801,792 (July 31, 2017 – 18,066,280) warrants as the effect would be anti-dilutive.

(e) Stock options

The Company has a stock option plan whereby the Company is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option equals the market price of the Company's shares as calculated on the date of grant. The options can be granted for a maximum term of 5 years.

During the year ended July 31, 2017, the Company granted 1,800,000 (2016 – Nil) stock options to its officers, directors and consultants. The options are exercisable at a price ranging from $0.10 to $0.15 and may be exercised within 1 to 5 years from the date of issuance. The options vested immediately upon grant. The share-based payment expense of $187,711 was determined by the Black-Scholes Option Pricing Model using the following assumptions: expected life – 1-5 years, average risk-free interest rate – 1.11% - 1.28%, expected dividend yield – 0%, and average expected stock price volatility – 201%-230%.

(Expressed in Canadian Dollars - unaudited)

6. SHARE CAPITAL (Continued)

(e) Stock options (Continued)

The continuity of exercisable stock options for the period ended January 31, 2018 is as follows:

	Number of Options Outstanding	Weighted Average Exercise Price
		$
Balance, July 31, 2016	600,000	0.50
Options issued	1,800,000	0.11
Options expired	(600,000)	0.50
Balance, July 31, 2017 and January 31, 2018	1,800,000	0.11

Details of options outstanding and exercisable at January 31, 2018 are as follows:

Number of Options Outstanding	Weighted Average Exercise Price ($)	Weighted Average Remaining Contractual Life (Years)
1,600,000	0.10	4.14
200,000	0.15	0.48
1,800,000	0.11	3.74

The continuity of warrants for the period ended January 31, 2018 is as follows:

	Number of Warrants Outstanding	Weighted Average Exercise Price ($)
Balance, July 31, 2016	9,463,900	0.22
Warrants issued	3,724,352	0.10
Warrants issued	2,777,778	0.12
Warrants issued	2,150,250	0.15
Warrants exercised	(50,000)	0.10
Balance, July 31, 2017	18,066,280	0.17
Warrants issued	12,920,000	0.15
Warrants exercised	(1,611,417)	0.10
Warrants expired	(2,573,071)	0.10
Balance, January 31, 2018	26,801,792	0.15

(Expressed in Canadian Dollars - unaudited)

6. SHARE CAPITAL (Continued)

(f) Share purchase warrants (Continued)

Details of warrants outstanding as at January 31, 2018 are as follows:

Number of Warrants Outstanding	Weighted Average Exercise Price	Average Remaining Contractual Life (Years)
71,400	$0.60	0.10
1,568,000	$0.60	0.10
7,004,500	$0.14	2.20
587,643	$0.10	0.62
1,111,111	$0.10	1.13
1,388,888	$0.12	1.18
2,150,250	$0.15	0.33
12,920,000	$0.10	0.53
26,801,792	$0.15	0.98

(g) Share based payment reserve

The share-based payment reserve records items recognized as share-based payment expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

(h) Warrant reserve

The warrant reserve records the fair value of warrants issued until such time that the warrants are exercised, at which time the corresponding amount will be transferred to share capital.

(i) Foreign currency translation reserve

The translation reserve records unrealized exchange differences arising on translation of foreign operations that have a functional currency other than the Company's reporting currency.

(Expressed in Canadian Dollars - unaudited)

7. RELATED PARTY TRANSACTIONS

Related party balances

The following amounts are payable to related parties as at January 31, 2018 and July 31, 2017:

	January 31, 2018	**July 31, 2017**
	$	$
Companies controlled by directors of the Company	2,100	13,274
Directors and officers of the Company	15,241	(441)
	17,341	12,833

The amounts due are unsecured, non-interest bearing and has no fixed terms of repayment.

As at January 31, 2018, the Company made a $13,670 prepayment to a company controlled by a director of the Company for consulting services (Note 9).

The Company incurred the following transactions with directors, officers and companies that are controlled by directors of the Company:

Services provided by:	**January 31, 2018**	**January 31, 2017**
	$	$
Consulting fees	60,498	30,000
Professional fees	13,000	12,000
Management bonus	50,000	-
	123,498	42,000

A director of the Company is a party to the Sweetwater Option Agreement (Note 3).

Key management compensation included the consulting fees of $60,498 (2017 - $30,000).

8. SHORT TERM LOANS

During the year ended July 31, 2016, a director of the Company provided $50,000 in a short-term loan. The loan was unsecured, repayable upon completion of a financing by the Company, and bore interest at a rate of 1% per annum (Note 7). The Company repaid the loan during the year ended July 31, 2017.

During the year ended July 31, 2016, a third party provided $50,000 in a short-term loan. The loan was unsecured, repayable upon completion of a financing by the Company, and bore interest at a rate of 6% per annum (Note 7). The Company repaid the loan during the year ended July 31, 2017.

9. COMMITMENTS

On June 1, 2011, the Company entered into an agreement with St. Cloud Mining Services Inc. (wholly owned by one of the directors) to provide management/consulting services to the Company at a rate of $5,000 per month for a period of twelve months and automatically extending for further one year terms.

On March 1, 2017, the Company amended the agreement with St. Cloud Mining Services Inc. to an increased rate of $7,500 per month. On January 1, 2018, the Company amended this agreement to a rate of $100 US per hour (Note 7).

On August 16, 2017, the Company entered into a market making agreement with ACON Actienbank AG (“ACON”), a market maker based in Frankfurt, Germany, whereby the Company engaged ACON to provide market making services on the Frankfurt Stock Exchange on behalf of the Company. In consideration for the market making services, the Company has agreed to pay a fee in the amount of 5,000 euros plus value-added tax (if applicable) on a quarterly basis. The term of the agreement is for a period of 12 months and will be extended for an unlimited period if it is not terminated.

On September 25, 2017, the Company engaged the services of German Mining Networks (“German Mining”), based in Frankfurt, Germany. German Mining will work to increase investor awareness of the Company in Europe. The investor relations firm has been retained for an initial three months at a rate of $3,500 per month plus expenses. As of January 31, 2018, this agreement has ended.

On September 26, 2017, the Company’s joint venture partner, Power Metals, has signed the definitive agreement with MGX Minerals Inc. (“MGX”) previously announced through a binding letter of intent agreement on August 2, 2017. The concluded transaction terms are as follows:

- MGX acquires all of Power Metals' current U.S. petrolithium brine assets;
- MGX acquires a 20% working interest in all of Power Metals' current hard-rock assets and any future assets that Power Metals acquires for the following 36 months;
- MGX has the right to purchase an additional 15% working interest of Power Metals' hard-rock assets for a period of 36 months for a total of $10-million;
- MGX receives a call option to purchase up to 10 million common shares of Power Metals at a price of 65 cents per share for a period of 36 months; and
- MGX pays to Power Metals three million common shares of MGX;

Final completion of the transaction is subject to final regulatory approval from both the CSE and the TSX Venture Exchange.

On October 26, 2017, the Company signed a six-month extension agreement with MGX. This extension applies to its joint venture option agreement dated April 3, 2017. The extension agreement extends the financing requirement of the first well to March 31, 2018, and the second well to 12 months after September 30, 2018. The Company also waived the requirement of the USD$250,000 deposit which was included in its April 3, 2017 agreement.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. The carrying amount of financial assets represents the maximum credit exposure. The risk is assessed as low.

(b) Foreign Exchange Rate Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The functional currency of American Potash is the US dollar. Foreign currency risk arises from the fluctuation in currency exchange between the Canadian dollar and US dollar. The Company has not entered into financial instruments to hedge against this risk.

The following is an analysis of Canadian Dollar equivalent of financial assets and liabilities that are denominated in US dollars:

	January 31, 2018	**July 31, 2017**
	$	$
Cash	7	12
Accounts payable	(49,640)	(8,271)
	(49,633)	(8,259)

Based on the above net exposures, as at January 31, 2018, a 10% change in the US dollar to Canadian Dollar exchange rate would impact the Company's net income by $4,963.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Liquidity risk is managed by ensuring sufficient financial resources are available to meet obligations associated with financial liabilities. All of the Company's financial liabilities have contractual maturities of less than three months. Liquidity risk is assessed as high.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

(d) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

(e) Interest Rate Risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has interest bearing assets in relation to cash at banks carried at floating interest rates with reference to the market. The Company has not used any financial instrument to hedge potential fluctuations in interest rates. The exposure to interest rates for the Company is considered immaterial.

(f) Fair Values

Financial instruments recognized at fair value on the consolidated statement of financial position must be classified in one of the following three fair value hierarchy levels:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Cash and marketable securities are measured using level 1 inputs.

11. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support its operations and business development. 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 has not generated any revenues since its inception; therefore, the Company is dependent on external financing to fund its future intended business plan. The capital structure of the Company currently consists of working capital and shareholders' equity. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements. The Company is not subject to externally imposed capital requirements.

11. CAPITAL MANAGEMENT (Continued)

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year.

12. SEGMENTED INFORMATION

The Company’s activities are all in one industry segment of mineral property acquisition and exploration. The Company’s exploration operations are centralized whereby management of the Company is responsible for business results and the everyday decision-making. The Company’s operations therefore are segmented on a geographic basis. The Company’s non-current assets are all located in the United States.

13. SUBSEQUENT EVENTS

On February 5, 2018 the Company incorporated a fully owned subsidiary, American Potash Corp.

On March 12, 2018 the Company signed a letter of intent (“LOI”) with Zephyr Mineralc, Inc. (“Zephyr”) to lease the mineral rights for a property in Nevada containing significant known cobalt mineralization. The mineral rights underlie an approximately one-square-mile (640-acre) section owned by an arm's-length private Nevada-based company.

The terms of the acquisition are as follows:

- A USD$3,000 payment up front upon signing of LOI by both parties. The upfront payment begins a 90-day due diligence period for technical and legal review of the property. The $3,000 up front payment will be credited to New Tech's first-year payment;
- A payment of USD$22,000 USD and 250,000 New Tech shares payable three business days after execution of definitive agreement;
- A payment of USD$25,000 and 250,000 New Tech shares payable on first anniversary of execution of DA;
- A payment of USD$25,000 and 250,000 New Tech shares payable on second anniversary of execution of DA;
- A USD$50,000-per-annum minimum royalty payment for 10 years commencing in the fourth year of the lease and paid on the anniversary of the closing date each year;
- A 1-per-cent net smelter return royalty with New Tech's option to buy down one-half of the NSR (0.5 per cent) for USD$500,000; and
- Minimum work commitments;
    - USD$100,000 first-year work commitment;
    - USD$200,000 second-year work commitment;
    - USD$400,000 third-year work commitment;
    - No minimum work commitment after third year; and
    - All data generated during a given year's exploration program will be made available to the vendor.

13. SUBSEQUENT EVENTS (Continued)

This offer is contingent upon completion of an agreement with the prior landholder during the 90-day due diligence period to reduce its underlying non-ferrous ore NSR to no more than 2.0 per cent.