



NEW AGE METALS INC.

Consolidated Interim Financial Statements
31 July 2024 and 2023
(Unaudited)
(An Exploration Stage Company)
(Expressed in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, 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 accompanying unaudited condensed consolidated interim financial statements of New Age Metals Inc. (the "Company") have been prepared by and are the responsibility of the Company's management. The unaudited consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgment based on information currently available.

The Company's independent auditor has not performed a review of these consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of condensed consolidated interim financial statements by an entity's auditor.

New Age Metals Inc.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

| | Notes | As at 31 July 2024 | As at 30 April 2024 (Audited) |
|--|-------|-----------------------|-------------------------------------|
| ASSETS | | \$ | \$ |
| Current assets | | | |
| Cash and cash equivalents | 5 | 3,396,050 | 2,311,181 |
| Amounts receivable | 6 | 71,426 | 3,130,474 |
| Short-term investments | 7 | 231,771 | 231,771 |
| Prepaid expenses | | 77,674 | 89,476 |
| | | 3,776,921 | 5,762,902 |
| Exploration and evaluation properties | 8 | 9,768,256 | 9,535,721 |
| Equipment | 9 | 34,525 | 37,324 |
| Right-of-use asset | 10 | 100,001 | 102,859 |
| Total assets | | 13,679,703 | 15,438,806 |
| EQUITY AND LIABILITIES | | | |
| Current liabilities | | | |
| Trade payables and accrued liabilities | 11 | 279,995 | 1,753,609 |
| Lease liability – current portion | 10 | 38,679 | 38,679 |
| | | 318,674 | 1,792,288 |
| Lease liability – non current portion | 10 | 73,039 | 74,403 |
| Total liabilities | | 391,713 | 1,866,691 |
| Equity | | | |
| Share capital | 12 | 46,129,362 | 46,129,362 |
| Reserves | 12 | 18,202,726 | 18,202,726 |
| Deficit | | (51,044,098) | (50,759,973) |
| Total equity | | 13,287,990 | 13,572,115 |
| Total equity and liabilities | | 13,679,703 | 15,438,806 |

Corporate Information and Going Concern (Note 1), Commitments and Contingencies (Note 18)
and Subsequent Event (Note 19)

APPROVED BY THE BOARD:

“Harry Barr”

Director

“John Londry”

Director

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

New Age Metals Inc.

Consolidated Interim Statements of Loss and Comprehensive Loss

For the three months ended 31 July 2024 and 2023

(Unaudited)

(Expressed in Canadian dollars)

| | Notes | Three months ended | |
|---|-------|--------------------|------------------|
| | | 31 July 2024 | 31 July 2023 |
| | | \$ | \$ |
| Expenses | | | |
| Bank charges and interest | | 811 | 734 |
| Consulting fees | 16 | 86,958 | 55,399 |
| Depreciation | 9 | 5,657 | 14,471 |
| Insurance, licenses and fees | | 11,252 | 8,330 |
| Management fees | 16 | 72,165 | 32,776 |
| Marketing and communications | | 15,520 | 58,268 |
| Office and miscellaneous | | 31,661 | 20,851 |
| Rent (recovery) | 16 | 7,198 | (717) |
| Salaries | | 32,378 | - |
| Telephone and utilities | | 2,940 | 3,011 |
| Transfer agent and regulatory fees | | 8,977 | 10,797 |
| Travel, lodging and food | | 7,787 | 11,005 |
| Loss before other items | | (283,304) | (214,895) |
| Other items | | | |
| Foreign exchange gain (loss) | | (950) | (183) |
| Finance cost | 10 | (2,136) | (2,773) |
| Other income | | 2,267 | 19,832 |
| Net loss and comprehensive loss for the period | | (284,123) | (198,019) |
| Loss per share | | | |
| Basic and diluted | 13 | (0.001) | (0.001) |

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

New Age Metals Inc.
Consolidated Interim Statements of Cash Flows
For the three months ended 31 July 2024 and 2023
(Unaudited)
(Expressed in Canadian dollars)

| | Notes | Three months ended | |
|--|-------|--------------------|--------------|
| | | 31 July 2024 | 31 July 2023 |
| | | \$ | \$ |
| OPERATING ACTIVITIES | | | |
| Income (loss) for the period before tax | | (284,123) | (198,019) |
| Adjustments for: | | | |
| Depreciation | | 5,657 | 14,471 |
| Non cash interest | | 2,136 | 2,773 |
| Operating cash flows before movements in working capital | | | |
| (Increase) decrease in amounts receivable | | 3,069,046 | 558,066 |
| (Increase) decrease in prepaid expenses | | 11,802 | (91,754) |
| Increase (decrease) in current liabilities | | (1,473,614) | 331,329 |
| Cash from (used) in operating activities | | 1,330,904 | 616,866 |
| INVESTING ACTIVITIES | | | |
| Cash spent on exploration and evaluation properties | 8 | (235,535) | (701,684) |
| Cost recovery on exploration and evaluation properties | | - | - |
| Cash used in investing activities | | (235,535) | (701,684) |
| FINANCING ACTIVITIES | | | |
| Proceeds from exercise of options | | - | - |
| Payment of lease liability | | (10,500) | (9,900) |
| Cash from financing activities | | (10,500) | (9,900) |
| Increase (decrease) in cash and cash equivalents | | 1,084,869 | (94,718) |
| Cash and cash equivalents – beginning of period | | 2,311,181 | 4,265,515 |
| Cash and cash equivalents – end of period | | 3,396,050 | 4,170,797 |

Supplemental cash flow information (Note 17)

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

New Age Metals Inc.

Consolidated Interim Statements of Changes in Equity

For the three months ended 31 July 2024 and 2023

(Unaudited)

(Expressed in Canadian dollars)

| | Number of shares | Share capital | Share- based payments reserve | Warrant reserve | Deficit | Total |
|-------------------------------|---------------------|-------------------|--|--------------------|---------------------|-------------------|
| Balances, 30 April 2023 | 222,137,002 | \$ 46,124,362 | \$ 4,864,343 | \$ 13,337,625 | \$ (50,102,312) | \$ 14,224,018 |
| Shares issued for | | | | | | |
| Cash | - | - | - | - | - | - |
| Exercise of options | - | - | - | - | - | - |
| Net loss for the period | - | - | - | - | (198,019) | (198,019) |
| Balances, 31 July 2023 | 222,137,002 | 46,124,362 | 4,864,343 | 13,337,625 | (50,300,331) | 14,025,999 |
| Balances, 30 April 2024 | 222,237,002 | 46,129,362 | 4,865,101 | 13,337,625 | (50,759,973) | 13,572,115 |
| Shares issued for | | | | | | |
| Services | - | - | - | - | - | - |
| Exercise of options | - | - | - | - | - | - |
| Net loss for the period | - | - | - | - | (284,123) | (284,123) |
| Balances, 31 July 2024 | 222,137,002 | 46,124,362 | 4,865,101 | 13,337,625 | (51,044,098) | 13,287,990 |

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

New Age Metals Inc.

Notes to the Consolidated Interim Financial Statements

For the three months ended 31 July 2024

(Unaudited)

(Expressed in Canadian dollars)

1. CORPORATE INFORMATION AND GOING CONCERN

New Age Metals Inc. (the “Company”) was incorporated under the Business Corporations Act (Alberta) on 29 May 1996 and on 13 July 2004, the Company continued out of the Province of Alberta and into the Province of British Columbia. The Company’s stock is trading on the TSX Venture Exchange (“TSXV”) under the symbol of “NAM”. The Company is in the process of acquiring, exploring and developing platinum group metals (“PGMs”), precious and base metals mineral properties and green metals lithium. The Company will attempt to bring the properties to production, structure joint ventures with others, option or lease properties to third parties, or sell the properties outright. The Company has not yet determined whether these properties contain ore reserves which are economically recoverable and the Company is considered to be in the exploration stage.

The Company’s head office, principal address and records office are located at Suite 101 - 2148 West 38th Avenue, Vancouver, British Columbia, V6M 1R9.

1.1 Going concern

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to a going concern which assumes that the Company will be able to continue its operations and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

Several conditions cast significant doubt on the validity of this assumption and ultimately the appropriateness of the use of accounting principles related to a going concern. From inception to date, the Company has incurred losses from operations, earned no revenues and has experienced negative cash flows from operating activities.

The Company had a comprehensive loss of \$284,123 for the period ended 31 July 2024 (2023: \$198,019). The Company has not yet achieved profitable operations. The Company has, since inception, accumulated a deficit to 31 July 2024 of \$51,044,098 (30 April 2024: \$50,759,973) and management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive, or raise additional debt and/or equity capital.

As at 31 July 2024, the Company had \$3,396,050 (30 April 2024: \$2,311,181) in cash and cash equivalents.

The Company does not currently have revenue-generating properties.

The Company will require additional funding to be able to meet ongoing requirements for general operations and to advance and retain mineral exploration and evaluation property interests. The Company’s continuing operations and the underlying value and recoverability of the amounts shown for mineral properties are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its mineral property interests, and on future profitable production from or proceeds from the disposition of its mineral property interests. These material uncertainties cast significant doubt upon the Company’s ability to continue as a going concern.

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Management has been successful in obtaining sufficient funding for operating, exploration and capital requirements from the inception of the Company to date. There is, however, no assurance that additional future funding will be available to the Company, or that it will be available on terms which are acceptable to the management of the Company.

If the Company is unable to raise additional capital in the immediate future, management expects that the Company will need to further curtail operations, liquidate assets, seek additional capital on less favourable terms and/or pursue other remedial measures including ceasing operations.

These consolidated financial statements do not reflect any adjustments to the carrying values of assets and liabilities and the reported amounts of expenses and balance sheet classifications that would be necessary if the going concern assumption was not appropriate and such adjustments could be material.

2. BASIS OF PREPARATION

2.1 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries. Subsidiaries are those entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control is obtained to the date control ceases. All inter-company transactions, balances, income and expenses are eliminated in full upon consolidation.

The subsidiaries of the Company as at 31 July 2024 and 2023 are listed below:

| Name | Country of incorporation | % equity interest as at | |
|--|--------------------------|-------------------------|---------------|
| | | 31 July 2024 | 30 April 2024 |
| Subsidiaries | | | |
| Pacific North West Capital Corp. USA ⁽¹⁾ | United States | 100% | 100% |
| Lithium Canada Development Inc. ("LCD") ⁽¹⁾ | Canada | 100% | 100% |

(1) Inactive entities.

2.2 Basis of presentation

These consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in Note 16, and are presented in Canadian dollars, except where otherwise indicated.

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Notes to the Consolidated Interim Financial Statements

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(Unaudited)

(Expressed in Canadian dollars)

2.3 Statement of compliance

The consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with International Accounting Standards (“IAS”) 34, ‘*Interim Financial Reporting*’ 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”).

2.4 Adoption of new and revised standards and interpretations

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company’s consolidated financial statements.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

3.1 Significant accounting judgments, estimates and assumptions

The preparation of the Company’s consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for decommissioning liabilities, the carrying value of exploration and evaluation properties, the valuation of all liability and equity instruments including warrants and stock options, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements within the next financial year are discussed below:

Exploration and evaluation expenditures

The application of the Company’s accounting policy for exploration and evaluation expenditure requires judgment in determining the point at which a property has economically recoverable resources, in which case subsequent exploration costs and the costs incurred to develop the property are capitalized into development assets. The determination may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the consolidated statement of loss and comprehensive loss in the year when new information becomes available.

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

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

Decommissioning and restoration costs

Management is not aware of any material restoration, rehabilitation and environmental provisions as at 31 July 2024. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measure at fair value and these estimates are updated annually. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the exploration and evaluation property. Such estimates are subject to change based on changes in laws, regulations and negotiations with regulatory authorities.

Impairment of financial assets

At each reporting date the Company assesses financial assets not carried at fair value through profit or loss to determine whether there is objective evidence of impairment. A financial asset is impaired if objective evidence indicates that one or more events occurred during the period that negatively affected the estimated future cash flows of the financial asset.

Objective evidence that financial assets are impaired can include significant financial difficulty of the issuer or debtor, default or the disappearance of an active market for a security. If the Company determines that a financial asset is impaired, judgment is required in assessing the available information in regards to the amount of impairment; however the final outcome may be materially different than the amount recorded as a financial asset.

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Share based payments

Management assesses the fair value of stock options granted in accordance with the accounting policy stated in note 3.7. The fair value of stock options is measured using the Black-Scholes Option Pricing Model. The fair value of stock options granted using valuation models is only an estimate of their potential value and requires the use of estimates and assumptions.

The Company has adopted a relative fair value method with respect to the measurement of shares and warrants issued as private placement units. The proceeds from private placements are allocated on a relative fair value between the common shares and warrants. The fair value attributed warrants is recorded in warrant reserve within equity. If the warrants are converted, the consideration paid, along with the amount previously recognized in warrant reserve, is recorded as an increase to share capital.

Deferred income taxes

Judgement is required in determining whether deferred tax assets are recognized on the consolidated statement of financial position. Deferred tax assets, including those arising from unutilized tax losses require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that the cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the statement of financial position date, if any, could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Company and its subsidiaries operate could limit the ability of the Company to obtain tax deductions in future periods.

Going concern

These consolidated financial statements have been prepared on a basis which assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether this assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions (Note 1.1).

Determination of functional currency

The functional currency of each of the Company's subsidiaries is the currency of the primary economic environment in which the entity operates. Determination of functional currency may involve certain judgements to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment. The functional currencies of the Company and its subsidiaries were determined to be the Canadian dollar.

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(Unaudited)

(Expressed in Canadian dollars)

3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, and short-term money market instruments with an original maturity of three months or less, which are readily convertible into a known amount of cash.

3.3 Foreign currencies

The Company's reporting currency and the functional currency of all of its operations is the Canadian dollar as this is the principal currency of the economic environment in which it operates.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

3.4 Exploration and evaluation properties

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Option payments received are treated as a reduction of the carrying value of the related exploration and evaluation properties and deferred costs until the receipts are in excess of costs incurred, at which time, they are credited to income. Option payments are at the discretion of the Optionee, and accordingly, are recorded on a cash basis.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of

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interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation asset is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

3.5 Equipment

Equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is provided at rates calculated to write off the cost of equipment, less their estimated residual value, using the declining balance method using the following rate:

- Automobile 30%
- Right of use assets Lease term

3.6 Decommissioning, restoration and similar liabilities

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of exploration and evaluation properties and retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future cost estimates arising from the decommissioning of plant, site restoration work and other similar retirement activities is added to the carrying amount of the related asset, and depreciated on the same basis as the related asset, along with a corresponding increase in the provision in the period incurred. Discount rates using a pre-tax rate that reflect the current market assessments of the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the provision.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period. The net present value of reclamation costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred. The costs of reclamation projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation properties.

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3.7 Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the share-based payments reserve.

The fair value of options is determined using the Black-Scholes Option Pricing Model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest.

3.8 Financial Instruments

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. Amounts receivable and accounts payable are recognized at amortized cost.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss and comprehensive loss in the period in which they arise. Cash and cash equivalents and short-term investments are recognized at FVTPL.

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Debt investments at FVTOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income (“OCI”). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the credit risk of the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition of assets are recognized in profit and loss.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

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3.9 Impairment of non-financial assets

The carrying amount of the Company's assets is reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the Company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverable amount of an asset group is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

3.10 Flow-through shares

Any premium received by the Company on the issuance of flow-through shares is initially recorded as a liability and included in trade payables and accrued liabilities. Upon renouncement by the Company of the tax benefits associated with the related expenditures, a deferred tax liability is recognized and the flow-through share premium liability will be reversed. To the extent that suitable deferred tax assets are available, the Company will reduce the deferred tax liability and record a deferred tax recovery.

3.11 Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

3.12 Taxation

Deferred tax is provided, using the liability method, on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the reporting date.

3.13 Leases

At the inception of a lease contract, the Company assesses whether the contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assess whether: (i) the contract involves the use of an identified asset; (ii) the Company has the right to obtain substantially all the economic benefits from the use of the asset throughout the period, and; (iii) the Company has the right to direct the use of the asset.

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance expense. The finance expense is charged to the consolidated statement of loss over the lease period. The right-of-use asset is depreciated over the shorter of the asset's useful life or the lease term, on a straight-line basis. The depreciation expense is charged to the consolidated statement of loss and comprehensive loss. The Company presents right-of-use assets in Property and Equipment on the consolidated statement of financial position.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments: (a) fixed payments (including in-substance fixed payments), (b) less any lease incentives receivable; (c) variable lease payments that are based on an index or a rate; (d) amounts expected to be payable by the lessee under residual value guarantees; (e) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Company's incremental borrowing rate.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in the consolidated statement of loss. Short-term leases are leases with a lease term of 12 months or less.

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In the statement of cash flows, the Company includes repayments of the principal portion of the lease liabilities under financing activities. Lease payments for short-term leases, lease payment for leases of low-value assets that are not included in the measurement of the lease liability are classified as cash flows from operating activities.

4. SEGMENTED INFORMATION

The Company's only business activity is exploration and development of exploration and evaluation properties carried out in Canada and the United States.

The breakdown of geographic area as at 31 July 2024 and 30 April 2024 as follows:

| 31 July 2024 | Canada \$ | USA \$ | Total \$ |
|---------------------------------------|-------------------|----------------|-------------------|
| Net loss | 284,123 | - | 284,123 |
| Current assets | 3,776,921 | - | 3,776,921 |
| Exploration and evaluation properties | 9,234,279 | 533,977 | 9,768,256 |
| Equipment | 34,525 | - | 34,525 |
| Right-of-use asset | 100,001 | - | 100,001 |
| Total assets | 13,145,726 | 533,977 | 13,679,703 |

| 30 April 2024 | Canada \$ | USA \$ | Total \$ |
|---------------------------------------|-------------------|----------------|-------------------|
| Net loss | 657,661 | - | 657,661 |
| Current assets | 5,762,902 | - | 5,762,902 |
| Exploration and evaluation properties | 9,001,744 | 533,977 | 9,535,721 |
| Equipment | 37,324 | - | 37,324 |
| Right-of-use asset | 102,859 | - | 102,859 |
| Total assets | 14,904,829 | 533,977 | 15,438,806 |

5. CASH

The Company's cash is denominated in the following currencies:

| | 31 July 2024 | 30 April 2024 |
|--|------------------|---------------|
| | \$ | \$ |
| Denominated in Canadian dollars – cash at bank | 3,366,846 | 2,280,908 |
| Denominated in U.S. dollars – cash at bank | 29,204 | 30,273 |
| Total cash | 3,396,050 | 2,311,181 |

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6. AMOUNTS RECEIVABLE

The Company's amounts receivable are as follows:

| | 31 July 2024 | 30 April 2024 |
|---|-------------------------|------------------|
| | \$ | \$ |
| Goods and Services Tax /Harmonized Sales Tax receivable ("GST/HST") | 27,505 | 189,650 |
| Shared office costs receivable (Note 17) | 43,922 | 34,240 |
| Receivable from JV (Note 8) | - | 2,906,584 |
| Total amounts receivable | 71,427 | 3,130,474 |

Included in amounts receivable of the Company are amounts due from related parties which are disclosed in Note 17. The amounts are unsecured, interest-free and repayable upon written notice given from the Company.

7. SHORT-TERM INVESTMENTS

The Company's available-for-sale investments and share purchase warrants are as follows:

| | As at 31 July 2024 | | As at 30 April 2024 | |
|---|---------------------------|-------------------|---------------------|------------|
| | Cost | Fair Value | Cost | Fair Value |
| | \$ | \$ | \$ | \$ |
| MetalQuest Mining Inc. 1,734,240 shares (30 April 2023: 1,734,240 shares) | 712,203 | 104,054 | 712,203 | 104,054 |
| Azincourt Energy Corp. 156,000 shares (30 April 2023: 156,000 shares) | 54,404 | 4,680 | 54,404 | 4,680 |
| Calais Resources Inc. 2,083,000 shares (30 April 2023: 2,083,000 shares) | 125,000 | - | 125,000 | - |
| Champion Electric Metals Inc. (formerly Idaho Champion Gold Mines) 16,267 shares (30 April 2023: 16,267 shares) | 29,280 | 813 | 29,280 | 813 |
| Native Mineral Resources Holdings Ltd. 6,666,667 shares (30 April 2023: Nil shares) | 230,800 | 119,013 | 230,800 | 119,013 |
| Others | 49,535 | 3,211 | 49,535 | 3,211 |
| Total short-term investments | 1,201,222 | 231,771 | 1,201,222 | 231,771 |

During the year ended 30 April 2024, the Company recognized an unrealized loss on short-term investments of \$221,578 (2023: \$87,617 gain).

During the year ended 30 April 2024, the Company received 6,666,667 common shares of Native Mineral Resources Holdings Ltd. Valued at \$230,800 (AUD\$200,000) related to a farm-in agreement for the McLaughlin Lake Project (Note 8).

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8. EXPLORATION AND EVALUATION PROPERTIES

The Company's exploration and evaluation properties expenditures for the period ended 31 July 2024 are as follows:

| | River Valley | Lithium MB | Alaska | Total |
|---|---------------------|-------------------|----------------|------------------|
| | \$ | \$ | \$ | \$ |
| ACQUISITION COSTS | | | | |
| Balance, 30 April 2024 | 114,713 | 330,268 | 156,419 | 601,400 |
| Additions | - | - | - | - |
| Balance, 31 July 2024 | 114,713 | 330,268 | 156,419 | 601,400 |
| EXPLORATION AND EVALUATION COSTS | | | | |
| Balance, 30 April 2024 | 8,341,959 | 214,804 | 377,558 | 8,934,321 |
| Assaying | - | 8,147 | - | 8,147 |
| Claims and fees | - | - | - | - |
| Drilling | - | 17,630 | - | 17,630 |
| Engineering and consulting | 11,250 | 163,578 | - | 174,828 |
| Environment | 4,991 | 4,800 | - | 9,791 |
| Field expenses | 1,805 | 20,334 | - | 22,139 |
| PEA | - | - | - | - |
| Pre-Feasibility Study | - | - | - | - |
| Recoveries | - | - | - | - |
| Recoveries – NMR | - | - | - | - |
| Grant received – MMDF | - | - | - | - |
| Sagkeeng Community Fund | - | - | - | - |
| Balance, 31 July 2024 | 8,360,005 | 429,293 | 377,558 | 9,166,856 |
| Total costs | 8,474,718 | 759,561 | 533,977 | 9,768,256 |

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The Company's exploration and evaluation properties expenditures for the year ended 30 April 2024 are as follows:

| | River Valley | Lithium MB | Alaska | Total |
|---|--------------|------------|---------|-----------|
| | \$ | \$ | \$ | \$ |
| ACQUISITION COSTS | | | | |
| Balance, 30 April 2023 | 114,713 | 285,268 | 156,419 | 556,400 |
| Additions | - | 45,000 | - | 45,000 |
| Balance, 30 April 2024 | 114,713 | 330,268 | 156,419 | 601,400 |
| EXPLORATION AND EVALUATION COSTS | | | | |
| Balance, 30 April 2023 | 7,925,145 | 188,771 | 347,032 | 8,460,948 |
| Assaying | 45,840 | - | - | 45,840 |
| Claims and fees | 21,651 | 6,512 | 29,568 | 57,731 |
| Drilling | - | 38,471 | - | 38,471 |
| Engineering and consulting | 107,616 | 316,490 | 958 | 425,064 |
| Environment | 80,638 | - | - | 80,638 |
| Field expenses | 37,722 | 45,161 | - | 82,883 |
| PEA | 143,580 | - | - | 143,580 |
| Pre-Feasibility Study | 6,361 | - | - | 6,361 |
| Recoveries | (26,594) | - | - | (26,594) |
| Recoveries – NMR | - | (195,326) | - | (195,326) |
| Grant received – MMDF | - | (300,000) | - | (300,000) |
| Sagkeeng Community Fund | - | 114,725 | - | 114,725 |
| Balance, 30 April 2024 | 8,341,959 | 214,804 | 377,558 | 8,934,321 |
| Total costs | 8,456,672 | 545,072 | 533,977 | 9,535,721 |

Project Overview:

River Valley, Ontario

Included in the River Valley Project are the following:

(i) River Valley Property, Ontario

By agreement dated 15 January 1999 and amended 11 March 1999, the Company acquired a 100% interest in 226 claim units, known as the River Valley Property, located in the Dana and Pardo Townships, Sudbury Mining District, Ontario. The property is subject to a 3% Net Smelter Return ("NSR"). The Company, at its option, can purchase up to 2% of the NSR for \$2,000,000.

By agreement dated 27 June 2016, the Company entered into an option agreement to acquire 100% interest in certain mineral claims located in River Valley, Ontario in the McWilliams Townships, Sudbury Mining District, Ontario.

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(ii) Goldwright Property, Ontario

By agreement dated 30 June 1998 and subsequently amended, the Company earned a 25% interest in certain mineral claims known as the Janes property, located in the Janes Township, Sudbury Mining District, Ontario.

On 30 October 2015, the Company signed a Net Smelter Returns Royalty Agreement (“NSR”) whereby a Production Royalty equal to 1% will be paid based on minerals produced, saved and sold from the properties on the terms and subject to the conditions specified in the NSR Agreement.

(iii) Razor Property, Ontario

The Company acquired a 100% interest in certain mineral claims located in the Dana Township, Sudbury Mining District, Ontario.

The property is subject to a 2% NSR.

(iv) Western Front Property, Ontario

By agreement dated 16 November 2001, the Company earned a 70% interest in certain mineral claims known as the Western Front property from a company (the “Optionor”). The Company has the right to purchase an additional 30% interest in the property by paying \$750,000 to the Optionor.

The property is subject to a 3% NSR, the first 1% of which the Company can purchase for \$1,000,000; the second 1% can be purchased for \$2,000,000. The Company and the Optionor will share the NSR buyout privileges in proportion to their respective interests.

Lithium Division, Manitoba

(i) Lithium One

The Company, through its subsidiary, LCD, acquired 100% interest in the Lithium One Project on 31 July 2017 by completing the option payments and exploration requirements in the option agreement dated 18 April 2016.

(ii) Lithium Two Project

The Lithium Two Project is located north of Cat Lake, approximately 145 kilometers (90 miles) northeast of Winnipeg, Manitoba (Canada) and 22 kilometers north of the Tanco Mine Site. Geologically, the project is situated in the Cat Lake portion of the Cat Lake Winnipeg River Pegmatite Field.

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(iii) Lithium West

This project is situated on strike and to the west of the Tanco Pegmatite deposit. The project consists of 3,385 hectares located 12.5 kilometers west of the Tanco Pegmatite. The project is 100% owned by the Company and was previously explored by the Tantalum Mining Corp. of Canada in their exploration for Tantalum.

(iv) Lithman East Extension, East Extension, & Lithman North Projects

During the year ended 30 April 2018, the Company acquired 100% of certain mineral claims by way of staking for consideration of \$19,968.

(v) CAT 3 Properties, Manitoba

By agreement dated 27 June 2016, the Company entered into an option agreement with Mustang Minerals Corp. and acquired certain mineral claims located in Winnipeg, Manitoba.

(vi) McLaughlin Lake, Manitoba

On 5 April 2023, the Company acquired 19,321 hectares of mineral exploration license ("MEL") area at McLaughlin Lake, Manitoba. The MEL covers approximately 30 kms strike length of the Stull-Wunnummin Fault structure. All the claims are held by LCD, a 100% owned subsidiary of the Company.

On 17 August 2023, the Company entered into a binding term sheet with Australian junior mining company, Native Mineral Resources Holdings Ltd. ("NMR"). Under the terms, NMR can earn up to a 75% interest in the Company's McLaughlin Lake Project by spending a total of \$3,000,000 in exploration expenditures, making total cash payments of \$475,000 and issuing a total of AUD\$1,400,000 in NMR shares.

During the year ended 30 April 2024, the total amount received from NMR, comprising \$239,000 cash and \$230,800 shares (Note 7), exceeded the carrying amount of the McLaughlin Lake Project by \$274,474, which was recorded as other income.

On 24 April 2024, the agreement was terminated.

Farm –in and Joint Venture

On 27 September 2021, the Company and its wholly-owned direct subsidiary LCD, entered into a binding term agreement with Australian lithium and iron ore producer, Mineral Resources Limited ("MRL"). The parties signed a farm-in and joint venture agreement for this arrangement on 29 August 2022. Under the terms, MRL can earn up to a 75% interest in the Company's Manitoba lithium division.

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In consideration MRL will pay the Company a sum of \$400,000:

- (i) \$100,000 on the signing date (paid);
- (ii) \$100,000 on the 1-year anniversary (paid);
- (iii) \$100,000 on the 2-year anniversary;
- (iv) \$100,000 on the 3-year anniversary.

MRL has the right to acquire legal and beneficial interests per the following schedule:

| Farm-in Date | JV Interests | Obligations |
|--------------------------|---------------------|---|
| Initial Farm-in Interest | 51% MRL; 49% NAM | Complete \$4,000,000 of exploration and development activities within 42 months from the effective date, including \$1,000,000 (met) must be spent within 18 months from the effective date |
| Further Farm-in Interest | 65% MRL; 35% NAM | Fund and complete a National Instrument 43-101 compliant pre-feasibility study, including the completion of a compliance resource statement within 5 years from the effective date |
| Final Farm-in Interest | 75% MRL; 25% NAM | Fund the project to the point of a final construction/investment decision made by MRL and collectively with the initial Farm-in obligations and further Farm-in obligations |

The Company will charge MRL a management fee for each contract entered into for the purposes of approved exploration and development activities as follows:

- (i) 5% of the contract value for any contract with a contract value equal to or greater than \$100,000; or
- (ii) 10% of the contract value for any contract with a contract value below \$100,000.

During the year ended 30 April 2024, the Company charged MRL management fees of \$318,036 (2023: \$128,088) and recorded in other income.

Bird River Lithium, Manitoba

On 1 December 2023, the Company entered into an option agreement with W.S. Ferreira Ltd. ("Ferreira") to acquire an undivided 100% interest in the mineral property claim Bridge and Bridge 1 located in the Bird River area in the province of Manitoba, Canada. In order to exercise the option, the Company is required to make cash and share payments to Ferreira as follows:

- A payment of \$40,000 on or before 29 December 2023 (paid)
- A payment of \$50,000 on or before 1 January 2025
- A payment of \$60,000 on or before 10 January 2026
- Issue 100,000 common shares of the Company on or before 29 December 2023 (issued) (Note 12.2)
- Issue 200,000 common shares of the Company on or before 10 January 2025
- Issue 200,000 common shares of the Company on or before 10 January 2026

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Pursuant to the terms of the agreement, in the event that the option is fully exercised, a 2% Gross Over Ridding Royalty shall be retained by Ferreira. The Company has the exclusive right to purchase 1% of the Royalty for \$1 million dollars. Any securities issued in connection with the agreement are subject to TSXV approval and a four-month and a day hold period in accordance with applicable Securities Laws.

The Bridge and Bridge 1 claims now create a contiguous claim package across the Bird River Lithium Claim. The claims host the Matty Pegmatite, a spodumene bearing LCT pegmatite. This pegmatite body is interpreted to be part of the same dyke swarm hosting the Company's Tappy Pegmatite and exhibits high grade lithium mineralization at surface.

Alaska Genesis Project, Alaska

On 17 April 2018, the Company entered into an option agreement with Anglo Alaska Gold Corp. ("Anglo") to acquire 100% interest in certain mineral claims in the State of Alaska.

The Company paid the following cash consideration to Anglo:

- (i) \$30,000 on the closing date;
- (ii) \$30,000 on or before the 1-year anniversary of the closing date;
- (iii) \$30,000 on or before the 2-year anniversary of the closing date; and
- (iv) \$30,000 on or before the 3-year anniversary of the closing date.

The Company also issued commons shares of the Company to Anglo per the following schedule:

- (i) 200,000 shares on the closing date;
- (ii) 200,000 shares on or before the 1-year anniversary of the closing date;
- (iii) 200,000 shares on or before the 2-year anniversary of the closing date; and
- (iv) 200,000 shares on or before the 3-year anniversary of the closing date.

The Company completed the following filings and payments:

- (i) Annual payment to the State of Alaska for mining claim rentals of \$8,960 USD, due the year between 1 September and 30 November during which the agreement is in effect.
- (ii) Filing annual Affidavits of Annual Labor with the State of Alaska Recorder's office for the Valdez and Chitina Recording Districts.
- (iii) Filing, maintaining, and closing any and all permits required by the State of Alaska and /or Federal regulatory agencies.
- (iv) Conduct qualifies on-ground work as require by the State of Alaska.

In year one of the agreement, the Company had the obligation to complete either (i) or (ii) as follows:

- (i) Spend a maximum of \$10,000 to have Avalon Development Corp. update all previous data and geological information and reports on the property before 15 July 2018 (incurred).
- (ii) Spend a minimum of \$25,000 to upgrade current property information and complete confirmation sampling on the property, resulting in a final report.

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Upon commencement of commercial production, the Company is required to pay Anglo 3% NSR. The Company has the right to purchase one half of the NSR by paying \$500,000 for each half percentage point to a maximum of \$1,500,000.

9. EQUIPMENT

A summary of changes in the Company's equipment for the period ended 31 July 2024 and year ended 30 April 2024 is as follows:

| | Automobile |
|-------------------------------------|-------------------|
| | \$ |
| Cost | |
| Balance, 30 April 2024 | 120,132 |
| Accumulated amortization | |
| Balance, 30 April 2023 | 65,098 |
| Amortization | 17,710 |
| Balance, 30 April 2024 | 82,808 |
| Amortization | 2,799 |
| Balance, 30 April 2024 | 85,607 |
| Net book value, 30 April 2024 | 37,324 |
| Net book value, 31 July 2024 | 34,525 |

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10. RIGHT-OF-USE ASSET AND LEASE LIABILITY

The Company leased an office under non-cancellable operating lease with a term to 30 April 2027 (Notes 17 and 20). The Company recognized \$171,451 of right-of-use assets and \$171,451 of lease liabilities. The lease liability was discounted using an incremental borrowing rate as at 1 May 2022 of 8% per annum. The continuity of the lease liability is as follows:

| | |
|--|----------|
| | \$ |
| Lease liability, 1 May 2022 | 171,451 |
| Less: lease payments | (39,600) |
| Interest expense | 12,472 |
| Lease liability, 1 May 2023 | 144,323 |
| Less: lease payments | (41,400) |
| Interest expense | 10,159 |
| | 113,082 |
| Less: current portion of lease liability – 30 April 2024 | (38,679) |
| | 74,403 |

The continuity of right-of-use asset for period ended 31 July 2024 and year ended 30 April 2024 is as follows:

| | |
|-------------------------------------|----------------|
| | \$ |
| Cost | |
| Balance, 1 May 2024 | 171,451 |
| Accumulated amortization | |
| Balance, 1 May 2023 | 34,296 |
| Amortization | 34,296 |
| Balance, 1 May 2024 | 68,592 |
| Amortization | 2,858 |
| | 71,450 |
| | |
| Net book value, 30 April 2023 | 102,859 |
| Net book value, 31 July 2024 | 100,001 |

11. TRADE PAYABLES AND ACCRUED LIABILITIES

The Company's trade and other payables are broken down as follows:

| | As at 31 July 2024 | As at 30 April 2024 |
|---|-----------------------|------------------------|
| | \$ | \$ |
| Trade payables (Note 17.2) | 130,270 | 1,603,884 |
| Accrued liabilities | 149,725 | 149,725 |
| Total trade payables and accrued liabilities | 279,995 | 1,753,609 |

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12. SHARE CAPITAL

12.1 Authorized share capital

The Company is authorized to issue unlimited common shares without par value. As at 31 July 2024, there were 222,237,002 common shares issued and outstanding (30 April 2024: 222,237,002).

12.2 Share issuances

During the year ended 30 April 2024, the Company issued common shares as follows:

Private Placements

There were no private placements during the years ended 30 April 2024 and 2023.

Others

On 21 December 2023, the Company issued 100,000 common shares valued at \$5,000 related to the Bird River Lithium property (Note 8).

On 6 June 2022, the Company issued 100,000 common shares related to the exercise of 100,000 options at an exercise price of \$0.05 per share.

12.3 Share purchase warrants

The following is a summary of the changes in the Company's share purchase warrants for the period ended 31 July 2024 and year ended 30 April 2024.

| | 30 April 2024 | | 30 April 2024 | |
|----------------------------|--------------------|---------------------------------|--------------------|---------------------------------|
| | Number of warrants | Weighted average exercise price | Number of warrants | Weighted average exercise price |
| Outstanding, beginning | 32,116,675 | \$ 0.21 | 32,959,643 | \$ 0.21 |
| Expired | - | - | (842,968) | 0.16 |
| Outstanding, ending | 32,116,675 | 0.21 | 32,116,675 | 0.21 |

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The following table summarizes information regarding share purchase warrants outstanding as at 31 July 2024:

| Number of warrants | Exercise price | Expiry date |
|--------------------|----------------|-----------------|
| 10,380,251 | \$0.20 | 18 March 2025 |
| 750,000 | \$0.25 | 18 March 2025 |
| 580,172 | \$0.20 | 23 March 2025 |
| 3,625,002 | \$0.25 | 23 March 2025 |
| 9,296,875 | \$0.20 | 31 March 2025 |
| 6,484,375 | \$0.20 | 25 August 2025 |
| 1,000,000 | \$0.20 | 1 February 2027 |
| 32,116,675 | | |

12.4 Stock options

On 27 October 2022, the Company adopted an incentive stock option plan (the “Option Plan”) which allows the Company’s Board of Directors, at its discretion and in accordance with TSXV requirements, to grant options to directors, officers and consultants for up to 10% of the issued and outstanding common shares. The exercise price of any options granted under the plan will be determined by the Board of Directors, at its sole discretion, but is subject to the Discounted Market Price policies of the TSXV.

The following is a summary of the changes in the Company’s stock option plan for the period ended 31 July 2024 and year ended 30 April 2024:

| | 31 July 2024 | | 30 April 2024 | |
|----------------------------|-------------------|---------------------------------|-------------------|---------------------------------|
| | Number of options | Weighted average exercise price | Number of options | Weighted average exercise price |
| Outstanding, beginning | 5,983,331 | \$ 0.13 | 5,983,331 | \$ 0.13 |
| Granted | - | - | - | - |
| Exercised | - | - | - | - |
| Expired | - | - | - | - |
| Cancelled | - | - | - | - |
| Outstanding, ending | 5,983,331 | 0.13 | 5,983,331 | 0.13 |

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13. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

| Period ended 31 July | 2024 | 2023 |
|---|----------------|----------------|
| | \$ | \$ |
| Net loss for the period | (284,123) | (198,019) |
| Weighted average number of shares – basic and diluted | 219,821,382 | 219,722,469 |
| Loss per share, basic and diluted | (0.001) | (0.001) |

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. All of the stock options and the share purchase warrants were anti-dilutive for the periods ended 31 July 2024 and 2023.

14. CAPITAL RISK MANAGEMENT

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements, continue the development and exploration of its exploration and evaluation properties.

The Company is dependent upon external financing to fund its activities. In order to carry out the planned exploration and to pay for general administration costs, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

The Company is not subject to any externally imposed capital requirements. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

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(Unaudited)

(Expressed in Canadian dollars)

15. FINANCIAL INSTRUMENTS

15.1 Categories of financial instruments

| | As at 31 July 2024 | As at 30 April 2024 |
|------------------------------------|-----------------------|------------------------|
| | \$ | \$ |
| FINANCIAL ASSETS | | |
| FVTPL, at fair value | | |
| Cash | 3,396,050 | 2,311,181 |
| Short-term investments - shares | 231,771 | 231,771 |
| Amortized cost | | |
| Amounts receivable | 71,426 | 2,940,824 |
| Total financial assets | 3,699,247 | 5,483,776 |
| FINANCIAL LIABILITIES | | |
| Amortized cost | | |
| Trade payables | 130,286 | 1,603,884 |
| Due to related party | - | - |
| Total financial liabilities | 130,286 | 1,603,884 |

15.2 Fair value

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short-term maturity of these instruments.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly. As at 31 July 2024 and 30 April 2024, the Company does not have any Level 2 financial instruments.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data. As at 31 July 2024 and 30 April 2024, the Company does not have any Level 3 financial instruments.

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| As at 31 July 2024 | Level 1 | Level 2 | Level 3 | Total |
|---|------------------|----------|----------|------------------|
| Financial assets at fair value | \$ | \$ | \$ | \$ |
| Cash | 3,396,050 | - | - | 3,396,050 |
| Short-term investments – Shares | 231,771 | - | - | 231,771 |
| Total financial assets at fair value | 3,627,821 | - | - | 3,627,821 |

| As at 30 April 2024 | Level 1 | Level 2 | Level 3 | Total |
|---|------------------|----------|----------|------------------|
| Financial assets at fair value | \$ | \$ | \$ | \$ |
| Cash | 2,311,181 | - | - | 2,311,181 |
| Short-term investments – Shares | 231,771 | - | - | 231,771 |
| Total financial assets at fair value | 2,542,952 | - | - | 2,542,952 |

There were no transfers between Levels 1, 2 and 3 in the period ended 31 July 2024 and year 30 April 2024.

15.3 Management of financial risks

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk, currency risk and commodity price risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises primarily from the Company's cash and amounts receivable. The Company manages its credit risk relating to cash by dealing only with highly-rated financial institutions. As at 31 July 2024, amounts receivable were mainly comprised of amount receivable from a related party and amount receivable from JV (Note 6).

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they become due (Note 1.1). The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered. The Company has no source of revenue and has obligations to meet its administrative overheads, maintain its mineral investments and to settle amounts payable to its creditors. The Company has been successful in raising equity financing in the past; however, there is no assurance that it will be able to do so in the future. As at 31 July 2024, the Company had working capital of \$3,458,247 (30 April 2024: \$3,970,614).

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Currency risk

For the period ended 31 July 2024, the Company's operations were mainly in Canada (Note 4). The Company considers its currency risk to be insignificant.

Other risks

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest rate risk and commodity price risk arising from financial instruments.

16. RELATED PARTY TRANSACTIONS

For the period ended 31 July 2024, the Company had related party transactions with the following companies related by way of directors or shareholders in common:

- MetalQuest Mining Inc. ("MetalQuest"), a company with management and certain directors in common with the Company. MetalQuest pays shared office costs to the Company on a month-to-month basis (Note 6).
- Canadian Gravity Recovery Inc. ("CGR"), a company owned by the Chief Executive Officer ("CEO") of the Company. CGR provides management services on a month-to-month basis (Note 18).
- 3699030 Canada Inc., a company owned by the CEO of the Company. 3699030 Canada Inc. provides lease property to the Company (Notes 10 and 18).
- 873285 BC Ltd., a company owned by the Corporate Secretary of the Company. 873285 BC Ltd. provides consulting services on a month-to-month basis.

16.1 Related party expenses

| Period ended 31 July | 2024 | 2023 |
|---|---------------|---------------|
| | \$ | \$ |
| Shared office and consulting fees recoveries from MetalQuest | (9,221) | (8,049) |
| Rent expense before shared office recoveries to the CEO | 2,085 | 1,998 |
| Rent expense before shared office recoveries to 3699030 Canada Inc. (Note 19) | 10,500 | 9,900 |
| Consulting fees to the Chief Financial Officer ("CFO") | 12,000 | 10,500 |
| Management fees to Canadian Gravity Recovery Inc. ("CGR") (Note 18) | 74,791 | 30,000 |
| Consulting fees to 873285 BC Ltd. | 7,800 | 7,800 |
| Total related party expenditures | 97,955 | 67,381 |

16.2 Due from/to related parties

The assets and liabilities of the Company include the following amounts due from/(to) related parties:

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| | 31 July 2024 | 30 April 2024 |
|--|---------------|---------------|
| | \$ | \$ |
| MetalQuest (Note 6) | 43,922 | 34,240 |
| Total amount due from related parties | 43,922 | 34,240 |

16.3 Key management personnel compensation

The remuneration of directors and other members of key management for the periods ended 31 July 2024 and 2023 were as follows:

| 31 July | 2024 | 2023 |
|--|---------------|---------------|
| | \$ | \$ |
| Short-term benefits – management and consulting fees | 94,591 | 48,300 |
| Total key management personnel compensation | 94,591 | 48,300 |

17. SUPPLEMENTAL CASH FLOW INFORMATION

17.1 Non-cash activities

The Company incurred the following non-cash investing and financing transactions:

During the year ended 30 April 2024, the Company issued 100,000 common shares valued at \$5,000 related to the Bird River Lithium property (Note 8).

18. COMMITMENTS AND CONTINGENCIES

As at 31 July 2024, the Company had the following commitments and contingent liabilities:

| | < 1 year | 2-5 years | Total |
|--------------------------|----------------|---------------|----------------|
| | \$ | \$ | \$ |
| Management fees | 120,000 | 10,000 | 130,000 |
| Lease payments | 42,000 | 84,000 | 126,000 |
| Total commitments | 162,000 | 94,000 | 256,000 |

- a) Effective 1 April 2016, as amended on 1 June 2018, the Company is committed to paying a monthly management to a related party for a term of \$10,000 per month terminating on 31 May 2025 (Note 18). In the event that the amended agreement is terminated or fails to renew due to failure of agreement after the issuance of a non-renewal notice, the related party shall receive a termination fee specified by the terms of the amended agreement.

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- b) Effective 1 May 2022, the Company is committed to paying monthly rent of \$3,300 per month during the first year and \$3,500 per month for the remainder of the lease term to a related party for a term of 60 months (Note 10 and 18).
- c) The Company has indemnified the subscribers of flow-through shares of the Company issued in the current and prior years against any tax related amounts that may become payable as a result of the Company not making eligible expenditures.
- d) The Company's exploration and evaluation activities are subject to various Canadian federal and provincial laws and regulations governing the protection of the government. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.
- e) As at 31 July 2024, the Company owns various exploration and evaluation properties (Note 8). Management does not consider that any amounts related to decommissioning liabilities are payable although there is no assurance that a formal claim will not be made against the Company for some or all of these obligations in the future.

19. SUBSEQUENT EVENT

On 22 August 2024, the Company received TSXV approval to implement the consolidation of its common shares on the basis of 4 pre-consolidated shares for 1 new post-consolidated share. The post-consolidated share will begin trading effective at the opening of the market on 26 August 2024.

20. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company for the period ended 31 July 2024 were approved and authorized for issue by the Board of Directors on 11 September 2024.