

MILLENNIAL P O T A S H

Condensed Interim Consolidated Financial Statements
For the three months ended November 30, 2024 and 2023

Expressed in Canadian Dollars

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

MILLENNIAL POTASH CORP.Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	November 30, 2024	August 31, 2024
		\$	\$
Assets			
Current			
Cash		4,074,813	1,574,029
Amounts receivable		14,113	41,288
Prepaid expenses and deposits		254,388	691,898
		4,343,314	2,307,215
Equipment	5	89,130	104,711
Exploration and evaluation assets	6	10,382,694	9,790,997
Right-of-use asset	8	36,025	63,044
Total assets		14,851,163	12,265,967
Liabilities and shareholders' equity			
Current			
Accounts payable and accrued liabilities	9,13	516,561	527,472
Lease liability	8	39,020	67,282
		555,581	594,754
Shareholders' equity			
Share capital	10	16,924,956	16,924,956
Reserves	10	4,154,080	3,615,660
Share subscriptions	10	3,075,000	-
Deficit		(12,054,774)	(11,079,389)
Other comprehensive (loss) income		(6,706)	25,219
Equity attributable to shareholders of the Company		12,092,556	9,486,446
Non-controlling interest	15	2,203,026	2,184,767
		14,295,582	11,671,213
Total liabilities and shareholders' equity		14,851,163	12,265,967

Nature and continuance of operations (Note 1)
Subsequent events (Note 16)

Approved on behalf of the Board:

"Farhad Abasov"

Farhad Abasov, Director

"Peter MacLean"

Peter MacLean, Director

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

MILLENNIAL POTASH CORP.Condensed Interim Consolidated Statements of Loss
(Expressed in Canadian Dollars)

	Note	For the three months ended November 30,	
		2024	2023
		\$	\$
Expenses			
Advertising and promotion		117,002	347,636
Consulting fees		167,559	41,808
Depreciation	8	27,019	25,368
Foreign exchange gain		(18,554)	(2,158)
General and administrative		-	17,867
Interest expense on lease liability	8	1,738	1,651
Insurance		4,551	4,605
Management fees	13	83,182	90,904
Professional fees		33,800	11,172
Share-based compensation	10,13	538,420	10,528
Transfer agent and filing fees		10,604	8,366
Travel and related		13,363	46,401
		(978,684)	(604,148)
Loss on equity investment	7	-	(3,856)
Other income	13	19,800	20,194
		19,800	16,338
Loss for the period		(958,884)	(587,810)
Loss for the period attributable to:			
Shareholders of the Company		(975,385)	(587,810)
Non-controlling interest	15	16,501	-
Loss for the period		(958,884)	(587,810)
Weighted average number of outstanding shares			
- basic and diluted		71,192,000	51,918,000
Basic and diluted loss per share:			
Attributable to shareholders of the Company		(0.01)	(0.01)
Non-controlling interest		(0.00)	(0.00)

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

MILLENNIAL POTASH CORP.

Condensed Interim Consolidated Statements of Other Comprehensive Loss
(Expressed in Canadian Dollars)

		For the three months ended November 30,	
	Note	2024	2023
		\$	\$
Loss for the period		(958,884)	(587,810)
Other comprehensive loss			
Foreign currency translation adjustment		(30,167)	-
Comprehensive loss for the period		(989,051)	(587,810)
Comprehensive income (loss) attributable to:			
Shareholders of the Company		(1,007,310)	(587,810)
Non-controlling interest	15	18,259	-
Comprehensive loss for the period		(989,051)	(587,810)

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

MILLENNIAL POTASH CORP.Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	For the three months ended November 30,	
	2024	2023
	\$	\$
Cash flows from operating activities		
Loss for the period	(958,884)	(587,810)
Items not affecting cash:		
Depreciation	27,019	25,368
Share-based compensation	538,420	10,528
Interest expense on lease liability	1,738	1,651
Loss on equity investment	-	3,856
Changes in non-cash working capital items:		
Amounts receivable	27,175	18,919
Prepaid expenses	212,093	143,420
Accounts payable and accrued liabilities	(10,911)	(153,627)
Cash used in operating activities	(163,350)	(537,695)
Cash flows from investing activities		
Exploration and evaluation assets expenditures	(349,799)	-
Acquisition of Equatorial Potash Pty Ltd.	-	(510,583)
Cash used in investing activities	(349,799)	(510,583)
Cash flows for financing activities		
Share subscriptions	3,075,000	-
Repayment of lease liability	(30,000)	(28,500)
Cash provided by (used in) financing activities	3,045,000	(28,500)
Effect of foreign exchange changes on cash	(31,067)	-
Net change in cash	2,500,784	(1,076,778)
Cash, beginning of the period	1,574,029	1,629,036
Cash, end of the period	4,074,813	552,258
Supplemental cash flow information		
Advances for equity investment in accounts payable and accrued liabilities	-	33,868
Exploration and evaluation assets in accounts payable and accrued liabilities	118,804	-

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

MILLENNIAL POTASH CORP.

Condensed Interim Consolidated Statement of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Share Capital				Deficit	Other Comprehensive Income	Non- Controlling Interest	Total Shareholders' Equity
	Common Shares	Amount	Reserves	Share subscriptions				
	#	\$	\$	\$				
Balance at August 31, 2023	51,918,000	13,084,635	1,977,478	-	(8,633,936)	-	-	6,428,177
Share-based compensation	-	-	10,528	-	-	-	-	10,528
Loss and comprehensive loss	-	-	-	-	(587,810)	-	-	(587,810)
Balance at November 30, 2023	51,918,000	13,084,635	1,988,006	-	(9,221,746)	-	-	5,850,895
Shares issued for cash	17,724,000	3,958,671	18,212	-	-	-	-	3,976,883
Shares issued for acquisition	550,000	132,000	-	-	-	-	-	132,000
Share-based compensation	-	-	1,149,092	-	-	-	-	1,149,092
Warrants residual value	-	(460,350)	460,350	-	-	-	-	-
Non-controlling interest acquired	-	-	-	-	-	-	3,541,254	3,541,254
Increase in ownership of subsidiary	1,000,000	210,000	-	-	743,110	-	(1,362,206)	(409,096)
Foreign exchange translation	-	-	-	-	-	25,219	10,808	36,027
Loss and comprehensive loss	-	-	-	-	(2,600,753)	-	(5,089)	(2,605,842)
Balance at August 31, 2024	71,192,000	16,924,956	3,615,660	-	(11,079,389)	25,219	2,184,767	11,671,213
Share subscriptions	-	-	-	3,075,000	-	-	-	3,075,000
Share-based compensation	-	-	538,420	-	-	-	-	538,420
Foreign exchange on translation	-	-	-	-	-	(31,925)	1,758	(30,167)
Loss and comprehensive loss	-	-	-	-	(975,385)	-	16,501	(958,884)
Balance at November 30, 2024	71,192,000	16,924,956	4,154,080	3,075,000	(12,054,774)	(6,706)	2,203,026	14,295,582

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

MILLENNIAL POTASH CORP.

Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended November 30, 2024 and 2023
(Expressed in Canadian dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Millennial Potash Corp. (the “Company”) was incorporated in British Columbia under the Business Corporations Act on July 21, 2015 and its head office is located at Suite 300 – 1455 Bellevue Avenue, West Vancouver, British Columbia, V7T 1C3. On January 24, 2023, the Company changed its name from “Black Mountain Gold USA Corp.” to “Millennial Potash Corp.” The Company is listed for trading on the TSX Venture Exchange (the “Exchange”) as a Tier 2 mining issuer under the symbol “MLP.V” (formerly “BMG.V”) and on the OTCQB Venture Market under the ticker symbol “MLPNF” (formerly “BMGCF”).

The Company’s exploration and evaluation assets are at the exploration stage and are without a known body of commercial ore. The business of exploring for exploration and evaluation assets involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish mineral property reserves, to acquire construction and operating permits and to construct mineral property and processing facilities. The amounts shown as exploration and evaluation assets represent acquisition, holding, and exploration and evaluation costs and do not necessarily represent present or future recoverable values. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the Company obtaining the necessary financing to complete the exploration and development of the properties, the discovery of economically recoverable reserves and future profitable operations.

These condensed interim consolidated financial statements for the three months ended November 30, 2024 and 2023 (the “Financial statements”) have been prepared on the assumption that the Company and its subsidiaries 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. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. These adjustments could be material. As at November 30, 2024, the Company had not advanced its properties to commercial production and is not able to finance day to day activities through operations. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. The Company’s continuation as a going concern is dependent upon the successful results from its exploration activities and its ability to attain profitable operations and/or raise equity capital or borrowings sufficient to meet current and future obligations.

These Financial statements were reviewed, approved and authorized for issue by the Board of Directors on January 29, 2025.

2. BASIS OF PRESENTATION

Basis of presentation

The Financial statements of the Company have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

Foreign currency translation

The Financial statements of the Company are prepared in its functional currency, determined on the basis of the primary economic environment in which the entity operates. The functional currency of the Company and its subsidiary Equatorial Potash Pty Ltd. (“Equatorial”) is the Canadian dollar (“CAD”) while the functional currency of Equatorial’s wholly owned subsidiary, Mayumba Portases SARL, is the Central African franc (“XAF”).

MILLENNIAL POTASH CORP.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended November 30, 2024 and 2023

(Expressed in Canadian dollars)

2. BASIS OF PRESENTATION (continued)

Foreign currency translation (continued)

Foreign currency transactions are translated into functional currency using 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. Where applicable, the functional currency is translated into the presentation currency using the period end rates for assets and liabilities, while the operations and cash flows are translated using average rates of exchange with the exchange differences arising on translation being recognized in other comprehensive income or loss.

Basis of consolidation

The Financial statements of the Company consolidate the accounts of the Company and its subsidiaries. All intercompany transactions, balances and unrealized gains and losses from intercompany transactions are eliminated on consolidation. Subsidiaries are those entities that the Company controls by having the power to govern the financial and operating policies. The existence and effect of potential voting rights that are exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Company.

	Incorporation	Functional Currency	Percentage owned	
			November 30, 2024	August 31, 2024
Equatorial Potash Pty. Ltd. ("Equatorial") Company owned by Equatorial	Australia	CAD	70%	70%
Mayumba Portasse SARL	Gabon	XAF	70%	70%

During the year ended August 31, 2024, the Company acquired 70% ownership in Equatorial and thereby acquired a 70% interest in Mayumba Potasse SARL (Note 4). During the year ended August 31, 2024, the Company dissolved Mohave USA Gold Corp.

Subsidiaries

Subsidiaries are all entities over which the Company has exposure to variable returns from its involvement and has the ability to use power over the investee to affect its returns. The existence and effect of potential voting rights that are exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases. Adjustments to non-controlling interest are accounted for as transactions with owners and adjustments that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

Significant accounting estimates and judgments

The preparation of these Financial statements in accordance with IFRS Accounting Standards requires the Company to use judgment in applying its accounting policies and make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the Financial statements and in the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and assumptions.

MILLENNIAL POTASH CORP.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended November 30, 2024 and 2023

(Expressed in Canadian dollars)

2. BASIS OF PRESENTATION (continued)

Significant accounting estimates and judgments (continued)

The effect of a change in an accounting estimate is recognized prospectively by including it in profit or loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about significant estimates and 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 these Financial statements has been presented in the Company's annual financial statements for the year ended August 31, 2024.

3. MATERIAL ACCOUNTING POLICY INFORMATION

These Financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's annual financial statements for the year ended August 31, 2024 and are presented in Canadian dollars, which is the Company's functional currency.

New standards not yet adopted and interpretations issued but not yet effective

A number of amendments to standards and interpretations applicable to the Company are not yet effective for the three months ended November 30, 2024 and have not been applied in preparing these Financial statements nor does the Company expect these amendments to have a significant effect on its consolidated financial statements.

4. ACQUISITION OF EQUATORIAL

In January 2023, under an agreement with the shareholders of Equatorial (Note 6), the Company acquired 25% ownership of Equatorial by making a cash payment to the shareholders of Equatorial of \$343,917 (US\$257,000) and by issuing 650,000 common shares valued at \$237,250. As at August 31, 2023, the Company accounted for its ownership interest in Equatorial using equity accounting (Note 7).

In February and March 2024, the Company issued a further 550,000 common shares valued at \$132,000 and made cash payments of \$204,000 (US\$150,000) thereby earning an additional 26% for total ownership of 51% of Equatorial. As at March 1, 2024, based on its ownership interest and the Company's decision-making power, the Company determined it had control of Equatorial. The acquisition was determined to be an asset acquisition and has been accounted for under the acquisition method in accordance with the guidance provided in IFRS 3, Business Combinations ("IFRS 3"). The net assets acquired did not meet the definition of a business and the Company was determined to be the acquirer.

MILLENNIAL POTASH CORP.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended November 30, 2024 and 2023

(Expressed in Canadian dollars)

4. ACQUISITION OF EQUATORIAL (continued)

The Company allocated the fair value of consideration paid for the acquired assets and liabilities based on their fair values on acquisition date.

	Total
	\$
Consideration:	
Cash paid	547,917
Shares issued	369,250
Exploration and evaluation expenditures	2,966,409
Total consideration	3,883,576
Allocated as follows:	
Cash	55,619
Receivables	6,282
Equipment	124,470
Deposit	32,867
Exploration and evaluation assets (Note 6)	8,801,367
Accounts payable	(82,169)
Loan payable	(1,513,606)
Non-controlling interest (Note 15)	(3,541,254)
	3,883,576

The Company recognized a non-controlling interest as at the acquisition date for the remaining 49% unearned interest. In July 2024, the Company earned an additional 19% for total ownership of 70% of Equatorial as at the year ended August 31, 2024 (Notes 6 and 15).

5. EQUIPMENT

	Computers	Furniture	Equipment	Vehicles	Total
	\$	\$	\$	\$	\$
Cost:					
At August 31, 2023	-	-	-	-	-
Additions	9,399	1,723	20,914	92,434	124,470
At August 31, 2024	9,399	1,723	20,914	92,434	124,470
Additions	-	-	-	-	-
Foreign exchange translation	68	12	151	669	900
At November 30, 2024	9,467	1,735	21,065	93,103	125,370
Depreciation:					
At August 31, 2023	-	-	-	-	-
Additions	2,585	172	3,137	13,865	19,759
At August 31, 2024	2,585	172	3,137	13,865	19,759
Additions	1,874	155	2,667	11,785	16,481
At November 30, 2024	4,459	327	5,804	25,650	36,240
Net book value:					
At August 31, 2024	6,814	1,551	17,777	78,569	104,711
At November 30, 2024	5,008	1,408	15,261	67,453	89,130

MILLENNIAL POTASH CORP.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended November 30, 2024 and 2023

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS

	Banio Potash Project
	\$
Balance, August 31, 2023	-
Property acquisition costs	8,801,367
<i>Exploration expenditures:</i>	
Assessments (PEA)	90,043
Depreciation (Note 5)	19,759
Drilling, mobilization and maintenance	477,106
Geological and ESG	216,570
Mining license maintenance	8,418
Site development and supplies	162,548
Travel and accommodations	15,186
Balance, August 31, 2024	9,790,997
<i>Exploration expenditures:</i>	
Depreciation (Note 5)	16,481
Drilling, mobilization and maintenance	294,153
Geological and ESG	139,981
Site development and supplies	135,432
Travel and accommodations	5,650
Balance, November 30, 2024	10,382,694

Banio Potash Project

In September and October 2022, the Company entered into a binding memorandum of understanding (“MOU”) and a definitive agreement (“Definitive Agreement”), respectively, with the shareholders of Equatorial, a private Australian company, for the option to acquire up to a 100% interest in the Banio Potash Project (“Banio”) in Gabon by acquiring all of the issued and outstanding shares (the “Equatorial Shares”) of Equatorial. Equatorial’s wholly-owned subsidiary, Mayumba Potasse SARL, holds a 100% interest in Banio. Banio is located in Gabon, Western Africa on the Atlantic coast and is situated at the southern part of the country.

Pursuant to the MOU, Definitive Agreement, and subsequent amendments, in order to exercise the option, the Company will make option payments as follows:

	Cash US\$	Shares #	Ownership earned %
Upon signing of binding MOU	(paid) 18,750		
Within ten days of TSX approval of the definitive agreement	(paid) 257,000	(issued) 650,000	(acquired) 25
Within ten days of completion of resource estimate report	(paid) 150,000	(issued) 550,000	(acquired) 51
On or before December 31, 2024	150,000*	-	-
Within ten days of Preliminary Economic Assessment or Scoping study	(paid) 300,000	(issued) 1,000,000	(acquired) 70
Within ten days of completion of updated resource estimate report	500,000	1,500,000	-
Within ten days of completion of Definitive Feasibility Study	3,000,000	2,500,000	100
Totals	4,375,750	6,200,000	

(*) Subsequent to the quarter ended November 30, 2024, the Company entered in an amending agreement to extend the payment due date to February 28, 2025.

MILLENNIAL POTASH CORP.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended November 30, 2024 and 2023

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS (continued)

Banio Potash Project (continued)

In January 2023, the Company received approval from the Exchange for the Definitive Agreement and the option to acquire Banio and completed the cash payment and share issuance required to acquire the initial 25% interest in Banio through its acquisition of 25% of the Equatorial Shares. As at August 31, 2023, the Company accounted for its ownership interest in Equatorial using equity accounting (Note 7).

In October 2023, the Company entered into an agreement amending the Definitive Agreement providing that the US\$300,000 due to the vendors of Banio within ten days of completion of Phase 2 drilling would instead be due: (i) US\$150,000 upon completion of a current resource estimate in a report in form required by NI 43-101; and (ii) on or before December 31, 2024, a further US\$150,000. Upon making the US\$150,000 payment in (i) and issuance of 550,000 Company's shares, the Company earned an additional 26% interest in Banio for a total 51% interest. As at March 1, 2024, based on its ownership interest and the Company's decision-making power, the Company determined it had control of Equatorial (Note 4).

In June 2024, the Company entered into an amending agreement which removed the Company's requirement to incur US\$12,000,000 in exploration and evaluation expenditures on the property.

In July 2024, the Company made a cash payment of US\$300,000 and issued 1,000,000 shares of the Company to earn an additional 19% interest in Equatorial. The Company recognized a corresponding change in its non-controlling interest of Equatorial (Note 15).

As at November 30, 2024, the Company holds a total of 70% interest in Banio.

7. EQUITY INVESTMENT

As at August 31, 2023, the Company had paid to the shareholders of Equatorial \$343,917 (US\$257,000) and issued 650,000 common shares valued at \$237,250, thereby acquiring 25% ownership pursuant to the terms of the Definitive Agreement. In March 2024, the Company completed the required cash payment and share issuance to earn 51% ownership (Note 6). In addition, the Company had advanced \$4,498,558 (US\$3,420,833) as at March 1, 2024 (August 31, 2023 - \$3,423,917 (US\$2,505,998)) for exploration programs on Banio.

During the year ended August 31, 2024, the Company recorded a loss on the equity investment of \$7,652 (2023 - \$10,892) which represented the Company's portion of Equatorial's loss for the period prior to acquiring a 51% interest; as a result, the carrying value of the investment on acquisition was \$5,397,181 (August 31, 2023 - \$3,994,192). Upon the Company acquiring a 51% interest in Equatorial, the Company transferred the carrying value of the investment of \$5,397,181 to exploration and evaluation assets on acquisition of Equatorial (Notes 4 and 6).

The following table is a reconciliation of the investment in Equatorial:

	\$
Balance, August 31, 2023	3,994,192
Acquisition	336,000
Cash contributions – exploration advances	1,074,641
Share of loss of equity investment	(7,652)
Transferred to exploration and evaluation assets on acquisition of Equatorial (Note 6)	(5,397,181)
Balance, August 31, and November 30, 2024	-

MILLENNIAL POTASH CORP.

Notes to the Condensed Interim Consolidated Financial Statements

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(Expressed in Canadian dollars)

8. RIGHT-OF-USE ASSET AND LEASE LIABILITY

As at November 30, 2024, the Company has a lease for an office space in Vancouver, Canada.

Right-of-Use Asset

	Office lease
	\$
Cost:	
At August 31, 2023	220,960
Lease modification	109,726
At August 31, and November 30, 2024	330,686
Depreciation:	
At August 31, 2023	161,767
Charge for the period	105,875
At August 31, 2024	267,642
Charge for the period	27,019
At November 30, 2024	294,661
Net book value:	
At August 31, 2024	63,044
At November 30, 2024	36,025

Depreciation of right-of-use asset is calculated using the straight-line method over the remaining lease term.

Lease Liability

	Amount
	\$
At August 31, 2023	63,918
Modification to lease	109,726
Lease payments made	(117,000)
Interest expense on lease liabilities	10,638
At August 31, 2024	67,282
Lease payments made	(30,000)
Interest expense on lease liabilities	1,738
At November 30, 2024	39,020

The lease liability was discounted at a discount rate of 8% as at February 1, 2022. In October 2022, prior to the expiry of the lease in February 2023, the lease was extended for an additional year, to expire in February 2024 and the monthly lease payments were increased to \$9,500 per month. As a result, the Company recognized a modification to the right-of-use asset and lease liability of \$109,243. The modified lease liability was discounted at discount rate of 12% commencing as at October 1, 2022.

In January 2024, prior to the expiry of the lease in February 2024, the lease was extended for an additional year, to expire in February 2025 and the monthly lease payments were increased to \$10,000 per month. As a result, the Company recognized a modification to the right-of-use asset and lease liability of \$109,726.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	November 30, 2024	August 31, 2024
	\$	\$
Accounts payable	436,197	314,859
Accrued liabilities	80,365	212,613
	516,561	527,472

MILLENNIAL POTASH CORP.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended November 30, 2024 and 2023

(Expressed in Canadian dollars)

10. SHARE CAPITAL

Authorized share capital

The Company has authorized an unlimited number of common and preferred shares without par value.

Issued share capital

During the three months ended November 30, 2024

In November 2024, the Company commenced a private placement to raise up to \$3,793,000 in gross proceeds from the issuance of up to 12,643,333 units at a price of \$0.30 per unit ("November 2024 PP"). Each unit consists of one common share of the Company and one-half share purchase warrant with each whole warrant being exercisable for \$0.40 per share for a period of two years from the date of issuance. As of November 30, 2024, the Company has received share subscriptions of \$3,075,000.

During the year ended August 31, 2024:

The Company issued 550,000 common shares valued at \$132,000 in connection with the requirements to earn a 51% interest in the Equatorial Shares (Note 4).

The Company issued 5,750,000 common shares for gross proceeds of \$1,092,500. The Company incurred related finders' fees and share issue costs of \$44,652.

The Company issued 5,924,000 units for gross proceeds of \$1,481,000. Each unit consists of one common share and one-half share purchase warrant. Each whole share purchase warrant is exercisable for a period of two years at a price of \$0.35 per share. The Company valued the share purchase warrants using residual value method and reallocated \$148,100 from share capital to reserves. The Company paid cash commissions and share issue costs of \$40,955 and issued 103,600 finders warrants with an exercise price of \$0.35 and an expiry date of June 18, 2027 valued at \$11,244 in relation to the private placement.

The Company issued 1,000,000 shares valued at \$210,000 to earn an additional 19% for total ownership of 70% of Equatorial (Notes 4 and 7).

The Company issued 2,050,000 units for gross proceeds of \$512,500. Each unit consists of one common share and one-half share purchase warrant. Each whole share purchase warrant is exercisable for a period of two years at a price of \$0.35 per share. The Company valued the share purchase warrants using residual value method and reallocated \$92,250 from share capital to reserves. The Company paid cash commissions and share issue costs of \$23,510 and issued 73,360 finders warrants with an exercise price of \$0.35 and an expiry date of July 12, 2027 valued at \$6,968 in relation to the private placement.

The Company issued 4,000,000 units for gross proceeds of \$1,000,000. Each unit consists of one common share and one-half share purchase warrant. Each whole share purchase warrant is exercisable for a period of two years at a price of \$0.35 per share. The Company valued the share purchase warrants using residual value method and reallocated \$220,000 from share capital to reserves.

Stock options

The Company has adopted an equity incentive plan, pursuant to which the board of directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance of stock options will not exceed 10% of the issued and outstanding common shares exercisable for a period of up to ten years from the date the common shares are listed on the Exchange. The number of common shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding common shares.

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10. SHARE CAPITAL (continued)

Stock options (continued)

Options may be exercised 90 days following cessation of the optionee's position with the Company, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option.

In January 2024, the Company granted 2,181,000 stock options to certain directors, officers, and consultants at an exercise price of \$0.35 per share. The options were valued at \$556,373 using the Black-Scholes pricing model with the following assumptions: term - 5 years; risk-free rate – 3.43%; expected volatility – 153.25%; and expected dividends - zero.

In November 2024, the Company granted 1,350,000 stock options with an exercise price of \$0.30 per share to various directors, officers, and consultants of the Company. The options were valued at \$250,965 using the Black-Scholes pricing model with the following assumptions: term - 5 years; risk-free rate – 3.14%; expected volatility – 83.32%; and expected dividends - zero.

During the period ended November 30, 2024, the Company recorded share-based compensation of \$250,965 (2023 - \$10,528) related to stock options vested.

A summary of stock options activities are as follows:

	Number of options #	Weighted average exercise price \$
Balance, August 31, 2023	3,585,000	0.45
Granted	2,181,000	0.35
Balance, August 31, 2024	5,766,000	0.41
Granted	1,350,000	0.30
Balance, November 30, 2024	7,116,000	0.39

A summary of the stock options outstanding and exercisable at November 30, 2024 is as follows:

Exercise Price	Options Outstanding	Options Exercisable	Expiry Date
\$	#	#	
0.50	150,000	150,000	March 20, 2025
0.50	1,295,000	1,295,000	January 15, 2026
0.40	1,225,000	1,225,000	September 20, 2026
0.45	315,000	315,000	January 31, 2028
0.50	100,000	100,000	March 6, 2028
0.50	100,000	100,000	March 20, 2028
0.42	400,000	400,000	May 17, 2028
0.35	2,181,000	2,181,000	January 16, 2029
0.30	1,350,000	1,350,000	November 13, 2029
	7,116,000	7,116,000	

The weighted average life of the outstanding stock options as at November 30, 2024 is 3.16 (August 31, 2024 – 2.98) years.

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10. SHARE CAPITAL (continued)

Warrants

In June 2024, the Company issued 103,600 finders' warrants with an exercise price of \$0.35 expiring on June 18, 2027 in connection with a completed private placement. The fair value of the finder's warrants was estimated to be \$11,244 using the Black-Scholes option pricing model with the following assumptions: term - 3 years; expected volatility - 88.40%; risk-free rate - 3.85%; and expected dividends - zero.

In July 2024, the Company issued 73,360 finders' warrants with an exercise price of \$0.35 expiring on July 12, 2027 in connection with a completed private placement. The fair value of the finder's warrants was estimated to be \$6,968 using the Black-Scholes option pricing model with the following assumptions: term - 3 years; expected volatility - 86.02%; risk-free rate - 3.88%; and expected dividends - zero.

A summary of warrants activities are as follows:

	Number of warrants #	Weighted average exercise price \$
Balance, August 31, 2023	6,334,488	0.69
Issued	6,163,960	0.35
Balance, August 31, and November 30, 2024	12,498,448	0.52

A summary of the warrants outstanding and exercisable at November 30, 2024 is as follows:

Exercise Price	Warrants Outstanding and		Expiry Date
	Exercisable	#	
\$ 0.75		3,591,500	February 28, 2025
0.60		2,742,988	August 4, 2025
0.35		2,962,000	June 18, 2026
0.35		1,025,000	July 12, 2026
0.35		2,000,000	August 21, 2026
0.35		103,600	June 18, 2027
0.35		73,360	July 12, 2027
		12,498,448	

The weighted average life of the outstanding warrants as at November 30, 2024 is 1.03 (August 31, 2024 - 1.28) years.

Restricted Share Units ("RSU's")

In April 2023, the Company adopted an equity incentive plan for its directors, officers, and employees, under which it is authorized to grant RSU's to a maximum of 5% of outstanding common shares.

In February 2024, the Company granted 1,624,550 RSU's to certain directors, officers, and consultants of the Company with a fair value of \$406,138 at grant date. The RSU's will vest on February 27, 2025.

During the period ended November 30, 2024, the Company recorded share-based compensation of \$100,980 (2023 - \$Nil) in relation to RSU's.

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10. SHARE CAPITAL (continued)

Restricted Share Units (“RSU’s”) (continued)

A summary of RSU activities are as follows:

	Number of RSU’s #
Balance, August 31, 2023	-
Issued	1,624,550
Balance, August 31, and November 30, 2024	1,624,550

As at November 30, 2024, the Company had 1,624,550 RSU’s outstanding, vesting on February 27, 2025.

Performance Share Units (“PSU’s”)

In April 2023, the Company adopted an equity incentive plan for its directors, officers, and employees, under which it is authorized to grant PSU’s to a maximum of 5% of outstanding common shares.

In February 2024, the Company granted 3,000,000 PSU’s to certain directors, officers, and consultants of the Company with a fair value of \$750,000 at grant date. The PSUs will vest on February 27, 2025.

During the period ended November 30, 2024, the Company recorded share-based compensation of \$186,475 (2023 - \$Nil) in relation to PSU’s.

A summary of PSU activities are as follows:

	Number of PSU’s #
Balance, August 31, 2023	-
Issued	3,000,000
Balance, August 31, and November 30, 2024	3,000,000

As at November 30, 2024, the Company had 3,000,000 PSU’s outstanding, vesting on February 27, 2025.

11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- 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.

The Company’s financial instruments consist of cash, amounts receivable, accounts payable and accrued liabilities and lease liability. The fair value of cash, accounts receivable and accounts payable and accrued liabilities approximates their carrying values due to the short-term nature of these instruments. The carrying value of the Company’s lease liability approximates its fair value due to being discounted with a rate of interest that approximates market rates.

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11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

The Company is exposed to a variety of financial risks by virtue of its activities including currency, interest, liquidity, credit and commodity price risk.

(a) Currency risk

The Company conducts the majority of its exploration and evaluation expenditures in United States dollars. As such, it is subject to risk due to fluctuations in the exchange rates of the Canadian and US dollars. As at November 30, 2024, the Company had a foreign currency net monetary liability position of approximately US\$30,787 (August 31, 2024 – US\$211,485). A 10% change in the US dollar relative to the Canadian dollar will result in a foreign exchange gain/loss of approximately \$4,313 (August 31, 2024 – \$28,532).

(b) Interest rate

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk as it does not have any assets or liabilities that are affected by changes in interest rates.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash on hand to meet its financial obligations.

(d) 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. The Company's primary exposure to credit risk is on its cash held in bank accounts. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets.

(e) Commodity price risk

The ability of the Company to explore and evaluate its exploration and evaluation assets and the future profitability of the Company are directly related to the price of potash. The Company monitors potash prices to determine the appropriate course of action to be taken.

12. CAPITAL MANAGEMENT

The Company's capital structure consists of cash and share capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company. 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. In order to carry out the planned activities and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. 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 since inception. The Company is not subject to externally imposed capital requirements.

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13. RELATED PARTY TRANSACTIONS

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including directors (executive and non-executive) of the Company. As at November 30, 2024, the Company has \$127,083 (August 31, 2024 - \$122,817) included in accounts payable and accrued liabilities due to officers, companies related by way of common officers, and former directors.

Summary of key management personnel compensation:

	For the three months ended November 30,	
	2024	2023
	\$	\$
Exploration and evaluation assets expenditures	52,500	-
Exploration advances for equity investment	-	52,500
Management fees	78,000	78,000
Share-based compensation	491,940	-
	622,440	130,500

During the period ended November 30, 2024, the Company received \$12,300 (2023 – \$12,100) for rent recoveries included in other income from companies related by common officers and directors.

14. SEGMENTED INFORMATION

The Company has one operating segment, being the acquisition and exploration of exploration and evaluation assets. Non-current assets of the Company are located as follows:

November 30, 2024	Canada	Gabon	Total
	\$	\$	\$
Exploration and evaluation	-	10,382,694	10,382,694
Property Plant and Equipment	-	89,130	89,130
Other	36,025	-	36,025
	36,025	10,471,824	10,507,849
August 31, 2024	Canada	Gabon	Total
	\$	\$	\$
Exploration and evaluation	-	9,790,997	9,790,997
Property Plant and Equipment	-	104,711	104,711
Other	63,044	-	63,044
	63,044	9,895,708	9,958,752

Equatorial is a private Australian company however its main asset, the Banio Potash Project is located in Gabon (Note 6).

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15. NON-CONTROLLING INTEREST

In July 2024, the Company made a cash payment of US\$300,000 and issued 1,000,000 shares of the Company to earn an additional 19% interest in Equatorial (Note 6). During the year ended August 31, 2024, the additional 19% interest acquired resulted in an allocation to deficit of \$743,110.

The following table presents the equity attributable to 30% non-controlling interest in Equatorial as at November 30, and August 31, 2024:

	Total
	\$
Non-controlling interest on acquisition of Equatorial (Note 4)	3,541,254
Increase in ownership of Equatorial for 19% acquired	(1,362,206)
Share of loss for the period	(5,089)
Foreign exchange on translation	10,808
Balance, August 31, 2024	2,184,767
Share of income for the period	16,501
Foreign exchange on translation	1,758
Balance, November 30, 2024	2,203,026

The following table presents the summarized consolidated financial information of Equatorial and Mayumba Potasse SARL as at November 30, and August 31, 2024:

	November 30, 2024	August 31, 2024
	\$	\$
Current assets	107,984	78,895
Non-current assets	10,471,824	9,073,774
Current liabilities	86,769	55,816
Non-current liabilities	3,056,547	1,647,690
Net income (loss) for the period	17,495	(11,494)
Comprehensive income for the period	23,354	24,532

The following table presents the Income (loss) and comprehensive income (loss) attributable to non-controlling interest for the period ended November 30, 2024 and 2023.

	For the three months ended November 30,	
	2024	2023
	\$	\$
Income attributable to non-controlling interest	16,501	-
Foreign exchange translation adjustment	1,758	-
Comprehensive income attributable to non-controlling interest	18,259	-

16. SUBSEQUENT EVENTS

On December 4, 2024, the Company closed the first tranche of the November 2024 PP by issuing 5,644,000 units at a price of \$0.30 for gross proceeds of \$1,693,200. The Company incurred commissions of \$46,998 in relation to this tranche of the November 2024 PP. As part of the first tranche closing of the November 2024 PP, The Quaternary Group Ltd. (the "Insider") was issued 3,000,000 units. The Insider is an insider of the Company by virtue of its holdings of 10% or more of the issued and outstanding shares of the Company