



Consolidated Financial Statements

December 31, 2023
(Stated in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Green Light Metals Inc.:

Opinion

We have audited the consolidated financial statements of Green Light Metals Inc. and its subsidiaries (together the "Company"), which comprise the consolidated statements of financial position as at December 31, 2023 and 2022, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which describes conditions indicating that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis filed with the relevant Canadian securities commissions.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Baker Tilly WM LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.
April 26, 2024



CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Stated in Canadian Dollars)

As at	December 31, 2023 \$	December 31, 2022 \$
ASSETS		
Current assets		
Cash	16,135	116,065
Restricted cash <i>[note 4]</i>	33,058	35,245
Amounts receivable	2,288	24,421
Prepaid expenses	17,164	14,426
Total current assets	68,645	190,157
Non-current assets		
Building <i>[note 6]</i>	126,900	140,940
Mineral property interests <i>[note 7]</i>	2,307,022	6,225,601
Total non-current assets	2,433,922	6,366,541
Total assets	2,502,567	6,556,698
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	619,379	582,295
Due to related party	-	10,205
Total current liabilities	619,379	592,500
EQUITY		
Share capital <i>[note 9]</i>	12,463,539	11,987,603
Share purchase warrants <i>[note 9]</i>	203,015	146,969
Share-based payment reserve <i>[note 9]</i>	934,782	477,269
Accumulated other comprehensive income (loss)	287,997	424,868
Deficit	(12,006,145)	(7,072,511)
Total equity	1,883,188	5,964,198
Total liabilities and equity	2,502,567	6,556,698

Going concern [note 1]

Acquisition of Can-America Minerals Inc. [note 5]

Subsequent events [note 16]

See accompanying notes to the consolidated financial statements

The consolidated financial statements signed on the Company's behalf by:

"Barry Hildred"
Director

"Stephen V. Donohue"
Director



CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Stated in Canadian Dollars)

For the years ended December 31,

	2023	2022
	\$	\$
EXPENSES		
Accretion <i>[note 8]</i>	-	586,700
Depreciation <i>[note 6]</i>	14,057	7,353
Consulting <i>[note 12]</i>	175,166	472,676
Exploration <i>[note 7]</i>	206,565	358,851
General and administrative	182,144	240,574
Professional fees	113,690	279,056
Regulatory and filing fees	2,491	5,492
Share-based payments <i>[note 9]</i>	457,514	124,069
	1,151,627	2,074,771
Other items		
Change in fair value of option component of convertible debenture <i>[note 8]</i>	-	11,699
Write-down of mineral property interests <i>[note 7]</i>	(3,782,007)	(3,344,505)
Loss for the year	(4,933,634)	(5,407,577)
Exchange differences on translation of foreign operations	(136,871)	437,146
Comprehensive loss for the year	(5,070,505)	(4,970,431)
Basic and diluted loss per share <i>[note 10]</i>	(0.11)	(0.22)

See accompanying notes to the consolidated financial statements



CONSOLIDATED STATEMENTS OF CASH FLOWS

(Stated in Canadian Dollars)

For the years ended December 31,

	2023	2022
	\$	\$
OPERATING ACTIVITIES		
Loss for the year	(4,933,634)	(5,407,577)
Add charges to net loss not involving a current payment of cash		
Accretion <i>[note 8]</i>	-	586,700
Depreciation <i>[note 6]</i>	14,057	7,353
Share based payments <i>[note 9]</i>	457,514	124,069
Change in fair value of option component of convertible debenture <i>[note 8]</i>	-	(11,699)
Write-down of mineral property interests <i>[note 7]</i>	3,782,007	3,344,505
	(680,056)	(1,356,649)
Changes in non-cash working capital balances related to operations		
Amounts receivable	22,133	(1,189)
Prepaid expenses	(2,738)	(14,426)
Due to related parties	(10,205)	-
Accounts payable and accrued liabilities	37,087	278,940
Cash used in operating activities	(633,779)	(1,093,324)
INVESTING ACTIVITIES		
Purchase of mineral property interests <i>[note 7]</i>	-	(124,230)
Building improvements <i>[note 6]</i>	-	(44,677)
Cash used in investing activities	-	(168,907)
FINANCING ACTIVITIES		
Proceeds from shares issued in private placements <i>[note 9]</i>	531,981	709,035
Purchase of standby letter of credit <i>[note 4]</i>	(3,042)	-
Share issue costs <i>[note 9]</i>	-	(83,689)
Cash provided by financing activities	528,939	625,346
Increase in cash during year	(104,840)	(636,885)
Cash, beginning of year	116,065	772,229
Effect of foreign exchange on cash	4,910	(19,279)
Cash, end of year	16,135	116,065

See accompanying notes to the consolidated financial statements



CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Stated in Canadian Dollars)

Issued and outstanding:	Share Capital			Reserves			Total Equity (\$)
	Number of Shares	Share capital (\$)	Share purchase warrants (\$)	Share-based payments reserve (\$)	Accumulated other comprehensive income (loss) (\$)	Deficit (\$)	
Balance as at December 31, 2021	19,502,585	3,563,239	-	353,200	(12,278)	(1,664,934)	2,239,227
Shares issued for mineral property interests <i>[note 9]</i>	1,000,000	400,000	-	-	-	-	400,000
Private placement, first tranche <i>[note 9]</i>	922,588	297,769	71,266	-	-	-	369,035
Private placement, second tranche <i>[note 9]</i>	850,000	274,340	65,660	-	-	-	340,000
Shares issued for Can-America Minerals Inc. <i>[note 9]</i>	8,437,500	2,645,987	-	-	-	-	2,645,987
Shares issued on conversion of promissory note <i>[note 9]</i>	12,250,000	4,900,000	-	-	-	-	4,900,000
Share issue costs <i>[note 9]</i>	-	(93,732)	10,043	-	-	-	(83,689)
Share-based payments <i>[note 9]</i>	-	-	-	124,069	-	-	124,069
Loss and comprehensive loss for the year	-	-	-	-	437,146	(5,407,577)	(4,970,431)
Balance as at December 31, 2022	42,962,673	11,987,603	146,969	477,269	424,868	(7,072,511)	5,964,198
Private placement, final tranche <i>[note 9]</i>	725,561	234,179	56,046	-	-	-	290,225
Private placement <i>[note 9]</i>	439,555	241,756	-	-	-	-	241,756
Share-based payments <i>[note 9]</i>	-	-	-	457,514	-	-	457,514
Loss and comprehensive loss for the year	-	-	-	-	(136,871)	(4,933,634)	(5,070,505)
Balance as at December 31, 2023	44,127,789	12,463,538	203,015	934,783	287,997	(12,006,145)	1,883,188

See accompanying notes to the consolidated financial statements



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

1. NATURE OF BUSINESS AND GOING CONCERN

Green Light Metals Inc. (the "Company" or "Green Light") was incorporated under the Business Corporations Act of British Columbia on April 8, 2020 and is engaged in the acquisition, exploration, and evaluation of mineral property interests. The Company's head office and principal place of business is located at N4480 Co. Rd. E, Medford, Wisconsin 54451 USA, and its registered office is located at 1200 Waterfront Centre, 200 Burrard Street, Vancouver, British Columbia V7X 1T2. The Company's corporate office is located at 141 Adelaide St., Suite 520, Toronto, Ontario, Canada.

Going concern

The Company, being in the exploration stage, is subject to risks and challenges similar to companies in a comparable stage of development. These risks include the challenges of securing adequate capital for exploration, development and operational risks inherent in the mining industry, global economic and metal price volatility and there is no assurance management will be successful in its endeavours. At December 31, 2023, the Company has no source of operating cash flows, nor any credit line currently in place. The Company had net working capital deficit of \$550,734 (2022 - net working capital deficit of \$402,343), incurred a net loss of \$4,933,634 for the year ended December 31, 2023 (2022 - \$5,407,577) and has accumulated a deficit of \$12,006,145 since the inception of the Company. The Company's committed cash obligations and expected level of expenses will vary depending on its operations.

The Company's continuance as a going concern is dependent upon its ability to obtain adequate financing, or to reach profitable levels of operation. It is not possible to predict whether financing efforts will be successful or if the Company will attain a profitable level of operation. Conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the carrying values of assets and liabilities and the reported expenses and statement of loss and comprehensive loss classification that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

2. MATERIAL ACCOUNTING POLICIES

Statement of Compliance

The consolidated financial statements of the Company have been prepared in accordance with accounting policies consistent with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board. Accounting policies are consistently applied to all periods presented.

These consolidated financial statements are authorized for issue by the Board of Directors on April 26, 2024.

Basis of Presentation

The consolidated financial statements have been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense. Measurement bases are more fully described in the accounting policies below. The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. The critical judgements and estimates applied in the preparation of the Company's consolidated financial statements are discussed in "significant accounting judgements and



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

estimates" below.

Basis of consolidation

The Company's consolidated financial statements consolidate those of its subsidiaries. The Company is required to consolidate subsidiaries it controls. The Company controls a subsidiary when it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The Company's subsidiaries are:

	Percentage of ownership	Jurisdiction	Principal activity
GreenLight Metals USA Corporation	100%	USA	Mineral exploration
Green Light Wisconsin LLC	100%	USA	Mineral exploration
1328592 B.C. Ltd.	100%	Canada	Mineral exploration
1974985 Ontario Ltd.	100%	Canada	Mineral exploration
Badger Investment Corp.	100%	USA	Mineral exploration
Badger Minerals LLC	100%	USA	Mineral exploration

All transactions and balances between the Company and its subsidiaries are eliminated on consolidation, including unrealized gains and losses on transactions between the companies.

Foreign currency translation

The consolidated financial statements are presented in Canadian dollars (CDN), which is also the functional currency of the Company and its subsidiaries 1328592 B.C. Ltd and 1974985 Ontario Ltd. The functional currency of the Company's subsidiaries, GreenLight Metals USA Corporation, Green Light Wisconsin LLC, Badger Investment Corp., and Badger Minerals LLC is the U.S. dollar (USD).

Foreign currency transactions are translated into the functional currency of the respective entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items at year end exchange rates are recognized in profit or loss.

In the Company's consolidated financial statements, all assets, liabilities and transactions of the Company's subsidiaries are translated into Canadian dollars upon consolidation. On consolidation, assets and liabilities have been translated into CDN at the closing rate at the reporting date. Income and expenses have been translated into the CDN at the average rate over the reporting period. Exchange differences are charged/credited to other comprehensive income and recognized in accumulated other comprehensive income (loss) in equity.

Financial instruments

Financial instruments are measured on initial recognition at fair value, plus, in the case of financial instruments other than those classified as fair value through profit or loss ("FVTPL"), directly attributable transaction costs. Financial instruments are recognized when the Company becomes party to the contracts that give rise to them and are classified as amortized cost, FVTPL or fair value through other comprehensive income, as appropriate. The Company considers whether a contract contains an embedded derivative when the entity first becomes a party to it. The embedded derivatives are separated from the host contract if the host contract is not measured at fair value through profit or loss and when the economic characteristics and risks are not closely related to those of the host contract. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

Financial assets at FVTPL

Financial assets at FVTPL include financial assets held for trading and financial assets not designated upon initial recognition as amortized cost or fair value through other comprehensive income ("FVOCI"). A financial asset is classified in this category principally for the purpose of selling in the short term, or if so designated by management. Transaction costs are expensed as incurred. On initial recognition, a financial asset that otherwise meets the requirements to be measured at amortized cost or FVOCI may be irrevocably designated as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. Financial assets measured at FVTPL are measured at fair value with changes in fair value recognized in the consolidated statements of loss and comprehensive loss. The Company has no financial assets at FVTPL.

Financial assets at FVOCI

On initial recognition of an equity investment that is not held for trading, an irrevocable election is available to measure the investment at fair value upon initial recognition plus directly attributable transaction costs and at each period end, changes in fair value are recognized in other comprehensive income ("OCI") with no reclassification to the consolidated statements of loss and comprehensive loss. The election is available on an investment-by-investment basis. The Company has no financial assets at FVOCI.

Financial assets at amortized cost

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and is not designated as FVTPL. Financial assets classified as amortized cost are measured subsequent to initial recognition at amortized cost using the effective interest method. Cash, restricted cash and amounts receivable are classified as and measured at amortized cost.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the amortization process. Borrowing liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date. Accounts payable and accrued liabilities, and due to related parties are classified as and measured at amortized cost.

Derivative instruments

Derivative instruments, including embedded derivatives, are measured at fair value on initial recognition and at each subsequent reporting period. Any gains or losses arising from changes in fair value on derivatives are recorded in profit or loss. Where there is no active market, fair value is determined using valuation techniques. These include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; discounted cash flow analysis; and, pricing models.

Fair value measurement

Financial instruments that are measured at fair value subsequent to initial recognition are grouped into a



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

hierarchy based on the degree to which the fair value is observable as follows:

Level 1 fair value measurements are quoted prices (unadjusted) 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 for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Impairment of financial assets

At each financial position date, on a forward-looking basis, the Company assesses the expected credit losses associated with its financial assets carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The impairment model does not apply to an investment in equity instruments. The expected credit losses are required to be measured through a loss allowance at an amount equal to the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) or lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument). A loss allowance for lifetime expected credit losses is required for a financial instrument if the credit risk of that financial instrument has increased significantly since initial recognition.

Derecognition of financial assets and liabilities

A financial asset is derecognized when either the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party. If neither the rights to receive cash flows from the asset have expired nor the Company has transferred its rights to receive cash flows from the asset, the Company will assess whether it has relinquished control of the asset or not. If the Company does not control the asset then derecognition is appropriate.

A financial liability is derecognized when the associated obligation is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in profit or loss.

Exploration, evaluation and pre-development expenditures

The exploration, evaluation and pre-development expenditure policy is to charge exploration and evaluation expenditures within an area of interest as expense until management concludes that the technical feasibility and commercial viability of extracting a mineral resource are demonstrable and that future economic benefits are probable. In making this determination, the extent of exploration, as well as the degree of confidence in the mineral resource is considered. Once a project has been established as commercially viable and technically feasible and has been subject to an impairment analysis, further expenditures are capitalized and classified as development properties. Exploration, evaluation and pre-development expenditures consist of:

- gathering exploration data through topographical and geotechnical studies;
- exploratory drilling, trenching and sampling;



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

- determining the volume and grade of the resource;
- test work on geology, metallurgy, mining, geotechnical and environmental; and
- conducting engineering, marketing and financial studies.

Costs of acquiring exploration and evaluation assets are capitalized as mineral property interests within intangible assets on the consolidated statements of financial position.

Capital assets

Capital assets consist of the building, which is stated at cost less accumulated depreciation and any provision for impairment. Cost includes the purchase price, any directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, and the present value of the estimated costs of decommissioning and restoration, if applicable.

Depreciation is recognized on a straight-line basis over the useful life less estimated residual value of the capital asset, at the following rate:

Buildings	4%	straight-line
-----------	----	---------------

Residual value estimates, depreciation methods, and estimates of useful life are updated as required, but at least annually.

Gains or losses arising on the disposal of capital assets are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognized in profit or loss within 'other income' or 'other expenses'.

Cash

Cash is comprised of cash on hand.

Impairment of non-financial assets

At each financial position reporting date the carrying amounts of the Company's non-financial assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

Promissory note payable

The convertible promissory notes are considered to contain embedded derivatives. The embedded derivatives were measured at fair value upon initial recognition using the Black-Scholes valuation model and were separated from the debt component of the notes. The debt component of the notes was measured at fair value for a similar liability that does not have an equity conversion option upon initial recognition. Subsequent to initial recognition, the embedded derivative components are re-measured at fair value at each reporting date while the debt components are accreted to the face value of the note using the effective interest rate through periodic charges to finance expense over the term of the note.

Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares, options or warrants are shown in equity as a deduction, net of tax, from the proceeds. The fair value of shares issued is the per share price at the most recent cash financing.

The Company may periodically issue units to investors consisting of common shares and warrants in non-brokered private placements. Each whole warrant issued entitles the holder to acquire a common share of the Company, at a fixed Canadian dollar price over a specified term. These warrants are not transferable from the original investor to a new investor. The Company's investor warrants are equity instruments and not financial liabilities or financial derivatives. Proceeds from unit offerings, which consist of common shares and share purchase warrants, are bifurcated using the residual value approach whereby the warrant component of the unit is measured at fair value using the Black Scholes option pricing model and the share component is measured by reference to the residual value, if any.

When investor warrants or other warrants are exercised, the proceeds received are recognized in share capital and the fair value of the warrants are re-allocated to share capital. When investor warrants or other warrants expire unexercised, the fair value of the warrants are not re-allocated.

Share-based payment transactions

The Company operates an equity-settled share-based remuneration plan for its employees, directors and consultants (collectively, "Participants") for rendering services to the Company.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values and where fair value of the goods and services received is indeterminable fair value is estimated using an option pricing model. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the equity instruments granted. This fair value is determined at the grant date. All share-based payments are ultimately recognized as an expense in profit or loss with a corresponding credit to share-based payment reserve.

Stock options are equity-settled share-based payment awards. The fair value of stock options at the grant date is estimated using the Black-Scholes option pricing model. Share-based payment expense is recognized over the vesting period based on the number of units estimated to vest. Vesting periods may range from immediate to five years. This expense is recognized as share-based payment expense with a corresponding increase in equity reserves.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

Restricted Share Units ("RSU") are granted to eligible members of the Board of Directors, eligible employees and eligible contractors. The RSUs are settled in cash or equity at the option of the Company. The RSUs vest subject to an RSU award letter but no later than December 31, of the third calendar year following the service year determined based on date of grant. The RSUs granted are accounted for under the equity method where the RSU grant letter specifies settlement in shares.

Income taxes

Income taxes recognized in profit or loss comprise the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable income, which differs from income or loss in the consolidated financial statements. Calculation of current income tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to offset current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as a component of taxable income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Contingent liabilities are not recognized in the consolidated financial statements, if not estimable and probable, and are disclosed in notes to the consolidated financial statements unless their occurrence is remote. Contingent assets are not recognized in the consolidated



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

financial statements, but are disclosed in the notes if their recovery is deemed probable.

Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares.

Significant accounting judgements and estimates

In the application of the Company's accounting policies, which are described above, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities and amount of expenses that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Functional currency

Management uses its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. As part of this approach, management gives priority to indicators like the currency that mainly influences costs, the currency in which those costs will be settled and the currency in which funds from financing activities are generated.

Business Combinations

The determination of whether a set of assets acquired and liabilities assumed constitute the acquisition of a business or asset requires management to make certain judgements as to whether or not the assets acquired and liabilities assumed include the inputs, processes and outputs necessary to constitute a business as defined in IFRS 3 - Business Combinations. The Company determined that Can-America Minerals Inc. did not meet the criteria for a business based on the criteria outlined by IFRS 3. As such, the Company determined that the acquisition Can-America Minerals Inc. was not business combinations and accordingly these acquisitions were accounted for as an asset acquisition.

Impairment of mineral property interests

The application of the Company's accounting policy for impairment of mineral property interests requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. These include whether the Company has the right to explore, whether substantive expenditures is budgeted or planned, commercial viability of the mineral resources and other considerations.

Other estimates

Other significant estimates which could materially impact the consolidated financial statements include:

- the inputs used in accounting for share-based payments and warrants in the consolidated statements of loss and comprehensive loss;
- the estimated useful lives of property, plant and equipment which are included in the consolidated



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

statements of financial position and the related depreciation included in the consolidated statements of loss and comprehensive loss; and

- the allocation of the fair value of the assets acquired.

3. RECENT ACCOUNTING PRONOUNCEMENTS

Amended IFRS Accounting Standards:

The International Accounting Standards Board ("IASB") amended IAS 1 - Presentation of Financial Statements to require entities to disclose their material, rather than significant accounting policies. The amendments define material accounting policy information and explain how to identify when accounting policy information is material. Further, the amendment to IAS 1 clarifies that immaterial accounting policy information need not be disclosed. If it is disclosed, it should not obscure material accounting policy information. To support this amendment, the IASB also amended IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures. These amendments are effective for annual periods beginning on or after 1 January 2023. The accounting policy information disclosed in Note 2 and Note 3 reflect the Company's material accounting policies.

The IASB has issued amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors which introduce a definition of accounting estimates and provide other clarifications to help entities distinguish accounting policies from accounting estimates. Under the amendments, accounting estimates are defined as monetary amounts in financial statements that are subject to measurement uncertainty". The amendments also emphasize that a change in accounting estimate that results from new information or new developments is not an error correction, and that changes in an input or measurement technique used to develop an accounting estimate are considered changes in accounting estimates if those change in an input or measurement technique are not the result of an error correction. The amendment is effective for annual periods beginning on or after January 1, 2023. The Company has adopted these amendments and there is no material impact on these financial statements.

In May 2021, the IASB issued amendments to IAS 12 - Income Taxes, which requires companies to recognize deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. The amendments are effective for annual reporting periods beginning on or after 1 January, 2023 and are to be applied retrospectively. The Company has adopted these amendments and there is no material impact on these financial statements.

Amended IFRS Accounting Standards not yet effective:

In January 2020, the IASB issued amendments to IAS 1 - Presentation of Financial Statements to clarify that liabilities are classified as either current or non-current, depending on the existence of the substantive right at the end of the reporting period for an entity to defer settlement of the liability for at least twelve months after the reporting period. The amendments are effective January 1, 2024 with early adoption permitted. The amendments are required to be adopted retrospectively. The Company does not anticipate any significant impact from these amendments on the financial statements as a result of initial application.

4. RESTRICTED CASH

Included in restricted cash is \$33,058 (\$25,000 USD) (2022 - \$35,245 (\$26,000 USD)) held as security for a standby letter of credit in favour of United States Fire Insurance Company in relation to reclamation obligations associated with the Wisconsin properties held in the Company's subsidiary, Badger Minerals LLC.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

5. ACQUISITION OF CAN-AMERICA MINERALS INC.

On July 25, 2022, the Company closed its acquisition of Can-America Minerals Inc. ("Can-America") and 1328592 B.C. Ltd. ("Subco"), a wholly-owned subsidiary of the Company, by way of a three-cornered amalgamation (the "Amalgamation"), whereby Subco and Can-America amalgamated (post-continuance under the Business Corporations Act (British Columbia)), with Subco surviving as a wholly-owned subsidiary of the Company. As a result of the Transaction, the Company holds all of Can-America's assets, which includes ownership or control of mineral property interests in Wisconsin and Nevada, and Can-America's shareholders hold common shares in the capital of the Company. In connection with the Amalgamation, Green Light issued an aggregate of 8,437,500 Green Light common shares to former Can-America shareholders.

Purchase price allocation

The Company has determined that Can-America did not meet the definition of a business under IFRS 3, Business Combinations, and as such has been accounted for as an asset acquisition. The cost of an acquisition should be based on the fair value of consideration given, except where the fair value of the consideration given is not clearly evident. In such a case, the fair value of the net assets acquired is used.

The allocation of the purchase consideration, including transaction costs, totaling \$2,712,320 is as follows:

<u>Net assets of Can-America Minerals Inc.</u>	
Cash	\$ 80,936
Accounts receivable	11,223
Accounts payable	(97,554)
Mineral property interests	2,717,715
	\$ 2,712,320
<u>Consideration provided:</u>	
8,437,500 common shares issued [note 9]	\$ 2,645,987
Professional fees incurred related to the transaction	66,333
	\$ 2,712,320



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

6. BUILDING

Cost	Building
	\$
Balance, December 31, 2021	105,875
Assets acquired	44,677
Balance, December 31, 2022	150,552
Foreign exchange	17
Balance, December 31, 2023	150,569
Accumulated depreciation	
Balance, December 31, 2021	2,259
Depreciation for the year	7,353
Balance, December 31, 2022	9,612
Depreciation for the year	14,057
Balance, December 31, 2023	23,669
Carrying amounts	
December 31, 2022	140,940
December 31, 2023	126,900

7. MINERAL PROPERTY INTERESTS

Acquisition costs

	Balance, January 1, 2023	Foreign exchange	Writedown*	Balance, December 31, 2023	December 31, 2022
	\$	\$	\$	\$	\$
Reef property	3,270,518	-	(3,270,518)	-	3,270,518
Bend property	511,489	-	(511,489)	-	511,489
Kalium Canyon property	1,936,448	(136,572)	-	1,799,876	1,936,448
Lobo property	432,459	-	-	432,459	432,459
Lobo East property	74,687	-	-	74,687	74,687
	6,225,601		(3,782,007)	2,307,022	6,225,601

*At December 31, 2023 a review was done by management of the carrying value of the separate mineral property assets and it was determined that Reef property and Bend property are impaired.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

Reef Gold Project, Wisconsin, USA

The Reef land agreements, all of which are with private landholders in Marathon County, Wisconsin, consist of mining leases and exploration agreements with an option to purchase. These agreements have terms from 2 to 20 years up to 2041. A variable net smelter royalty up to 3% is payable in the event of mineral production on the property. At December 31, 2023, management made the decision to write down the value of the Reef Property to \$nil, given that minimal exploration work has been completed since acquisition. The Company will continue to assess the property valuation as plans and budgets are allocated in the future.

During the year ended December 31, 2023 the Company made \$53,712 USD (\$72,485 CAD) in lease/option payments in respect of the Reef Gold Project (December 31, 2022 - \$72,461.50 USD (\$92,388 CAD)). The Company's estimated lease and/or option costs required to hold the property in good standing related to the Reef Project for 2024 to 2027, which are at the Company's option, are as follows (CAD):

	\$
2024	70,709
2025	1,689,657
2026	1,556,772
2027	1,186,134

Bend Project, Wisconsin

The Company has entered into a long-term mineral lease agreement with a party that owns the mineral rights on a portion of the Bend deposit. During the period ended December 31, 2023 the Company made \$25,000 (\$33,100 CAD) in lease payments in respect of the Bend Project (December 31, 2022 - \$25,000 USD (\$31,875 CAD)). At December 31, 2023, management made the decision to write down the value of the Bend Property to \$nil, given that minimal exploration work has completed been since acquisition. The Company will continue to assess the property valuation as plans and budgets are allocated in the future.

The Company estimated lease and/or option costs required to hold the property in good standing related to the Bend Project for 2024 to 2027, which are at the Company's option, are as follows (CAD):

	\$
2024	33,065
2025	33,065
2026	33,065
2027	33,065

Lobo Property, Wisconsin

On June 28, 2019 the Company, through its wholly-owned subsidiary Badger Minerals LLC ("Badger") acquired a 100% interest in the Lobo Property in Oneida County, Wisconsin. Should the property achieve commercial production, Badger shall pay the vendor 1% NSR royalty.

Lobo East Property, Wisconsin

On January 20, 2020 the Company, through Badger signed an option agreement with a private party to acquire a 100% interest in certain exploration properties located in the State of Wisconsin (the "Agreement"). In order to keep the Agreement in effect, Badger shall pay the following annual option payments to the optionor (the "Annual Payments"):



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

- \$35,000USD within 30 days of signing of the Agreement (paid);
- \$35,000USD on the First Anniversary of signing the Agreement (paid);
- \$35,000USD on the Second Anniversary of signing the Agreement (paid);
- \$35,000USD on the Third Anniversary of signing the Agreement (paid); and
- \$35,000USD on the Fourth Anniversary of signing the Agreement;

On February 8, 2024, a First Amendment was executed. The key terms of the First Amendment are:

- The term is extended for a period of ten (10) years from the Effective Date of January 20, 2020;
- The Company shall pay to the Optionor, in the year between the fourth and fifth anniversary dates of the Agreement, \$35,000USD as follows:
 - \$10,000USD on February 8, 2024;
 - \$15,000USD on October 1, 2024;
 - \$10,000USD on January 20, 2025
- The Company shall pay the Optionor \$45,000 USD on the fifth, sixth, seventh, eighth and ninth anniversaries of the Effective Date.

Badger may exercise its option to purchase the property at any time during the option period. If Badger exercises its option to purchase the property, the purchase price shall be two times (2x) the fair market value of the surface estate, less any Annual Payments paid to the optionor during the option period. The vendor will retain a 2% Mineral Production Royalty, which the Company has the option to purchase back 1% for \$1,000,000 USD.

Swede Property, Wisconsin, USA

On September 6, 2022, the Company entered into an agreement with a private landowner that controls the Swede Property. Under the terms of the agreement, the Company was granted a license to perform certain gravimetric and magnetic field survey work on the property. Subject to further analysis of the property and the satisfaction of certain other conditions precedent under the control of the Company, a License and Exploration Agreement with Option to Purchase in respect of the Swede Property will become effective.

During the year ended December 31, 2023, the Company made \$5,000 USD (\$6,600 CAD) in lease/option payments in respect of the Swede Property (December 31, 2022 - \$10,000 USD (\$13,139 CAD)) in order to extend the diligence period.

Kalium Canyon Property, Nevada

On September 21, 2022, Green Light's wholly-owned subsidiary Green Light Wisconsin LLC (the "Purchaser") acquired a 100% interest in the Kalium Canyon Project in the Walker Lane district of Nevada from Renaissance Exploration Inc., a wholly-owned subsidiary of Orogen Royalties Inc. (collectively, "Orogen") (the "Kalium Transaction"). Orogen was paid \$30,000 in cash and issued 1,000,000 common shares of the Company. Orogen will retain a net smelter return ("NSR") royalty of up to 3%, of which 1% can be purchased for \$2 million USD. The Kalium Canyon Project was previously subject to an option agreement dated June 21, 2021, between Orogen and the Company's wholly-owned subsidiary Badger (the "Option Agreement").

Pursuant to a Property Purchase Agreement dated September 14, 2022 between Badger, the Purchaser, the Company, and Orogen (the "PSA"), in the event the Company is not listed on a Recognized Canadian Exchange, as such term is defined in the PSA, by September 21, 2024, the Purchaser shall pay Orogen an



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

additional \$100,000 in cash. The Company will also issue Orogen additional Green Light common shares should the Listing Price, as such term is defined in the PSA, on a Recognized Canadian Exchange be less than \$0.40 per Green Light common share.

Pursuant to a Net Smelter Returns Royalty Agreement between the Purchaser and Orogen dated September 21, 2022, within 60 days following the Commencement of Commercial Production, the Purchaser will pay Orogen a one-time payment of \$5.00 USD per ounce of Gold Equivalent, on ounces of Gold Equivalent contained in 8 of the 135 claims (for which, as a result of underlying royalties, the Royalty to Orogen is 0%) based on the NI 43-101 mineral reserve and mineral resource estimates set out in the then current feasibility study (existing at that future time) relating to the Kalium Canyon property, provided that this production payment shall be capped at a maximum of \$5,000,000 USD.

8. PROMISSORY NOTE PAYABLE

A summary of the promissory note payable as at December 31, 2022 and 2021 is as follows:

Balance, December 31, 2021	\$ 4,324,999
Accretion	586,700
Change in fair value of option component of convertible debenture	(11,699)
Conversion of convertible debentures	(4,900,000)
Balance, December 31, 2022 and 2023	\$ -

On October 4, 2021, pursuant to the Membership Interest Purchase Agreement, the Company issued to Aquila Resources USA Inc. ("Aquila") a non-interest bearing promissory note ("Promissory Note") in the principal amount of \$4,900,000. The Promissory Note was to become due and payable by the Company on the earlier of: (i) December 31, 2022 (the "Maturity Date"); or (ii) immediately prior to the completion of an initial public offering or other transaction that results in the shares of the Company (or of a successor entity) being listed on a stock exchange as freely tradable securities (a "Go-Public Transaction"). If the Promissory Note were to become due and payable on a Go-Public Transaction, then the Promissory Note would be satisfied by way of:

- \$900,000 in cash; and
- The issuance of that number of the Company's shares equal to \$4,000,000 divided by the price per share at which the Company's shares are issued in the Go-Public Transaction financing. If the Company were not complete a Go-Public Transaction prior to the Maturity Date, then the Promissory Note would be satisfied by way of the issuance of that number of Company shares equal to \$4,900,000 divided by the price per share at which the Company issued shares in its most recently completed Qualified Financing prior to the Maturity Date. "Qualified Financing" means an arm's length equity financing completed by the Company in which Company shares are issued for aggregate gross proceeds of at least \$1,000,000.

Subsequently, on June 17, 2022, the Promissory Note was amended, by mutual agreement among the parties, to remove the requirement to pay \$900,000 in cash (the "First Amendment"), and as a result of the First Amendment, the Promissory Note shall be satisfied by:

- The issuance of that number of the Company's shares equal to \$4,900,000 divided by the price per share at which the Company's shares are issued in the Go-Public Transaction financing. If the Company does not complete a Go-Public Transaction prior to the Maturity Date, then the Promissory Note shall be satisfied by way of the issuance of that number of Company shares equal to \$4,900,000 divided by the price per share at which the Company issued shares in its most recently completed Qualified Financing.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

Subsequently, on December 16, 2022, the Promissory Note was amended once more (the "Second Amendment"), by mutual agreement among the parties. Pursuant to the Second Amendment:

- The Maturity Date was amended to December 28, 2022 (the "Amended Maturity Date");
- On the Amended Maturity Date, the Promissory Note was satisfied by the issuance of that number of Company shares equal to \$4,900,000 divided by \$0.40 (12,250,000 shares) (issued); and
- In the event the Company completed an equity financing on or before March 31, 2023 at a price less than \$0.40 per share (such price being the "Reduced Price Per Share"), then the Company would have been required to issue to Aquila such number of additional shares equal to:
(\$4,900,000 / the Reduced Price per Share) - 12,250,000

The Company did not complete any equity financings a less than \$0.40 on or before March 31, 2023, and thus was not obligated to issue any additional shares.

On December 28, 2022, the Company issued 12,250,000 shares to Aquila in satisfaction of the Promissory Note.

9. SHARE CAPITAL

i. Authorized

The Company is authorized to issue an unlimited number of common shares.

ii. Details of share issuances

Issued and outstanding:		# of shares	Share price (\$)
		-	
Balance, December 31, 2021		19,502,585	
Private placement (first tranche)	(a)	922,588	0.40
Private placement (second tranche)	(b)	850,000	0.40
Shares issued in respect of Can-America acquisition	(c)	8,437,500	0.31
Shares issued for mineral property	(d)	1,000,000	0.40
Shares issued in conversion of promissory note	(e)	12,250,000	0.40
Balance, December 31, 2022		42,962,673	0.40
Private placement (final tranche)	(f)	725,561	0.40
Private placement	(g)	439,555	0.55
Balance, December 31, 2023		44,127,789	

(a) On June 7, 2022, the Company completed the first tranche of a non-brokered private placement of 922,588 units of the Company (each a "Unit") at a price of \$0.40 per Unit for gross proceeds of \$369,035. Each Unit is comprised of one common share (a "Common Share") and one-half warrant (each whole warrant, a "Warrant") in the capital of the Company. Each Warrant is exercisable by the holder thereof to acquire one (1) additional Common Share at a price of \$0.60 for a period of 36 months following the Closing Date. Cash Finders' Fees and legal fees of \$39,265 were recorded. Additionally, there were 37,380 finder's warrants issued that entitle the holder to purchase one common share of the Company at a price of \$0.40 for a period of two years. The finder's fees represent 6.0% of the aggregate proceeds raised and 6.0% of the Units issued to certain subscribers introduced to the Company by finders. The proceeds were allocated \$279,769 to common shares and \$71,266 to warrants.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

(b) On July 8, 2022, the Company completed the second tranche of a non-brokered private placement of 850,000 units of the Company (each a "Unit") at a price of \$0.40 per Unit for gross proceeds of \$340,000. Each Unit is comprised of one common share (a "Common Share") and one-half warrant (each whole warrant, a "Warrant") in the capital of the Company. Each Warrant is exercisable by the holder thereof to acquire one (1) additional Common Share at a price of \$0.60 for a period of 36 months following the Closing Date. Cash Finders' Fees and legal fees of \$6,000 were recorded. Additionally, there were 15,000 finder's warrants issued that entitle the holder to purchase one common share of the Company at a price of \$0.40 for a period of two years. The finder's fees represent 6.0% of the aggregate proceeds raised and 6.0% of the Units issued to certain subscribers introduced to the Company by finders. The proceeds were allocated \$274,340 to common shares and \$65,660 to warrants.

(c) On July 25, 2022, the Company issued 8,187,500 common shares at a fair value of \$0.31 in connection with the Can-America Transaction. On July 26, 2022, the Company issued an additional 250,000 common shares at a deemed price of \$0.31 in satisfaction of a \$100,000 credit facility provided to Can-America by a principal of Can-America for a total share issuance in connection with the amalgamation of 8,437,500 (see note 5).

(d) On September 26, 2022, the Company issued 1,000,000 common shares at a fair value of \$0.40 in connection with the Kalium Canyon Property acquisition (see note 7).

(e) On December 28, 2022, the Company issued 12,250,000 common shares at a price of \$0.40 in respect of the conversion of the promissory note (see note 8).

(f) On January 24, 2023 the Company completed the third and final tranche of a non-brokered private placement of 725,561 units of the Company (each a "Unit") at a price of \$0.40 per Unit for gross proceeds of \$290,225. Each Unit is comprised of one common share (a "Common Share") and one-half warrant (each whole warrant, a "Warrant") in the capital of the Company. Each Warrant is exercisable by the holder thereof to acquire one (1) additional Common Share at a price of \$0.60 for a period of 36 months following the Closing Date. The proceeds were allocated \$234,179 to common shares and \$56,046 to warrants.

(g) On July 5, 2023, the Company completed a non-brokered private placement of 439,555 common shares of the Company at a price of \$0.55 per common share for gross proceeds of \$241,756.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

iii. Warrants

The following table reflects the continuity of warrants as at December 31, 2023:

Issued and outstanding:		# of share warrants	Weighted average exercise price	Fair value	Expiry date
Balance, January 1, 2022		-	-	-	
Broker warrants issued pursuant to private placement (initial tranche)	(a)	37,380	0.40	7,103	6/7/2024
Share purchase warrants issued pursuant to private placement (initial tranche)	(b)	461,293	0.60	71,266	6/7/2025
Broker warrants issued pursuant to private placement (second tranche)	(c)	15,000	0.40	2,940	7/8/2024
Share purchase warrants issued pursuant to private placement (second tranche)	(d)	425,000	0.60	65,660	7/8/2025
Balance, December 31, 2022		938,673	0.57	146,969	
Share purchase warrants issued pursuant to private placement (final tranche)	(e)	362,830	0.60	56,046	1/24/2026
Balance, December 31, 2023		1,301,503	0.57	203,015	

(a) As additional consideration for services in connection with the closing of the initial tranche of the Private Placement on June 7, 2022, the Company issued to certain finders a total of 37,380 non-transferable finder's warrants of the Company ("Finder's Warrants"). Each Finder's Warrant is exercisable to acquire one common share in the capital of the Company at an exercise price of \$0.40 per share expiring June 7, 2024.

(b) In connection with the closing of the initial tranche of the Private Placement on June 7, 2022, the Company issued a total of 461,293 common share purchase warrants, exercisable to acquire one common share in the capital of the Company at a price of \$0.60 per share, expiring June 7, 2025.

(c) As additional consideration for services in connection with the closing of the second tranche of the Private Placement on July 8, 2022, the Company issued to certain finder's a total of 15,000 non-transferable finders warrants of the Company ("Finder's Warrants"). Each Finder's Warrant is exercisable to acquire one common share in the capital of the Company at an exercise price of \$0.40 per share expiring July 8, 2024.

(d) In connection with the closing of the second tranche of the Private Placement on July 8, 2022, the Company issued a total of 425,000 common share purchase warrants, exercisable to acquire one common share in the capital of the Company at a price of \$0.60 per share, expiring July 8, 2025.

(e) In connection with the closing of the third and final tranche of the Private Placement on January 24, 2023, the Company issued a total of 362,830 common share purchase warrants, exercisable to acquire one common share in the capital of the Company at a price of \$0.60 per share, expiring January 24, 2026.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

For purposes of the warrants issued, the fair value of each warrant was estimated on the date of grant using the Black-Scholes option pricing model, with the following weighted average assumptions:

	2023	2022
Risk-free interest rate	3.250%	3.005% - 3.250%
Annualized volatility*	95.28%	89.23% - 95.28%
Expected dividend	NIL	NIL
Expected term	2 - 3 years	2 - 3 years
Share price**	\$0.32	\$0.30 - \$0.40

* Volatility based on similar publicly traded companies

** Share price based on most recent common share financing, net of value allocated to warrants.

iv. Share-based payments

The Company has an equity incentive plan (the "Plan") which is restricted to directors, officers, employees and consultants of the Company. The Plan permits the Company to reserve for issuance under the grant of options up to a maximum of 10% of the Company's issued and outstanding shares at the time of grant. Options issued under the Plan may be exercised during a period determined by the Board of Directors which cannot exceed ten years.

On September 27, 2022, the Company granted 1,150,000 stock options to various officers, directors and consultants. The stock options are exercisable at \$0.40 per common share and will expire 5 years from the date of grant. Of the 1,150,000 stock options granted, 400,000 options vest immediately, 100,000 vest on the first anniversary, 100,000 vest on the second anniversary, 100,000 vest on the third anniversary, and 450,000 will vest on meeting certain operational and financing milestones.

On February 2, 2023 the Company granted 550,000 stock options to certain officers, directors and consultants. The stock options have an exercise price of \$0.40 and a term of five years. Vesting conditions for the stock options is as follows: 287,500 options vested immediately and 87,500 vest on each of the first, second, and third anniversaries.

On July 7, 2023 the Company granted 100,000 stock options to a consultant. The stock options have an exercise price of \$0.55, a term of five years, and vest immediately.

The continuity of stock options issued and outstanding are as follow:

	Options outstanding (#)	Weighted average exercise price (\$)
Issued and outstanding:		
Balance, December 31, 2021	1,675,000	0.29
Granted	1,150,000	0.40
Outstanding at December 31, 2022	2,825,000	0.34
Granted	650,000	0.42
Outstanding at December 31, 2023	3,475,000	0.35

During the year ended December 31, 2023, there were no options exercised (2022 - \$nil).

At December 31, 2023, the following options were outstanding and outstanding and exercisable:



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

Weighted average exercise price	Outstanding		Outstanding and Exercisable	
	Options #	Weighted average remaining life (years)	Options #	Weighted average remaining life (years)
\$0.10	75,000	2.23	75,000	2.23
\$0.30	1,600,000	3.14	1,600,000	3.14
\$0.40	1,700,000	4.00	887,500	4.00
\$0.55	100,000	4.85	100,000	4.85
	3,475,000	3.66	2,662,500	3.66

Total vested options at December 31, 2023 were 2,662,500 with a weighted average exercise price of \$0.35 (2022 - 2,075,000 with a weighted average exercise price of \$0.34).

For purposes of the options granted, the fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model, with the following weighted average assumptions:

	December 31, 2023	December 31, 2022
Risk-free interest rate	2.81%	3.407%
Annualized volatility**	84.03	132.56%
Expected dividend	nil	nil
Expected option life	5 years	5 years
Expected forfeiture rate	nil	nil
Share price**	\$0.32	\$0.30 - \$0.40

** Volatility based on similar publicly traded companies.

** Share price based on most recent common share financing, net of value allocated to warrants.

v. Restricted Share Unit Plan and Deferred Share Unit Plan

The Company's equity incentive plan authorizes the grant of restricted Share Units ("RSU's") under the plan to directors, officers and employees or Deferred Share Units ("DSU's") under the plan to directors alone. A vested RSU represents the right to receive one common share of the Company. A vested DSU represents the right to receive one common share of the Company upon the date the participant director ceases to be a director of the Company. It is expected that all RSU's and DSU's shall be settled through the issuance of common shares from treasury by the Company, and as such, the value of outstanding RSU's and DSU's is included in share-based payment reserve within equity.

During the year ended December 31, 2023 there were 376,876 (2022 - 134,781) DSU's granted vesting one year following the grant date (2022 - 134,781). The Company estimated a forfeiture rate of nil% for DSU's issued during the year. On February 2, 2023 the Company granted 900,000 RSU's to certain officers and directors. The vesting conditions for the RSUs is as follows: 150,000 vest on the first anniversary, and 225,000 vest on each of the second and third anniversaries. 300,000 vest on the earlier the Company completing an equity financing for gross proceeds of at least \$5 million in conjunction with a public listing of the Company's shares and the third anniversary of the grant date and, in either case, no earlier than the first anniversary of the grant date.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

vi. Share-based payments

	Year ended December 31,	
	2023	2022
Stock option valuation	\$ 215,364	\$ 124,069
DSU valuation	133,141	-
RSU valuation	109,009	-
	\$ 457,514	\$ 124,069

10. LOSS PER SHARE

The loss per share is computed by dividing the net loss for the period by the weighted average number of common shares outstanding during the period. Stock options, RSU's and DSU's are anti-dilutive.

	2023	2022
Numerator:		
Net loss	(4,933,634)	(5,407,577)
Denominator:		
Weighted average number of common shares	43,856,182	24,465,464
Loss per share - basic and diluted	(0.11)	(0.22)

11. INCOME TAXES

(a) The major components of income taxes are as follows:

The Company's income tax benefit differs from the amount computed by applying the combined federal and provincial income tax rates of 26.5% (2022 - 26.5%) to loss before income taxes as a result of the following:

	2023	2022
	\$	\$
Loss for the year	(4,933,634)	(5,407,577)
Statutory rates	26.50 %	26.50 %
Income tax recovery computed at statutory rates	(1,307,413)	(1,433,008)
Increase in deferred tax assets not recognized	136,475	1,408,952
Non-deductible items	1,121,836	153,837
Rate difference on foreign operations	49,102	(129,781)
	-	-



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

Deferred tax assets not recognized

At this time, there is no certainty that the Company will have sufficient taxable profits available in future years to allow the benefit of the following deferred tax assets to be utilized:

Unused operating tax losses expiring 2038 to 2042 - Canada	2,928,000	2,588,000
Unused operating tax losses (no expiry) - US	885,000	896,000
Deductible temporary exploration costs - US	1,652,000	1,466,000
Deferred tax assets not recognized	5,465,000	4,950,000

12. RELATED PARTIES

A party is related to the Company if they have control or joint control over the Company, have significant influence over the Company, or are a member of the Company's key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The Company's related parties include key management personnel and their management entities.

The Company has determined that the key management personnel includes directors and officers of the Company.

Nature of transactions

Red Roof Capital Inc.	Management fees
-----------------------	-----------------

Unless otherwise stated, none of the transactions incorporate other terms and conditions and no guarantees were given or received. Outstanding balances are payable in cash.

The following are the related party transactions for the year ended December 31, 2023 and 2022, respectively:

Included in consulting expenses are amounts totaling \$Nil (2022 - \$50,000) for management services provided by Red Roof Capital Inc., a company controlled by a director of Green Light. Included in accounts payable and accrued liabilities is \$69,671 payable to Red Roof Capital Inc. and \$36,664 payable to the CEO and CFO of the Company. In 2022, \$10,205 was due to a Company controlled by a former director.

Key management personnel remuneration includes the following amounts:

	2023	2022
	\$	\$
Consulting expenses	111,834	343,110
Share-based payments	-	81,138
Other compensation	18,623	-
	130,457	424,248



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

13. SEGMENTED INFORMATION

The Company operates primarily in one geographic area, the USA. The Canadian administrative operations are managed from the Company's head office in Toronto, Ontario. The U.S. exploration operations are managed from an office in Wisconsin. Expenses by geographic area are as follows:

For the year ended December 31, 2023

	Canada \$	USA \$	Total \$
Non-current assets	-	2,433,922	2,433,922
Revenues	-	-	-

For the year ended December 31, 2022

	Canada \$	USA \$	Total \$
Non-current assets	-	6,336,541	6,336,541
Revenues	-	-	-

14. FINANCIAL INSTRUMENTS AND RELATED RISKS

The Company's operations include the acquisition and exploration of mineral property interests in Canada and the USA. The Company examines the various financial risks to which it is exposed and assesses the impact and likelihood of occurrence. These risks include credit risk, liquidity risk, and market risks. Where material, these risks are reviewed and monitored by the Board of Directors. The carrying values of cash, restricted cash, amounts receivable, accounts payable and accrued liabilities, and due to related parties approximate their fair value due to their short-term nature.

[a] Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. This includes any cash amounts owed to the Company by those counterparties, less any amounts owed to the counterparty by the Company where a legal right of off-set exists and also includes the fair values of contracts with individual counterparties which are recorded in the consolidated financial statements.

i) Cash

In order to manage credit and liquidity risk the Company invests only in highly rated investment grade instruments that have maturities of three months or less and are cashable at any time. Limits are also established based on the type of investment, the counterparty and the credit rate.

The Company is in the exploration stage and has not yet commenced commercial production or sales. Therefore, the Company is not exposed to significant credit risk and overall the Company's credit risk has not changed significantly from the prior year.

[b] Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages liquidity risk through the management of its capital structure.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

Accounts payable and accrued liabilities are due within the current operating period.

[c] Market risk

Market risk is the risk to the Company that the fair value or future cash flows of financial instruments will fluctuate due to changes in market prices. Market risk comprises interest rate risk, currency risk and other price risk. Market risk arises as a result of the Company holding assets and liabilities with variable interest rates. Management believes the Company is not significantly exposed to other price risk. During the year the company's exposure to and management of this risk has not changed since the prior year.

[d] Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any financial instruments with a variable interest rate, therefore do not have interest rate risk.

[e] Currency risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The functional and reporting currency of the Company is the Canadian dollar, however it has operations located in the United States, and as such is subject to fluctuations in that currency. Changes in the currency exchange rates between the Canadian dollar relative to the US dollar could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations. At December 31, 2023, a 100 basis point decrease/increase in the U.S. Dollar would result in a foreign exchange gain/loss of approximately \$78.

The Company does not invest in derivatives to mitigate these risks.

15. MANAGEMENT OF CAPITAL

The Company manages its share capital and reserves as capital, the balance of which is \$13,398,321 at December 31, 2023 (2022 - \$12,464,872). The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going-concern in order to pursue the exploration of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares and, acquire or dispose of assets or acquire new debt.

The Company's capital management objectives, policies and processes have remained unchanged during the year ended December 31, 2023.

16. SUBSEQUENT EVENTS

On January 16, 2024, the Company issued 80,680 DSU's to certain directors of the Company.

On January 29, 2024, the Company received a total of \$50,000 from two directors of the Company as short-term working capital loans. The loans are unsecured and bear interest at a 6% annual rate (compounded on each applicable month-end commencing February 2024). Upon repayment, the lenders have the option to receive cash or convert some or all of the loans to common shares of the Company. On April 18, 2024, at the request of the lenders, the loan principal and interest were converted into common shares of the Company at a price of \$0.25 per common share. The Company issued a total of 202,004 common on conversion of the loans.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Stated in Canadian Dollars)

For the years ended December 31, 2023 and 2022

On April 18, 2024, the Company closed the first tranche of an equity financing priced at \$0.25 per common share. The Company issued 3,380,000 common shares for gross proceeds of \$845,000.