

**Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)**

**Consolidated Financial Statements**

**For the year ended April 30, 2025, and the fifteen months ended April 30, 2024**

(Expressed in Canadian dollars)



DALE MATHESON CARR-HILTON LABONTE LLP  
CHARTERED PROFESSIONAL ACCOUNTANTS

# Independent Auditor's Report

To the Shareholders of Blackbird Critical Metals Corp.

## Opinion

We have audited the consolidated financial statements of Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.) (the "Company"), which comprise the consolidated statements of financial position as at April 30, 2025 and 2024, and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the year ended April 30, 2025 and the fifteen months ended April 30, 2024, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2025 and 2024, and its financial performance and its cash flows for the year ended April 30, 2025 and the fifteen months ended April 30, 2024 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

## 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 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 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 to the financial statements, which indicates that the Company incurred a net loss of \$7,358,122 during the year ended April 30, 2025 and, as of that date, the Company used \$602,401 cash on operating activities. These events or conditions, along with other matters as set forth in Note 1, indicate 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.

## Key Audit Matters

Key audit matters are those matters, that in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Except for the matter described in the Basis for Qualified Opinion section, we have determined that there are no other key audit matters to communicate in our report.

## **Other Information**

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. 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. We have nothing to report in this regard.

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

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

In preparing the 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 Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is David Goertz.



**DALE MATHESON CARR-HILTON LABONTE LLP**  
CHARTERED PROFESSIONAL ACCOUNTANTS  
Vancouver, BC

August 11, 2025

# Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)

## Consolidated statements of Financial Position

(Expressed in Canadian dollars)

As at	April 30, 2025 \$	April 30, 2024 \$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents (Note 5)	1,595,214	2,690,391
Receivables (Note 6)	36,968	211,943
Prepaid expenses	18,631	15,474
<b>Total current assets</b>	<b>1,650,813</b>	<b>2,917,808</b>
Exploration and evaluation assets (Note 7, 8)	-	5,616,537
<b>TOTAL ASSETS</b>	<b>1,650,813</b>	<b>8,534,345</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable (Note 12)	20,232	76,558
Accrued liabilities (Note 12)	51,455	-
<b>Total current liabilities</b>	<b>71,687</b>	<b>76,558</b>
<b>Non-current liabilities</b>		
Flow-through premium (Note 8)	-	21,025
<b>Total liabilities</b>	<b>71,687</b>	<b>97,583</b>
<b>Shareholders' equity</b>		
Common shares (Note 9)	13,119,031	12,655,304
Reserves (Notes 9)	1,490,554	1,453,795
Deficit	(13,030,459)	(5,672,337)
<b>Total shareholders' equity</b>	<b>1,579,126</b>	<b>8,436,762</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,650,813</b>	<b>8,534,345</b>

Nature of operations and going concern (Note 1)

Subsequent event (Note 15)

**APPROVED AND AUTHORIZED BY THE BOARD ON AUGUST 11, 2025:**

*"Gurdeep Bains"*

Director

*"Jason Riley"*

Director

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

# Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)

## Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

	Year ended April 30, 2025	Fifteen months ended April 30, 2024
<b>Operating expenses</b>		
Advertising and marketing	\$ 174,237	\$ 1,183,001
Bank charges and interest	1,837	12,090
Consulting fees (Note 14)	516,131	1,960,393
Listing fees	24,642	54,520
Office and administrative (Note 14)	65,083	151,072
Professional fees (Note 14)	203,727	123,480
Stock-based compensation (Notes 9,14)	36,759	737,595
Impairment expenses (Note 7)	6,427,540	517,326
Total operating expenses	(7,450,705)	(4,739,477)
<b>Other income (expenses)</b>		
Foreign exchange loss	(1,652)	(5,058)
Flow through recovery income (Note 8)	21,025	283,817
Flow-through tax expense (Note 8)	(2,716)	-
Interest income (Note 5)	75,924	123,521
<b>Net loss and comprehensive loss</b>	\$ (7,358,122)	\$ (4,337,197)
<b>Loss per share – basic and diluted</b>	\$ (1.16)	\$ (0.73)
<b>Weighted average number of common shares outstanding – basic and diluted</b>	6,325,835	5,950,758

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

## Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)

### Consolidated Statements of Changes in Equity

(Unaudited - Expressed in Canadian dollars)

	Number of shares #	Common shares \$	Reserves \$	Obligation to issue shares \$	Deficit \$	Total \$
<b>Balance January 31, 2023</b>	<b>4,561,917</b>	<b>6,660,698</b>	<b>489,379</b>	<b>523,407</b>	<b>(1,335,140)</b>	<b>6,338,344</b>
Non-flow through shares issued in 2024 private placement	1,201,021	4,896,305	255,381	(523,407)	-	4,628,279
Shares issued pursuant to flow-through financing	143,775	1,270,917	29,083	-	-	1,300,000
Flow-through premium	-	(304,842)	-	-	-	(304,842)
Share issue costs	-	(79,752)	-	-	-	(79,752)
Shares issued for acquisition of Odin East Mineral Claims	6,000	55,200	-	-	-	55,200
Warrants exercised	3,045	20,778	(11,643)	-	-	9,135
Shares issued in exchange for consulting services	15,000	90,000	-	-	-	90,000
Issuance of shares upon exercise of RSUs	20,000	46,000	(46,000)	-	-	-
Share-based compensation	-	-	737,595	-	-	737,595
Net loss for the fifteen months	-	-	-	-	(4,337,197)	(4,337,197)
<b>Balance April 30, 2024</b>	<b>5,950,758</b>	<b>12,655,304</b>	<b>1,453,795</b>	<b>-</b>	<b>(5,672,337)</b>	<b>8,436,762</b>
Issuance of shares in lieu of exploration expenditure	525,000	321,834	-	-	-	321,834
Share-based compensation	-	-	36,759	-	-	36,759
Shares issued on settlement of debt, net of issue costs	909,375	141,893	-	-	-	141,893
Net loss for the year	-	-	-	-	(7,358,122)	(7,358,122)
<b>Balance April 30, 2025</b>	<b>7,385,133</b>	<b>13,119,031</b>	<b>1,490,554</b>	<b>-</b>	<b>(13,030,459)</b>	<b>1,579,126</b>

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

# Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)

## Consolidated Statements of Cash Flows

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

	For the year end April 30, 2025 \$	For the fifteen months ended April 30, 2024 \$
<b>OPERATING ACTIVITIES</b>		
Net loss	(7,358,122)	(4,337,197)
Items not affecting cash:		
Stock-based compensation	36,759	737,595
Accrued interest income	(21,307)	(70,759)
Impairment expenses	6,427,540	517,326
Shares issued for services	-	90,000
Flow through premium recovery	(21,025)	(283,817)
Changes in non-cash working capital items:		
Accounts payable and accrued liabilities	140,629	8,632
Prepaid expenses	(3,157)	322,405
Receivables	196,282	(103,411)
<b>Cash used in operating activities</b>	<b>(602,401)</b>	<b>(3,119,226)</b>
<b>INVESTING ACTIVITIES</b>		
Acquisition of exploration and evaluation assets	(175,000)	(400,000)
Cash payment to amend MuskoX option agreement	-	(50,000)
Exploration expenditures on exploration and evaluation assets	(314,169)	(1,347,178)
<b>Cash used in investing activities</b>	<b>(489,169)</b>	<b>(1,797,178)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from private placement financings	-	6,181,189
Proceeds from warrant exercise	-	9,135
Share issuance costs	(3,607)	(332,662)
<b>Cash used in financing activities</b>	<b>(3,607)</b>	<b>5,857,662</b>
<b>Net change in cash</b>	<b>(1,095,177)</b>	<b>941,258</b>
Cash and cash equivalents, beginning of period	2,690,391	1,749,133
<b>Cash and cash equivalents, end of year</b>	<b>1,595,214</b>	<b>2,690,391</b>
<b>Supplemental Cashflow Disclosures</b>		
	\$	\$
Reclassified from reserves to share capital upon the exercise of warrants (Note 9)	-	11,643
Shares issued in lieu of exploration expenditures (Note 7, 9)	321,834	-
Shares issued on settlement of debt (Note 9)	145,500	-
Shares issued for acquisition of Odin East Mineral Claims (Note 7)	-	55,200
Restricted share units exercised (Note 9)	-	46,000
Warrants issued for finders' fees (Note 9)	-	284,464

Cash and cash equivalents (Note 5)

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

# **Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)**

## **Notes to the Consolidated Financial Statements**

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

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### **1. NATURE OF OPERATIONS AND GOING CONCERN**

Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.) (the “Company” or “Blackbird”) is a mineral exploration company engaged in the identification, acquisition, evaluation, and exploration of mineral properties located in British Columbia, Quebec, and the Northwest Territories in Canada. The registered office of the Company is located at 1200 - 750 W Pender Street, Vancouver, BC V6C 2T8. The Company commenced trading on the Canadian Securities Exchange (“CSE”) on April 7, 2022, under the trading symbol “GAMA”. The Company’s shares currently trade on the CSE under the trading symbol “BBRD”. In March 2024, the Company announced a change to its financial year end from January 31 to April 30.

#### **Going concern**

These consolidated financial statements have been prepared on a going concern basis, which assumes the Company will continue to realize its assets and discharge its liabilities in the normal course of business. There are conditions and events that cast significant doubt on the validity of this assumption.

As of April 30, 2025, the Company had cash and cash equivalents of \$1,595,214. For the year ended April 30, 2025, the Company incurred a net loss of \$7,358,122 and used \$602,401 cash on operating activities. Management cannot provide any assurance that the Company will ultimately achieve profitable operations, become cash flow positive or raise additional equity and/or debt capital.

The business of mining and exploration involves a high degree of risk, and there can be no assurance that current exploration programs will result in profitable mining operations. The Company has no source of revenue and has cash requirements to meet its administrative overhead and maintain its exploration and evaluation interests.

The Company does not generate cash flows from operations and has therefore relied principally on the issuance of equity securities to finance its operations to the extent that such instruments are issuable under terms acceptable to the Company. If future financing is unavailable, the Company may not be able to meet its ongoing obligations, in which case the realizable values of its assets may decline materially from current estimates.

These material uncertainties may cast significant doubt as to the ability of the Company to continue as a going concern. The consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations.

#### **Share consolidation**

On December 20, 2024, the Company completed a 1-for-10 reverse split of its common shares (“Share Consolidation”) with each fractional share of less than 0.5 being cancelled and each fractional share of 0.5 or greater being rounded to one whole common share. Except where otherwise indicated, all historical share numbers and per share amounts have been adjusted on a retrospective basis to reflect this Share Consolidation.

# **Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)**

## **Notes to the Consolidated Financial Statements**

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

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### **2. BASIS OF PREPARATION**

#### **Statement of compliance**

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to the periods presented, unless otherwise stated.

These consolidated financial statements were approved and authorized by the Board of Directors on August 11, 2025.

#### **Basis of measurement and consolidation**

These consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for the cash flow information. The consolidated financial statements are presented in Canadian dollars which is the functional currency of the Company and its subsidiary.

These consolidated financial statements incorporate the accounts of the Company and its controlled subsidiary, Tyee Nickel Corp (“Tyee Nickel”), from September 19, 2022, the date of acquisition. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Tyee Nickel was incorporated under the Business Corporations Act of British Columbia on March 1, 2022.

In the opinion of management, the consolidated financial statements reflect all normal and recurring adjustments necessary for the fair presentation of the Company’s financial position as at April 30, 2025 and April 30, 2024, and results of its operations for each of the year ended April 30, 2025 and fifteen months ended April 30, 2024.

### **3. MATERIAL ACCOUNTING POLICY INFORMATION**

#### **Cash and cash equivalents**

Cash and cash equivalents consist of all cash balances and highly liquid investments that are readily convertible to known amounts of cash and have a maturity of twelve months or less.

#### **Foreign exchange**

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Company operates (the “functional currency”). Each of Blackbird and Tyee Nickel raise financing and incur expenditures in Canadian dollars, giving rise to a Canadian dollars functional currency. The determination of functional currency involves certain judgments to determine the primary economic environment in which the company operates, and management of the parent entity reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

In preparing the consolidated financial statements, transactions in currencies other than the Company’s functional currency are recorded at the rates of exchange prevailing at the dates of the

# **Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)**

## **Notes to the Consolidated Financial Statements**

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

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### **3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

#### **Foreign exchange (continued)**

transactions. At the end of each reporting period, monetary assets and liabilities of the parent entity that are in a currency other than Canadian Dollars are retranslated at the rates prevailing at that date, giving rise to foreign exchange gains and losses in the consolidated statements of loss and comprehensive loss.

Foreign currency non-monetary items that are measured in terms of historical cost are not retranslated.

Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case, the exchange rates at the dates of the transactions are used.

#### **Exploration and evaluation assets**

Costs incurred prior to obtaining the legal rights to explore a property are recognized as an expense in the period in which they are incurred.

Exploration and evaluation expenditures are capitalized. The Company capitalizes costs to specific blocks of claims or areas of geological interest. Exploration and evaluation expenditures include the costs of acquiring licenses and costs associated with exploration and evaluation activity. Option payments paid in connection with farm-in transactions are considered acquisition costs provided that the Company has the intention of exercising the underlying option. Property option agreements are exercisable entirely at the option of the optionee. Therefore, option payments (or recoveries) are recorded when payment is made (or received) and are not accrued.

Upon abandonment or disposal (including farm-out transactions), any consideration received is credited against the carrying amount of the exploration and evaluation property interests, with any excess consideration greater than the carrying amount included as a gain in profit or loss.

Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

There is no assurance the Company has, or will have, commercially viable ore bodies. There is no assurance that management of the Company will be able to arrange sufficient financing to bring ore bodies into production.

After technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the Company stops capitalizing expenditures for the applicable block of claims or geological area of interest and tests the asset for impairment. The capitalized balance, net of any impairment recognized, is then reclassified to either tangible or intangible mine development assets according to the nature of the asset.

# **Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)**

## **Notes to the Consolidated Financial Statements**

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

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### **3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

#### **Impairment**

Exploration and evaluation assets are tested for impairment if facts or circumstances indicate that impairment exists. Examples of such facts and circumstances are as follows:

- the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

If an impairment indicator is identified, management will perform an impairment test. If the recoverable amount of the exploration property's value is less than the carrying amount, an impairment loss will be recorded in the financial state.

Past impairments are also considered at each reporting period and where there is an indication that an impairment loss may have decreased, the recoverable amount is calculated as outlined above to determine the extent of the recovery. If the recoverable amount of the asset is more than its carrying amount, the carrying amount of the asset is increased to its recoverable amount and the impairment loss is reversed in profit or loss for that period.

The increased carrying amount due to reversal will not be more than what the depreciated historical cost would have been if the impairment had not been recognized. Additionally, the review of impairment indicators takes into account factors such as political, social, and legal and environmental regulations. These factors may change due to changing economic conditions or the accuracy of certain assumptions and, hence, affect the recoverable amount. The Company uses its best efforts to fully understand all of the aforementioned to make an informed decision based upon historical and current facts surrounding its exploration property interests.

As a result of the drill program being on hold due to pending drill permits on the Tyee property and minimal planned future exploration activities on the Muskox property, the Company recognized an impairment expense of \$6,427,540 (Note 7) during the year ended April 30, 2025.

As a consequence of the decision to terminate the option on the Big Onion property, the Company recognized an impairment expense of \$517,326 (Note 7) during the fifteen months ended April 30, 2024.

#### **Impairment of non-financial assets**

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such an indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment, if any. The recoverable

# **Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)**

## **Notes to the Consolidated Financial Statements**

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

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### **3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

#### **Impairment of non-financial assets (continued)**

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 profit or loss for the period.

For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Where 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 to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately on the statement of comprehensive loss/income.

#### **Flow-through shares**

Canadian income tax legislation permits companies to issue flow-through instruments whereby the income tax deductions generated by eligible expenditures of the Company, defined in the Income Tax Act (Canada) as qualified Canadian exploration expenses, are claimed by the investors rather than by the Company. Shares issued on a flow-through basis are typically sold at a premium above the market share price which relates to the tax benefits that will flow through to the investors. The Company often issues flow-through shares as part of its equity financing transactions to fund its Canadian exploration activities. The Company estimates the portion of the proceeds attributable to the premium as being the excess of the flow-through share price over the market share price of the common shares without the flow-through feature at the time of issuance. The premium is recorded as a liability which represents the Company's obligation to spend the flow-through funds on eligible expenditures and is amortized as other income through the statement of loss and comprehensive loss as the eligible expenditures are incurred.

#### **Provisions**

Provisions for environmental restoration, restructuring costs and legal claims are recognized when the Company has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and when the amount has been reasonably estimated. Provisions are not recognized for future operating losses.

Constructive obligations are obligations that derive from actions of Blackbird where:

- An established pattern of past practice, published policies, or a sufficiently specific current statement in which the Company has indicated to other parties that it will accept certain responsibilities; and
- As a result, the Company has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

# **Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)**

## **Notes to the Consolidated Financial Statements**

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

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### **3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

#### **Provisions (continued)**

Blackbird records provisions for closure and reclamation on the best estimate of costs for site closure and reclamation activities that the Company is legally or constructively required to remediate and the liability is recognized at the time environmental disturbance occurs. The estimate for such costs are capitalized to the corresponding asset. The provision for closure and reclamation is estimated using expected cash flows and discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The capitalized amount is depreciated on the same basis as the related asset. The liability is adjusted for the accretion of the discounted obligation, the offset of which is charged to the consolidated statements of loss and comprehensive loss, and any changes in the amount or timing of the underlying future cash flows. Significant judgments and estimates are involved in forming expectations of the amounts and timing of future closure and reclamation costs.

Changes in closure and reclamation estimates are accounted for as a change in the corresponding capitalized cost. Expenditures of rehabilitation projects for which a provision has been recorded are recorded directly against the provision as incurred, most of which are incurred at the later of

- i. the determination to abandon a property, or
- ii. the end of the life of the mine.

The Company has determined not to record any provision for reclamation costs as of April 30, 2025 (April 30, 2024: \$nil) given the limited amount of disturbance created to date.

#### **Financial instruments**

Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are not offset unless the Company has the legal right to offset and intends to settle on a net basis or settle the asset and liability simultaneously. Financial instruments are classified as either fair value through profit or loss (“FVTPL”), fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of its financial assets at initial recognition.

The Company’s financial assets consist of cash in the bank and its Canadian government backed, redeemable, guaranteed investment certificates (“GICs”).

#### **Measurement**

##### *Financial assets at FVTOCI*

Elected investments in equity investments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

##### *Financial assets and liabilities at amortized cost*

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

# **Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)**

## **Notes to the Consolidated Financial Statements**

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

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### **3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

#### **Financial Instruments (continued)**

##### *Financial assets and liabilities at FVTPL*

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transactions costs expensed in the statements of net loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are recorded in the statements of net loss in the period in which they arise.

##### Derecognition

##### *Financial assets*

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of net loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

##### *Financial liabilities*

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statements of net loss, unless the transaction is with a party acting in the capacity of a shareholder. The Company's financial liabilities consists of accounts payable and accrued liabilities.

#### **Share-based payments**

The grant date fair value of share-based payment awards granted to employees is recognized as stock-based compensation expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards.

The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Where equity instruments are granted to parties other than employees, they are recorded by reference to the fair value of the services received. If the fair value of the services received cannot be reliably estimated, the Company measures the services received by reference to the fair value of the equity instruments granted, measured at the date the counterparty renders service.

All equity-settled share-based payments are reflected in share-based payment reserve, unless exercised. Upon exercise, shares are issued from treasury and the amount reflected in share-based payment reserve is credited to share capital, adjusted for any consideration paid.

# **Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)**

## **Notes to the Consolidated Financial Statements**

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

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### **3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

#### **Warrants issued in equity financing transactions**

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate resource properties. These equity financing transactions may involve issuance of Common Shares or units. A typical unit comprises a certain number of Common Shares and a certain number of common share purchase warrants (“Warrants”). Depending on the terms and conditions of each financing agreement, the Warrants are exercisable into additional Common Shares prior to expiry at a price stipulated by the related agreement. Warrants that are part of units are assigned a residual value if the unit is issued at a price exceeding the market price of underlying share at the time of issuance otherwise the Warrants are assigned no value and included in share capital with the Common Shares that are concurrently issued. Warrants that are issued as payment for an agency fee or other transactions costs are accounted for as share-based payment transaction costs.

#### **Income taxes**

Income tax expense comprises current and deferred tax. Income tax is recognized in the statements of loss and comprehensive loss except to the extent it relates to items recognized directly in equity. Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and deferred income tax liabilities are offset only when there is a legally enforceable right to set off current tax assets against current income tax liabilities and when they relate to income taxes levied by the same taxation authority on the same taxable entity.

# **Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)**

## **Notes to the Consolidated Financial Statements**

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

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### **3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

#### **Loss per share**

The Company presents basic and diluted loss per share data for its common shares. Basic loss per share is calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The calculation diluted earnings per share takes into account the potential impact of the exercise of all dilutive instruments. If necessary, net profit is also adjusted for the interest expense, net of tax, relating to these instruments.

#### **New accounting standards adopted during the year**

Amendments to IAS 1 –The IASB has published Classification of Liabilities as Current or Non-Current which clarifies the guidance on whether a liability should be classified as either current or non-current. The amendments:

- clarify that the classification of liabilities as current or non-current should only be based on rights that are in place “at the end of the reporting period”;
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability;
- make clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishments of the liability.

This amendment is effective for annual periods beginning on or after January 1, 2024. The adoption of the amendments has no material changes to the Company’s consolidated financial statements.

#### **Accounting standard issued but not yet effective**

The following new standards and interpretations are not yet effective and have not been applied in preparing these financial statements.

IFRS 18 – Presentation and Disclosure in Financial Statements - IFRS 18 is effective for reporting periods beginning on or after January 1, 2027. It introduces several new requirements that are expected to impact on the presentation and disclosure of most, if not all, entities. These include: The requirement to classify all income and expense into specified categories and provide specified totals and subtotals in the statement of profit or loss. Enhanced guidance on the aggregation, location and labelling of items across the primary financial statements and the notes. Mandatory disclosures about management-defined performance measures (a subset of alternative performance measures).

The Company will be assessing the impact of adopting the above standard on the financial statements.

### **4. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND RISKS**

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

# Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)

## Notes to the Consolidated Financial Statements

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

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### 4. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND RISKS (continued)

Estimates and judgments are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from the amounts estimated in these consolidated financial statements; uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. To the extent there are material differences between estimates and the actual results, future results of operations will be affected.

#### Significant Judgments

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the Consolidated financial statements:

- (i) *Functional currency* – Management is required to assess the functional currency of the Company. In concluding that the Canadian dollar is the functional currency of the Company, management considered the currency that mainly influences the operating expenditures in the jurisdiction in which the Company operates.
- (ii) *Going concern* – The Company's ability to execute its strategy by funding future working capital requirements requires judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, such as expectations of future events that are believed to be reasonable under the circumstances.

#### Estimation Uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the current and next fiscal financial years:

- (i) *Share-based payments* – The measurement of share-based payments is determined using the Black Scholes Option Pricing Model. This option pricing model requires the input of subjective assumptions including the expected price volatility, option life, dividend yield, risk-free rate and estimated forfeitures at the initial grant.
- (ii) *Impairment* – At least annually or whenever there is an indicator for impairment management evaluates the recoverable amount of its exploration and evaluation assets. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's mineral property interests. The Company uses several criteria in its assessments of economic recoverability and profitability of future economic benefit, including geologic and metallurgic information, economics assessment/studies, accessible facilities, existing permits, and ability to continue development.

# Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)

## Notes to the Consolidated Financial Statements

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

### 5. CASH AND CASH EQUIVALENTS

	April 30, 2025		April 30, 2024	
Cash held in bank	\$	72,262	\$	655,334
Guaranteed investment certificates (“GICs”)		1,522,952		2,035,057
	\$	<b>1,595,214</b>	\$	<b>2,690,391</b>

As of April 30, 2025, the Company held two redeemable GICs with a value of \$511,952 and \$1,011,000, which pay interest at 2.75% and 3.55% per annum, respectively. Both are redeemable at any time. The GICs mature on March 23, 2026, and October 14, 2025, respectively.

### 6. RECEIVABLES

Receivables are composed of the following amounts:

	April 30, 2025		April 30, 2024	
GST receivable	\$	15,661	\$	69,779
Tax credit receivable		-		71,405
Interest receivable (Note 5)		21,307		70,759
	\$	36,968	\$	211,943

### 7. EXPLORATION AND EVALUATION ASSETS

	Tyee Project \$	Muskox Property \$	Big Onion \$	Total \$
Balance at January 31, 2023	3,640,493	314,861	326,132	4,281,486
Acquisition costs – cash	100,000	300,000	50,000	450,000
Acquisition costs – shares	55,200	-	-	55,200
Exploration expenditures	1,116,015	161,373	141,194	1,418,582
Recovery pursuant to tax incentives	(32,147)	(39,258)	-	(71,405)
Impairment loss	-	-	(517,326)	(517,326)
Balance at April 30, 2024	4,879,561	736,976	-	5,616,537
Acquisition costs – cash	-	175,000	-	175,000
Acquisition costs – shares	-	321,834	-	321,834
Recovery pursuant to tax incentives	(6,200)	-	-	(6,200)
Exploration expenditures	313,133	7,236	-	320,369
Impairment loss	(5,186,494)	(1,241,046)	-	(6,427,540)
<b>Balance at April 30, 2025</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Tyee Project

The Tyee Project consists of mineral property claims expanding across the Gatineau Ni-Cu Property and the Saint-Pierre Anorthosite Complex (the “SPAC”) in south-eastern Quebec, approximately 130 km north of Havre St. Pierre, Quebec, and 12 km north of the Romain IV Hydroelectric Dam.

# **Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)**

## **Notes to the Consolidated Financial Statements**

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

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### **7. EXPLORATION AND EVALUATION ASSETS (continued)**

On September 19, 2022, the Company acquired Tye Nickel Corp. and its interest in the Gatineau Ni-Cu claims for total consideration of \$3,627,163 and became the beneficial owner of the Gatineau Ni-Cu mineral claims.

The Company subsequently made further acquisitions of prospective claims contiguous to the Gatineau Ni-Cu claims, expanding the footprint of the Tye Project, including:

- On December 16, 2022, the Company closed an asset acquisition agreement with 1380749 BC Ltd. and became the beneficial owner of the Odin East mineral claims. The additional mineral claims acquired are contiguous to the original Gatineau Ni-Cu claims, and together comprise the Tye Project. Consideration paid for the acquisition of the property included \$12,500 cash on the execution date of the acquisition agreement and 5,000 common shares at a deemed price of \$3.90, for total value of \$19,500.
- On February 13, 2023, the Company entered into an agreement with 1380749 BC Ltd. to acquire additional mineral claims known as Odin East. Upon execution of the agreement, the Company paid cash consideration of \$50,000 and issued 6,000 common shares of the Company at a price of \$9.20 per share for a total value of \$55,200.
- On March 15, 2023, the Company entered into an agreement with 1290480 BC Ltd. to acquire additional mineral claims, further increasing the footprint of the Tye Project. Upon execution of the agreement, the Company paid cash consideration of \$50,000.

During the year ended April 30, 2025, the Company recognized a full impairment of \$5,186,494 related to its Tye project. The impairment was due to the drill program being on hold due to pending drill permits and minimal planned future activities in the area. As a result, the carrying value of the exploration and evaluation assets was written down to \$Nil.

#### Muskox Lithium Property (“Muskox”)

On January 13, 2023 (the “Signing Date”, subsequently amended in January, June, and November 2024), Blackbird entered into an option agreement (the “Muskox Option”) with RGV Lithium Explorations Inc. (“RGV Lithium”) that will, upon satisfaction of the requisite payments, allow the Company to become the legal and beneficial owner of 100% undivided interest in the Muskox lithium property located in the Northwest Territories. The Muskox Option became effective on January 19, 2023.

Muskox is subject to a 2.5% net smelter return royalty (“NSR”) which may be reduced to 1.5% for cash consideration of \$2,000,000.

In addition, the Company issued 20,000 common shares with a fair value of \$8 per share for a total value of \$160,000 as a finders’ fee in connection with the closing of the purchase agreement for Muskox.

In order to complete the acquisition of Muskox, the Company is required to make cash and share payments to RGV Lithium, and incur property expenditures on Muskox as follows:

# Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)

## Notes to the Consolidated Financial Statements

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

### 7. EXPLORATION AND EVALUATION ASSETS (continued)

On or prior to the execution of the agreement	Cash: \$150,000 (paid)
On or prior to the date that is six months following the Signing Date	Cash: \$250,000 (paid)
On January 15, 2024	Cash: \$50,000 (paid)
On November 25, 2024 (As extended in November 2024)	Cash or shares at a 10-day volume-weighted average price (VWAP) equal to \$100,000
On or prior to December 31, 2024 (As extended in November 2024)	Incur expenditures of \$250,000 Cash : \$100,000 (paid)
On or prior to January 13, 2025	Cash or shares at a VWAP equal to \$200,000 Incur expenditures \$350,000 Cash: \$75,000 (paid)
On or prior to January 13, 2026	Cash or shares at a VWAP equal to \$300,000 Incur expenditures of \$400,000
On or prior to January 13, 2027	Cash or shares at a VWAP equal to \$400,000 Incur expenditures of \$500,000

The date that this payment and the exploration expenditure were due was subsequently amended to October 2024 and again to November 2024. On November 25, 2024, the parties agreed that the option would remain in good standing if the Company sent the \$100,000 option payment to RGV Lithium. The parties also agreed that the expenditure requirements of \$250,000 would be extended from the original date of on or before January 13, 2024, to on or before December 31, 2024.

On January 31, 2025, the Company issued 525,000 shares to RGV Lithium in lieu of the exploration expenditure required in line with the option agreement. The value of \$321,834 was assigned to the shares as this is equal to the exploration expenditure no longer required to be incurred (Note 9).

On March 20, 2025, RGV Lithium agreed to reduce the amount due of \$200,000 as on January 13, 2025, to \$75,000 and this amount was paid on March 20, 2025.

During the year ended April 30, 2025, the Company recognized a full impairment of \$1,241,046 related to its Muskox project. The impairment was due minimal planned future activities in the area. As a result, the carrying value of the exploration and evaluation assets was written down to \$Nil.

#### Big Onion Property (“Big Onion”)

On December 6, 2021, the Company entered into a property option agreement with Blue Lagoon Resources Inc. (“BLG”) to acquire a 100% ownership and beneficial interest in 13 contiguous non-surveyed mineral claims located near Smithers, British Columbia, known as the Big Onion gold property.

On March 23, 2024, the Company notified BLG that it terminated an option to acquire Big Onion, and accordingly, the carrying value of \$517,326 was written down to \$Nil.

# Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)

## Notes to the Consolidated Financial Statements

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

### 8. FLOW-THROUGH PREMIUM LIABILITY

On April 20, 2023, the Company closed a private placement and issued 56,818 flow-through shares at a price of \$8.80 per share and 54,348 Quebec flow-through shares at a price of \$9.20 for aggregate gross proceeds of \$1,000,000. Upon closing of the private placement, the Company recognized flow-through premium liabilities in the statement of financial position of \$73,864 and \$92,391, which reflect the value of income tax benefits the Company will pass on to the flow-through shareholders and Quebec flow-through shareholders, respectively.

On April 28, 2023, the Company closed the second tranche of the private placement and issued 32,609 Quebec flow-through shares at a price of \$9.20 for gross proceeds of \$300,000. Upon closing of the private placement, the Company recognized a flow-through premium in the statement of financial position of \$138,587, which reflects the value of income tax benefits the Company will pass on to the Quebec flow-through shareholders.

During the year ended April 30, 2025, the Company incurred qualifying exploration expenditures resulting in the recognition of flow-through premium recovery in the statement of loss and comprehensive loss of \$21,025 (for the fifteen months period ended April 30, 2024 - \$283,817), respectively. As at April 30, 2025, the balance of the flow-through premium liability was \$Nil (April 30, 2024 - \$21,025).

	\$
Balance, January 31, 2023	-
Issuance of flow-through shares	304,842
Flow through premium recovery	(283,817)
Balance, April 30, 2024	21,025
Flow through premium recovery	(21,025)
<b>Balance, April 30, 2025</b>	<b>-</b>

### 9. SHARE CAPITAL AND RESERVES

#### Authorized share capital

The Company has authorized an unlimited number of Common Shares with no par value.

On December 20, 2024, the Company completed a 1-for-10 reverse split of its common shares ("Share Consolidation") with each fractional share of less than 0.5 being cancelled and each fractional share of 0.5 or greater being rounded to one whole common share. Prior to this Share Consolidation, a total of 59,507,580 common shares were outstanding, and they were converted into 5,950,758 common shares. Except where otherwise indicated, all historical share numbers and per share amounts have been adjusted on a retrospective basis to reflect this Share Consolidation.

#### Common shares

*For the year ended April 30, 2025*

On January 22, 2025, the Company issued 909,375 shares with a fair value of \$145,500 in exchange for the settlement of amounts owing to various creditors.

On January 31, 2025, the Company issued 525,000 shares to RGV Lithium in lieu of the exploration expenditure required in line with the option agreement. The value of \$321,834 was assigned to the shares as this is equal to the exploration expenditure no longer required to be incurred (Note 7).

# **Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)**

## **Notes to the Consolidated Financial Statements**

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

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### **9. SHARE CAPITAL AND RESERVES (continued)**

*For the fifteen months ended April 30, 2024*

On February 7, 2023, the Company closed the second tranche of a private placement financing issuing 1,201,021 units at a price of \$4.50 for gross proceeds of \$5,404,596 of which \$523,407 had been received prior to January 31, 2023. Each unit consists of one Common Share of the Company and one-half of one Warrant. Each whole Warrant entitles the holder to purchase one Common Share at a price of \$8.00 for a period of 36 months. In connection with the private placement, the Company paid cash finders' fees of \$226,959 and issued 49,144 finder's warrants to certain finders in consideration for their services ("Finder's Warrants") with a fair value of \$255,381, estimated using the Black-Scholes Option Pricing Model ("Black-Scholes") and the following assumptions: estimated volatility of 101%, risk-free interest rate of 3.65%, expected life of 3 years, exercise price of \$8.00, a dividend yield of 0%, and a share price of \$8.10. Each Finder's Warrants issued in this private placement is exercisable into one Common Share at an exercise price of \$8.00 per Common Share for a period of 36 months from the closing date. The Company incurred additional cash share issuance costs of \$25,951.

On March 1, 2023, the Company issued 6,000 Common Shares at a price of \$9.20 per share for a total value of \$55,200 pursuant to the Second 1380749 Agreement (Note 7).

On April 11, 2023, the Company issued 3,045 Common Shares upon the exercise of Warrants for proceeds of \$9,135. The fair value of \$11,643 was reclassified from reserves to share capital upon the exercise of the Warrants.

On April 20, 2023, the Company closed a private placement financing issuing 56,818 flow-through shares and 54,348 Quebec flow-through shares at a price of \$8.80 and \$9.20 per flow-through share, respectively. The total aggregate gross proceeds amounted to \$1,000,000 of which \$166,255 were recognized as flow-through premium liability (Note 8). In connection with the private placement, the Company paid cash finder's fees of \$60,000 and issued 6,670 Finder's Warrants with a fair value of \$25,077, estimated using Black-Scholes and the following assumptions: estimated volatility of 100%, risk-free interest rate of 3.79%, expected life of 2 years, exercise price of \$8.80, a dividend yield of 0%, and a share price of \$7.50. The Finder's Warrants issued in this private placement are exercisable into one Common Share at a price of \$8.80 for a period of 24 months.

On April 28, 2023, the Company closed an additional private placement financing issuing 32,609 Quebec flow-through shares at a price of \$9.20 per share for aggregate gross proceeds of \$300,000 of which \$138,587 were recognized as flow-through premium liability (Note 8). In connection with the private placement, the Company paid cash finder's fees of \$18,000 and issued 1,957 Finder's Warrants to an arm's length finder with a fair value of \$4,006, estimated using Black-Scholes and the following assumptions: estimated volatility of 103%, risk-free interest rate of 3.65%, expected life of 2 years, exercise price of \$8.80, a dividend yield of 0%, and a share price of \$4.95. Each Finder's Warrant issued in this private placement is exercisable into one Common Share at a price of \$8.80 for a period of 24 months. The Company incurred additional cash share issuance costs of \$1,752, for legal fees associated with the issuance.

On April 28, 2023, the Company entered into a consulting agreement for capital markets advisory services. Upon execution of the agreement, the Company issued 15,000 Common Shares to the consulting firm as consideration for a value of \$90,000.

# Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)

## Notes to the Consolidated Financial Statements

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

### 9. SHARE CAPITAL AND RESERVES (continued)

On July 5, 2023, the Company issued 20,000 Common Shares upon vesting of 20,000 restricted share units (“RSUs”). Upon issuance, the fair value of \$46,000 was reclassified from reserves to share capital.

#### Stock Options

##### *Stock option plan*

On March 10, 2021, the Company adopted a Stock Option Plan (the “Plan”). The Plan provides that, subject to the requirements of the CSE, the aggregate number of securities reserved for issuance, set aside, and made available for issuance under the Option Plan, may not exceed 10% of the issued and outstanding shares of the Company at the time of granting of options (including all options granted by the Company to date). The number of Common Shares which may be reserved in any 12-month period for issuance to any one individual upon exercise of all stock options held by that individual may not exceed 5% of the issued and outstanding Common Shares of the Company at the time of the grant.

##### *Stock option activity*

Stock option activities are summarized in the table below.

	Number of Stock Options Outstanding	Weighted Average Exercise Price (\$)
<b>Balance, January 31, 2023</b>	<b>320,000</b>	<b>3.00</b>
Granted	10,000	3.00
Cancelled	(50,000)	(3.00)
<b>Balance, April 30, 2024</b>	<b>280,000</b>	<b>3.00</b>
Granted	-	-
Cancelled	-	-
Forfeited	(10,000)	3.00
<b>Balance, April 30, 2025</b>	<b>270,000</b>	<b>3.08</b>

Details of stock options outstanding and exercisable as at April 30, 2025, are as follows:

Expiry date	Number of Stock Options Outstanding	Number of Stock Options Vested	Exercise price (\$)
September 20, 2027	260,000	260,000	3.00
January 9, 2026	10,000	10,000	5.20
<b>Total</b>	<b>270,000</b>	<b>270,000</b>	<b>3.08</b>

As of April 30, 2025, the weighted average remaining life for the outstanding options was 2.33 years.

On January 9, 2023, the Company issued 10,000 options to a consulting firm in exchange for services. The options are exercisable at a price of \$5.20 per option and vest quarterly over the following twelve months, with an expiration date of 3 years. The fair value of the options was determined using Black-Scholes and the following assumptions: estimated volatility of 101%, risk-free interest rate of 3.66%, expected life of 3 years, exercise price of \$5.20, a dividend yield of 0%, and a share price of \$5.

# Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)

## Notes to the Consolidated Financial Statements

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

### 9. SHARE CAPITAL AND RESERVES (continued)

#### Stock Options (continued)

On August 4, 2023, the Company issued 10,000 incentive stock options to a director of the Company (Note 14). The options are exercisable at a price of \$3 per option and vested immediately on grant, with an expiration date of 5 years. The fair value of the options was determined using the Black Scholes option pricing model using the following assumptions: estimated volatility of 118%, risk-free interest rate of 3.87%, expected life of 5 years, exercise price of \$3, a dividend yield of 0%, and a share price of \$1.80.

On January 9, 2025, the Company cancelled 10,000 incentive stock options to a former director of the Company, in accordance with the termination agreement. As of this date, all options were fully vested.

On July 31, 2023, the Company cancelled 50,000 incentive stock options to a former director of the Company, in accordance with the termination agreement. During the fifteen months ended April 30, 2024, the Company recognized stock-based compensation expense of \$89,158, for the accelerated vesting of these stock options.

During the year ended April 30, 2025, the Company recognized stock-based compensation expense of \$36,759 (fifteen months ended April 30, 2024 - \$691,596), respectively, for the vesting of these stock options.

#### Restricted Share Units (RSUs)

There was no RSU activity during the year ended April 30, 2025.

On July 5, 2023, the Company granted 20,000 RSUs to consultants in exchange for services. The RSUs vested immediately on grant. During the fifteen months ended April 30, 2024, the Company recognized \$46,000 in stock-based compensation pursuant to the vesting of these RSUs.

#### Warrants

Warrant activities are summarized below:

	Number of Warrants Outstanding	Weighted Average Exercise Price (\$)
<b>Balance, January 31, 2023</b>	21,581	<b>3.00</b>
Issued	658,282	8.01
Exercised	(3,045)	(3.00)
<b>Balance, April 30, 2024</b>	<b>676,818</b>	<b>7.87</b>
Expired	(27,163)	(4.84)
<b>Balance, April 30, 2025</b>	<b>649,655</b>	<b>8.00</b>

Details of warrants outstanding as at April 30, 2025 are as follows:

	Number of Warrants Outstanding	Exercise price
Expiry date		
February 7, 2026	649,655	8.00
<b>Total</b>	<b>649,655</b>	<b>8.00</b>

# Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)

## Notes to the Consolidated Financial Statements

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

### 9. SHARE CAPITAL AND RESERVES (continued)

#### Warrants (continued)

As of April 30, 2025, the weighted average remaining life for the outstanding warrants was 0.77 years.

During the year ended April 30, 2025, 18,536 warrants with an exercise price of \$3 expired without being exercised.

During the year ended April 30, 2025, 8,627 warrants with an exercise price of \$8.80 expired without being exercised.

#### Escrow shares

As at April 30, 2025, no shares were subject to escrow conditions (April 30, 2024 – 152,544).

### 10. INCOME TAXES

Periods ended April 30,	2025	2024
	\$	\$
Loss before tax	7,358,122	4,337,197
Statutory tax rate	27%	27%
Expected tax recovery	(1,987,000)	(1,171,000)
Permanent differences	4,000	126,000
Impact of flow through shares	38,000	313,000
Share issuance costs	(1,000)	(167,000)
True up	-	948,000
Other	(2,000)	(141,000)
Change in unrecognized deferred income tax assets	1,948,000	92,000
<b>Tax recovery for the period</b>	<b>-</b>	<b>-</b>

The temporary differences are as follows:

Periods ended April 30,	2025	2024
	\$	\$
Non-capital losses	1,595,000	1,312,000
Share issuance costs	109,000	145,000
Exploration and evaluation assets	601,000	(1,100,000)
Less: valuation allowance	(2,305,000)	(357,000)
Unrecognized deferred tax assets	-	-

As of April 30, 2025, the Company has non-capital losses of \$5,909,000 (April 30, 2024 - \$4,858,000) which may be applied against future Canadian taxable income for Canadian income between 2039 and 2044.

# Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)

## Notes to the Consolidated Financial Statements

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

### 11. CAPITAL MANAGEMENT

The Company manages its capital, consisting of shares and working capital, in a manner consistent with the risk characteristics of the assets it holds. All sources of financing are analyzed by management and approved by the board of directors. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

As at April 30, 2025, the Company's capital structure consists of the equity of the Company. The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends.

As at April 30, 2025, the Company's available capital resources consist of cash and cash equivalents of \$1,595,214 to settle total current liabilities of \$71,687.

### 12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial assets consist of cash and cash equivalents and interest receivable, and its financial liabilities consist of accounts payable and accrued liabilities. The Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying value, unless otherwise noted, due to their short-term nature.

Financial assets included in the statement of financial position are as follows:

	Level in fair value hierarchy	April 30, 2025 \$	April 30, 2024 \$
FVTPL:			
Cash and cash equivalents	Level 1	1,595,214	2,690,391
Interest receivable	Level 1	21,307	70,759
		1,616,521	2,761,150

Financial liabilities included in the statement of financial position are as follows:

	April 30, 2025 \$	April 30, 2024 \$
Amortized cost:		
Accounts payable	20,232	76,558
Accrued liabilities	51,455	-
	71,687	76,558

IFRS 13 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value as follows:

*Level 1* - valuation based on quoted prices (unadjusted) in active markets for identical assets and liabilities;

*Level 2* - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., directly from prices); and

# Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)

## Notes to the Consolidated Financial Statements

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

### 12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

*Level 3* - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

#### Credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents and receivables. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to financial instruments included in receivables is remote.

#### Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it has sufficient working capital to meet liabilities when due. As at April 30, 2025, the Company has cash and cash equivalents of \$1,595,214 to settle current liabilities of \$71,687. All of the Company's financial liabilities have contractual maturities of 30 days and are subject to normal trade terms.

#### Market Risk – Interest Rate Risk

Blackbird is subject to interest rate risk with respect to its investments in cash and cash equivalents. The Company's current policy is to invest cash at floating rates of interest, and cash reserves are to be maintained in cash and cash equivalents in order to maintain liquidity, while achieving a satisfactory return for the Company's shareholders. Fluctuations in interest rates when cash and cash equivalents mature impact interest income earned.

### 13. SEGMENTED INFORMATION

The Company operates in a single reportable operating segment, being the acquisition, exploration and development of its Canadian exploration and evaluation properties.

### 14. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers.

Related party transactions with management personnel and former management personnel, and companies controlled by management personnel include the following:

	For the year ended April 30, 2025	For the fifteen months ended April 30, 2024
	\$	\$
Consulting fees	331,000	303,829
Professional fees	18,000	-
Rent <sup>1</sup>	11,931	-
Share-based compensation	18,379	449,789
Total	379,310	753,618

<sup>1</sup>Rent is included in office and administrative expenses in the consolidated statement of loss and comprehensive loss.

# **Blackbird Critical Metals Corp. (formerly Gama Explorations Inc.)**

## **Notes to the Consolidated Financial Statements**

For the year ended April 30, 2025, and the fifteen months ended April 30, 2024

(Expressed in Canadian dollars, except where noted)

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### **14. RELATED PARTY TRANSACTIONS (continued)**

During the year ended April 30, 2025, a director of the Company resigned, effective October 11, 2024. This director held 10,000 stock options, which were granted on August 4, 2023 (Note 9). In accordance with the Plan, all rights to exercise the options will terminate 90 days from the date they cease to be a director (i.e. on January 9, 2025). All options were fully vested on the date of resignation.

During the fifteen months ended April 30, 2024, a \$50,000 cash payment was made to BLG pursuant to the option of Big Onion (Note 7). BLG is a related company as a result of common directorship. An additional \$113,297 in consulting fees was paid to BLG in connection with certain exploration activities completed at Big Onion.

As of April 30, 2025, there was \$25,700 owing to related parties of the Company (April 30, 2024 - \$Nil). The amounts due to related parties are unsecured, non-interest bearing and due on demand.

### **15. SUBSEQUENT EVENT**

On June 25, 2025 the Company entered into debt settlement agreements with certain creditors to settle the debt of \$102,000 by issuing an aggregate of 377,779 common shares of the Company at a price of \$0.27 per share, subject to regulatory approval.