MEDARO MINING CORP.
CONSOLIDATED FINANCIAL STATEMENTS
For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

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Independent Auditor's Report

To the Shareholders of Medaro Mining Corp.

Opinion

We have audited the consolidated financial statements of Medaro Mining Corp. (the "Group"), which comprise the consolidated statements of financial position as at September 30, 2023 and September 30, 2022 and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at September 30, 2023 and September 30, 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended 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 Consolidated Financial Statements* section of our report. We are independent of the Group 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 2 to the consolidated financial statements which describes the material uncertainty that may cast significant doubt on the Group'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 consolidated financial statements of the year ended September 30, 2023. In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be a key audit matter to be communicated in our report. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of Exploration and Evaluation Assets
As disclosed in Note 6 to the consolidated financial statements, the carrying value of Exploration and Evaluation Assets represents a significant asset of the Group. Refer to Note 3 and Note 4 to the consolidated financial statements for a description of the accounting policy and significant judgments applied to Exploration and Evaluation Assets.

At each reporting period end, management applies judgment in assessing whether there are any indicators of impairment relating to mining claims and capitalized acquisition costs. If there are indicators of impairment, the recoverable amount of the related asset is estimated in order to determine the extent of any impairment. Indicators of impairment may include (i) the period during which the entity has the right to explore in the specific area has expired during the year or will expire in the near future and is not expected to be renewed; (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; (iii) 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 (iv) sufficient data exists to indicate that the carrying amount of the mining claims and capitalized acquisition costs is unlikely to be recovered in full from successful development or by sale.

Why the matter was determined to be a key audit matter
We considered this a key audit matter due to (i) the significance of the mining claims and capitalized acquisition costs balance and (ii) the judgments made by management in its assessment of indicators of impairment related to mining claims and capitalized acquisition costs, which have resulted in a high degree of subjectivity in performing audit procedures related to these judgments applied by management.

How the matter was addressed in our audit
We have evaluated management's assessment of impairment indicators per IFRS 6 Exploration for and Evaluation of Mineral Resources, including but not limited to:

- Obtaining, by reference to government registries, evidence to support (i) the right to explore the area and (ii) claim expiration dates;

- Assessing compliance with option agreements by reviewing agreements, vouching cash payments and share issuances, and confirming status of certain agreements with an optionor;

- Considering the status of the relevant exploration areas by holding discussions with management, and reviewing the Group's exploration budget;

- Enquiring with management and reviewing its future plans and other documentation as evidence that further exploration and evaluation activities in the area of interest will be continued in the future;

- Assessing whether any data exists to suggest that the carrying value of the Exploration and Evaluation assets is unlikely to be recovered through development or sale; and

- Assessing the adequacy of the related disclosures in Note 3, Note 4 and Note 6 to the consolidated financial statements.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis

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

We obtained the other information prior to the date of this auditor's report. If, based on the work we have performed on this other information, 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 as issued by the International Accounting Standards Board, 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 Group’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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’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 Group’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 Group’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 Group 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 Hilda Leung.

Crowe MacKay LLP

Chartered Professional Accountants
Vancouver, Canada
January 29, 2024

MEDARO MINING CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at September 30, 2023 and 2022
(Expressed in Canadian Dollars)

As at			**September 30, 2023**		September 30, 2022
ASSETS	**Note**				
Current assets					
Cash		**$**	**157,835**	$	2,579,910
Receivables	8		**1,289,715**		415,568
Investments	6(a)		**17,500**		-
Prepaid expenses			**186,409**		236,488
Total current assets			**1,651,459**		3,231,966
Exploration and evaluation assets	6		**1,875,521**		1,142,800
Property and equipment			**70,629**		-
Total assets		**$**	**3,597,609**	$	4,374,766
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	7,10	**$**	**1,075,261**	$	559,035
Flow-through liability	9		**156,895**		-
Total liabilities			**1,232,156**		559,035
EQUITY					
Share capital	9		**20,047,472**		15,796,079
Reserves	9		**2,001,562**		1,723,855
Non-controlling interest			**(100,838)**		-
Accumulated other comprehensive loss			**(3,086)**		-
Deficit			**(19,579,657)**		(13,704,203)
Total equity			**2,365,453**		3,815,731
Total liabilities and equity		**$**	**3,597,609**	$	4,374,766

Going concern (Note 2)
Commitments (Note 6)
Subsequent events (Notes 6(a) , 9(d) and 14)

APPROVED ON BEHALF OF THE BOARD:

"Faizaan Lalani" Director *"Charles Hugh Maddin"* Director

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS

MEDARO MINING CORP.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
For the years ended September 30, 2023 and 2022
(Expressed in Canadian Dollars, except for the number of shares)

	Note		2023		2022
Operating and administrative expenses					
Consulting fees		$	129,725	$	131,248
Depreciation			34,049		-
Impairment of evaluation and exploration assets	6		205,000		-
Management fees	10		331,200		367,335
Exploration expenditures	6		4,080,619		2,359,154
Filing fees			23,747		24,398
Marketing and development			243,006		4,217,633
Office and general			71,398		40,825
Professional fees	10		287,197		311,743
Seed research and development	5		352,536		645,238
Share-based compensation	9,10		412,978		2,893,633
Travel			80,008		12,768
Total operating and administrative expenses			**(6,251,463)**		**(11,003,975)**
Other items:					
Foreign exchange gain			6,673		-
Changes in fair value of investment	6(a)		(20,000)		-
Flow-through premium liability recovery	9		325,507		-
Flow-through tax expense			(109,502)		-
Other income			2,550		-
Net loss for the year			**(6,046,235)**		**(11,003,975)**
Foreign currency translation			(5,143)		-
Total comprehensive loss		**$**	**(6,051,378)**	**$**	**(11,003,975)**
Net loss attributable to:					
Owners of the company		**$**	(5,875,454)	$	(11,003,075)
Non-controlling interest			(170,781)		-
		$	**(6,046,235)**	$	**(11,003,075)**
Total comprehensive loss attributable to:					
Owners of the company		**$**	(5,878,540)	$	(11,003,975)
Non-controlling interest			(172,838)		-
		$	**(6,051,378)**	$	**(11,003,975)**
Basic and diluted loss per share	9	**$**	**(0.07)**	$	(0.21)
Weighted average number of common shares outstanding – basic and diluted	9		**79,446,904**		53,042,185

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS

MEDARO MINING CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the years ended September 30, 2023 and 2022
(Expressed in Canadian Dollars, except for the number of shares)

		Share capital						
	Note	**Number of shares**	**Capital stock**	**Reserves**	**Non-controlling interest**	**Accumulated other comprehensive loss**	**Deficit**	**Total equity**
Balance, September 30, 2021		40,757,808	$ 6,453,331	$ 898,093	$ -	$ -	$ (2,700,228)	$ 4,651,196
Shares issued for exercise of warrants	9	5,591,745	2,590,758	(306,824)	-	-	-	2,283,934
Shares issued for Yurchison Uranium Property	6,9	704,225	500,000	-	-	-	-	500,000
Shares issued for Lac La Motte Property	6,9	110,000	52,800	-	-	-	-	52,800
Shares issued for Superb Lake Property	6,9	250,000	77,500	-	-	-	-	77,500
Shares issued for Darlin Li- Be Motte Property	6,9	100,000	27,500	-	-	-	-	27,500
Shares issued for flow-through private placement	9	6,459,899	4,521,929	-	-	-	-	4,521,929
Share issuance costs		-	(396,539)	207,753	-	-	-	(188,786)
Share-based compensation	9	-	-	2,893,633	-	-	-	2,893,633
Shares issued for settlement of RSRs		2,140,000	1,968,800	(1,968,800)	-	-	-	-
Net loss for the year		-	-	-	-	-	(11,003,975)	(11,003,975)
Balance, September 30, 2022		**56,113,677**	**15,796,079**	**1,723,855**	**-**	**-**	**(13,704,203)**	**3,815,731**
Shares issued for acquisition of Global Lithium	5,9	400,000	72,000	-	72,000	-	-	144,000
Shares issued for Yurchison Uranium Property	6,9	2,400,384	500,000	-	-	-	-	500,000
Shares issued for acquisition of 1411409 B.C. Ltd	6,9	1,200,000	123,641	-	-	-	-	123,641
Shares issued for Lac La Motte Property	6,9	50,000	6,000	-	-	-	-	6,000
Shares issued for flow-through private placement	9	16,080,078	2,894,414	-	-	-	-	2,894,414
Shares issued for non-flow-through private placement	9	7,350,433	1,102,565	-	-	-	-	1,102,565
Shares issued for settlement of RSRs	9	500,000	195,000	(195,000)	-	-	-	-
Shares issued for exercise of options	9	725,000	149,142	(35,392)	-	-	-	113,750
Flow-through premium liability	9	-	(482,402)	-	-	-	-	(482,402)
Share issuance costs		-	(308,967)	95,121	-	-	-	(213,846)
Share-based compensation	9	-	-	412,978	-	-	-	412,978
Foreign currency translation		-	-	-	(2,057)	(3,086)	-	(5,143)
Net loss for the year		-	-	-	(170,781)	-	(5,875,454)	(6,046,235)
Balance, September 30, 2023		**84,819,572**	**$ 20,047,472**	**$ 2,001,562**	**$ (100,838)**	**$ (3,086)**	**$ (19,579,657)**	**$ 2,365,453**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS

MEDARO MINING CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended September 30, 2023 and 2022
(Expressed in Canadian Dollars)

	Note		2023		2022
OPERATING ACTIVITIES					
Net loss for the year		**$**	**(6,046,235)**	$	(11,003,975)
Adjustments for non-cash items:					
Share-based compensation	9		**412,978**		2,893,633
Depreciation			**34,049**		-
Changes in fair value of investment	6		**20,000**		-
Flow-through premium liability recovery	9		**(325,507)**		-
Foreign exchange gain			**(6,673)**		-
Impairment of evaluation and exploration assets	6		**205,000**		-
Seed research and development	5		**111,305**		-
Changes in non-cash working capital items related to operations:					
Receivables			**(874,147)**		(300,301)
Prepaid expenses			**54,158**		93,593
Accounts payable and accrued liabilities			**499,667**		260,065
Cash used in operating activities			**(5,915,405)**		(8,056,985)
INVESTING ACTIVITIES					
Purchase of equipment			**(59,503)**		-
Exploration and evaluation assets	6		**(345,580)**		(240,000)
Cash used in investing activities			**(405,083)**		(240,000)
FINANCING ACTIVITIES					
Proceeds from option exercise			**113,750**		-
Proceeds from private placements			**3,996,979**		4,521,929
Share issuance costs			**(213,846)**		(188,786)
Proceeds from warrants exercised			**-**		2,283,934
Cash provided by financing activities			**3,896,883**		6,617,077
Impact of currency translation on cash			**1,530**		-
Change in cash during the year			**(2,422,075)**		(1,679,908)
Cash, beginning of the year			**2,579,910**		4,259,818
Cash, end of the year		**$**	**157,835**	$	2,579,910

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Non-cash investing and financing transactions:				
Shares issued for exploration and evaluation assets	**$**	**506,000**	$	657,800
Shares received for exploration and evaluation assets	**$**	**37,500**	$	**-**
Shares issued for acquisition of Global Lithium	**$**	**72,000**	$	**-**
Shares issued for acquisition of 1411409 B.C. Ltd	**$**	**123,641**	$	**-**
Shares issued for exercised RSRs	**$**	**195,000**	$	1,968,800
Fair value of options exercised	**$**	**35,392**	$	**-**
Warrants issued for share issuance costs	**$**	**95,121**	$	207,753

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Medaro Mining Corp. (the "Company") was incorporated on June 19, 2020, in British Columbia. The registered and records office and head office of the Company is located at 220 – 333 Terminal Avenue, Vancouver, BC, V6A 4C1.

On March 24, 2021, the Company received a receipt from the British Columbia Securities Commission for its long-form prospectus dated March 24, 2021, was listed on April 6, 2021, and commenced trading on the Canadian Securities Exchange ("CSE") on April 7, 2021 under the trading symbol "MEDA".

The Company is in the business of acquiring, exploring, and evaluating mineral resource properties in Canada.

2. BASIS OF PREPARATION

(a) Statement of Compliance

These consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements were authorized for issue by the Board of Directors on January 29, 2024.

(b) Basis of Measurement

These consolidated financial statements have been prepared on a historical cost basis and are presented in Canadian dollars which is the functional currency of the Company. All amounts are rounded to the nearest dollar. The consolidated financial statements of the Company have been prepared on an accrual basis, except for cash flow information.

(c) Going Concern

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations.

The Company has not generated revenue from operations. The Company incurred a loss of $6,046,235 for the year ended September 30, 2023 (2022 - $11,003,975), and as of that date the Company's accumulated deficit was $19,579,657 (September 30, 2022 - $13,704,203). The Company's continuation as a going concern is contingent on the completion of financing to cover the Company's planned exploration activities.

As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financial resources to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. The Company will periodically have to raise funds to continue operations.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events and potential economic global challenges such as the risk of higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION – (continued)

(c) Going Concern – (continued)

During the year ended September 30, 2023, the Company raised $2,894,414 from a flow-through private placement and $1,102,565 from a non-flow-through private placement (Note 9).

There can be no guarantee that the Company will be able to continue to secure additional financing in order to be able to continue operations for the foreseeable future, and if so, on terms that are favorable. These factors comprise a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate.

(d) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are fully consolidated from the date the Company obtains control and continue to be consolidated until the date that control ceases. Control is achieved when the Company has the ability or right to cause variable returns from or is exposed to variable returns from its involvement with an entity and can affect those returns through its ability to direct the entity's activities. Details of controlled entities are as follows:

Entity	Country of Incorporation	Functional Currency	Percentage Owned September 30, 2023	Percentage Owned September 30, 2022
Global Lithium Extraction Technologies, Inc. ("Global Lithium")	Canada	United States Dollars	60%	20%
1411409 B.C. Ltd.	Canada	Canadian Dollars	100%	Nil

The Company attributes total comprehensive income or loss of the subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant policies applied in the preparation of these consolidated financial statements are set out below. These policies have been applied consistently by the Company to all periods presented during the most recent fiscal year.

<u>Exploration and Evaluation Assets</u>

Exploration and evaluation right to explore

The Company capitalizes direct mineral property acquisition costs. Mineral property acquisition costs include cash consideration, option payment under an earn-in arrangement and the fair value of common shares issued for mineral property interests, pursuant to the terms of the relevant agreement. Once the technical feasibility and commercial viability of extracting the mineral resources has been determined, the property is considered to be a mine under development and development costs are capitalized to "mines under construction" on the consolidated statement of financial position. These costs are amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse or abandoned, or when impairment in value has been determined to have occurred. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

3. SIGNIFICANT ACCOUNTING POLICIES – (continued)

Exploration and Evaluation Assets (continued)

Exploration and evaluation expenditures

Exploration and evaluation expenditures are charged to operations in the year incurred until such time as it has been determined that a property has economically recoverable resources, in which case subsequent exploration costs and the costs incurred to develop a property are capitalized into property and equipment.

Impairment of Assets

The Company's assets are reviewed for an indication of impairment at each statement of financial position date. If indication of impairment exists, the asset's recoverable amount is estimated.

An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in profit or loss for the period. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

The recoverable amount is the greater of the asset's fair value less costs to sell and value in use. 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. 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.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Financial Instruments

Financial Assets

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, the transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in the entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. The classification depends on the Company's business model for managing the financial assets and contractual terms of the cash flows. These are the measurement categories under which the Company classifies its financial assets:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

3. SIGNIFICANT ACCOUNTING POLICIES – (continued)

Financial Instruments (continued)

Financial Assets (continued)

- Fair value through OCI ("FVOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets classified at FVOCI are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive income (loss). When the financial instrument is sold, the cumulative gain or loss remains in the accumulated other comprehensive income or loss and is not reclassified to profit or loss.

- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as other income in the consolidated statement of loss in the period which it arises.

The Company's cash and receivables are measured at amortized cost and the investments are measured at fair value through profit and loss.

Impairment of Financial Assets at Amortized Cost

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

Financial Liabilities

The Company classifies its financial liabilities into the following categories: financial liabilities at FVTPL and amortized cost.

A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: the amount of change in fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest rate method. The Company classifies its accounts payable and accrued liabilities as financial liabilities held at amortized cost.

3. SIGNIFICANT ACCOUNTING POLICIES – (continued)

Provisions

Rehabilitation Provision

The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities. The Company records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the year in which the obligation is incurred. The nature of the rehabilitation activities includes restoration, reclamation and re-vegetation of the affected exploration sites.

The rehabilitation provision generally arises when the environmental disturbance is subject to government laws and regulations. When the liability is recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related exploration and evaluation assets. Over time, the discounted liability is increased for the changes in present value based on current market discount rates and liability specific risks.

Additional environmental disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the year in which they occur.

Other Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Basic and Diluted Loss Per Share

Basic loss per share is computed by dividing the loss for the year by the weighted average number of common shares outstanding during the year. Diluted earnings/loss per common share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted. There were no potentially dilutive common shares related to warrants or stock options outstanding at September 30, 2023 and 2022. Accordingly, there is no difference in the amounts presented for basic and diluted loss per share.

Income Taxes

Income tax comprises current and deferred tax. Income tax is recognized in profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income (loss), in which case the income tax is also recognized directly in equity or other comprehensive income (loss).

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising from the

3. SIGNIFICANT ACCOUNTING POLICIES – (continued)

Income Taxes (continued)

initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Deferred income tax assets and liabilities are presented as non-current.

Share Capital

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The fair value of the common shares issued in the private placements is determined to be the more easily measurable component and is valued at their fair value, as determined by the closing quoted bid price on the date of issuance. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded to reserves and upon expiration of the warrants, the fair value remains in reserves.

Flow-Through Shares

Resource expenditure deductions for income tax purposes related to exploratory activities funded by flow-through share arrangements are renounced to investors in accordance with income tax legislation. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability and share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders and the premium is recognized as other income.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a flow-through tax expense.

Share-based Payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespectively of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where non-vesting condition is not satisfied. Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is charged to profit or loss over the remaining vesting period.

3. SIGNIFICANT ACCOUNTING POLICIES – (continued)

Share-based Payments (continued)

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods and services received or at the fair value of the equity instruments issued if it is determined the fair value of goods or services cannot be reliably measured and are recorded at the date the goods or services are received.

For restricted share rights ("RSRs"), the fair value of the grant is determined by multiplying the Company's share price at grant date by the number of RSRs granted. The resulting fair value of the RSRs is then adjusted for an estimated forfeiture rate which is determined based on historical data and is recognized over the vesting period. Actual number of RSRs that will eventually vest is likely to be different from estimation.

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

Where a grant of options is cancelled and settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

Where options are cancelled or expired, the fair value of the options is left in reserves.

Investments in Associates

Associates are all entities over which the Company has significant influence but not control or joint control. This is generally the case where the Company holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost.

Under the equity method, the investment is adjusted to recognize changes in the Company's share of net assets of the associate since the acquisition date.

The consolidated statement of loss and comprehensive loss reflects the Company's share of the results of operations of the associate. In addition, when there has been a change recognized directly in the equity of the associate, the Company recognizes its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealized gains and losses resulting from transactions between the Company and the associate are eliminated to the extent of the interest in the associate.

The financial statements of the associate are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

After application of the equity method, the Company determines whether it is necessary to recognize an impairment loss on its investment in its associate. At each reporting date, the Company determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognizes the loss within 'Share of profit of an associate' in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES – (continued)

Foreign and Presentation Currency

The functional currency of the Company is determined based on the currency of the primary economic environment in which the Company operates. The functional currency of the Company and its wholly owned subsidiary 1411409 B.C. Ltd. is the Canadian dollar and the functional currency of the Company's other subsidiary Global Lithium Extraction Technologies, Inc. ("Global Lithium") is the United States dollar. The presentation currency of the Company is the Canadian dollar.

Transactions and balances
At the transaction date, each asset, liability, income and expense denominated in a foreign currency is translated into the relevant functional currency using the exchange rate in effect at that date. At the reporting period end date, monetary assets and liabilities are translated into the relevant functional currency using the exchange rate in effect at that date and the related translation differences are recognized in profit or loss.

Non-monetary assets and liabilities that are measured at historical cost are translated into the relevant functional currency by using the exchange rate in effect at the date of the initial transaction and are not subsequently restated.

Translation into the presentation currency
The operating results and statements of financial position of entities with functional currencies different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities presented are translated at the year-end closing rate as at the date of the consolidated statements of financial position;
- Income and expenses for the statements of loss are translated at average exchange rates, unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case, income and expenses are translated at the rate on the dates of the transactions; and
- All resulting exchange differences from translating the foreign operation are recognized in a separate component of shareholders' equity as other comprehensive income (loss).

Accounting Standards and Amendments issued but not yet adopted

• IAS 1, Presentation of Financial Statements ("IAS 1"): In October 2022, the IASB issued amendments to IAS 1 titled Non-current Liabilities with Covenants. These amendments seek to improve the information that an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within 12 months after the reporting period. These amendments to IAS 1 do not override but incorporate the previous amendments, Classification of Debt as Current or Non-current, issued in January 2020, which clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities should be classified as non-current if a company has a substantive right to defer settlement for at least 12 months at the end of the reporting period. The amendments are effective January 1, 2024, with early adoption permitted. Retrospective application is required on adoption. The Company does not expect these amendments to have a material effect on its consolidated financial statements.

• IAS 1 and IFRS Practice Statement 2: In February 2021, the IASB issued amendments to IAS 1 and the IFRS Practice Statement 2 Making Materiality Judgments to provide guidance on the application of materiality judgments to accounting policy disclosures. The amendments to IAS 1 replace the requirement to disclose 'significant' accounting policies with a requirement to disclose 'material' accounting policies. Guidance and illustrative examples are added in the Practice Statement to assist in the application of materiality concept when making judgments about accounting policy disclosures. The amendments are effective for periods beginning January 1, 2023, with early adoption permitted. Prospective application is required on adoption. The Company does not expect these amendments to have a material effect on its consolidated financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In the preparation of these consolidated financial statements, management has made judgments, aside from those that involve estimates, in the process of applying the accounting policies. The following critical judgments can have an effect on the amounts recognized in the consolidated financial statements:

- At least annually or whenever there is an indicator for impairment, management evaluates the 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. The Company recognized an impairment in respect to its Superb Lake property. See note 6.

- At the time of acquisition, the Company considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Company accounts for an acquisition as a business combination where an integrated set of activities and assets, is acquired. More specifically, consideration is given to the extent to which significant processes are acquired. When the acquisition of subsidiaries does not represent a business combination, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognized. Acquisition of Global Lithium and 1411409 B.C. Ltd. are considered to be asset acquisitions. See notes 5 and 6.

- The assessment of the Company's ability to continue as a going concern requires significant judgment. (Note 2(c)).

- Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title or interest therein. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

5. ACQUISITION OF GLOBAL LITHIUM

On June 30, 2021, the Company entered into an arrangement (the "Agreement") with Dr. James G. Blencoe, PhD of Tennessee, and Charn Deol ("the Partners") with respect to the formation and operation of a new corporation, Global Lithium, to develop and commercialize a new, low-cost process for extracting lithium from spodumene concentrate (the "Technology").

Pursuant to the Agreement, Dr. Blencoe will contribute his and his related companies' intellectual property, personnel, laboratory facilities and services to Global Lithium and the Company will fund the research and development costs through (i) the contribution of USD$500,000 over the first ten months of the Joint Venture; (ii) the contribution of USD$3,000,000 towards commission of a pre-commercial facility for the large-scale testing and implementation of the Technology and (iii) contribution of funds to cover costs and expenses related to the preparation, filing, and prosecution of any nonprovisional patent applications related to the Technology, and other reasonable expenses incurred in connection therewith, including reasonable fees and expenses paid to outside legal counsel, if and when Global Lithium pursues such applications. The Company will acquire an ownership interest in Global Lithium in stages, as certain cash contribution are made, as Global Lithium achieves certain operational and research milestones, and upon the Company issuing up to an aggregate of 1,850,000 common shares of the Company to Dr. Blencoe and Mr. Deol.

Once the Company owns 80% of Global Lithium's shares and the Technology has been completed, the Company will be entitled to acquire the remaining 20% interest in Global Lithium for USD$10,000,000 payable in cash or shares.

(Expressed in Canadian Dollars)

5. ACQUISITION OF GLOBAL LITHIUM – (continued)

On October 18, 2022 (the acquisition date), pursuant to the Agreement, the Company issued 400,000 common shares to partners on completion of two significant milestones and have been issued an aggregate of 2,875,000 common shares of Global Lithium, bringing the Company's total ownership interest to 60% as at September 30, 2023 (September 30, 2022 – 20%) ("the Transaction"). As a result, the Company obtained control over Global Lithium on that date, and Global Lithium became the Company's subsidiary. Prior to the acquisition of this additional ownership, the Company's interest in Global Lithium was accounted for using the equity method.

At the time of the Transaction, the Global Lithium did not meet the definition of a business as defined under IFRS 3 "Business Combinations". Hence, the Transaction was accounted for as an asset acquisition.

The following table summarizes the estimated fair values of consideration paid, previously held equity interest and non-controlling interest, as well as the assets acquired, and liabilities assumed at the acquisition date. The consideration paid is accounted for in accordance with IFRS 2 Share-based payments whereby the Company issued shares in exchange for the net assets of Global Lithium. The fair value of the shares issued were determined based on the share price of the Company on acquisition date. The fair value of the previously held equity interest and the fair value of the non-controlling interest were determined on a pro-rata basis based on the 40% interest acquired by the Company during the year.

Fair value of the consideration paid – 40%	$ 72,000
Fair value of the previously held equity interest – 20%*	36,000
Fair value of the non-controlling equity interest – 40%	72,000
Total consideration and non-controlling interest	**$ 180,000**
Property and equipment	$ 45,175
Prepaid expenses	4,079
Accounts payable and accrued liabilities	(16,559)
Excess consideration*	147,305
Total net assets	**$ 180,000**

*The excess consideration and the remeasurement of the previously held equity interest were recorded to seed research and development on acquisition date.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS

The following table represents expenditures incurred on the exploration and evaluation assets:

	Superb Lake Property	CYR South Lithium Property	Yurchison Uranium Property	Lac La Motte Lithium Property	Darlin Li-Be Property	James Bay Pontax Property	Total
Balance as at September 30, 2021	$ 40,000	$ 205,000	$ -	$ -	$ -	$ -	$ 245,000
Options payments - cash	50,000	-	150,000	20,000	20,000	-	240,000
Options payments - shares issued	77,500	-	500,000	52,800	27,500	-	657,800
Balance as at September 30, 2022	167,500	205,000	650,000	72,800	47,500	-	1,142,800
Options payments - cash	75,000	-	150,000	60,000	45,000	15,580	345,580
Sale of options	(37,500)	-	-	-	-	-	(37,500)
Options payments - shares issued	-	-	500,000	6,000	-	123,641	629,641
Impairment	(205,000)	-	-	-	-	-	(205,000)
Balance as at September 30, 2023	$ -	$205,000	$1,300,000	$138,800	$92,500	$139,221	$ 1,875,521

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – (continued)

The following tables represent exploration expenditures incurred during the years ended September 30, 2023 and 2022, which have been included in exploration expenditures in the consolidated statements of loss and comprehensive loss:

For the year ended September 30, 2023	Superb Lake Property	CYR South Lithium Property	Yurchison Uranium Property	Darlin Li-Be Property	Lac La Motte Lithium Property	Rapide Lithium Property	James Bay Pontax Property	Total
Consulting	$ 5,250	$ -	$ 5,250	$ 7,250	$ 4,950	$ 4,250	$ 1,200	$ 28,150
Community relations	-	1,750	-	-	-	-	-	1,750
Drilling	122,931	407,664	-	167,103	-	749,578	-	1,447,276
Field cost	80,650	46,950	-	308,818	9,500	91,800	-	537,718
Geological	21,175	64,500	-	231,085	2,400	144,800	-	463,960
Helicopter	6,000	-	-	9,000	-	1,500	-	16,500
Reports and admin	22,000	38,100	-	90,350	-	48,300	30,000	228,750
Surveys	329,780	50,713	113,464	113,713	55,713	135,141	219,998	1,018,522
Travel and accommodations	50,000	31,500	1,283	195,000	6,560	53,650	-	337,993
Total	**$ 637,786**	**$ 641,177**	**$ 119,997**	**$1,122,319**	**$ 79,123**	**$ 1,229,019**	**$ 251,198**	**$ 4,080,619**

For the year ended September 30, 2022	Superb Lake Property	CYR South Lithium Property	Yurchison Uranium Property	Lac La Motte Lithium Property	Darlin Li-Be Property	Total
Community relations	$ 19,724	$ -	$ 9,095	$ 30,000	$ -	$ 58,819
Consulting	-	14,000	42,340	8,260	63,475	128,075
Drilling	-	-	-	381,068	-	381,068
Field cost	50,830	4,800	155,098	34,050	-	244,778
Geological	190,204	187,700	179,000	77,108	-	634,012
Helicopter	-	-	189,593	-	-	189,593
Reports and admin	20,230	30,000	17,250	35,650	-	103,130
Surveys	89,205	-	315,564	-	-	404,769
Travel and accommodations	-	65,150	66,621	83,139	-	214,910
Total	**$ 370,193**	**$ 301,650**	**$ 974,561**	**$ 649,275**	**$ 63,475**	**$ 2,359,154**

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – (continued)

(a) Superb Lake Property

On September 11, 2020 (the "Effective Date"), the Company obtained an option to acquire up to a 100% interest in the Superb Lake Property. This property is located in the Thunder Bay Mining District, Northwestern Ontario. As consideration, the Company must make total cash payments of $165,000, issue 750,000 common shares of the Company and incur $370,000 in exploration expenditures as follows:

	Cash	Common shares	Aggregate exploration expenditures
Within seven days of signing on the Effective Date *(paid)*	$ 40,000	-	$ -
Within one year of the Effective Date *(incurred)*	-	-	120,000
Within one year of the date on which the Company's shares become listed on the CSE (April 6, 2021, the "Listing Date") *(paid, issued)*	50,000	250,000	-
Within two years of the Effective Date *(paid, incurred)*	75,000	-	250,000
Within two years of the Listing Date (*not issued*)	-	500,000*	-
Total	$ 165,000	750,000	$ 370,000

Should the Company acquire 100% of the property, the optionor will retain a 3% net smelter return royalty ("NSR Royalty"). The Company may request a right to purchase from the optionor 1% NSR Royalty for $1,000,000 thereby reducing the NSR Royalty held to 2%.

*During the year ended September 30, 2023, an impairment loss amounting to $205,000 (2022-$Nil) was recognized in respect of the Superb Lake property. The impairment loss was recognized as a result of the Company's rights to continue exploring the property became doubtful.

On November 29, 2022, the Company entered into a property option agreement with Rock Edge Resources Ltd. ("Rock Edge") to option 70% interest in the Superb Lake Property. The Company holds an option to acquire 100% of the property from the optionor and this option agreement is dependent upon the Company earning its interest. To earn its 70% interest in the property, Rock Edge is required to do the following over a two year period:

- Pay an aggregate of $200,000 to the Company;
- Issue an aggregate of 2,200,000 of Rock Edge common shares to the Company; and
- Perform mining exploration and incur qualified expenditures on the property in an aggregate amount of $700,000.

Upon earning its 70% interest, the Company and Rock Edge will enter into a joint venture with the goal of advancing the exploration and potential development of the property.

During the year ended September 30, 2023, the Company received 500,000 shares of Rock Edge valued at $37,500. The investment in Rock Edge is summarized as shown below:

Balance as at September 30, 2022 and 2021	**$**	**-**
Receipt of 500,000 shares on November 29, 2022		37,500
Fair value loss on investment		(20,000)
Balance as at September 30, 2023	**$**	**17,500**

Subsequent to year end, the agreement between the Company and Rock Edge was terminated.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – (continued)

(b) CYR South Lithium Property

On April 13, 2021 (the "Effective Date"), the Company obtained an option to acquire up to a 100% interest in the CYR South lithium property located in James Bay area of Quebec. As consideration, the Company agrees to pay the optionor cash of $30,000, issue 250,000 common shares of the Company and incur $250,000 in exploration expenditures as follows:

	Cash	Common shares	Aggregate exploration expenditures
Within five days of signing on the Effective Date *(paid)*	$ 30,000	-	$ -
Subject to a pooling agreement providing for the release of the shares 8 months after the Company's shares become DTC eligible *(issued)*	-	250,000	-
Within one year of the Effective Date *(incurred)*	-	-	250,000
Total	$ 30,000	250,000	$ 250,000

Should the Company acquire 100% of the property, the optionor will retain a 3% NSR Royalty. The Company may request a right to purchase from the optionor 1% NSR Royalty for $1,000,000 thereby reducing the NSR Royalty held to 2%.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – (continued)

(c) Yurchison Uranium Property

On November 1, 2021 (the "Effective Date"), the Company obtained an option to acquire up to a 70% interest in the Yurchison Uranium Property. This property is located in the Wollaston Domain, Northern Saskatchewan. As consideration, the Company must make total cash payments of $800,000, issue common shares having a total value of $3,000,000, and incur $5,000,000 in exploration expenditures as follows:

	Cash	Common shares	Aggregate exploration expenditures
Within five days of signing on the Effective Date *(paid and issued)*	$ 150,000	$ 500,000	$ -
Within one year of the Effective Date *(paid, issued and incurred)*	150,000	500,000	500,000
Within two years of the Effective Date (due date amended to May 1, 2024)	250,000	1,000,000	1,500,000
Within three years of the Effective Date	250,000	1,000,000	3,000,000
Total	$ 800,000	$ 3,000,000	$ 5,000,000

The Company can acquire an additional 30% for a total 100% interest, subject to the NSR Royalty and an underlying NSR Royalty of 2% on one of the mining claims, by making an additional cash payment of $7,500,000 and issuing common shares with a total value of $7,500,000.

The optionor will retain a 2% NSR Royalty. The Company may request a right to purchase from the optionor 1% NSR Royalty for $1,000,000 thereby reducing the NSR Royalty held to 1%.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – (continued)

(d) Lac La Motte Lithium Property

On May 6, 2022 (the "Effective Date"), the Company obtained an option to acquire up to a 100% interest in the Lac La Motte Lithium Property. This property is located in northwestern Quebec, Canada. As consideration, the Company must make total cash payments of $160,000, to issue 350,000 common shares of the Company, and incur an aggregate of $800,000 in exploration expenditures on the Property as follows:

	Cash	Common shares	Aggregate exploration expenditures
On Effective Date *(paid and issued)*	$ 20,000	100,000	$ -
Within one year of the Effective Date *(Paid, issued and, incurred)*	45,000	50,000	150,000
Within two years of the Effective Date *(incurred)*	45,000	50,000	150,000
Within three years of the Effective Date	50,000	150,000	500,000
Total	$ 160,000	350,000	$ 800,000

The optionor will retain a 2% NSR Royalty. The Company may request a right to purchase from the optionor 1% NSR Royalty for $1,500,000 thereby reducing the NSR Royalty held to 1%. The Company has agreed to make a one-time payment of $1,000,000 in the event a 43-101 compliant mineral resource of 1 megatonne or more is established with respect to the Property, which may be satisfied through payment of cash or issuance of shares of the Company, at the Company's discretion.

On May 27, 2022, in connection with the agreement, the Company issued 10,000 common shares with a fair value of $5,300 as finder's fees.

On September 7, 2023, the Company expanded its Lac La Motte property in Quebec (the "Property") through the acquisition of 15 additional claims contiguous to its original western and northern boundaries. $15,000 cash was paid for these additional claims.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – (continued)

(e) Darlin Li-Be Property

On July 18, 2022 (the "Effective date"), the Company entered into an option agreement to acquire up to a 100% interest in and to the Darlin Li-Be property in northwestern Quebec, Canada. The Darlin Property is located in Abitibi, Quebec. Pursuant to the agreement, the Company may acquire up to a 100% interest in and to the Darlin Property by (i) making aggregate cash payments of $160,000; (ii) issuing an aggregate of 350,000 common shares of the Company; and (iii) incurring an aggregate of $800,000 in exploration expenditures on the Darlin Property:

	Cash	Common shares	Aggregate exploration expenditures
On Effective Date *(paid, issued)*	$ 20,000	100,000	$ -
Within one year of the Effective Date *(paid, incurred)*	45,000	50,000*	150,000
Within two years of the Effective Date	45,000	50,000	150,000
Within three years of the Effective Date	50,000	150,000	500,000
Total	$ 160,000	350,000	$ 800,000

Upon exercise of the Option by the Company, the Optionor will retain a 2.0% net smelter returns royalty on the Darlin Property, 1.0% of which may be purchased by the Company for $1,500,000. Further, in the event a 43-101 compliant mineral resource of 1 megatonne or more is established with respect to the Darlin Property, the Company has agreed to make a one-time payment of $1,000,000 to the Optionor, which may be satisfied through payment of cash or issuance of shares of the Company, at the Company's discretion.

*The Company is in discussions with the optionor to amend the agreement and defer the payments which are due.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – (continued)

(f) Rapide Lithium Beryllium Property

On October 17, 2022 (the "Effective Date"), the Company entered into an option agreement (the "Agreement") to acquire a 100% interest in and to the Rapide Li-Be Property (the "Option") in northwestern Quebec, Canada (the "Rapide Property").

Pursuant to the Agreement, the Company will acquire a 100% interest in and to the Rapide Property by (i) making aggregate cash payments of $160,000 over the first three years of the Agreement; (ii) issuing an aggregate of 350,000 common shares of the Company over the first three years of the Agreement; and (iii) incurring an aggregate of $800,000 in exploration expenditures on the Rapide Property over the first three years of the Agreement.

	Cash	Common shares	Aggregate exploration expenditures
On Effective Date	$ -	100,000*	$ -
On the earlier of: (i) the date on which the Company completes an outside equity financing for gross proceeds of at least $1,000,000; and (ii) December 31, 2022 (the "Cash date")	20,000*	-	-
1st anniversary of agreement date (October 17, 2023)	-	50,000*	150,000
1st anniversary of Cash Date	45,000*	-	-
2nd anniversary of agreement date (October 17, 2024)	-	50,000	150,000
2nd anniversary of Cash Date	45,000	-	-
3rd anniversary of agreement date (October 17, 2025)	-	150,000	500,000
3rd anniversary of Cash Date	50,000	-	-
Total	**$ 160,000**	**350,000**	**$ 800,000**

Upon exercise of the Option by the Company, the optionor will retain a 2.0% net smelter returns royalty on the Rapide Property, 1.0% of which may be purchased by the Company for $1,500,000. Further, in the event a 43-101 compliant mineral resource of 1 megatonne or more is established with respect to the Rapide Property, the Company has agreed to make a one-time payment of $1,000,000 to the Optionor, which may be satisfied through payment of cash or issuance of shares of the Company, at the Company's discretion.

*The Company is in discussions with the optionor to amend the agreement and defer the payments and exploration expenditures which are due.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – (continued)

(g) James Bay Pontax Property

During the year ended September 30, 2023, the Company entered into a share purchase agreement to acquire 100% of the issued and outstanding shares of 1411409 B.C. Ltd., a company holding a 100% interest in the mining claims comprising the James Bay Pontax Property in Quebec, Canada. The shares of 1411409 B.C. Ltd were issued to the Company on August 17, 2023 (the "Closing date"), and from that date the Company obtained control over 1411409 B.C. Ltd which became its subsidiary.

The James Bay Property is located in the Eeyou Istchee James Bay Territory of Quebec.

Pursuant to the share purchase agreement, the Company acquired 100% of the issued and outstanding shares of the 1411409 B.C. Ltd in exchange for (i)1,200,000 common shares in the capital of the Company (the "Consideration Shares") (ii) a cash payment of $7,500 and (iii) a commitment to incur $150,000 in exploration expenditures over the twelve (12) months following the Closing date. The Consideration Shares are subject to resell restrictions, with 400,000 shares restricted for four months from the Closing date, 400,000 shares restricted for eight months from the Closing date, and 400,000 shares restricted for twelve months from the Closing date.

Furthermore, the Company will also pay a bonus of $150,000 to the vendors of 1411409 B.C. Ltd (the "Contingent Consideration") if, in carrying out exploration on the Project, the Company intersects five (5) intercepts of spodumene-bearing pegmatite dykes grading a minimum of 1.20% Li_2O over a minimum of 1.5 meters (the "Milestone"). The Company has determined that meeting the milestone is not probable, therefore the Contingent Consideration was not recognized on acquisition date.

1411409 B.C. Ltd does not meet the definition of a business as defined under IFRS 3 "Business Combinations". Hence, the Transaction was accounted for as an asset acquisition.

The following table summarizes the estimated fair values of consideration paid which is the value of the asset acquired, as at the acquisition date.

Consideration shares	$	150,000
Discount on consideration shares		(26,359)
Cash payment		7,500
Transaction costs		8,080
Total consideration	**$**	**139,221**

The fair value of the consideration shares was determined using the share price on issue date which was adjusted by a discount of $26,359 as a result of the shares having hold periods. The discount was estimated based on the Black-Scholes Option Pricing Model using the following weighted average assumptions: expected dividend yield – 0%, expected volatility – 105%, risk-free interest rate – 5.27% and an expected remaining life – 0.5 years.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		September 30, 2023		September 30, 2022
Trade payables	$	488,881	$	254,459
Accrued liabilities		586,380		304,576
	$	1,075,261	$	559,035

(Expressed in Canadian Dollars)

8. RECEIVABLES

		September 30, 2023		September 30, 2022
Goods and services tax	$	821,893	$	415,568
Supplier refund receivable*		403,951		-
Other receivable		63,871		-
	$	1,289,715	$	415,568

*The supplier refund receivable relates to funds that were initially advanced to a supplier and refunded to the Company in the subsequent period.

9. SHARE CAPITAL

(a) Authorized

Unlimited common shares with no par value.

(b) Issued

As at September 30, 2023, there were 84,819,572 (September 30, 2022 – 56,113,677) common shares issued and outstanding.

During the year ended September 30, 2023:

On September 11, 2023, the Company issued 1,200,000 shares with a fair value of $123,641 in accordance with the James Bay Pontax Property agreement (Note 6).

On June 16, 2023, the Company issued 50,000 common shares with a fair value of $6,000 in accordance with the Lac La Motte Lithium Property option (Note 6).

On May 3, 2023, the Company issued 675,000 common shares as a result of the exercise of options for total gross proceeds of $101,250. A total fair value of $26,280 for the valuation of the 675,000 options was reallocated from reserves.

On March 2, 2023, the Company issued 50,000 common shares as a result of the exercise of options for total gross proceeds of $12,500. A total fair value of $9,112 for the valuation of the 50,000 options was reallocated from reserves.

On February 22, 2023, the Company issued 500,000 common shares as a result of the RSRs vesting and being automatically converted at no cost to the holder. As a result, the Company recognized $195,000 from reserves to share capital.

On November 21, 2022, the Company completed a flow-through and non-flow-through private placements of 16,080,078 flow-through units ("FT Unit") at a price of $0.18 per FT Unit for gross proceeds of $2,894,414 and 7,350,433 non-flow-through units ("NFT Unit") at a price of $0.15 per NFT Unit for gross proceeds of $1,102,565. Each FT and NFT Unit consists of one common flow-through share and common non-flow-through share, respectively, and one-half of one common share purchase warrant. All proceeds received were allocated to the common shares and no fair value was allocated to the attached warrants. Each warrant will entitle the holder thereof to acquire an additional common share in the capital of the Company at a price of $0.30 per common share for a period of 24 months from the date of the issuance. In addition, the Company issued 1,194,829 finders' warrants as finders' fees with the same terms as the common share purchase warrants with a fair value of $95,121. The Company also incurred cash share issuance costs of $213,846 in connection with this financing. The premium received on the issuance of FT Units was recognized as a liability on the Company's consolidated statement of financial position. The continuity of flow-through premium liability was as follows:

(Expressed in Canadian Dollars)

9. SHARE CAPITAL – (continued)

(b) Issued – (continued)

During the year ended September 30, 2023 (continued):

Balance as at September 30, 2022 and 2021	$	-
Flow through premium liability recognized		482,402
Recognized in profit or loss upon incurring qualifying expenditures		(325,507)
Balance as at September 30, 2023	**$**	**156,895**

At September 30, 2023, the Company had a remaining commitment to incur exploration expenditures of approximately $941,000 (2022 - $1,879,000).

During October 2022, the Company issued 400,000 common shares with a fair value of $72,000 in accordance with the Global Lithium Agreement (Note 5).

On November 1, 2022, the Company issued 2,400,384 common shares with a fair value of $500,000 in accordance with the Yurchison Uranium Property option (Note 6).

During the year ended September 30, 2022:

On September 12, 2022, the Company issued 100,000 common shares with a fair value of $27,500 in accordance with the Darlin Li-Be Property option (Note 6).

On August 24, 2022, the Company issued 250,000 common shares with a fair value of $77,500 in accordance with the Superb Lake Property option (Note 6).

On May 12, 2022, the Company issued 100,000 common shares with a fair value of $47,500 in accordance with the Lac La Motte Lithium Property option (Note 6). In connection with the agreement, the Company issued an additional 10,000 common shares on May 27, 2022, with a fair value of $5,300 as finder’s fees.

On April 22, 2022, the Company issued 10,000 common shares as a result of the RSRs vesting and being automatically converted at no cost to the holder. As a result, the Company recognized $9,200 from reserves to share capital.

On March 17, 2022, the Company issued 130,000 common shares as a result of the RSRs vesting and being automatically converted at no cost to the holder. As a result, the Company recognized $119,600 from reserve to share capital.

On December 1, 2021, the Company issued 2,000,000 common shares as a result of the RSRs vesting and being automatically converted at no cost to the holder. As a result, the Company recognized $1,840,000 from reserve to share capital.

On November 16, 2021, the Company completed a non-brokered flow-through private placement of 6,459,899 flow-through units (each, “FT Unit”) at a price of $0.70 per FT Unit for aggregate gross proceeds of $4,521,929. Each FT Unit consists of one common flow-through share (each, “FT Share”) and one-half of one common share purchase warrant. Each warrant will entitle the holder thereof to acquire an additional common share in the capital of the Company at a price of $0.90 per common share for a period of 24 months from the date of the issuance. All proceeds received were allocated to the common shares. No fair value was allocated to the attached warrants. No flow-through premium was recognized. In addition, the Company issued 269,694 finders’ warrants (with the same terms as the common share purchase warrants) with a fair value of $207,753 and paid total cash finders’ fees of $188,786. At September 30, 2022, the Company had a remaining commitment to incur exploration expenditures of $1,879,466.

9. SHARE CAPITAL – (continued)

(b) Issued – (continued)

During the year ended September 30, 2022 (continued):

On November 15, 2021, the Company issued 704,225 common shares with a fair value of $500,000 in accordance with the Yurchison Uranium Property option (Note 6).

During the year ended September 30, 2022, the Company issued 2,450,500 common shares at $0.20 per warrant, 2,920,745 common shares at $0.55 per warrant, and 220,500 common shares at $0.85 per warrant as a result of the exercise of share purchase warrants for total gross proceeds of $2,283,934. A total fair value of $306,824 for the valuation of the 2,450,500 warrants and the 409,787 finders' warrants were reallocated from reserves.

(c) Options

The Company has a stock option plan included in the Company's Equity Incentive Plan (the "Plan") where the Board of Directors can grant stock options to directors, officers, employees, and consultants of the Company as performance incentives. The aggregate number of shares allocated and made available for issuance pursuant to stock options and RSRs granted under the Plan shall not exceed 20% of the issued and outstanding shares as at the date of the grant. The Plan shall remain in effect until it is terminated by the Board.

During the year ended September 30, 2023:

On January 6, 2023, the Company granted 550,000 stock options to its directors and officers. Each option is exercisable for one common share in the capital of the Company at an exercise price of $0.25 per share. These options vested immediately on the date of grant and expire on January 6, 2025. The fair value of the options was estimated to be $100,227 based on the Black-Scholes Option Pricing Model using the following assumptions: expected dividend yield - 0%, expected volatility - 132%, risk-free interest rate – 3.85% and an expected remaining life – 2 years.

On April 10, 2023, the Company granted 675,000 stock options to a consultant. Each option is exercisable for one common share in the capital of the Company at an exercise price of $0.15 per share. These options vested immediately on the date of grant and expire on October 10, 2023. The fair value of the options was estimated to be $26,282 based on the Black-Scholes Option Pricing Model using the following assumptions: expected dividend yield - 0%, expected volatility - 91%, risk-free interest rate – 4.54% and an expected remaining life – 0.5 years. These options were exercised on May 3, 2023 and the stock price on the date of exercise was $0.08.

Expected stock price volatility was estimated based on stock price volatility of a group of publicly listed companies involved in mineral exploration.

During the year ended September 30, 2022:

No stock options were granted.

(Expressed in Canadian Dollars)

9. SHARE CAPITAL – (continued)

(c) Options – (continued)

The changes in stock options are summarized as follows:

	Number		Weighted Average Exercise Price
Balance as at September 30, 2021 and 2022	450,000	$	1.29
Issued	1,225,000		0.19
Expired	(450,000)		1.29
Exercised	(725,000)		0.16
Balance as at September 30, 2023	500,000	$	0.25

As at September 30, 2023 there were 500,000 stock options outstanding and exercisable (September 30, 2022- 450,000), with the weighted average life of stock options outstanding being 1.27 years. The weighted average price on the date of the stock options exercised is $0.09 (2022 - $Nil).

Share-based payments relating to stock options vesting during the year ended September 30, 2023, was $126,509 (2022 - $ 266,320).

(d) Share Purchase Warrants

During the year ended September 30, 2023:

On November 21, 2022, the Company issued 11,715,256 share purchase warrants in connection with its November 2022 Private Placement. Each warrant is exercisable at a price of $0.30 expiring on November 22, 2024, no value was allocated to these warrants based on the residual method. An additional 1,194,829 finders' warrants were issued in connection with the November 2022 Private Placement under the same terms. These warrants have a fair value of $95,121 which has been recorded to reserves as a share issuance cost.

During the year ended September 30, 2022:

On November 16, 2021, the Company issued 3,229,949 share purchase warrants in connection with its November 2021 Private Placement. Each warrant is exercisable at a price of $0.90 expiring on November 16, 2023. An additional 269,694 finders' warrants were issued in connection with the November 2021 Flow-Through Private Placement under the same terms. These warrants have a fair value of $207,753 which has been recorded to reserves as a share issuance cost.

The fair value of the finders' warrants was determined by using the Black-Scholes method with the following assumptions:

	November 2022 Private Placement	November 2021 Private Placement
Risk-free interest rate	3.87%	1.02%
Estimated life	2 years	2 years
Expected volatility	131.05%	191.22%
Expected dividend yield	0.00%	0.00%
Forfeiture rate	0.00%	0.00%
Fair value of warrants issued	$0.08	$0.77

Expected stock price volatility was estimated based on stock price volatility of a group of publicly listed companies involved in mineral exploration.

(Expressed in Canadian Dollars)

9. SHARE CAPITAL – (continued)

(d) Share Purchase Warrants – (continued)

The changes in share purchase warrants are summarized as follows:

	Number	Weighted Average Exercise Price
Balance as at September 30, 2021	8,233,934	$ 0.51
Issued	3,499,643	0.90
Exercised	(5,591,745)	0.41
Expired	(1,048,932)	0.55
Balance as at September 30, 2022	5,092,900	0.88
Issued	12,910,085	0.30
Expired	(1,593,257)	0.84
Balance as at September 30, 2023	16,409,728	$ 0.43

As at September 30, 2023, the following warrants were outstanding and vested, entitling the holders thereof the right to purchase one common share for each warrant held as follows:

Outstanding	Exercise Price	Expiry Date	Vested
3,499,643	$0.90	November 16, 2023	3,499,643
12,910,085	$0.30	November 22, 2024	12,910,085
16,409,728			16,409,728

As at September 30, 2023, there were 16,409,728 warrants outstanding and vested with the weighted average life of warrants outstanding of 0.93 years, 3,499,643 of the warrants expired during the subsequent period without being exercised.

(e) Restricted Share Rights ("RSR")

The Company has RSRs included in the Plan where the Board of Directors can grant RSRs to directors, officers, employees, and consultants of the Company as performance incentives.

During the year ended September 30, 2023:

On January 6, 2023, the Company granted 200,000 RSRs with a fair value of $54,000. The RSRs vested four months after the grant date.

On November 22, 2022, the Company granted 500,000 RSRs with a fair value of $195,000. The RSRs vested three months from the grant date and were exercised.

During the year ended September 30, 2022:

On February 1, 2022, the Company granted 400,000 RSRs with a fair value of $328,000. The RSRs vest evenly over four quarters starting three months from the grant date and $37,469 of the fair value vested during the year ended September 30, 2023 (2022-$290,531).

On November 15, 2021, the Company granted 2,320,000 RSRs with a fair value of $2,134,400. The RSRs vest four months from the grant date.

On December 1, 2021, the Company amended 2,000,000 of the RSRs to vest and exercise immediately.

(Expressed in Canadian Dollars)

9. SHARE CAPITAL – (continued)

(e) Restricted Share Rights ("RSR") – (continued)

Share-based payments relating to RSRs vesting during the year ended September 30, 2023, was $286,469 (2022 - $2,627,313).

The changes in RSRs are summarized as follows:

	Number
Balance as at September 30, 2021	290,000
Issued	2,720,000
Settled	(2,140,000)
Balance as at September 30, 2022	870,000
Issued	700,000
Settled	(500,000)
Balance as at September 30, 2023	1,070,000

As at September 30, 2023, there were 1,070,000 RSRs outstanding and fully vested.

(f) Escrow Shares

Pursuant to the subscription agreements pursuant to which such shares were issued by the Company, the 4,500,001 common shares issued on July 17, 2020 will be pooled for twelve months from the Listing Date. In addition, pursuant to an escrow agreement entered into between the Company and the holders of such shares, such shares will be placed into escrow released as to 10% on the Listing Date with the remaining 90% to be released in equal tranches at six-month intervals over the 36 months following the Listing Date. The second and third escrow releases took place during the year ended September 30, 2022, with another 30% combined released. As at September 30, 2023, 1,350,001 (2022- 2,700,001) remained in escrow.

(g) Loss per Share

The calculation of basic and diluted loss per share of $0.07 (2022 - $0.21) for the year ended September 30, 2023 was based on the net loss attributable to owners of the Company for the year of $5,875,454 (2022 - $ 11,003,975) divided by the total weighted average number of shares outstanding of 79,446,904 (2022 – 53,042,185).

10. RELATED PARTY TRANSACTIONS AND BALANCES

The following expenses were incurred by key management personnel of the Company. Key management personnel includes directors and key officers of the Company including the President, Chief Executive Officer ("CEO"), and Chief Financial Officer ("CFO"). During the year ended September 30, 2023 and 2022, the remuneration of directors and officers was as follows:

	Year ended	
	September 30, 2023	September 30, 2022
Management fees	**$ 331,200**	$ 367,335
Professional fees	**128,772**	156,212
Share-based compensation	**191,697**	904,441
	$ 651,669	$ 1,427,988

10. RELATED PARTY TRANSACTIONS AND BALANCES – (continued)

As of September 30, 2023, there was a balance of $100,477 (September 30, 2022 - $36,320) owing to related parties, which is included in accounts payable and accrued liabilities. These amounts are unsecured, non-interest bearing and payable on demand.

11. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it to effectively support the acquisition of mineral exploration properties. In the definition of capital, the Company includes, as disclosed on its consolidated statement of financial position: working capital, share capital, and deficit.

The Company is dependent on external financing to fund its activities. In order to carry out the planned development and acquisitions and pay for general administrative costs, the Company will be using its existing working capital and will raise additional amounts as needed. The Company will continue to acquire and explore mineral exploration properties if it feels there is sufficient economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended September 30, 2023. The Company is not subject to externally imposed capital requirements and does not have exposure to asset-backed commercial paper or similar products.

12. FINANCIAL INSTRUMENTS AND RISKS

The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

> Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities; and
>
> 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).

The Company's financial instruments include investments, cash, receivables, and accounts payable and accrued liabilities. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature. The Company's investments are measured using level 1 inputs.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, polices and processes for managing those risks or the methods used to measure them.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The key to success in managing liquidity is the degree of certainty in the cash flow projections.

The Company monitors its cash flows to meet the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As of September 30, 2023,

(Expressed in Canadian Dollars)

12. FINANCIAL INSTRUMENTS AND RISKS – (continued)

Liquidity Risk (continued)

the Company had a working capital of $419,303 (September 30, 2022 – $2,672,931).

Credit Risk

Financial instruments that potentially expose the Company to credit risk is cash. To minimize the credit risk on cash the Company places the instrument with a high credit quality financial institution. The maximum exposure to loss arising from these advances is equal to their total carrying amounts.

Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to floating rate of interest. The interest rate risks on cash and on the Company's obligations are not considered significant.

Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

13. INCOME TAXES

The actual income tax provisions differ from the expected amounts calculated by applying the Canadian combined federal and provincial corporate income tax rates to the Company's loss before income taxes. The components of these differences are as follows:

	For the year ended September 30, 2023	For the year ended September 30, 2022
Loss before taxes for the year	$ (6,046,235)	$ (11,003,975)
Canadian federal and provincial income tax rates	27%	27%
Expected income tax recovery based on the above rates	(1,632,500)	(2,971,100)
Permanent differences	(74,700)	72,000
Flow-through proceeds renounced	1,166,900	766,700
Changes in tax assets not recognized	540,300	2,132,400
	$ -	$ -

(Expressed in Canadian Dollars)

13. INCOME TAXES – (continued)

The significant components of the Company's deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax asset is recognised are as follows:

	Expiry dates	September 30, 2023	September 30, 2022
Non-capital losses	2039- 2043	$ 10,300,300	$ 9,202,900
Deferred equity compensation	No expiry	921,700	652,900
Investment in associate	No expiry	288,800	288,800
Share issuance costs and other	2024-2027	578,200	368,000
Unrecognized deductible temporary differences and unused tax losses		$ 12,089,000	$ 10,512,600

Due to the uncertainty of realization of these deductible temporary differences, the tax benefit is not reflected in the consolidated financial statements.

As of September 30, 2023, the Company has unrecognized deferred tax liability of $40,193 (2022 - $Nil) due to temporary differences arising on the initial recognition of the acquisition of 1411409 B.C. Ltd. and Global Lithium.

14. SUBSEQUENT EVENTS

Flow-Through and Non-Flow-Through Private Placements

During November 2023, the Company completed a flow-through and non-flow-through private placement of 8,125,000 flow-through units ("FT Unit") at a price of $0.08 per FT Unit for aggregate gross proceeds of $650,000 and 500,000 non-flow-through units ("NFT Unit") at a price of $0.06 per NFT Unit for aggregate gross proceeds of $30,000. Each FT and NFT Unit consists of one common flow-through share and common non-flow-through share, respectively, and one common share purchase warrant. Each warrant will entitle the holder thereof to acquire an additional common share in the capital of the Company at a price of $0.12 per common share for a period of 24 months from the date of the issuance. In connection with this private placement, the Company issued 253,750 finders' warrants as finders' fees with the same terms as the common share purchase warrants and incurred cash issuance costs amounting to $47,600.

Restricted Share Rights

On November 10, 2023, the Company issued 1,070,000 common shares as a result of RSRs being settled at no cost to the holder. The RSRs have a fair value of $921,700.