PAN AMERICAN ENERGY CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2024 and 2023

In Canadian Dollars, unless noted
(Unaudited)

NOTICE TO READER

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

The accompanying unaudited condensed consolidated interim financial statements of Pan American Energy Corp. (the "Company") have been prepared by and are the responsibility of management. These condensed consolidated interim financial statements for the three and nine months ended December 31, 2024, have not been reviewed or audited by the Company's independent auditors. All amounts are stated in Canadian Dollars unless otherwise stated.

Pan American Energy Corp.
Condensed Consolidated Interim Statements of Financial Position
As at December 31, 2024 and March 31, 2024
In Canadian Dollars, unless noted (unaudited)

As at	Notes	December 31, 2024	March 31, 2024
		$	$
ASSETS			
Cash		639,676	2,077,996
Accounts receivable		124,608	651,092
Prepaid expenses	**4**	9,483	17,825
TOTAL CURRENT ASSETS		**773,767**	**2,746,913**
Exploration and evaluation assets	**5,7**	5,535,535	19,806,798
TOTAL ASSETS		**6,309,302**	**22,553,711**
LIABILITIES			
Accounts payable and accrued liabilities	**8**	1,610,610	2,134,470
Loan payable	**6**	-	185,814
Other liability	**7,9**	198,935	370,806
TOTAL LIABILITIES		**1,809,545**	**2,691,090**
EQUITY			
Share capital	**7**	30,660,439	30,230,439
Share subscriptions	**7**	180,000	-
Reserves	**7**	2,568,006	2,564,793
Deficit		(28,908,688)	(12,932,611)
TOTAL EQUITY		**4,499,757**	**19,862,621**
TOTAL LIABILITIES AND EQUITY		**6,309,302**	**22,553,711**

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

Going concern (Note 2), Commitments (Notes 5 and 9) and Subsequent events (Note 13)

Approved on behalf of the Board of Directors on March 3, 2025:

"Adrian Lamoureux ", Director

"Sean Kingsley", Director

Pan American Energy Corp.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
For the Three and Nine Months Ended December 31, 2024 and 2023
In Canadian Dollars, unless noted (unaudited)

For the Three and Nine Months Ended	Notes	Three Months Ended December 31, 2024	Three Months Ended December 31, 2023	Nine Months Ended December 31, 2024	Nine Months Ended December 31, 2023
				$	$
EXPENSES					
Advertising and marketing		7,864	1,000,208	31,864	1,073,146
Consulting fees	**8**	60,000	237,000	275,000	450,000
Filing fees		66,804	55,284	91,576	118,151
Office and miscellaneous		10,873	6,816	31,411	42,447
Professional fees		13,342	31,021	39,986	144,656
Share-based compensation	**5,7**	-	560,339	3,213	1,096,293
Impairment expense	**5**	-	-	15,794,432	-
OPERATING EXPENSES		**(158,883)**	**(1,890,668)**	**(16,267,482)**	**(2,924,693)**
OTHER EXPENSES					
Flow-through share recovery	**7,9**	117,973	402,418	171,871	454,141
Interest expense		-	(3,639)	(1,452)	(9,884)
Interest income		6,410	17,296	25,434	60,739
Gain on spin-out of Legacy Lithium LLC	**1**	-	-	-	49,906
Gain on debt settlement	**6**	-	-	95,552	-
NET AND COMPREHENSIVE LOSS		**(34,500)**	**(1,474,593)**	**(15,976,077)**	**(2,369,791)**
Loss per share, basic and diluted		(0.00)	(0.22)	(1.63)	(0.43)
Weighted average number of common shares outstanding – Basic and diluted		10,076,837	6,653,734	9,823,348	5,539,113

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

Pan American Energy Corp.
Condensed Consolidated Interim Statements of Changes in Equity
For the Nine Months Ended December 31, 2024 and 2023
In Canadian Dollars, unless noted (unaudited)

	Common Shares	Share Capital	Share Subscriptions	Reserves	Deficit	Total Equity (Deficiency)
	Number (#)	$	$	$	$	$
Balance, March 31, 2023	4,830,228	13,215,269	-	1,942,673	(7,412,583)	7,745,359
Shares issued – private placement (non-flow-through) (Note 7)	766,250	3,065,000	-	-	-	3,065,000
Shares issued – private placement (flow-through) (Note 7)	508,364	2,567,836	-	-	-	2,567,836
Shares issued – Horizon Lithium Property (Note 5)	848,672	4,025,700	-	-	-	4,025,700
Share issuance costs (Note 7)	-	(231,883)	-	76,133	-	(155,750)
Distribution of Legacy Lithium LLC (Note 1)	-	(433,700)	-	-	-	(433,700)
Exercise of restricted share rights (Note 7)	36,250	254,376	-	(254,376)	-	-
Exercise of warrants (Note 7)	1,605,000	1,774,000	-	-	-	1,774,000
Vesting of options and restricted share rights (Note 7)	-	-	-	1,114,765	-	1,114,765
Net loss and comprehensive loss for the period	-	-	-	-	(2,369,791)	(2,369,791)
Balance, December 31, 2023	**8,594,764**	**24,236,598**	**-**	**2,879,195**	**(9,782,374)**	**17,333,419**
Balance, March 31, 2024	**9,737,923**	**30,230,439**	**-**	**2,564,793**	**(12,932,611)**	**19,862,621**
Shares issued – private placement (non-flow-through) (Note 7)	-		180,000			180,000
Shares issued – settlement of accounts payable	60,000	30,000	-	-	-	30,000
Shares issued – Big Mack Lithium Property (Note 5)	800,000	400,000	-	-	-	400,000
Vesting of options and restricted share rights (Note 7)	-	-	-	3,213	-	3,213
Net loss and comprehensive loss for the period	-	-	-	-	(15,976,077)	(15,976,077)
Balance, December 31, 2024	**10,597,923**	**30,660,439**	**180,000**	**2,568,006**	**(28,908,688)**	**4,499,757**

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

Pan American Energy Corp.
Condensed Consolidated Interim Statement of Cash Flows
For the Nine Months Ended December 31, 2024 and 2023
In Canadian Dollars, unless noted (unaudited)

For the Nine Months Ended	December 31, 2024	December 31, 2023
	$	$
OPERATING ACTIVITIES		
Net loss for the period	**(15,976,077)**	**(2,369,791)**
Items not affecting cash		
Flow-through recovery (Note 7)	(171,871)	(454,141)
Gain on spin-out of Legacy Lithium LLC (Note 1)	-	(49,906)
Share-based compensation (Note 7)	3,213	1,096,293
Interest expense	1,452	9,884
Interest income	(25,434)	(60,739)
Impairment expense	15,794,432	-
Gain on debt settlement	(95,552)	-
Net changes in non-cash working capital items:		
Accounts receivable	526,484	(361,269)
Prepaid expenses	8,342	(1,115,594)
Accounts payable and accrued liabilities	(493,840)	(342,780)
Net cash provided by (used in) operating activities	**(428,851)**	**(3,648,043)**
INVESTING ACTIVITIES		
Exploration and evaluation expenditures (Note 5)	(1,123,169)	(4,457,703)
Interest income	25,434	60,739
Net cash provided by (used in) investing activities	**(1,097,735)**	**(4,396,964)**
FINANCING ACTIVITIES		
Share issuance proceeds (Note 7)	-	5,825,000
Exercise of warrants	-	1,774,000
Share issuance costs	-	(155,750)
Distribution of warrant exercise proceeds to Legacy Lithium LLC	-	(88,700)
Share subscriptions received (Note 7)	180,000	-
Settlement of loans payable	(91,734)	-
Net cash provided by (used in) financing activities	**88,266**	**7,354,550**
Net change in cash	(1,438,320)	(690,457)
Cash, beginning of period	2,077,996	4,674,800
Cash, end of period	**639,676**	**3,984,343**
Supplemental cash flow information		
Distribution of Legacy Lithium LLC Shares	-	345,000
Finder’s warrants issued for share issuance costs	-	76,133
Shares issued for purchase of exploration and evaluation assets	-	4,025,700
Transfer to “Other Liability” for the flow-through premium	-	192,164
Interest received	25,434	43,443
Shares issued for settlement of accounts payable	30,000	-
Interest paid	-	-
Taxes paid	-	-

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

In Canadian Dollars, unless noted (unaudited)

1. NATURE OF OPERATIONS

a. Corporate information

Pan American Energy Corp. (the "Company") was incorporated under the laws of British Columbia on March 14, 2007. The Company's corporate office and principal place of business is 505 3rd Street SW, Suite 610, Calgary, Alberta T2P 3E6.

On May 5, 2022, the Company entered into a share purchase agreement (the "Agreement") with 1328012 B.C. Ltd. ("Numberco"). Pursuant to the terms of the Agreement, the Company acquired all of the outstanding securities of Numberco in exchange for securities of the Company. The shareholders of Numberco received securities of the Company such that they collectively control the Company subsequent to the completion of the transaction. The transaction constitutes a reverse acquisition of the Company by Numberco for accounting purposes. Consequently, the comparative figures reported are those of Numberco.

On May 19, 2022, the Company listed its common shares on the Canadian Securities Exchange (the "CSE") under the symbol "GSU". On June 29, 2022, the Company changed its name to "Pan American Energy Corp." from "Golden Sun Mining Corp." and began trading under the symbol "PNRG".

The Company is a Canadian corporation that is in the business of acquisition, exploration and evaluation of mineral properties.

On November 15, 2024, the Company completed a consolidation of its shares at a ratio of ten pre-consolidation shares to one post-consolidation (Note 7). All disclosures in these condensed consolidated financial statements reflect the common shares, options, warrants, and restricted share rights on a post-consolidation basis.

These condensed consolidated interim financial statements (the "financial statements") were approved for issuance by the Board of Directors on March 3, 2025.

b. Corporate Transactions

Spin-out Transaction

On April 21, 2023, the Company transferred its Green Energy Lithium Property (the "Property"), together with its related assets and liabilities, to Legacy Lithium LLC in exchange for 9,665,453 common shares and 9,665,453 warrants of Legacy Lithium LLC ("Spinout Shares"), which were immediately distributed to the shareholders of the Company pursuant to the arrangement agreement (the "Spinout"). The Spinout Shares were distributed to the shareholders of the Company as return of capital on the basis of one Legacy Lithium LLC share for every five shares of the Company.

In accordance with IFRIC 17, Distribution of Non-cash Assets to Owners, the Company recognized the distribution of the Legacy Lithium LLC shares to Company's shareholders at fair value with the difference between that value and the carrying amount of the net assets recorded in profit or loss. The fair value of the Legacy Lithium LLC shares was estimated to be $345,000 which was recorded as a reduction of share capital.

The net assets transferred to Legacy Lithium LLC and net gain on distribution of Spinout Shares consisted of the following:

	April 21, 2023
	$
Exploration and evaluation asset	299,712
Accounts payable and accrued liabilities	(4,618)
	295,094
Fair value of Legacy Lithium LLC shares distributed	345,000
Gain on spin-out	**49,906**

At March 31, 2023, all assets and liabilities related to the Property were classified as held for sale and presented in current assets and current liabilities in the consolidated statement of financial position. The assets held for sale did not meet the requirements of being recognized as discontinued operations.

The net assets of the Property disposal group as at March 31, 2023 are as follows:

	March 31, 2023
	$
Exploration and evaluation asset	296,988
Accounts payable and accrued liabilities	(4,618)
Net assets held for sale	**292,370**

2. GOING CONCERN

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company does not generate cash flow from operations to fund its exploration activities and has therefore relied upon the issuance of securities for financing. The Company intends to continue relying upon the issuance of securities to finance its future operations and exploration activities to the extent such instruments are issuable under terms acceptable to the Company. While the Company has been successful in raising funds in the past, it is uncertain whether it will be able to raise sufficient funds in the future.

These conditions create a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. If the Company is unable to secure additional financing, repay liabilities as they come due, negotiate suitable joint venture agreements, and/or continue as a going concern, then material adjustments may be required to the carrying value of assets and liabilities and the consolidated statement of financial position classifications used. These financial statements do not include any adjustments that may arise should the Company be unable to continue as a going concern.

3. BASIS OF PRESENTATION

a. Basis of preparation

In these condensed consolidated interim financial statements, unless otherwise indicated, all amounts are expressed in Canadian dollars, which is the Company's functional and presentation currency.

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These financial statements are condensed as they do not include all of the information required by IFRS for annual financial statements and therefore should be read in conjunction with the Company's audited consolidated financial statements for the year ended March 31, 2024.

b. Basis of consolidation

These condensed consolidated interim financial statements include the operations of the Company and its wholly owned subsidiaries as follows:

- 1328012 B.C. Ltd. which is incorporated in British Columbia, Canada
- Pan American Energy LLC, which is incorporated in Utah, United States (up to April 21, 2023)
- Pan American Energy (Nevada) LLC, which is incorporated in Nevada, United States
- 1279613 BC Ltd., which is incorporated in British Columbia, Canada

Subsidiaries are entities which the Company controls, either directly or indirectly, where control is defined as power over the investee, exposure, or rights, to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of the returns. Subsidiaries are fully consolidated from the date on which control is transferred to the Company and they are deconsolidated from the date on which control ceases. All significant intercompany transactions and balances have been eliminated upon consolidation

c. Foreign currencies

Items included in the condensed consolidated interim financial statements of each of the Company's subsidiaries are measured using the currency of the primary economic environment it which the entity operates and then translated into the presentation currency.
The Company's functional and presentation currency is the Canadian dollar.

Monetary assets and liabilities are translated into Canadian dollars using the exchange rate in effect at the date of the statement of financial position.

Non-monetary assets and liabilities that are measured at historical cost are translated into Canadian dollars using the exchange rate in effect at the date of the initial transaction and are not subsequently restated. Non-monetary assets and liabilities that are measured at fair value or a revalued amount are translated into Canadian dollars by using the exchange rate in effect at the date the value is determined, and the related translation differences are recognized in profit or loss, or other comprehensive loss, consistent with where the gain or loss on the underlying non-monetary asset or liability has been recognized.

d. Significant accounting judgments and estimates

The timely preparation of these condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and expenses, and the disclosure of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to estimates are recognized prospectively. As at December 31, 2024 the following have been identified as material estimates:

i. Share-based compensation
Management determines fair value for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using valuation techniques. Assumptions are made and judgment used in applying valuation techniques.

These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Similar calculations are made to value warrants. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

ii. Distribution of Legacy Lithium LLC
During the three months ended June 30, 2023, the Company was required to make an estimate of the value of the shares of Legacy Lithium LLC distributed to shareholders of the Company. Legacy Lithium LLC is not publicly listed and had no observable market price to derive a fair value. Management relied on a number of factors, similar projects and recent transactions, comparable land packages and valuation of publicly traded entities as well as historical exploration work and expenditures made on the project. The determination of the fair value of warrants using the Black-Scholes Option Pricing model requires the input of highly subjective assumptions, including expected future price volatility. Changes in the subjective input assumptions could materially affect the fair value estimate.

In the preparation of these condensed consolidated interim 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 condensed consolidated interim financial statements:

i. **Exploration and evaluation assets**
The Company is required to make certain judgments in assessing indicators of impairment of exploration and evaluation assets. Judgment is required to determine if the right to explore will expire in the near future or is not expected to be renewed.

Judgment is required to determine whether substantive expenditures on further exploration for and evaluation of mineral resources in specific areas will not be planned or budgeted. Judgment is required to determine if the exploration for and evaluation of mineral resources in specific areas have not led to the commercially viable quantities of mineral resources and the Company will discontinue such activities. Judgment is required to determine whether there are indications that the carrying amount of an exploration and evaluation property is unlikely to be recovered in full-from successful development of the project or by sale.

ii. **Flow-through expenditures**
The Company is required to spend proceeds received from the issuance of flow-through shares on qualifying resources expenditures.

Differences in judgment between management and regulatory authorities with respect to qualified expenditures may result in disallowed expenditures by the tax authorities. Any amount disallowed may result in the Company's required expenditures not being fulfilled.

e. Accounting standards and amendments adopted

Adoption of amendments to IAS 1 Presentation of Financial Statements

Effective April 1, 2024, amendments to IAS 1 Presentation of Financial Statements were adopted with respect to Classification of Liabilities as Current or Non-current. The amendments clarify the classification of debt and other liabilities with uncertain settlement dates between current and non-current in the consolidated statement of financial position. Specifically, the amendment clarifies the classification requirements for debts a company may settle by conversion to equity, and introduced a requirement to disclose when liabilities are classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within the next twelve months.

The adoption of this amendment did not result in any impact on the Company's financial statements.

f. Upcoming accounting standards and interpretations

The Company has not yet adopted certain new standards, amendments and interpretations to existing standards, which have been published but are only effective for accounting periods beginning on or after January 1, 2025 or later periods. The new and amended standards are not expected to have a material impact on the Company's financial statements, and include the following:

Presentation and Disclosure in Financial Statements (IFRS 18)
In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements. This standard aims to improve the consistency and clarity of financial statement presentation and disclosures by providing updated guidance on the structure and content of financial statements. Key changes include enhanced requirements for the presentation of financial performance, financial position, and cash flows, as well as additional disclosures to improve transparency and comparability. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. The Company is currently assessing the impact that the adoption of IFRS 18 will have on its consolidated financial statements.

In Canadian Dollars, unless noted (unaudited)

Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures)

In May 2024, the IASB issued narrow-scope amendments to the recognition, derecognition and classification requirements in IFRS 9 – Financial Instruments ("IFRS 9") and introduced additional disclosure requirements in IFRS 7 – Financial Instruments: Disclosure ("IFRS 7"). Key changes include clarification on the timing of recognition and derecognition of financial assets and liabilities, introduction of additional disclosure for certain financial instruments with contractual terms that could change the timing or amount of contractual cash flows due to contingent events that are not directly related to changes in basic lending risks and costs, and additional guidance for assessing whether the contractual cash flows of financial assets represent solely payments of principal and interest and updated disclosures for equity instruments designated at fair value through other comprehensive income. The amendments are effective for annual reporting periods beginning on or after January 1, 2026. The Company is currently assessing the impact that the adoption of these amendments will have on its consolidated financial statements.

4. PREPAID EXPENSES

As at December 31, 2024 and March 31, 2024, the Company's prepaid expenses were as follows:

	December 31, 2024	March 31, 2024
	$	$
Insurance	9,483	11,083
Marketing and advertising	-	6,742
Total	**9,483**	**17,825**

5. EXPLORATION AND EVALUATION ASSETS

As at December 31, 2024, the Company's exploration and evaluation assets were as follows:

	Green Energy	Big Mack	Horizon	Assets held for sale	Total
	$	$	$	$	$
Balance, March 31, 2023	**296,988**	**493,515**	**4,451,817**	**(296,988)**	**4,945,332**
Option agreement – cash	-	-	336,340	-	336,340
Option agreement – share issuance	-	-	8,895,141	-	8,895,141
Expenditures	2,725	3,504,263	2,107,249	(2,725)	5,611,512
Spin-out transaction (Note 1a)	(299,713)	-	-	299,713	-
Capitalized share-based compensation (7d)	-	18,473	-	-	18,473
Balance, March 31, 2024	**-**	**4,016,251**	**15,790,547**	**-**	**19,806,798**
Option agreement – share issuance	-	400,000	-	-	400,000
Expenditures	-	1,119,284	3,885	-	1,123,169
Impairment	-	-	(15,794,432)	-	(15,794,432)
Balance, December 31, 2024	**-**	**5,535,535**	**-**	**-**	**5,535,535**

The following table summarizes the Company's exploration and evaluation expenses by property and type of expense, for the nine months ended December 31, 2024 and 2023:

	Green Energy	Big Mack	Horizon	Assets held for sale	Total
	$	$	$	$	$
Geophysics	-	300,725	-	**-**	**300,725**
Drilling	-	3,203,538	2,107,249	-	**5,310,787**
Reporting and administration	2,725	-	-	(2,725)	**-**
Balance, December 31, 2023	**2,725**	**3,504,263**	**2,107,249**	**(2,725)**	**5,611,512**

In Canadian Dollars, unless noted (unaudited)

	Big Mack	Horizon	Total
	$	$	$
Geophysics	1,001,969	-	**1,001,969**
Reporting and administration	117,315	3,885	**121,200**
Balance, December 31, 2024	**1,119,284**	**3,885**	**1,123,169**

Big Mack Lithium Property

On August 22, 2022, the Company entered into a property option agreement ("Big Mack Option Agreement"), with Magabara Resources Corporation (the "Big Mack Vendor"), pursuant to which the Company has been granted the right to acquire up to a 90% interest in and to the Big Mack Lithium Property, which consists of a single mining lease (LEA-107832) in the Paterson Lake Area located approximately 80 kilometres north of Kenora, Ontario, Canada (the "Big Mack Lithium Property").

Pursuant to the terms of the Big Mack Option Agreement, the Company has the option to acquire a 90% interest in the Big Mack Property from the Big Mack Vendor, in consideration for completing a series of cash payments and issuances of common shares in accordance with the following schedule:

Milestones	Cash Payments	Common Shares Issuances(1)	Exploration Expenditures
Phase 1: Acquire 51%			
Within thirty (30) days following the "Effective Date" (August 22, 2022) (paid)	$80,000	-	-
Within ninety (90) days following the Effective Date (issued)	-	$200,000	-
Within twelve (12) months following the Effective Date (subsequently extended by nine (9) months) (incurred)	-	-	$1,000,000
Phase 2: Acquire Additional 24% (Total 75%)			
Within twenty-four (24) months following the Effective Date (issued) (incurred)	-	$400,000	$1,120,000
Phase 3: Acquire Additional 15% (Total 90%)			
Within thirty-six (36) months following the Effective Date (incurred)	-	$100,000	$1,000,000

Note:
1) Common Shares to be valued based on the Canadian Securities Exchange price on the day of issuance.

During the nine months ended December 31, 2024, the Company issued 800,000 common shares valued at $400,000 in accordance with the Big Mack Option Agreement (2023 – nil). The Company has capitalized $1,119,284 (2023 – $3,504,263) in costs related to the exploration and evaluation of the Big Mack Lithium Property.

Horizon Lithium Property

On September 27, 2022, the Company entered into a property option agreement ("Horizon Option Agreement"), with FMS Lithium Corporation and Horizon Lithium LLC (the "Horizon Vendors"), pursuant to which the Company has been granted the right to acquire a 100% interest in the Horizon Lithium Property (the "Horizon Property"). The Horizon Property is comprised of 839 unpatented lode mining claims covering approximately 17,334 acres of land, located in the Big Smoky and Monte Cristo Basins of Esmeralda County, Nevada.

Pursuant to the terms of the Horizon Option Agreement, the Company has the option to acquire a 100% interest in the Horizon Property from the Horizon Vendor, in consideration for completing a series of cash payments and issuances of common shares in accordance with the following schedule:

In Canadian Dollars, unless noted (unaudited)

Milestones(2)	Cash Payments	Common Shares Issuances(1)
Initial Payment (within five business days of the Option Agreement)	US$250,000 (paid)	US$2,000,000 (issued)
First Anniversary of Receipt of Drill Permits Necessary for the Company to Undertake Exploration Drilling (the “Drill Permits”)	US$250,000 (paid)	US$3,000,000 (issued)
Second Anniversary of Receipt of Drill Permits	US$500,000	US$4,000,000

Note:
1) Common Shares to be valued based on the greater of the 20-day volume-weighted average price (“VWAP”) of the common shares prior to the issuance of such common shares and the lowest price permissible pursuant to the policies of the exchange(s) on which the common shares are then listed.
2) In addition, if during the period beginning on September 27, 2022 (the “Effective Date”) and ending on the date that is five (5) years from the Effective Date, (A) the Company completes 10 consecutive drill holes on the Horizon Property, which drill holes are comprised of at least 400 meters of drilling and which drill holes have an average grade across the cumulative core of such drill holes of at least 750 parts per million lithium, the Company shall issue an additional US$1,250,000 worth of common shares, and (B) if the Company publicly discloses a National Instrument 43-101 compliant technical report declaring a mineral resource estimate on the Property containing inferred mineral resources of 2 million tonnes or greater of lithium carbonate equivalent, the Company shall issue an additional US$3,750,000 worth of common shares.

During the nine months ended December 31, 2024, the Company capitalized $3,885 in costs related to the exploration and evaluation of the Horizon Lithium Property.

In addition, during the nine months ended December 31, 2024, the Company terminated the Horizon Option Agreement and removed all exploration and evaluation assets related to the Horizon Lithium Property. Accordingly, the Horizon Lithium Property was impaired in accordance with Level 3 of the fair value hierarchy as of December 31, 2024.

6. LOAN PAYABLE

On November 17, 2023, a civil claim relating to the loans was filed against the Company in the Supreme Court of British Columbia for $152,518 plus applicable interest, in the alternative damage for unjust enrichment, costs associated with the claim, and any other relief as determined by the Honourable Court. There has been a garnishment of $50,000 imposed against the Company and no other penalties or sanctions imposed against the Company by a court or regulatory authority relating to the claim.

During the nine months ended December 31, 2024, the Company entered into a mutual release and settlement agreement for claim noted above. Under the terms of the settlement agreement, the Company paid $91,714 in cash, for the full and final settlement of the loan, resulting in a gain on settlement of $95,552 recognized in net loss.

As at December 31, 2024, $Nil, (March 31, 2024 - $185,814) is outstanding, including $Nil in principal plus $Nil in accrued interest payable (March 31, 2024 - $152,518 and $33,296, respectively).

7. SHARE CAPITAL

a) Authorized and Issued Share Capital

The authorized share capital consists of an unlimited number of common shares without par value.

On November 7, 2024, the Company announced that it would proceed with a consolidation of its Shares at a ratio of ten Pre-Consolidation Shares to one Post-Consolidation (the “Consolidation”). The Consolidation occurred on November 15, 2024.

Prior to the Consolidation, the Company had 105,979,236 shares issued and outstanding and had 10,597,923 shares issued and outstanding upon completion.

No fractional Shares were issued under the Consolidation. The holdings of any shareholder who would otherwise be entitled to receive a fractional Share that was at least one-half (1/2) of a Post-Consolidation Share was rounded up to the nearest whole number. Each fractional share that was less than one-half (1/2) of a Post-Consolidation Share was cancelled. The Consolidation did not affect any shareholder’s percentage ownership in the Company other than by the minimal effect of the aforementioned elimination of fractional shares, even though such ownership will be represented by a smaller number of Shares, as the Consolidation reduced the number of shares held by all shareholders proportionately.

All of the Company's outstanding share purchase options, share purchase warrants, and restricted share rights were also adjusted by the Consolidation ratio and the respective exercise prices of those outstanding instruments were adjusted accordingly.

All historical share and per share data presented in the Company's financial statements have been retrospectively adjusted to reflect the Consolidation, unless otherwise noted.

For the Nine Months Ended December 31, 2024

On August 23, 2024, the Company issued 800,000 common shares, fair valued at $400,000, in accordance with the Big Mack Option Agreement.

On September 17, 2024, the Company issued 60,000 common shares, fair valued at $30,000, as settlement for certain accounts payable. No gain or loss was recognized upon the extinguishment of the payable.

At December 31, 2024, the Company derecognized $171,871 of the flow-through premium as the renouncement occurred and eligible expenditures were incurred subsequently. The amount is recognized on the statement of loss and comprehensive loss as a "Flow-through recovery". The remaining flow-through obligation is recorded as "Other Liability" on the Statement of Financial Position and has a balance of $198,935 at December 31, 2024.

As of December 31, 2024, the Company had received $180,000 in share subscriptions related to the non-brokered private placement, which closed on January 13, 2025 (Note 13).

For the Nine Months Ended December 31, 2023

On November 10, 2023, the Company closed the first tranche (the "First Tranche") of a non-brokered private placement (the "Offering") for gross proceeds of $2,595,000. Pursuant to the First Tranche, the Company issued 648,750 units at a price of $4.00 per unit, with each $4.00 unit comprised of one common share and one common share purchase warrant entitling the holder to acquire one common share at a price of $5.50 until November 10, 2025. In connection with the closing of First Tranche, the Company paid finder's fees totalling $21,000 and issued 5,250 finder's warrants fair valued at $14,212 entitling the holder thereof to acquire one share at an exercise price of $5.50 until November 14, 2025.

On December 8, 2023, the Company closed the final tranche (the "Final Tranche") of a non-brokered private placement for gross proceeds of $470,000. Pursuant to the Final Tranche, the Company issued 117,500 units at a price of $4.00 per unit, with each unit comprised of one common share and one common share purchase warrant entitling the holder to acquire one share at a price of $5.50 until December 8, 2025. In connection with the closing of the Final Tranche, the Company paid finder's fees totalling $4,550 and issued 1,138 finder's warrants fair valued at $2,687 entitling the holder thereof to acquire one share at an exercise price of $5.50 until December 8, 2025.

On December 13, 2023, the Company closed a non-brokered private placement of "flow-through" (the "Offering") for gross proceeds of $1,860,000. Pursuant to the Offering, the Company issued 372,000 units at a price of $5.00 per unit, with each unit comprised of one flow-through common share and one half non-flow through common share purchase warrant entitling the holder to acquire one non-flow-through common share at a price of $6.50 until December 13, 2025. In connection with the closing of the Offering, the Company paid finder's fees totalling $130,200 and issued 26,040 finder's warrants fair valued at $59,234 entitling the holder thereof to acquire one share at an exercise price of $6.50 until December 13, 2025.

On December 14, 2023, the Company issued 848,672 common shares in accordance with the Horizon Option Agreement (Note 5), with a fair value of $4,025,700.

In Canadian Dollars, unless noted (unaudited)

On December 28, 2023, the Company closed a non-brokered charity flow-through private placement (the "Offering") for gross proceeds of $900,000. Pursuant to the Offering, the Company issued 136,364 flow-through common shares at a price of $6.60 per share.

At December 31, 2023, the Company derecognized $454,141 of the flow-through premium as the renouncement occurred and eligible expenditures were incurred subsequently. The amount is recognized in profit or loss as a "Flow-through recovery". The remaining flow-through obligation is recorded as "Other Liability" on the Statement of Financial Position and had a balance of $398,650 at December 31, 2023.

b) Share Purchase Warrants

A summary of the Company's purchase warrants ("warrants") is as follows as at December 31, 2024:

	December 31, 2024	March 31, 2024
Balance, opening	2,703,100	3,134,212
Granted	-	1,173,888
Exercised	-	(1,605,000)
Expired	(1,529,211)	-
Balance, closing	**1,173,889**	**2,703,100**

At December 31, 2024, the following warrants were outstanding:

	Exercise Price	Issued	Exercised	Remaining	Expiry Date
Granted – Private Placement	$5.50	654,000	-	654,000	November 10, 2025
Granted – Private Placement	$5.50	118,638	-	118,637	December 8, 2025
Granted – Private Placement	$6.50	212,040	-	212,040	December 13, 2025
Granted – Private Placement	$5.50	189,211	-	189,211	March 7, 2026
Balance, December 31, 2024	**$5.68**	**1,173,889**	**-**	**1,173,889**	

During the nine months ended December 31, 2024, the Company did not have any warrants exercised.

During the year ended March 31, 2024, the Company had 1,605,000 warrants exercised, with a weighted average exercise price of $1.10 per warrant, for total proceeds of $1,774,000. The weighted average fair value of the Company's shares for the warrants exercised was $4.90 at the time of exercise.

The share purchase warrants have a weighted average remaining life of 0.94 years (March 31, 2024 – 1.03 years).

c) Share Purchase Options

The Company has established an omnibus equity incentive plan (the "Plan"), contemplating the grant of equity-based incentive awards, in the form of options, restricted share units, preferred shared units ("PSUs") and deferred share units, to employees, officers, directors and consultants of the Company. The Plan is a 10% rolling plan, pursuant to which share awards may be granted by the Company not exceeding 10% of the issued and outstanding common shares at the time of grant.

A summary of the Company's share purchase options ("options") is as follows:

	Number of Options	Weighted Average Exercise Price
Balance, March 31, 2024	**200,000**	**$4.60**
Expired	(165,000)	**$4.27**
Balance, December 31, 2024	**35,000**	**$4.43**

In Canadian Dollars, unless noted (unaudited)

At December 31, 2024, the following options were outstanding:

Grant Date	Number of Options	Expired/ Canceled	Exercisable	Exercise Price	Expiry Date	Weighted Average Remaining Life
April 22, 2021	30,000	(30,000)	-	$5.00	April 22, 2026	-
May 19, 2022	110,000	(110,000)	-	$3.50	May 19, 2024	-
November 10, 2022	20,000	(20,000)	-	$7.10	November 10, 2024	-
December 1, 2022	5,000	-	5,000	$8.00	December 1, 2027	2.92
May 15, 2023	20,000	-	20,000	$6.40	May 15, 2026	1.37
December 28, 2023	15,000	(5,000)	10,000	$5.60	December 28, 2025	0.99
	200,000	**(165,000)**	**35,000**	**$6.40**		**1.42**

The fair value of each option granted was determined using the Black-Scholes option pricing model with the weighted average assumptions as follows:

	December 31, 2024	March 31, 2024
Exercise price	n/a	$0.61
Risk-free interest rate	n/a	3.95%
Volatility	n/a	100%
Dividend yield	n/a	0.00%
Expected life (years)	n/a	2.51
Forfeiture rate	n/a	0.00%

During the nine months ended December 31, 2024, the Company recorded $3,213 (2023 - $165,458) as share-based compensation expense related to the vesting of the options.

d) Restricted Share Rights

A summary of the Company's restricted share rights ("RSRs") is as follows:

	Time Vesting	Performance Vesting	Total
Balance, March 31, 2024	**283,751**	**338,750**	**622,501**
Cancelled	(10,417)	(150,000)	(160,417)
Balance, December 31, 2024	**273,334**	**188,750**	**462,084**

For the nine months ended December 31, 2024, the Company recorded $nil (2023 - $949,307) related to the vesting of RSRs.

8. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel are those personnel having the authority and responsibility for planning, directing, and controlling the Company and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

The aggregate value of transactions relating to key management personnel during the nine months ended December 31, 2024 and 2023 were as follows:

In Canadian Dollars, unless noted (unaudited)

For the Nine Months Ended	December 31, 2024	December 31, 2023
	$	$
Consulting fees (to company owned by CEO)	35,000	-
Consulting fees (to company owned by former CEO)	90,000	131,000
Consulting fees (to company owned by CFO)	67,500	67,500
Share-based compensation (to directors and officers)	-	627,104
Total	**192,500**	**825,604**

As at December 31, 2024, a $123,937 balance was owing to key management personnel for fees and expenses incurred on behalf of the Company with these amounts all included in accounts payable and accrued liabilities (March 31, 2024 – $150,883). The amounts payable are non-interest bearing, are unsecured, and have no specific terms of repayment.

9. COMMITMENTS

As a result of the flow-through financing structure (see Note 7(a)), the Company is committed to expend flow-through share proceeds related to flow-through shares issued during the year on qualifying exploration expenditures. The Company must incur eligible expenditures within 24 months from issuing the flow-through shares. As at December 31, 2024, the Company has $nil remaining in committed flow-through proceeds to be expended on or before December 31, 2025.

As at December 31, 2024, while the Company has incurred qualifying exploration expenditures, the underlying flow-through tax filing has not yet been completed, and therefore the flow-through premium has not yet been amortized.

10. GEOGRAPHICAL SEGMENT INFORMATION

The Company's operations comprise one reportable segment, exploration and evaluation of mineral properties. Currently, the Company carries on business in Canada in addition to the United States in the prior year. The carrying value of the Company's non-current assets on a geographical basis are as follows:

December 31, 2024	Canada	United States	Total
	$	$	$
Exploration and evaluation assets	5,535,535	-	5,535,535
Total non-current assets	**5,535,535**	**-**	**5,535,535**

March 31, 2024	Canada	United States	Total
	$	$	$
Exploration and evaluation assets	4,016,251	15,790,547	19,806,798
Total non-current assets	**4,016,251**	**15,790,547**	**19,806,798**

11. RISK MANAGEMENT

a) Financial Risk Management

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below. The management of these risks has not changed materially from that of the prior period.

i. **Credit Risk**
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Management's assessment of the Company's exposure to credit risk on its $639,676 in cash (March 31, 2024 - $2,077,996) is low as the Company's cash is held with major Canadian financial institutions.

ii. **Liquidity Risk**
Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. As at December 31, 2024 the Company's working capital deficit is $1,035,778 (March 31, 2024 – surplus of $55,823), and it does not have any long-term monetary liabilities.

The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

iii. **Market Risk**
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk, interest rate risk and other price risk. Management believes the Company is not exposed to significant interest rate or tother price risk.

- **Currency Risk**
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The operating results and financial position of the Company are reported in Canadian dollars. As the Company is exploring opportunities in an international environment, some of the Company's financial instruments and transactions are denominated in currencies other than the Canadian dollar. The Company had acquired exploration and evaluation assets in Utah and Nevada, United States of America.

b) Fair Values

The carrying values of cash, accounts payable and accrued liabilities and loan payable approximate their fair values due to their short-term to maturity. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

12. CAPITAL MANAGEMENT

The Company defines the capital that it manages as its shareholders' equity, which was $4,499,757 as at December 31, 2024 (March 31, 2024 - $19,862,621).

The Company's objectives when managing capital are to maintain a sufficient capital base in order to satisfy its capital obligations and ongoing operational expenses, and at the same time preserve investor's confidence required to sustain future development and production of the business.

The Company manages its capital structure in a manner that provides sufficient funding for operational and capital expenditure activities. Funds are intended to be secured, when necessary, through debt funding or equity capital raised by means of private placements. There can be no assurances that the Company will be able to obtain debt or equity capital in the case of working capital deficits. The Company does not pay dividends and has no long-term debt or bank credit facility. The Company is not subject to externally imposed capital requirements.

13. SUBSEQUENT EVENTS

On January 13, 2025 the Company closed a non-brokered private placement for gross proceeds of $400,000. The Company issued 5,000,000 units at a price of $0.08 per unit, with each unit being comprised of one common share in the capital of the Company, and one share purchase warrant of the Company entitling the holder to acquire one share at a price of $0.12 per warrant until January 13, 2027.