APPIA RARE EARTHS & URANIUM CORP.

CONSOLIDATED FINANCIAL STATEMENTS

For the years ended September 30, 2024 and 2023
(Expressed in Canadian Dollars)

To the Shareholders of Appia Rare Earths & Uranium Corp.:

Opinion

We have audited the consolidated financial statements of Appia Rare Earths & Uranium Corp. and its subsidiary (the "Company"), which comprise the consolidated statement of financial position as at September 30, 2024, and the consolidated statements of loss and other comprehensive loss, changes in shareholders' equity (deficiency), and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at September 30, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss during the year ended September 30, 2024 and, as of that date, the Company had a working capital deficiency and an accumulated deficit. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. 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.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

MNP LLP
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Other Matter

The consolidated financial statements for the year ended September 30, 2023 were audited by another auditor who expressed unmodified opinion on those statements on January 24, 2024.

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 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 Management's Discussion and Analysis 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. 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 International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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 Andrew Kevin Spidle.

MNP LLP

Mississauga, Ontario — Chartered Professional Accountants

January 27, 2025 — Licensed Public Accountants

Appia Rare Earths & Uranium Corp.
Consolidated Statements of Financial Position
As at September 30, 2024 and 2023
(Expressed in CAD)

	Note	September 30, 2024 $	September 30, 2023 $
Assets			
Current			
Cash and cash equivalents	3	**319,501**	2,193,753
Accounts receivable		**17,882**	209,344
Prepaid expenses		**169,987**	139,869
Total current assets		**507,370**	2,542,966
Non-current assets			
Acquisition cost of properties	4	**1,160,727**	844,046
Deferred exploration expenditures – Canada	4	**24,692,557**	23,234,826
Deferred exploration expenditures – Brazil	4, 6	**1,541,049**	708,314
Exploration camp and equipment	5	**395,616**	559,828
Exploration deposits		**120,428**	-
Total assets		**28,417,747**	27,889,980
Liabilities			
Current			
Accounts payable and accrued liabilities		**464,085**	217,893
Flow-through share premium	8	**82,411**	-
		546,496	217,893
Long term			
Future income tax liabilities	9	**2,970,000**	2,906,103
Total liabilities		**3,516,496**	3,123,996
Shareholders' equity			
Share capital	7(a)	**34,490,815**	33,049,066
Warrants	7(c)	**-**	1,912,692
Contributed surplus	7(b)	**11,451,834**	9,304,662
Accumulated other comprehensive income (loss)		**(240,600)**	-
Deficit		**(20,777,730)**	(19,500,436)
Non-controlling interest		**(23,068)**	-
Total shareholders' equity		**24,901,251**	24,765,984
Total liabilities and shareholders' equity		**28,417,747**	27,889,980

The accompanying notes are an integral part of these consolidated financial statements.
Nature of operations and going concern (Note 1)
Subsequent events (Note 14)

Approved and authorized for issuance on behalf of the Board of Directors on January 27, 2025

/s/ Anastasios (Tom) Drivas	/s/ Frank van de Water
Anastasios (Tom) Drivas	Frank van de Water

Appia Rare Earths & Uranium Corp.
Consolidated Statements Loss and Comprehensive Loss
For the years ended September 30,
(Expressed in CAD)

	Note	**2024** **$**	2023 $
Expenses			
Pre-acquisition exploration costs		**-**	35,910
General and administrative activities:			
Investor relations		**141,260**	411,904
Management fees and salaries		**373,300**	382,840
Office and general		**526,239**	204,704
Part XII.6 tax		**79,556**	-
Professional fees		**237,400**	245,002
Share-based compensation	7(b)	**302,807**	1,336,409
General and administrative expenses		**1,660,562**	2,580,859
Loss for the year before the following		**(1,660,562)**	(2,616,769)
Flow-through premium	8	**210,009**	952,200
Gain (loss) on foreign exchange		**(7,633)**	-
Grant income		**150,000**	-
Interest income, sundry		**83,034**	125,417
Write-down of mining claims		**(11,313)**	-
Net loss before tax		**(1,236,465)**	(1,539,152)
Income tax provision (recovery)	9	**63,897**	606,103
Net loss		**(1,300,362)**	(2,145,255)
Net income (loss) attributable to:			
Common shareholders		**(1,277,294)**	(2,145,255)
Non controlling interest		**(23,068)**	-
Net income (loss) per share attributable to common shareholders – basic and diluted		**(0.01)**	(0.02)
Weighted average outstanding shares		**135,124,252**	129,345,860
Other comprehensive income (loss)			
Currency translation adjustment		**(240,600)**	-
Comprehensive income		**(240,600)**	-
Net loss and comprehensive loss		**(1,540,962)**	(2,145,255)

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

Appia Rare Earths & Uranium Corp.
Consolidated Statements of Changes in Equity
For the years ended September 30, 2024 and 2023
(Expressed in CAD)

	Share Capital $	Warrants $	Contributed Surplus $	Accumulated Other Comprehensive Income (Loss) $	Deficit $	Non-controlling Interest $	Total $
At September 30, 2022	**30,650,221**	**3,836,191**	**6,011,936**	**-**	**(17,355,181)**	**-**	**23,143,167**
Flow-through units private placement, net	3,207,864	-		-		-	3,207,864
Working capital units private placement, net	175,999	-	-	-	-	-	175,999
Valuation of warrants issued	(32,818)	32,818	-	-	-	-	-
Allocated to flow-through premium (note 8)	(952,200)	-	-	-	-	-	(952,200)
Share-based compensation (note 7(b))	-	-	1,336,409	-	-	-	1,336,409
Warrants expired	-	(1,956,317)	1,956,317	-	-	-	-
Net loss and comprehensive loss for the year	-	-	-	-	(2,145,255)	-	(2,145,25)
At September 30, 2023	**33,049,066**	**1,912,692**	**9,304,662**	**-**	**(19,500,436)**	**-**	**24,765,984**
Flow-through shares private placement, net	1,462,100	**-**	**-**	**-**	**-**	**-**	1,462,100
Allocated to flow-through premium (note 8)	(292,420)	-	-	-	-	-	(292,420)
Share issue costs	(103,758)	-	-	-	-	-	(103,758)
Stock options exercised	188,327	-	(68,327)	-	-	-	120,000
Warrants expired	-	(1,912,692)	1,912,692	-	-	-	-
Shares issued for Brazil Project (notes 4 & 6)	187,500	-	-	-	-	-	187,500
Share-based compensation (note 7(b))	-	-	302,807	-	-	-	302,807
Net loss and comprehensive loss for the year	-	-	-	(240,600)	(1,277,294)	(23,068)	(1,540,962)
At September 30, 2024	**34,490,815**	**-**	**11,451,834**	**(240,600)**	**(20,777,730)**	**(23,068)**	**24,901,251**

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

Appia Rare Earths & Uranium Corp.
Consolidated Statements of Cash Flows
For the years ended September 30, 2024 and 2023
(Expressed in CAD)

	Note	2024 $	2023 $
Operating activities			
Net loss for the year		**(1,300,362)**	(2,145,255)
Items not affecting cash:			
Flow-through premium	8	**(210,009)**	(952,200)
Income tax provision	9	**63,897**	606,103
Share-based compensation	7(b)	**302,807**	1,336,409
		(1,143,667)	(1,154,943)
Net change in non-cash working capital			
Accounts receivable		**191,462**	122,115
Prepaids and deposits		**(150,546)**	(44,319)
Accounts payable and accrued liabilities		**246,192**	7,272
Net cash used in operating activities		**(856,559)**	(1,069,875)
Investing activities			
Deferred exploration expenditures		**(2,363,117)**	(4,408,535)
Exploration and evaluation assets acquisition costs		**(129,181)**	(1,983)
Exploration equipment		**(3,737)**	(12,591)
Net cash used in investing activities		**(2,496,035)**	(4,423,109)
Financing activities			
Private placement of flow-through units		**1,462,100**	3,490,000
Private placement of working capital units		**-**	175,999
Share issue costs		**(103,758)**	(282,136)
Stock options exercised		**120,000**	-
Net cash from financing activities		**1,478,342**	3,383,863
Change in cash and cash equivalents		**(1,874,252)**	(2,109,121)
Cash and cash equivalents, beginning of the year		**2,193,753**	4,302,874
Cash and cash equivalents, end of the year		**319,501**	2,193,753

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

1. Nature of Operations and Going Concern

Appia Rare Earths & Uranium Corp. ("Appia" or the "Company") is incorporated under the Canada Business Corporations Act and is listed on the Canadian Securities Exchange (CSE: "API") and in New York on the OTCQX platform as "APAAF". The shares also trade on German exchanges. The Company is actively exploring on its Saskatchewan properties to determine whether the properties contain resources that are economically recoverable and has entered into an agreement to participate in a rare earth element project in Brazil (note 7). The registered office and location of corporate records is Suite 500, 2 Toronto Street, Toronto, Ontario.

These 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. As at September 30, 2024 the Company had no sources of operating cash flows and will therefore require additional funding which, if not raised, would result in the curtailment of activities and project delays. The Company had working capital deficiency of $39,126 as at September 30, 2024, and has incurred losses since inception resulting in an accumulated deficit of $20,777,730 as at September 30, 2024. The Company's ability to continue as a going concern is uncertain and is dependent upon its ability to continue to raise adequate financing. There can be no assurance that the Company will be successful in this regard, and therefore, these material uncertainties cast significant doubt on the Company's ability to continue as a going concern and the use of accounting principles applicable to a going concern. These Financial Statements do not reflect adjustments that would be necessary if the going concern assumption is not appropriate. If the going concern assumption is not appropriate, adjustments to the carrying values of the assets and liabilities, the expenses and the balance sheet classifications, which could be material, would be necessary.

The recoverability of the carrying cost of the Company's resource properties is dependent upon the existence of resources that are economically recoverable, confirmation of the Company's ownership interests in the claims, the ability of the Company to obtain necessary financing to complete the exploration and the development of the properties, and upon future profitable production, or proceeds from the disposition of the properties.

2. Material Accounting Policies

Basis of Presentation and Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

The policies applied in these consolidated financial statements are based on IFRS issued and effective as of September 30, 2024. The Board of Directors approved the consolidated financial statements on January 27, 2025.

The consolidated financial statements of the Company include the accounts of its subsidiary, Appia Brasil Rare Earths Mineracao Ltda. ("Appia Brazil") in which Appia has a 70% interest. Subsidiaries are fully consolidated from

2. **Significant Accounting Policies (continued)**

the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. All material intercompany balances and transactions are eliminated upon consolidation.

The accounting policies set out below have been applied consistently to all periods presented in the Financial Statements.

Presentation and Functional Currency

The presentation currency of the Company is the Canadian dollar. The functional currency of the Company is the Canadian dollar. The functional currency of Appia Brazil is the Brazilian Real.

Foreign Currency Translation

In preparing the financial statements, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing at the dates of the transactions. At each statement of financial position date, monetary assets and liabilities are translated using the period-end exchange rate. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction.

All gains and losses on translation of these foreign currency transactions are included in the statement of loss and comprehensive loss.

Significant Accounting Judgments and Estimates

The preparation of financial statements requires management to make estimates, judgments and assumptions that affect the amounts reported in the Financial Statements and notes. By their nature, these estimates, judgments and assumptions are subject to measurement uncertainty and the effect on the Financial Statements of changes in such estimates in future periods could be material. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The more significant estimates and judgments are as follows:

Critical accounting estimates

The amounts recorded for share-based compensation transactions are based on estimates. The Black-Scholes model is based on subjective estimates of assumptions for expected volatility, expected number of options to vest, dividend rate, risk-free interest rate and expected life of the options.
The recoverability of amounts shown for exploration and evaluation assets is dependent on the discovery of economical reserves, the ability of the Company to obtain financing to complete development of the properties and on future production or proceeds of disposition.

Deferred income tax assets and liabilities are computed based on differences between the carrying amounts of assets and liabilities on the Statements of Financial position and their corresponding tax values. Deferred income tax assets also result from unused loss carry-forwards and other deductions. The valuation of deferred income tax assets is adjusted to reflect the uncertainty of realization through profitable operations.

2. Significant Accounting Policies (continued)

Financial Instruments (continued)

Critical accounting judgments

The following accounting policies involve judgments or assessments made by management:

- Management's opinion that there is no material restoration, rehabilitation and environmental obligation resulting from its exploration work, is based on the existing facts and circumstances.
- The determination of categories of financial assets and financial liabilities;
- The determination of a cash-generating unit for assessing and testing for impairment;
- The determination of whether there are indications of impairment on the Company's exploration and evaluation assets; and
- The determination of when an exploration and evaluation asset moves from the exploration stage to the development stage.

Financial Instruments

Financial assets

Financial assets are classified as either financial assets at fair value through profit or loss ("FVTPL"), fair value through other comprehensive income ("FVTOCI") or amortized cost. The Company determines the classification of financial assets at initial recognition.

Financial assets at Fair-value through profit or loss

Financial instruments classified as fair value through profit and loss are reported at fair value at each reporting date, and any change in fair value is recognized in the statement of loss and comprehensive loss in the period during which the change occurs. Realized and unrealized gains and losses from assets held at FVPTL are included in losses in the period in which they arise.

Financial assets at Fair-value through other comprehensive income

Financial assets carried at FVTOCI are initially recorded at fair value plus transaction costs with all subsequent changes in fair value recognized in other comprehensive income (loss). For investments in equity instruments that are not held for trading, the Company can make an irrevocable election (on an instrument-by-instrument basis) at initial recognition to classify them as FVTOCI. On the disposal of the investment, the cumulative change in fair value remains in other comprehensive income (loss) and is not recycled to profit or loss.

Financial assets at amortized cost

Financial assets are classified at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows comprise solely payments of principal and interest. The Company's accounts receivable are recorded at amortized cost as they meet the required criteria. A provision is recorded based on the expected credit losses for the financial asset and reflects changes in the expected credit losses at each reporting period.

2. Significant Accounting Policies (continued)

Financial Instruments (continued)

Financial liabilities

Financial liabilities are initially recorded at fair value and subsequently measured at amortized cost, unless they are required to be measured at FVTPL (such as derivatives) or the Company has elected to measure at FVTPL. The Company's financial liabilities include trade and other payables which are classified at amortized cost.

Impairment

IFRS 9 requires an 'expected credit loss' model to be applied which requires a loss allowance to be recognized based on expected credit losses. This applies to financial assets measured at amortized cost. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in initial recognition.

Fair value hierarchy:

The Company classifies financial instruments recognized at fair value in accordance with a fair value hierarchy that prioritizes the inputs to the valuation technique used to measure fair value as per IFRS 7. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

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 observable, either directly or indirectly, for substantially the full term of the asset or liability; and

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).

The Company has no FVTPL financial instruments.

Impairment of financial assets:

When an FVTOCI financial asset is considered to be impaired, cumulative gains or losses previously recognized in other comprehensive income or loss are reclassified to profit or loss in the period.
Financial assets are assessed for indicators of impairment at the end of each reporting period.

Cash and Cash Equivalents

Cash and cash equivalents comprises cash, Canadian Chartered Bank demand deposits and money market funds.

2. Significant Accounting Policies (continued)

Exploration camp and equipment

Exploration camp buildings and equipment costs are carried at built or acquisition cost less subsequent depreciation and impairment losses.
Depreciation is recognized on a declining balance basis to write off the cost, less their estimated residual value. The rates generally applicable are:

Exploration camp	30%
Machinery and equipment	30%

Material residual value estimates and estimates of useful life are updated as required, but at least annually.

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

Exploration and Evaluation Assets

Exploration and evaluation assets include the costs associated with exploration and evaluation activity (e.g., geological, geophysical studies, exploratory drilling and sampling), and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. The Company follows the practice of capitalizing all costs related to the acquisition of, exploration for and evaluation of mineral claims and crediting all revenue received against the cost of related claims. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in the statement of loss and comprehensive loss. Any recovery or proceeds related to a particular mineral property in excess of the capitalized costs in exploration and evaluation assets attributed to that mineral property is recognized in income or loss in that period.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, which management has determined to be indicated by a preliminary economic feasibility study, exploration and evaluation assets attributable to that area of interest are first tested for impairment and would then be reclassified to mining property and development assets.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

It is management's judgment that none of the Company's exploration and evaluation assets have reached the development stage and, as a result, are all considered to be exploration and evaluation assets.

It is management's judgment that there are no indications of impairment on the Company's exploration projects.

2. Significant Accounting Policies (continued)

Financial Instruments (continued)

Share-based Compensation

The Company grants share purchase options to buy common shares of the Company to directors, officers, employees and service providers. The board of directors generally grants such options for periods of up to five years, with vesting periods determined at its sole discretion and at prices equal to or greater than the closing market price on the day preceding the date the options were granted.

The fair value of share purchase options granted is recognized on vesting, as an expense in general and administration cost, or charged to exploration expense when appropriate, with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value of the share purchase options granted is measured using the Black-Scholes option pricing model, taking into account the terms and conditions under which the share purchase options were granted.

The fair value for share purchase options granted to non-employees for services provided is measured at the date the services are received. If the fair value of services received cannot be estimated reliably, the value of the share purchase options is estimated using the Black-Scholes option pricing model, taking into account the terms and conditions under which the share purchase options were granted.

At the end of each financial reporting period, the amount recognized as an expense reflects the actual number of share purchase options that are expected to vest.

Income Taxes

Income tax on the profit or loss consists of current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

2. Significant Accounting Policies (continued)

Income Taxes (continued)

The following temporary differences do not result in deferred tax assets or liabilities:

- the initial recognition of assets or liabilities, not arising in a business combination, that does not affect accounting or taxable profit;
- goodwill not deductible for tax purposes; and
- investments in subsidiaries, associates, and jointly controlled entities where the timing of reversal of the temporary differences can be controlled and reversal in the foreseeable future is not probable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied.

Restoration, Rehabilitation and Environmental Obligations

A legal or constructive obligation to incur restoration, rehabilitation, and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of an interest in an exploration and evaluation asset. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation.

The Company has not accrued for material restoration, rehabilitation, and environmental costs, as the exploration programs create minimal disturbance to the properties.

Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance expense ("notional interest").

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic benefits will be required, the provision is reversed. The Company presently does not have any amounts considered to be provisions.

Flow-through shares

The Company will, from time to time, issue flow-through common shares to finance a portion of its exploration program. Pursuant to the terms of the flow-through share subscription agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-

2. Significant Accounting Policies (continued)

Flow-through shares (continued)

through share into i) 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 ii) share capital. As the flow-through expenditure commitment is met, the flow-through premium liability is reduced proportionally and is recognized in the statement of loss and comprehensive loss.

Loss per share

Loss per share is calculated using the weighted average number of common shares outstanding during the year. Since the Company is in a loss position, the effects of exercising share purchase options and warrants are anti-dilutive.

Impairment

The carrying value of exploration and evaluation assets are reviewed on a quarterly basis for indications of impairment. If indications of impairment are identified, the Company will determine the recoverable amount based on the estimated undiscounted future projected cash flows from the use of the property and its related assets or their eventual disposition through sale. If the carrying value exceeds the recoverable amount, the property and its related assets will be written down to the recoverable amount. Management determined that there was no impairment of carrying value on its properties in the current period.

Accounting pronouncements adopted

Amendment to IAS 1, Presentation of Financial Statements - Classification of Liabilities as Current or Non- Current- In January 2020, the IASB issued amendments to paragraphs 69-76 of IAS 1 to clarify the requirements for classifying liabilities as current or non-current. The amendments specify that the conditions which exist at the end of a reporting period are those which will be used to determine if a right to defer settlement of a liability exists. The amendments also clarify the situations that are considered a settlement of a liability. The amendments were adopted by the Company effective January 1, 2022, with no effect.

Accounting pronouncements issued but not yet adopted

At the date of approval of these Financial Statements for the year ended September 30, 2024, the following standards have been issued but not yet adopted.

On October 31, 2022, the IASB issued a deferral of the effective date for the new guidance by one year to annual reporting periods beginning on or after January 1, 2024 and is to be applied retrospectively. The Company has not yet determined the impact of these amendments on its consolidated financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and

(Expressed in CAD)

2. Significant Accounting Policies (continued)

Accounting pronouncements issued but not yet adopted (continued)

disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

The Company has not yet determined the impact of these amendments on its consolidated financial statements.

3. Cash and Cash Equivalents

Cash and cash equivalents comprise cash and investments in Canadian Chartered Bank demand money market funds.

4. Exploration and Evaluation

Property acquisition costs and related direct exploration costs less recoveries are deferred until such time as the properties are either placed into commercial production, sold, determined not to be economically viable, or abandoned.

Acquisition Costs of Properties

	Elliot Lake Ontario	Alces Lake Saskatchewan	Other Saskatchewan	Brazil Project (note 6)	Total
	$	$	$	$	$
Balance, September 30, 2022	602,693	209,701	29,668	-	842,062
Total additions for the year	-	1,984	-	-	1,984
Balance, September 30, 2023	602,693	211,685	29,668	-	844,046
Shares issued for Brazil Project (note 6)	-	-	-	187,500	187,500
Total additions for the year	-	-	129,181	-	129,181
Balance, September 30, 2023	**602,693**	**211,685**	**158,849**	**187,500**	**1,160,727**

(Expressed in CAD)

4. Exploration and Evaluation (continued)

	Saskatchewan	Ontario	Brazil Project (Note 6)	Total
	$	$	$	$
Balance, October 1, 2022	**14,654,646**	**4,582,730**	**-**	**19,237,376**
Assaying	384,898	-	-	384,898
Contract flying	815,779	-	-	815,779
Contract labour	639,857	-	129,853	769,710
Depreciation	297,229	-	-	297,229
Drilling	923,785	-	354,771	1,278,556
Field expenses	4,147	-	196,181	200,328
Fuel	142,392	-	-	142,392
Geophysics	42,500	-	-	42,500
Personnel travel costs	84,881	-	3,074	87,955
Employees	87,670	-	-	87,670
Camp operating costs	383,471	-	-	383,471
Shipping	136,873	-	-	136,873
Other	53,968	-	24,435	78,403
Balance, September 30, 2023	**18,652,096**	**4,582,730**	**708,314**	**23,943,140**
Assaying	105,161	-	-	105,161
Contract flying	223,234	-	-	223,234
Contract labour	392,341	-	615,253	1,007,594
Depreciation	167,948	-	-	167,948
Drilling	180,067	-	-	180,067
Field expenses	8,543	-	6,934	15,068
Geologists	-	-	98,711	98,711
Fuel	56,585	-	8,167	64,752
Geophysics	230,000	-	-	230,000
Personnel travel costs	69,107	-	45,077	114,184
Employees	-	-	294,405	294,405
Other	23,677	1,068	48,009	72,754
Foreign exchange translation	-	-	(283,821)	(283,821)
Balance, September 30, 2024	**20,108,759**	**4,583,798**	**1,541,049**	**26,233,606**

4. Exploration and Evaluation (continued)

Saskatchewan, Athabasca Basin Area

The Company commenced adding to its holdings by staking in Saskatchewan in 2011 and began significant acquisitions starting in 2016. At September 30, 2024 the Company held a 100% interest in 113,837 hectares (281,298 acres).

Alces Lake Property is located 30 km northeast of Uranium City and at September 30, 2021 comprised 35,682 hectares (88,172 acres), of REE mineralization, with multiple outcrops and boulders. In August 2021, 18,105 hectares (44,738 acres) of land contiguous to the existing claim block were staked. The property is being actively explored and drilled in summer programs, extended to December in 2021, but in 2022 the program ran for 4.5 months from March to August. In February 2023 2,840 hectares (7,018 acres) were staked.

Eastside Property is located east of Cameco's Rabbit Lake mill and the eastern edge of the Athabasca Basin and was acquired by staking in June 2017. The property comprises 4,933 hectares (12,191 acres).

Loranger Property comprises 26,409 hectares (65,258 acres) on the east side of Wollaston Lake with two diamond drill programs completed in January 2017 and March 2019.

North Wollaston Property comprises 16,682 hectares (41,221 acres) located 30 km northeast of Cameco's Rabbit Lake mill on the eastern edge of the Athabasca Basin.

Other Side Property comprises 27,291 hectares (67,437 acres).

Ontario, Elliot Lake

In 2007, the Company acquired a 100% interest in 61 mining claims known as the Elliot Lake property located in Beange, Bolger, Bouck, Buckles, Gunterman and Joubin Townships, Sault Ste. Marie Mining Division in the Province of Ontario from Canada Enerco Corp. ("CEC"), a company controlled by the CEO and Director of the Company. CEC retains the right to a 1% Uranium Production Payment Royalty and a 1% Net Smelter Returns Royalty on any precious or base metals payable, provided that the price of uranium is greater than US$130 per pound.

Appia holds over 12,545 hectares (31,000 acres) encompassing five mineralized zones in the Elliot Lake area of northern Ontario. The zones are called Teasdale, Banana Lake, Canuc, Bouck Lake and Buckles Lake.
In prior years the Company had spent over $5 million exploring this property and had some promising results. However, with the low Uranium prices, the explorations costs were written off. The Company continues to own these claims.

(Expressed in CAD)

5. Exploration Camp and Equipment

	Machinery and Equipment	Camp	Total
Cost	**$**	**$**	**$**
Balance as at September 30, 2022	714,573	864,457	1,579,030
Additions	12,591	-	12,591
Balance as at September 30, 2023	727,164	864,457	1,591,621
Additions	3,187	550	3,737
Balance as at September 30, 2024	730,351	865,007	1,595,358
Accumulated Depreciation			
Balance, September 30, 2022	(395,925)	(338,639)	(734,564)
Depreciation	(139,484)	(157,745)	(297,229)
Balance, September 30, 2023	(535,409)	(496,384)	(1,031,793)
Depreciation	(57,527)	(110,422)	(167,949)
Balance, September 30, 2024	(592,936)	(606,806)	(1,199,742)
Net book value, September 30, 2023	191,755	368,073	559,828
Net book value, September 30, 2024	**137,415**	**258,201**	**395,616**

Depreciation is charged at 30% per annum on a declining balance basis and has been added to deferred exploration costs.

6. Brazil Project

On July 20, 2023 (the "Effective Date"), the Company executed an option agreement (the "Quotaholders' Agreement") to acquire a 70% interest in Appia Brazil and title of certain lands have been transferred to Appia Brazil.

Pursuant to the Quotaholders' Agreement, Appia must make US$10 million in exploration expenditures and issue 2,000,000 common shares as follows:

- Issue an initial 500,000 common shares of the Company (issued);
- On or before the first anniversary of the Effective Date, expend $1 million USD (completed) and issue 500,000 common shares of the Company (issued);
- On or before the second anniversary of the Effective Date, expend an additional $3.5 million USD and (in progress) issue 500,000 common shares of the Company;
- On or before the third anniversary of the Effective Date, expend an additional $3.5 million USD and issue 500,000 common shares of the Company;
- On or before the fourth anniversary of the Effective Date, expend an additional $1.5 million USD and issue 500,000 common shares of the Company;
- On or before the fifth anniversary of the Effective Date, expend an additional $500,000 USD to earn 60% property interest;
- Within 90 days after earning its 60% property interest, issue US $1,200,000 of common shares of the Company priced at the time of issuance.

(Expressed in CAD)

7. Share Capital

(a) Common shares

The Company is authorized to issue an unlimited number of no par value common shares. The following table provides the details of changes in the number of issued common shares.

	Number #	Amount $
Balance, September 30, 2022	123,134,263	30,650,221
Flow-through units private placement November 22, 2022	5,000,000	2,500,000
Flow-through units private placement December 8, 2022	1,980,000	990,000
Working capital units private placement December 8, 2022	409,300	175,999
Less: Value associated with warrants issued	-	(31,382)
Less: Value associated with broker warrants issued	-	(1,436)
Allocated to flow-through premium (Note 8)	-	(952,200)
Share issue costs	-	(282,136)
Balance, September 30, 2023	130,523,563	33,049,066
Flow-through shares private placement December 27, 2023	4,873,667	1,462,100
Allocated to flow-through premium (Note 8)	-	(292,420)
Share issue costs	-	(103,758)
Stock options exercised	436,364	120,000
Reclassification of stock options exercised	-	68,327
First and second tranche of shares for the Brazil Project (note 6)	1,000,000	187,500
Balance September 30, 2024	**136,833,594**	**34,490,815**

On November 22, 2022, the Company closed the first tranche of a non-brokered private placement of 5,000,000 flow-through shares at $0.50 per share that were subject to a hold period expiring March 23, 2023.

On December 8, 2022, the Company closed the final tranche of the private placement with the issuance of 1,980,000 flow-through shares for gross proceeds of $990,000 and 409,300 working capital units ("WC units") at $0.43 for gross proceeds of $176,000. The WC units consist of one common share and one common share purchase warrant to acquire one common share at an exercise price of $0.65 until December 8, 2023. The Company also issued 12,000 brokers warrants valued at $1,436 with the WC units. The brokers warrants have the same term as the unit warrants.

On December 11, 2023, the Company issued the first tranche of 500,000 common shares in accordance with the Definitive Agreement whereby it may acquire a 70% interest in the Brazil Project (note 6).

On December 27, 2023, the Company closed its non-brokered private placement of 4,873,667 flow-through shares at $0.30 per share for gross proceeds of $1,462,100. The proceeds are expected to be spent on the Alces Lake exploration program in 2024.

On June 19, 2024, the Company issued the second tranche of 500,000 common shares in accordance with the Definitive Agreement whereby it may acquire a 70% interest in the Brazil Project.

(Expressed in CAD)

7. Share Capital (continued)

b. Options

The Company has a stock option plan (the "Plan") for the benefit of directors, officers and consultants. The total number of shares which may be reserved and set aside for issuance to eligible persons may not exceed 10% of the issued and outstanding common shares.

As at September 30, 2024, 8,160,000 common shares were reserved for the exercise of stock options granted under the Plan.

The following table provides the details of changes in the number of issued common share purchase options during the year:

	Options	Weighted-average exercise price
Outstanding at September 30, 2022	7,110,000	0.51
Granted	200,000	0.60
Granted	1,000,000	0.35
Expired	(1,000,000)	0.65
Expired	(200,000)	0.30
Outstanding at September 30, 2023	7,110,000	0.47
Exercisable at September 30, 2023	3,985,000	0.47
Granted	1,486,364	0.26
Exercised	(436,364)	0.28
Outstanding at September 30, 2024	8,160,000	0.45
Exercisable at September 30, 2024	8,160,000	0.45

On October 18, 2022, the Company granted 200,000 options to purchase common shares exercisable at $0.60 per share for five years to a consultant of the Company.

On January 5, 2023, the Company granted 1,000,000 options to purchase common shares exercisable at $0.35 per share for five years to the new President of the Company, Stephen Burega.

On November 6, 2023, the Company granted 1,186,364 options to purchase common shares exercisable at $0.275 per share for five years to consultants of the Company.

On February 8, 2024 the Company granted 300,000 options to purchase common shares exercisable at $0.275 per share for five years to consultants of the Company.

(Expressed in CAD)

7. Share Capital (continued)

b. Options (continued)

Number of stock options	Number exercisable	Remaining contractual life	Exercise price per share	Expiry date
510,000	510,000	0.84 years	0.25	August 4, 2025
150,000	150,000	1.68 years	0.91	June 3, 2026
750,000	750,000	2.98 years	0.28	November 6, 2026
5,250,000	5,250,000	3.05 years	0.50	September 21, 2027
200,000	200,000	3.26 years	0.60	October 18, 2027
1,000,000	1,000,000	4.10 years	0.35	January 4, 2028
300,000	150,000	4.36 years	0.28	February 8, 2029
8,160,000	8,010,000			

The weighted average fair value of the options issued on September 21, 2022, was calculated as $0.39 per share option. The fair value was estimated at the date of grant using the Black-Scholes pricing model with the following assumptions: risk-free weighted-average interest rate of 3.35%, expected dividend yield of nil, expected volatility of 120.93% and expected life term of 60 months. Options that have been issued generally vest one-half immediately on the date of grant and one-half twelve months from the date of grant.

The weighted average fair value of the options issued on October 18, 2022, was calculated as $0.38 per share option. The fair value was estimated at the date of grant using the Black-Scholes pricing model with the following assumptions: risk-free weighted-average interest rate of 3.51%, expected dividend yield of nil, expected volatility of 120.61% and expected life term of 60 months.

The weighted average fair value of the options issued on November 6, 2023, was calculated as $0.194 per share option. The fair value was estimated at the date of grant using the Black-Scholes pricing model with the following assumptions: risk-free weighted-average interest rate of 3.67%, expected dividend yield of nil, expected volatility of 112.71% and expected life term of 36 months.

The weighted average fair value of the options issued on February 8, 2024, was calculated as $0.229 per share option. The fair value was estimated at the date of grant using the Black-Scholes pricing model with the following assumptions: risk-free weighted-average interest rate of 3.69%, expected dividend yield of nil, expected volatility of 120.62% and expected life term of 60 months.

(Expressed in CAD)

7. Share Capital (continued)

c. Warrants

On certain issuances of common shares, the Company grants warrants entitling the holder to acquire additional common shares of the Company, and the Company grants warrants as consideration for services associated with the placement of such common share issues. The following table provides the details of changes in the number of shares issuable on exercise of outstanding common share purchase warrants:

	Number of shares	Value $
Balance September 30, 2022	15,577,074	3,836,191
Private placement warrants issued	421,300	32,818
Warrants expired	(10,305,979)	(1,956,317)
Balance September 30, 2023	5,692,395	1,912,692
Warrants expired	(5,692,395)	(1,912,692)
Balance September 30, 2024	-	-

The fair value of the warrants issued during the year ended September 30, 2023, was estimated using the Black-Scholes option pricing model with the following assumptions: risk-free weighted-average interest of 3.01%, expected dividend yield of nil, average expected volatility of 98.55% and expected life term of 24 months. Under this method of calculation, the Company recorded $32,818 as the value of the warrants issued under this offering.

During the year ended September 30, 2024, all warrants expired unexercised.

The number of common shares outstanding on September 30, 2024, was 136,333,594. Taking into account outstanding share purchase options and warrants, the fully diluted number of common shares that could have been outstanding on September 30, 2024, was 144,993,594.

8. Flow-through Share Premium

Flow-through liabilities include the deferred premium portion of the flow-through shares issued.

On December 27, 2023, the Company closed a private placement of 4,873,667 flow-through units for gross proceeds of $1,462,100. As of September 30, 2024, $1,050,045 of these funds have been expended on Canadian Exploration Expenditures ("CEE") and the Company was committed to spending the remaining $412,055 on or before December 31, 2024. The Company met its commitment by December 30, 2024.

The following is a continuity schedule of the liability portion of the flow-through issuances.

	September 30, 2024, $	September 30, 2023, $
Balance at the beginning of the year	-	-
Liability incurred on flow-through shares issued	292,420	952,200
Settlement of liability through the expenditure of funds	(210,009)	(952,200)
Balance at the end of the year	82,411	-

(Expressed in CAD)

9. Income Taxes

The following table reconciles the combined Canadian federal and provincial statutory income tax rate of 26.5% (2023 - 26.5%) to the effective tax rate:

	September 30, 2024	September 30, 2023
Net loss before tax	**(1,236,465)**	(1,539,152)
Income tax recovery based on statutory rate	**(327,660)**	(407,875)
Non-deductible items for tax purposes	**25,597**	355,144
Items deductible for tax purposes	**61,600**	(94,369)
Tax on items renounced	**278,260**	753,203
Change in tax benefits not recognized	**26,100**	-
Net deferred income tax expense (recovery)	**63,897**	606,103

The following table summarizes the components of deferred tax:

	September 30, 2024	September 30, 2023
Assets		
Exploration camp and equipment	**264,930**	-
Finance costs	**195,220**	-
Operating tax losses - Canada	**2,035,770**	1,663,000
Operating tax losses - Brazil	**518,790**	-
Liabilities		
Exploration and evaluation assets - Canada	**(5,465,920)**	(4,569,103)
Exploration and evaluation assets - Brazil	**(518,790)**	-
	(2,970,000)	(2,906,103)

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

Operating tax losses - Brazil	**76,760**

10. Related Party Transactions

During the year ended September 30, 2024, the Company incurred related party expenses totaling $445,683 (2023 – $390,791). These expenses related to management fees paid or payable to key management personnel; Tom Drivas, Chief Executive Officer, Stephen Burega, President, Frank van de Water, Chief Financial Officer until July 31, 2024, Brian Crawford, Chief Financial Officer from August 1, 2024, Irvine Annesley, VP Exploration, and office administration services paid to Romios Gold Resources Inc., a company with a number of common directors and officers. The amount charged for office administration services is included under office and general expenses.

(Expressed in CAD)

10. Related Party Transactions (continued)

At September 30, 2024, $37,507 (2023 - $15,671) of accumulated related party expenditures was payable to the other officers and Romios Gold Resources Inc.

One insider of the Company subscribed for 166,667 FT Units for $50,000 in the December 2023 private placement.

Key management personnel were not paid post-retirement benefits, termination benefits, or other long-term benefits during the year ended September 30, 2024, and 2023.

During the year ended September 30, 2024, the Company incurred expenses of $16,000 (2023 - $23,000) for independent directors' fees. At September 30, 2024, $55,000 (2023 - $39,000) of accrued directors' fees was outstanding.

During the year ended September 30, 2024, the Company incurred expenses of $86,744 (2023 - $106,462) for legal fees, share issue costs, and property acquisition costs to a law firm related to a director of the Company, William R. Johnstone. At September 30, 2024, $9,197 (2023 – $2,976) was payable to this related party.

11. Financial Instruments and Risk Management

Categories of financial assets and liabilities

Under IFRS, financial instruments are classified into one of the following five categories: Fair value through profit and loss ("FVTPL"), held to maturity investments, loans and receivables, financial assets, and financial liabilities. The carrying values of the Company's financial instruments, including those held for sale are classified into the following categories:

	September 30, 2024	September 30, 2023
	$	$
FVTPL(1)	**319,501**	2,193,753
Receivables (2)	**17,882**	209,344
Financial liabilities (3)	**361,553**	160,246

(1) Includes cash, committed cash and demand deposits and money market funds of a Canadian Chartered Bank.
(2) Includes accounts receivable related to HST refunds.
(3) Includes accounts payable.

Financial Instruments

The carrying amounts for the Company's financial instruments approximate their fair values because of the short-term nature of these items.

Risks arising from financial instruments and risk management

The Company's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company.

(Expressed in CAD)

11. Financial Instruments and Risk Management (continued)

Carrying value of exploration and evaluation assets

The Company regularly reviews the carrying value of its properties to determine whether the cost of these assets will be recoverable from future cash flows or from the proceeds of their disposal. Assumptions underlying the cash flow estimates would include the forecasted prices for uranium and rare earth elements, planned production levels, and operating, capital, exploration, and reclamation costs, which are subject to risks and uncertainties. Management has determined that there is no impairment of the carrying value of its exploration properties.

12. Capital Disclosures

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration and evaluation assets. The capital of the Company consists of capital stock, warrants, and contributed surplus.

The properties in which the Company currently has an interest are in the exploration stage as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and will raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or 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.

The Company is not subject to externally imposed capital requirements.

13. Segmented Information

The Company operated in two geographic segments during the year ended September 30, 2024, as disclosed below:

Country	Cash and Cash Equivalents	Receivables, Prepaids, and Deposits	Exploration and Evaluation Properties	Exploration Camp Equipment	Current Liabilities	Income Tax	Net Loss
Canada	281,604	187,869	25,660,978	391,879	496,704	2,970,000	(1,223,599)
Brazil	37,897	120,428	1,733,355	3,737	49,792	-	(76,763)
	319,501	**308,297**	**27,394,333**	**395,616**	**546,496**	**2,970,000**	**(1,300,362)**

14. Subsequent Events

On October 29, 2024, the Company issued 9,531,250 working capital units at $0.08 per unit for gross proceeds of $762,500. Each unit, comprises one common share and one common share purchase warrant exercisable at $0.15 until the earlier of October 29, 2026 and (ii) in the event that the closing price of the Common Shares on the Canadian Securities Exchange is at least $0.25 for ten (10) consecutive trading days, and the 10th trading day (the "Final Trading Day") is at least four (4) months from October 29, 2024, the date which is thirty (30) days from the Final Trading Day (the "Trigger Date"). In connection with the financing, 45,750 Broker Warrants were issued to acquire one common share at a price of $0.08 for a period of 24 months.

On October 29, 2024, the Company issued 3,075,000 flow-through units at $0.10 per unit for gross proceeds of $307,500. Each unit comprises one common share and one common share purchase warrant exercisable at $0.15 until the earlier of (i) October 29, 2026; and the (ii) Trigger Date.

On December 31, 2024, the Company issued 3,541,667 flow-through units at $0.12 per unit for gross proceeds of $425,000. Each unit comprises one common share and one common share purchase warrant exercisable at $0.12 for a period of 12 months. In connection with the financing, 175,000 Broker Warrants were issued to acquire one common share at a price of $0.15 for a period of 24 months.