United Lithium Corp.

Condensed Interim Consolidated Financial Statements

Three and six months ended January 31, 2025 and 2024

(Expressed in Canadian Dollars)

(Unaudited)

These unaudited condensed interim consolidated financial statements of United Lithium Corp. for the three and six months ended January 31, 2025, have been prepared by management and approved by the Board of Directors (the "Board").

These unaudited condensed interim consolidated financial statements have not been reviewed by the Company's external auditors.

United Lithium Corp.
Condensed Interim Consolidated Statements of Financial Position
Expressed in Canadian Dollars
Unaudited

	Notes		**January 31, 2025**		July 31, 2024
ASSETS					
Current assets					
Cash and cash equivalents	3	**$**	**482,528**	$	1,265,331
Value-added-tax receivables			**60,277**		267,161
Other receivable	8		**22,609**		20,209
Prepaid expenses and deposits			**431,125**		512,851
Total current assets			**996,539**		2,065,552
Non-current assets					
Exploration and evaluation assets	4,10		**11,586,144**		10,812,533
Property and equipment	5		**180,656**		213,352
Other non-current receivable	8		**22,587**		34,452
Long-term deposits			**69,707**		54,860
TOTAL ASSETS		**$**	**12,855,633**	$	13,180,749
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	7	**$**	**89,558**	$	207,560
Lease liability	8		**45,218**		40,521
Total current liabilities			**134,776**		248,081
Non-current liabilities					
Lease liability	8		**45,174**		68,903
TOTAL LIABILITIES			**179,950**		316,984
SHAREHOLDERS’ EQUITY					
Share capital	9		**38,076,577**		38,076,577
Reserves	9		**7,242,735**		7,207,467
Accumulated other comprehensive income			**283,727**		109,959
Accumulated deficit			**(32,927,356)**		(32,530,238)
TOTAL SHAREHOLDERS' EQUITY			**12,675,683**		12,863,765
TOTAL LIABILITIES AND SHAREHOLDERS’ EQUITY		**$**	**12,855,633**	$	13,180,749

Nature of operations and going concern (Note 1)
Subsequent event (Note 9(d))

Approved and authorized for issue on behalf of the Board on March 27, 2025:

/s/ Iain Scarr
Iain Scarr, Director

/s/ Scott Eldridge
Scott Eldridge, Director

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

United Lithium Corp.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
Expressed in Canadian Dollars
Unaudited

	Notes	Three months ended January 31, 2025	Three months ended January 31, 2024	Six months ended January 31, 2025	Six months ended January 31, 2024
Operating expenses					
Salaries and consulting fees	11	$ **33,752**	$ 291,885	$ **108,708**	$ 409,763
Share-based payments	9(e)	**-**	70,931	**10,268**	146,234
Depreciation	5	**16,348**	15,472	**32,696**	31,820
General and administration		**16,827**	11,933	**34,084**	47,776
Investor relations, marketing and conferences		**10,916**	217,649	**25,906**	329,531
Other consulting fees		**18,000**	52,500	**28,500**	111,000
Professional fees		**19,743**	17,343	**27,431**	62,044
Project generation		**-**	-	**-**	315
Public company costs and director fees	11	**30,750**	24,829	**61,500**	47,192
Regulatory and transfer agent fees		**11,885**	22,376	**17,921**	29,363
Foreign exchange loss		**(676)**	(640)	**7,007**	7,844
Loss from operations		**157,545**	724,278	**354,021**	1,222,882
Other income					
Write-down of evaluation and exploration assets	4(b)	**44,518**	-	**44,518**	-
Other (income) expense		**(1,800)**	(3,283)	**4,160**	(11,834)
Interest income		**(1,386)**	(55,616)	**(15,753)**	(104,460)
Interest expense	8	**4,852**	6,588	**10,172**	13,494
Net loss for the period		**$ 203,729**	**$** 671,967	**397,118**	1,120,082
Other comprehensive (income) loss					
Items that may be reclassified subsequently to loss:					
Exchange difference on translation		**(31,444)**	8,336	**(173,768)**	29,555
Total other comprehensive (income) loss		**(31,444)**	8,336	**(173,768)**	29,555
Total comprehensive loss for the period		**$ 172,285**	**$** 680,303	**$ 223,350**	**$** 1,149,637
Net loss attributable to:					
Shareholders of the Company		**203,729**	675,930	$ **397,118**	$ 1,120,082
Non-controlling interest		**-**	(3,963)	**-**	-
Net loss for the period		$ **203,729**	$ 671,967	$ **397,118**	$ 1,120,082
Total comprehensive loss attributable to:					
Shareholders of the Company		**172,285**	680,303	$ **223,350**	$ 1,149,637
Non-controlling interest		**-**	-	**-**	-
Total comprehensive loss for the period		$ **172,285**	$ 680,303	$ **223,350**	$ 1,149,637
Loss per share attributable to common shareholders (basic and diluted)	2(e), 9(b)(ii)	$ **0.00**	$ 0.02	$ **0.01**	$ 0.03
Weighted average number of basic and diluted common shares outstanding	2(e), 9(b)(ii)	**47,741,055**	35,643,664	**47,741,055**	41,074,376

United Lithium Corp.
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
Expressed in Canadian Dollars
Unaudited

	Notes	Number of shares (Note 2(e))	Share capital	Reserves: Equity settled employee compensation and warrants	Reserves: Special broker warrants	Reserves: Other reserves	Reserves: Total reserves	Accumulated other comprehensive (loss) income	Non-controlling interest	Accumulated deficit	Total
Balance at July 31, 2023		41,074,388	$36,087,856	$ 6,260,032	$ -	$ 707,803	$ 6,967,835	$ (16,657)	$ (8,620)	$(30,330,153)	$ 12,700,261
Share-based payments	9(e)	-	-	146,234	-	-	146,234	-	-	-	146,234
Exchange difference on translation		-	-	-	-	-	-	(29,555)	-	-	(29,555)
Net loss for the period		-	-	-	-	-	-	-	-	(1,120,082)	(1,120,082)
Balance at January 31, 2024		**41,074,388**	**$36,087,856**	$ 6,406,266	$ -	$ 707,803	**$ 7,114,069**	**$ (46,212)**	**$ (8,620)**	**$(31,450,235)**	**$ 11,696,858**
Balance at July 31, 2024		**47,741,055**	**$38,076,577**	$ 6,499,664	$ -	$ 707,803	**$ 7,207,467**	**$ 109,959**	**$ -**	**$(32,530,238)**	**$ 12,863,765**
Share-based payments	9(e)	-	-	10,268	-	-	10,268	-	-	-	10,268
Issuance of deferred share units	9(g)	-	-	25,000	-	-	25,000	-	-	-	25,000
Exchange difference on translation		-	-	-	-	-	-	173,768	-	-	173,768
Net loss for the period		-	-	-	-	-	-	-	-	(397,118)	(397,118)
Balance at January 31, 2025		**47,741,055**	**$38,076,577**	$ 6,534,932	$ -	$ 707,803	**$ 7,242,735**	**$ 283,727**	**$ -**	**$(32,927,356)**	**$ 12,675,683**

The number of shares outstanding as at July 31, 2023, have been updated retrospectively to reflect the 3 for 1 share consolidation which became effective on December 27, 2023 (Note 2(e)).

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

Expressed in Canadian Dollars

		Six months ended January 31, 2025		2024
Operating activities				
Net loss for the period	**$**	**(397,118)**	$	(1,120,082)
Adjustments for non-cash items:				
Depreciation		**32,696**		32,695
Share-based payments		**10,268**		146,234
Impairment of evaluation and exploration assets		**44,518**		-
Other expense (income)		**9,241**		(6,240)
Interest expense on lease liability		**10,172**		13,494
Interest income on sublease receivable		**(5,082)**		(5,593)
Unrealized foreign exchange gain		**(110,556)**		(51,870)
Changes in non-cash working capital items:				
Receivables		**206,884**		(28,786)
Prepaid expenses and deposits		**57,485**		(63,003)
Accounts payable and accrued liabilities		**40,245**		(690)
Cash from used in operating activities		**(101,247)**		(1,083,841)
Investing activities				
Exploration and evaluation assets		**(666,899)**		(2,228,355)
Cash used in investing activities		**(666,899)**		(2,228,355)
Financing activities				
Prinicipal payments on lease liabilities		**(19,032)**		(11,585)
Interest payments on lease liabilities		**(10,172)**		(13,494)
Principal payments received on sublease receivable		**9,465**		10,849
Interest payments received on sublease receivable		**5,082**		5,593
Cash used in financing activities		**(14,657)**		(8,637)
Change in cash and cash equivalents		**(782,803)**		(3,320,833)
Cash and cash equivalents, beginning of the period		**1,265,331**		5,014,022
Cash and cash equivalents, end of the period	**$**	**482,528**	$	1,693,189

The non-cash investing activities not already disclosed in the condensed interim consolidated statements of cash flows were as follows:

		Six months ended January 31, 2025		2024
Operating activities				
Deferred share units issued to settle accounts payable	**$**	**25,000**	$	-
Investing activities				
Accounts payable relating to exploration and evaluation assets	**$**	**35,737**	$	173,034

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

1. Nature of operations and going concern

United Lithium Corp. (the "Company") is a publicly listed exploration company incorporated on April 28, 2017, under the laws of the Province of British Columbia, Canada. The Company is listed on the Canadian Stock Exchange ("CSE") and its shares trade under the symbol ULTH. The Company's head office and principal address is located at 1030 West Georgia Street, Suite 710, Vancouver, British Columbia, Canada, V6E 2Y3. The Company's registered and records office address is Bentall 5, 550 Burrard Street, Suite 2501, Vancouver, British Columbia, Canada, V6C 2B5.

The Company, together with its subsidiaries, is a mineral exploration and development group focused on advancing its portfolio of lithium properties in Sweden, Finland, and the USA. This portfolio includes the Bergby Lithium Project ("Bergby" or the "Bergby Project") and Axmarby Property in Sweden, the Kietyönmäki Lithium Project ("Kietyönmäki" or the "Kietyönmäki Project") in Finland, the Liberty Lithium Project ("Liberty" or "Liberty Project") in South Dakota, USA, and the Patriot Lithium Project ("Patriot" or "Patriot Project") in Gunnison County, Colorado, USA, as well as two highly-prospective property reservations in Finland called Kova, and Kast. The principal business activity of the Company is the acquisition, exploration, and development of potentially economically viable mineral resource deposits on mineral properties.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, which assumes that the Company will continue operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. These consolidated financial statements do not give effect to any adjustments required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying consolidated financial statements.

The Company has incurred losses from inception and does not currently have the financial resources to sustain its operations in the long-term. During the three and six months ended January 31, 2025, the Company had no operating revenue and incurred net losses of $203,729 and $397,118, respectively (January 31, 2024 - $671,967 and $1,120,082). At January 31, 2025, the Company had cash of $482,528 (July 31, 2024 - $1,265,331) to apply against current liabilities of $134,776 (July 31, 2024 - $248,081). The Company has not achieved profitable operations and has an accumulated deficit of $32,927,356 (July 31, 2024 - $32,530,238) and expects to incur further losses in the development of its business, all of which indicates a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

At January 31, 2025, the Company believed that it had adequate resources to maintain its minimum obligations arising over the next 12 months, including general corporate activities, based on its cash position and its ability to pursue additional sources of financing, including equity placements.

The Company currently has no source of operating cash flow and no assurance that additional funding will be available for future exploration and development programs at its properties or to enable the Company to fulfill its obligations under any applicable agreements. The Company's ability to continue as a going concern is dependent on its ability to obtain additional sources of financing to continue to explore, evaluate and develop its mineral properties and, ultimately, to achieve profitable operations. While the Company has been successful in obtaining funding in the past, there is no assurance that future financing will be available or be available on favorable terms. The ability to secure financing may be impaired, or such financing may not be available on favorable terms due to conditions beyond the Company's control, such as uncertainty in capital markets, changes in commodity prices or country-specific risk factors. Overall, these material uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

2. Summary of material accounting policies

a) Statement of compliance and basis of preparation

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting* ("IAS 34") using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Certain information and note disclosures normally included in the audited annual consolidated financial statements prepared in accordance with IFRS have been omitted or condensed. As a result, these condensed interim consolidated financial statements should be read in conjunction with the Company's audited annual consolidated financial statements for the year ended July 31, 2024, which have been prepared in accordance with IFRS, as issued by the IASB.

These condensed interim consolidated financial statements of the Company, including comparatives, have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's annual consolidated financial statements for the year ended July 31, 2024.

b) Significant accounting policies

Basis of measurement

The accounting policies applied in the preparation of these condensed interim consolidated financial statements, including comparatives, are consistent with those applied and disclosed in Note 3 of the Company's annual financial statements for the year ended July 31, 2024.

Functional and presentation currency

These condensed interim consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company. Each of the Company's subsidiaries determines its own functional currency, and items included in the financial statements of each subsidiary are measured in that functional currency. The functional currency of the Company's foreign subsidiaries in the USA, Finland and Sweden are the US dollar, Euro and Swedish Krona, respectively.

References to "$" are to Canadian dollars, except where otherwise indicated.

Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its subsidiaries, which are entities controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from the entity's activities. The financial statements of subsidiaries are included in the consolidated financial statements at the date that control commences until the date that control ceases. If the Company's interest in a subsidiary that it has determined it controls is less than 100%, the interest attributable to non-controlling shareholders is recognized as non-controlling interest.

Non-controlling interests present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

Unaudited and Expressed in Canadian Dollars

Details of controlled subsidiaries are as follows:

Name of significant subsidiaries	Country of incorporation	Method of accounting	Effective ownership interest[1]	
			January 31, 2025	July 31, 2024
Greenhat Mineral Holdings Ltd.	Canada	Consolidation	100%	100%
Greenhat Minerals Holdings (US) Ltd.	U.S.	Consolidation	100%	100%
Bergby Lithium AB	Sweden	Consolidation	100%	100%
Litiumlöydös Oy	Finland	Consolidation	100%	100%
Scandinavian Battery Metals	Canada	Consolidation	100%	100%
ULTH Finland Oy (formerly PR1 Finland Oy)	Finland	Consolidation	100%	100%

[1] Percentage of voting power is in proportion to ownership.

When necessary, adjustments are made to the financial statements of subsidiaries to align their accounting policies with those of the Company.

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized losses are eliminated in the same way as unrealized gains but only to the extent that there is no evidence of impairment.

Foreign currency

(i) Foreign currency transactions

Foreign currency transactions are translated into the relevant functional currency using the exchange rates prevailing on the dates of the transactions. At each statement of financial position date, monetary items denominated in foreign currencies are translated into the functional currency at the exchange rate on the statement of financial position date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated into the functional currency at the exchange rate on the date when the fair value was measured. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss.

(ii) Foreign operations

The assets and liabilities of foreign operations are translated into Canadian dollars using the exchange rates as at the date of the statement of financial position. The income and expenses of foreign operations are translated into Canadian dollars using the exchange rates prevailing on the transaction dates.

The financial statements of subsidiaries that have a functional currency different from that of the Company are translated into Canadian dollars as follows: assets and liabilities – at the closing rate at the date of the statement of financial position; income and expenses – at the average rate of the period, and items that are directly recognized in equity - at historical rates. Exchange differences are recognized in other comprehensive income (loss) as exchange difference on translation. On the disposal of a foreign operation, such exchange differences are reclassified from equity to profit or loss.

c) Adoption of new and revised accounting standards and interpretations

During the year ended July 31, 2024, the Company did not adopt any new amendments to IFRS that had a significant impact on the Company's consolidated financial statements.

In January 2020, the IASB issued amendments to IAS 1, *Presentation of Financial Statements* that clarified the classification of liabilities as current or non-current is based on contractual rights that are in existence at the end of the reporting period. In October 2022, the IASB issued amendments to IAS 1 that specified how an entity assesses whether it has the right to defer settlement of a liability when that right is subject to compliance with covenants within twelve months after the reporting period. These amendments are effective January 1, 2024, with early adoption permitted. Retrospective application is required on adoption. These amendments are not expected to have a material effect on the Company's consolidated financial statements.

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2, Making Materiality Judgements to disclose material accounting policy information rather than significant accounting policies. The amendments provide guidance on how to apply materiality to accounting policy disclosures. The amendments were effective January 1, 2023, with early adoption permitted. Prospective application is required on adoption. These amendments did not have a material effect on the Company's condensed interim consolidated financial statements.

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure in Financial Statements, which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three main categories of operating, investing and financing, and by specifying certain defined totals and subtotals. An entity may use certain subtotals of income and expenses in public communications outside the financial statements to communicate management's view of an aspect of the financial performance of the entity as a whole to users, and these subtotals are not specifically required by IFRS Accounting Standards. IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management-defined performance measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation that apply to the primary financial statements and the notes. IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required, and early application is permitted. The Company is currently assessing the effect of this new standard on the Company's consolidated financial statements.

d) ***Critical accounting estimates and significant judgements***

The preparation of condensed interim consolidated financial statements in conformity with IAS 34 requires management to make certain estimates, judgments and assumptions that affect the application of policies and reported amounts of assets and liabilities at the date of the condensed interim consolidated financial statements and the reported expenses during the period.

Significant assumptions about the future and other sources of estimation and judgment uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made.

The most significant accounts that require estimates as the basis for determining the stated amounts include the recognition of deferred tax amounts, valuation of share-based payments, determination of useful lives of plant and equipment, and the discount rate used to determine lease liabilities.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

(i) Recoverability of exploration and evaluation assets

Assets or CGUs are evaluated at each reporting date to determine whether there are any indications of impairment. Both internal and external sources of information are considered when making the assessment of whether there are indications of impairment for mineral properties and property, plant and equipment. External sources of information considered are changes in the Company's economic, legal and regulatory environment that it does not control but affect the recoverability of its assets. Internal sources of information considered include the manner in which mineral properties and property, plant and equipment are being used or are expected to be used, the viability of the projected, including the latest resources prices and the long-term forecasts, and indications of economic performance of those assets.

If any indication of impairment exists, a formal estimate of recoverable amount is performed, and an impairment loss is recognized to the extent that carrying amount exceeds recoverable amount. The recoverable amount of an asset or CGU is measured at the higher of fair value less costs to sell and value-in-use. At July 31, 2024, the Company identified indicators of impairment relating to its Freedom Property in Wyoming, USA, and recognized a write-down of approximately $253,000 in the consolidated statement of loss and comprehensive loss for the year ended July 31, 2024 (Note 4). At January 31, 2025, the Company identified an indicator of impairment as it had allowed the Salkola property reservation to expire without converting it to an exploration permit. As a result, the Company recognized a write-down of $44,518 in the interim consolidated statement of loss and comprehensive loss for the three and six months ended January 31, 2025. The Company did not identify any indicators of impairment for any of its other properties as at July 31, 2024, October 31, 2024 or January 31, 2025.

(ii) Determination of whether the acquisition of assets or assumption of liabilities constitutes a business

Management determines whether assets acquired, and liabilities assumed constitute a business. A business consists of inputs and processes applied to those inputs that have the ability to create outputs. The Company completed two acquisitions (Note 10) during the year ended July 31, 2024, and concluded that neither of the acquisitions qualified as a business combination under IFRS 3, as significant processes were not acquired. Accordingly, each of the acquisitions were accounted for as an asset acquisitions.

(iii) Determination of functional currency

Based on the primary indicators in IAS 21, *The Effects of Change in Foreign Exchange Rates*, the Company has determined that its functional currency is the Canadian dollar (Note 2(b)).

Determination of functional currency may involve certain judgments to determine the primary economic environment that an entity operates in. The Company reconsiders the functional currency of its entities if there is any change in events and conditions which determined the primary economic environment.

(iv) Determination of whether a contract contains a lease

In accordance with IFRS 16, *Leases*, the Company has to assess whether or not a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(v) Going concern

Management assesses the Company's ability to continue as a going concern at each reporting date, using all quantitative and qualitative information available. This assessment, by its nature, relies on estimates of future cash flows and other future events (Note 1), whose subsequent changes could materially impact the validity of such an assessment.

The most significant estimates made by management are as follows:

(i) Income tax

The determination of income tax is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for income taxes. The value of deferred tax assets is evaluated based on the probability of realization; the Company has assessed that it is improbable that such assets will be realized and has accordingly not recognized a value for deferred taxes.

(ii) Valuation of share-based payments

Share-based payments, including stock options (Note 9) are subject to estimation of the fair value of the equity-settled award at the date of grant using pricing models such as the Black-Scholes Option Pricing

Model. Option valuation models require the input of highly subjective assumptions including the expected stock price volatility and expected life. Changes in these assumptions can materially affect the fair value estimate, so the existing models do not necessarily provide a reliable measure of the fair value, which may impact the Company's net loss, statement of financial position and equity reserves. Shares issued as consideration in a transaction such as an asset acquisition are also subject to estimation of the fair value on the date of issuance. Significant assumptions are required to be made when management determines the fair value, and any changes in the assumptions would have an impact on the fair value of the shares issued.

(iii) Determination of useful lives of property, plant and equipment and the related depreciation

Depreciation expenses are allocated based on estimated lives. Should the asset life or depreciation rates differ from the initial estimate, an adjustment would be made in the consolidated statement of loss and comprehensive loss on a prospective basis.

(iv) Discount rate used to determine lease liabilities

Significant assumptions are required to be made when management determines the Company's incremental borrowing rate, which is used to present value the future lease payments and any changes in the estimated rate would have an impact on the lease liability, ROU assets, depreciation expense and interest expense.

e) Comparative figures

A 3 for 1 share consolidation was completed on December 27, 2023 (the "Share Consolidation"). As per IAS 33, *Earnings per share,* when there has been a capital event such as a share consolidation in the period, or after the reporting date but before the date that the financial statements are authorized for issue, retrospective adjustments are required for all periods prior to the share consolidation. All shares and per share data presented in the Company's condensed interim consolidated financial statements have been retrospectively adjusted to reflect the Share Consolidation (Note 9(b)(ii)), where necessary.

3. Cash and cash equivalents

The Company's cash and cash equivalents comprise $82,528 (July 31, 2024 - $311,407) held in deposit accounts and $400,000 (July 31, 2024 - $953,924) held in redeemable short-term investments that earn interest and are redeemable at any time prior to maturity without penalty.

Unaudited and Expressed in Canadian Dollars

4. Exploration and evaluation assets

	Sweden	Finland	Finland	USA	USA	USA	
	Bergby Lithium Project	Kietyönmäki Lithium Project	Kova, Kast & Kannus Properties	Patriot Lithium Project	Liberty Lithium Project	Freedom Lithium Project	Total
	Note 4(a)	Note 4(b)	Note 4(c)	Note 4(d)	Note 4(e)	Note 4(f)	
Property acquisition costs:							
Balance at July 31, 2023	$ 1,343,949	$ 824,913	$ -	$ 289,420	$ 529,358	$ 113,968	$ 3,101,608
Acquisition costs	49,501	229,454	258,758	-	-	-	537,713
Staking Costs	-	-	22,531	-	-	-	22,531
Recovery of staking costs	-	-	-	(80,122)	-	-	(80,122)
Write-down of property	-	-	-	-	-	(113,968)	(113,968)
Balance at July 31, 2024	**$ 1,393,450**	**$ 1,054,367**	**$ 281,289**	**$ 209,298**	**$ 529,358**	**$ -**	**$ 3,467,762**
Balance at January 31, 2025	**$ 1,393,450**	**$ 1,054,367**	**$ 281,289**	**$ 209,298**	**$ 529,358**	**$ -**	**$ 3,467,762**
Exploration and evaluation costs:							
Balance at July 31, 2023	$ 2,676,871	$ 867,688	$ -	$ 290,761	$ 641,261	$ 70,735	$ 4,547,316
Exploration costs incurred in period:							
Laboratory & analysis	94,575	-	-	-	93,906	-	188,481
Claim maintenance	60,023	15,466	-	23,201	172,255	49,834	320,779
Consultants	247,220	91,085	28,781	9,591	49,428	3,009	429,114
Drilling (core and hammer drilling)	1,049,859	-	-	-	-	-	1,049,859
Exploration - sampling and mapping	-	146,136	234,479	108,361	157,670	3,003	649,649
Geological	72,805	-	-	-	-	-	72,805
General & adminstrative operating costs	87,326	99,426	8,325	-	-	-	195,077
Other	-	-	-	7,768	12,461	-	20,229
Write-down of property	-	-	-	-	-	(126,581)	(126,581)
Balance at July 31, 2024	**$ 4,288,679**	**$ 1,219,801**	**$ 271,585**	**$ 439,682**	**$ 1,126,981**	**$ -**	**$ 7,346,728**
Exploration costs incurred in period:							
Laboratory & analysis	47,432	-	-	-	-	-	47,432
Claim maintenance	38,194	16,950	(2,544)	28,654	117,339	-	198,593
Consultants	54,730	17,456	2,975	-	294	-	75,455
Exploration - sampling and mapping	-	-	132,731	1,201	13,936	-	147,868
General & adminstrative operating costs	17,903	37,781	8,620	-	-	-	64,304
Balance at January 31, 2025	**$ 4,446,938**	**$ 1,291,988**	**$ 413,367**	**$ 469,537**	**$ 1,258,550**	**$ -**	**$ 7,880,380**
Other items:							
Balance at July 31, 2023	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Effect of movements in exchange rates	(76,908)	77,690	(1,486)	33,523	85,557	12,425	130,801
Recovery of prior period VAT	-	(120,333)	-	-	-	-	(120,333)
Write-down of property	-	-	-	-	-	(12,425)	(12,425)
Balance at July 31, 2024	**$ (76,908)**	**$ (42,643)**	**$ (1,486)**	**$ 33,523**	**$ 85,557**	**$ -**	**$ (1,957)**
Effect of movements in exchange rates	66,306	88,626	170	35,603	93,772	-	284,477
Write-down of property	-	(44,518)	-	-	-	-	(44,518)
Balance at January 31, 2025	**$ (10,602)**	**$ 1,465**	**$ (1,316)**	**$ 69,126**	**$ 179,329**	**$ -**	**$ 238,002**
Total E&E assets at July 31, 2024	**$ 5,605,221**	**$ 2,231,525**	**$ 551,388**	**$ 682,503**	**$ 1,741,896**	**$ -**	**$ 10,812,533**
Total E&E assets at January 31, 2025	**$ 5,829,786**	**$ 2,347,820**	**$ 693,340**	**$ 747,961**	**$ 1,967,237**	**$ -**	**$ 11,586,144**

a) Bergby Lithium Project, Sweden

The Bergby Project is a 100% owned, district scale, hard rock lithium project in Sweden.

The Bergby Project is subject to a royalty agreement whereby the previous operator is entitled to a 2% net smelter returns royalty on the project, which is subject to a buyback right for $1,000,000 any time prior to April 29, 2028.

The Company added the Axmarby Property, which is located directly north of the Bergby Project to its portfolio of properties, on April 29, 2024 (Note 10(b)). The Company estimated the cost to acquire the Axmarby Property to be approximately $49,501, and no costs have been incurred directly on the Axmarby Property since acquisition.

b) Kietyönmäki Lithium Project, Finland

The Kietyönmäki Project is located in the Tammela mining region in southern Finland.

As of January 31, 2025, the Company holds a 100% interest in the Kietyönmäki Project as it acquired Nortec Minerals Corp.'s 16.4% non-controlling interest in Litiumlöydös Oy ("Litiumlöydös")(Note 10(a)) in April 2024. Litiumlöydös holds a 100% interest in and to the mining licenses comprising Kietyönmäki located in the Kietyönmäki lithium prospect in Finland.

The Kietyönmäki Project included a property reservation called Salkola, which was valid until January 21, 2025 and would have had to been converted to an exploration permit. The Company elected to allow the Salkola property reservation to expire and recorded a write-down of $44,518 on the consolidated statement of loss for the six months ended January 31, 2025, which was the approximate historical cost incurred on the Salkola reservation.

c) Other Finland Properties, Finland

The Company added the Kova and Kast properties to its portfolio on April 29, 2024 (Note 10(b)).

d) Patriot Lithium Project, Colorado, USA

At the Patriot Project, the Company holds Bureau of Land Management ("BLM") unpatented lode claims in Colorado, USA, which it previously acquired through staking.

e) Liberty Lithium Project, South Dakota, USA

At the Liberty Project, the Company holds BLM unpatented lode claims in South Dakota, USA, which it previously acquired through staking.

f) Freedom Lithium Project, Wyoming, USA

The Company did not renew the BLM unpatented lode mining claims relating to the Freedom Project, and recorded a write-down of approximately $253,000 in the consolidated statement of loss for the year ended July 31, 2024.

Unaudited and Expressed in Canadian Dollars

5. Property and equipment

	Mining equipment	Equipment	ROU asset (Note 6)	Total
Cost				
Balance - July 31, 2023	$ 216,528	$ 8,754	$ 138,968	$ 364,250
Other adjustment	-	-	(69,484)	(69,484)
Balance - July 31, 2024	$ 216,528	$ 8,754	$ 69,484	$ 294,766
Balance - January 31, 2025	**$ 216,528**	**$ 8,754**	**$ 69,484**	**$ 294,766**
Accumlated amortization				
Balance - July 31, 2023	$ 10,826	$ 3,502	$ 3,389	$ 17,717
Charge for the year	43,304	1,751	20,337	65,392
Other adjustment	-	-	(1,695)	(1,695)
Balance - July 31, 2024	**$ 54,130**	**$ 5,253**	**$ 22,031**	**$ 81,414**
Charge for the period	**21,652**	**875**	**10,168**	**32,696**
Balance - January 31, 2025	**$ 75,782**	**$ 6,128**	**$ 32,200**	**$ 114,110**
Net book value - July 31, 2024	**$ 162,398**	**$ 3,501**	**$ 47,453**	**$ 213,352**
Net book value - January 31, 2025	**$ 140,746**	**$ 2,626**	**$ 37,284**	**$ 180,656**

6. Right-of-use asset

At January 31, 2025, the Company recorded an ROU asset for its head office premises in Vancouver, BC with a carrying value of $37,284 (July 31, 2024 - $47,453) (Note 5). A net amount of $67,789 was derecognized from the ROU asset on August 1, 2023, after the Company entered into an agreement to sublease 50% of its office premises to an arm's length third party (Note 8). ROU assets are depreciated on a straight-line basis over the shorter of the lease term and the useful life of the underlying assets.

7. Accounts payable and accrued liabilities

	January 31, 2025	July 31, 2024
Accounts payable	**$ 42,708**	$ 121,112
Accrued liabilities	**21,850**	86,448
Amounts due to related parties (Note 11)	**25,000**	-
Total accounts payable and accrued liabilities	**$ 89,558**	$ 207,560

Amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

8. Lease liability and sublease receivable

The Company's lease comprises only fixed payments over the term of the lease. The Company recorded interest expense of $4,852 and $10,172 on lease liabilities for the three and six months ended January 31, 2025 (January 31, 2024 - $6,588 and $13,494). The incremental borrowing rate for lease liabilities recognized was 20%. During the three and six months ended January 31, 2025, the Company also recorded $4,459 and $12,135 (January 31, 2024 - $7,498 and $14,543) in exploration and evaluation assets, related to short-term leases at the Bergby Project.

Unaudited and Expressed in Canadian Dollars

		Six months ended January 31,		
		2025		2024
Lease liability continuity				
Balance at beginning of period	**$**	**109,424**	$	138,040
Non-cash changes				
Accretion		**10,172**		13,494
Cash flows				
Principal payments		**(19,032)**		(11,585)
Interest payments		**(10,172)**		(13,494)
Total lease liabilities, end of period	**$**	**90,392**	$	126,455

The contractual maturities in respect of the Company's lease obligations are as follows:

		January 31, 2025		**July 31, 2024**
Maturity analysis - contractual undiscounted cash flows				
Less than one year	**$**	**59,300**	$	58,854
One to two years		**49,417**		59,300
Two to three years		-		19,767
Total undiscounted lease liabilities		**108,717**		137,921
Effect of discounting		**(18,325)**		(28,497)
Total lease liabilities	**$**	**90,392**	$	109,424
Current	**$**	**45,218**	$	40,521
Non-current		**45,174**		68,903
Total lease liabilities	**$**	**90,392**	$	109,424

On August 1, 2023, the Company entered into an arrangement with an arm's length third-party to sublease fifty percent of the Company's leased head office premises for the remaining duration of the lease. Under the terms of the agreement, the Lessee will reimburse the Company fifty percent of the monthly rental payments owing under the head lease. As a result, on the date of recognition, August 1, 2023, fifty percent of the net book value of the ROU asset was derecognized and the Company recorded a sublease receivable of $74,030. The resulting gain of $6,241 was recorded as other income in the consolidated statements of loss for the year ended July 31, 2024. At January 31, 2025, the total sublease receivable is $45,196, and $22,609 is classified as current on the consolidated statement of financial position.

9. Share capital and reserves

a) Authorized share capital

The Company is authorized to issue an unlimited number of common shares without par value. At January 31, 2025, the Company had 47,741,055 common shares issued and outstanding (July 31, 2024 – 47,741,055).

b) Common shares

(i) Shares issued

a. During the six months ended January 31, 2025

There have been no shares issued during the six months ended January 31, 2025.

b. During the year ended July 31, 2024

On April 15, 2023, the Company completed a non-brokered private placement (the "Private Placement") consisting of up to 6,666,667 units (each, a "Unit") of the Company at a price of $0.30 per Unit for gross proceeds of up to $2,000,000. Each Unit was comprised of one common share (“Share”) and one Share purchase warrant entitling the holder to acquire one additional Share at a price of $0.40 for a period of thirty-six months.

Unaudited and Expressed in Canadian Dollars

Total share issue costs relating to the Private Placement were $11,279. The net proceeds of the Private Placement have been bifurcated using the residual fair value method, resulting in $Nil value being allocated to the Warrants that were issued.

(ii) Share consolidation

On December 21, 2023, the Company announced that it would proceed with a consolidation of its Shares at a ratio of three (3) pre-Consolidation Shares to one (1) post-Consolidation share (the “Consolidation”). The Company’s Shares commenced trading on the CSE on a consolidated basis at the start of trading on December 27, 2023, under the existing ticker symbol “ULTH”.

Prior to the Consolidation, the Company had 123,223,127 shares issued and outstanding and had 41,074,388 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 as a result of the Consolidation were rounded to the nearest whole number and no cash consideration was paid in respect of fractional Shares. 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 and share purchase warrants were also adjusted by the Consolidation ratio and the respective exercise prices of those outstanding options and share purchase warrants were adjusted accordingly.

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

c) Reserves

Company reserves are comprised of reallocations on exercise and expiration of equity settled employee compensation and warrants, special warrants, special broker warrants and other reserves.

d) Share purchase warrants

Share purchase warrant transactions are summarized as follows:

	Number of Warrants	**Weighted Average Exercise Price ($)**
Balance at July 31, 2023	16,800,000	0.76
Expired	(133,333)	1.46
Issued	6,666,667	0.40
Balance at July 31, 2024	23,333,334	0.47
Balance at January 31, 2025	**23,333,334**	**0.47**

Unaudited and Expressed in Canadian Dollars

Warrants outstanding at January 31, 2025, are as follows:

Number of warrants	Weighted average exercise price ($)	Expiry date	Weighted average remaining contractual life (years)
16,666,667	0.50	September 6, 2025	0.60
6,666,667	0.40	April 15, 2027	2.20
23,333,334	0.47		**1.05**

During the six months ended January 31, 2025, there were no share purchase warrants that were issued, expired, or exercised.

During the year ended July 31, 2024, there were no share purchase warrants issued or exercised, and all 133,333 warrants with an exercise price of $1.46 expired unexercised.

Warrant repricing

On May 16, 2024, the Company re-priced 16,666,667 warrants with a weighted average exercise price of $0.75, originally issued as part of a private placement in 2023, to $0.50 (the “Repriced Warrants”), after obtaining consent from all holders of the Repriced Warrants. and the warrant repricing was completed, resulting in all outstanding warrants bearing an exercise price of $0.50 from that day forward. In accordance with the policies of the CSE, the expiration of the Repriced Warrants will be accelerated to thirty days if, for any ten consecutive trading days, the closing price of the common shares of the Company on the CSE is $0.625 or greater (the “Acceleration Trigger”), with such thirty-day period starting seven days after the Acceleration Trigger. All other terms of the warrants remain unchanged.

On March 3, 2025, the Company extended the expiry date of the Repriced Warrants from March 6, 2025 to September 6, 2025. No other terms of the Repriced Warrants were amended.

e) Stock options

On March 28, 2024, the shareholders of the Company voted in favor of the Company’s new Omnibus Incentive Plan (the “Plan”), which enables the Board to grant stock options (“Options”), restricted share units (“RSUs”), and deferred share units (“DSUs”). Stock options issued to eligible persons (collectively, “Optionees”) permit the Optionees to purchase common shares in the capital of the Company in consideration of such Optionees providing services to the Company or a subsidiary of the Company. The number of stock options granted by the Company to Optionees is determined by the Board, within the guidelines established by the Plan. The stock options enable such persons to purchase common shares at a price fixed under such guidelines. The aggregate number of shares that may be issued pursuant to Options, RSUs and DSUs granted under the Plan, unless otherwise approved by shareholders, may not exceed that number which is equal to 10% of the issued and outstanding shares of the Company at the time of the grant and the term of any stock option will not exceed ten years.

There were no stock options granted during the six months ended January 31, 2025.

During the year ended July 31, 2024, a total of 450,000 stock options were granted to certain consultants, officers and directors of the Company. The weighted average fair value of the share purchase options granted during the year ended July 31, 2024, was estimated to be $0.56 using the Black-Scholes Option Pricing Model with the following weighted average assumptions: risk-free interest rate of 4.11%, expected life of 4.22 years, annualized volatility of 141.66% and expected dividend yield of 0%.

Share-based payments expense relating to stock options vested during the three and six months ended January 31, 2025, is $Nil and $10,268 (January 31, 2024 - $70,931 and $146,234).

Unaudited and Expressed in Canadian Dollars

The following is a summary of stock option activity for the six months ended January 31, 2025, and year ended July 31, 2024:

	Number of options	Weighted average exercise price ($)
Balance at July 31, 2023	2,421,665	1.34
Stock options granted	450,000	0.83
Stock options forfeited	(416,667)	1.47
Balance at July 31, 2024	2,454,998	1.22
Balance at January 31, 2025	**2,454,998**	**1.22**

Stock options outstanding as at January 31, 2025, are as follows:

Exercise price ($ per share)	Number of options outstanding	Number of options exercisable	Expiry date	Weighted average remaining contractual life (years)
0.40	150,000	150,000	February 12, 2029	4.02
1.05	1,233,333	1,233,333	March 14, 2028	3.11
1.05	388,333	388,333	June 20, 2028	3.38
1.05	200,000	200,000	October 2, 2028	3.66
1.80	266,666	266,666	December 23, 2026	1.89
1.92	133,333	133,333	November 6, 2025	0.76
3.54	83,333	83,333	February 19, 2026	1.05
	2,454,998	**2,454,998**		**2.68**

f) Restricted share units

The Company's Plan permits the Board to grant RSUs. As of January 31, 2025, the Company has not granted any RSUs, and none are currently outstanding.

g) Deferred share units

On December 16, 2024, the Company announced that it in consideration for directors fees earned during the quarter ended October 31, 2024, it had granted an aggregate of 117,712 DSUs to its independent directors at a deemed price of $0.212 per DSU. The DSUs were granted in accordance with the Plan and no other DSUs are outstanding as at January 31, 2025.

10. Prior period acquisitions

a. Acquisition of non-controlling interest in Litiumlöydös

On April 9, 2024, the Company announced that that it has increased its ownership in the Kietyönmäki from 83.6% to 100% after acquiring Tammela Minerals Oy's ("Tammela") 16.4% minority interest in Litiumlöydös, the Finnish entity that holds the rights to Kietyönmäki (the "Kietyönmäki Acquisition"). Tammela is a wholly-owned subsidiary of Nortec Minerals Corp. ("Nortec").

As consideration for the Kietyönmäki Acquisition, the Company made a cash payment of $200,000 to Nortec, in exchange for 490 common shares of Litiumlöydös from Tammela, representing Tammela's 16.4% minority interest. As a condition of closing, all involved parties entered into a Deed of Variation for the purposes of removing Litiumlöydös and the Company as parties to a joint venture agreement, extinguishing Tammela's right to any royalties on any future production at Kietyönmäki.

In addition to the cash payment of $200,000 to Nortec, the Company incurred $20,834 in transaction costs and derecognized the $8,620 non-controlling interest in Litiumlöydös, resulting in a total value of $229,454 being allocated to Kietyönmäki, and recorded as an addition within exploration and evaluation assets, in the year ended July 31, 2024.

Unaudited and Expressed in Canadian Dollars

b. Acquisition of new properties and subsidiaries

On April 29, 2024, the Company obtained the rights to the Kova Property, Kast Property and Axmarby Property (the "Properties") after acquiring all of the issued and outstanding shares of two private companies, PR1 Finland Oy ("PR1") (a wholly-owned Finnish subsidiary of Pure Resources Ltd.) and Scandinavian Battery Metals ("SBM"), a Canadian private company.

As consideration for acquiring the Properties, the Company paid AUD$20,112 to Pure Resources Ltd. and made payments of CAD$40,050 and USD$110,984 to an arm's-length third party vendor, in exchange for all of the issued and outstanding common shares of both SBM and PR1. At the time of the acquisition, SBM held the rights to acquire the Kova Property from PR1; however, as a condition of closing, the agreement between SBM and PR1 was terminated, and PR1 now holds the rights to both the Kova Property and Kast Property. The rights to the Axmarby Property are held by SBM, and are part of the Company's acquisition of SBM.

Pure Resources Ltd. will retain a 2% net smelter returns royalty ("NSR Royalty") on the Kast Property and Kova Property, subject to a buyback right in favour of the Company, pursuant to which the Company may purchase 1% of the NSR Royalty at any time in exchange for payment of CAD$750,000. No such agreement is in place for the Axmarby Property, which remains royalty-free.

The acquisitions of both SBM and PR1 were accounted for as asset acquisitions as the activities of both companies did not meet the definition of a business under IFRS 3, *Business Combinations.*

The fair value of the total compensation paid by the Company to the vendors of PR1 and SBM was estimated to be approximately $303,669, as follows:

Cash consideration paid to vendor of PR1 Finland Oy (AUD $20,112)	$	18,177
Cash consideration paid to vendor of Scandinavian Battery Metals (CAD$40,050 & US$110,984)		191,893
Transactions costs relating to acquisition of PR1 Finland Oy		69,455
Transaction costs relating to acquisition of Scandinavian Battery Metals		24,144
Fair value of consideration paid by the Company	**$**	**303,669**

The fair value of the net assets acquired was allocated as follows:

Cash	$	1,895
Exploration and evaluation assets		
Kova Property (Note 4(c))		205,853
Kast Property (Note 4(c))		52,905
Axmarby Property (Note 4(a))		49,501
Accounts payable		(6,485)
Fair value of net assets acquired by the Company	**$**	**303,669**

11. Related party transactions

(a) Balances

As at January 31, 2025, $25,000 (July 31, 2024 - $Nil) is due to related parties and is included in accounts payable and accrued liabilities (Note 7). These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

On December 16, 2024, the Company announced that it had settled the amount of $25,000 due to related parties as at October 31, 2024 after issuing an aggregate of 117,712 DSUs to its independent directors at a deemed price of $0.212 per DSU. The DSUs were granted in accordance with the Company's Omnibus Incentive Plan adopted on February 16, 2024. On March 27, 2025, the Board agreed that all director fees currently owing, and those earned for future services shall be settled on a non-cash basis until such time that the Board determines it is appropriate to resume cash settlements.

Unaudited and Expressed in Canadian Dollars

(b) Transactions

Transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. The Company's transactions with related parties consist of director fees to current and former directors of the Company, management and/or consulting fees to companies controlled by current and former directors and officers of the Company for the three and six months ended January 31, 2025, and 2024, are as follows:

(i) Director fees of $25,000 and $50,000 for the three and six months ended January 31, 2025 (January 31, 2024 - $20,467 and $38,467) to current and former non-executive directors of the Company.

(ii) Management fees of $7,500 and $34,000 for the three and six months ended January 31, 2025 (January 31, 2024 - $86,000 and $122,000) to a company controlled by the President, CEO and director of the Company.

(iii) Management fees of $Nil and $Nil for the three and six months ended January 31, 2025 (January 31, 2024 - $7,000 and $17,500) to a company controlled by the CFO of the Company.

(iv) Management fees of $7,875 and $18,375 for the three and six months ended January 31, 2025 (January 31, 2024 - $34,187 and $43,375) to a company controlled by the VP of Compliance and Corporate Secretary of the Company.

(v) Management fees of $Nil and $Nil for the three and six months ended January 31, 2025 (January 31, 2024 - $63,937 and $72,344) to a company controlled by a former director and the former Executive Vice President of Exploration of the Company.

(vi) Consulting fees of $Nil and $Nil for the three and six months ended January 31, 2025 (January 31, 2024 - $6,000 and $15,000) to a company controlled by a current non-executive director of the Company.

(c) Key management compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that its key management personnel consists of the Company's officers and directors.

During the three and six months ended January 31, 2025, and 2024, the following amounts were incurred with directors and officers of the Company:

	Three months ended January 31,		**Six months ended January 31,**	
	2025	2024	**2025**	2024
Management salaries and consulting fees	**$ 28,688**	$ 286,989	**$ 94,563**	$ 392,156
Director fees	**25,000**	20,467	**50,000**	38,467
Consulting fees	**-**	6,000	**-**	15,000
Share-based payments	**-**	28,400	**-**	28,400
Total key management compensation	**$ 53,688**	$ 341,856	**$ 144,563**	$ 474,023

Unaudited and Expressed in Canadian Dollars

12. Segmented information

The Company currently operates in four geographically based industry segments: Canada, the United States, Sweden and Finland. The Company's head office is in Vancouver, Canada.

The locations of the Company's non-current assets at January 31, 2025, is as follows:

	Canada	USA	Sweden	Finland	Total
Exploration and evaluation assets	$ -	$ 2,715,198	$ 5,829,786	$ 3,041,160	**$ 11,586,144**
Property and equipment	178,030	-	2,626	-	**180,656**
Other receivables	22,587	-	-	-	**22,587**
Long-term deposits	50,556	-	-	19,151	**69,707**
Non-current assets	$ 251,173	$ 2,715,198	$ 5,832,412	$ 3,060,311	**$ 11,859,094**

The locations of the Company's non-current assets at July 31, 2024, is as follows:

	Canada	USA	Sweden	Finland	Total
Exploration and evaluation assets	$ -	$ 2,715,198	$ 5,829,786	$ 3,041,160	**$ 11,586,144**
Property and equipment	178,030	-	2,626	-	**180,656**
Other receivables	22,587	-	-	-	**22,587**
Long-term deposits	50,556	-	-	19,151	**69,707**
Non-current assets	$ 251,173	$ 2,715,198	$ 5,832,412	$ 3,060,311	**$ 11,859,094**

The location of the Company's net loss for the three and six months ended January 31, 2025, is as follows:

Three months ended January 31, 2025	Canada	USA	Sweden	Finland	Total
Loss from operations	$ 157,545	$ -	$ -	$ -	**$ 157,545**
Other income	1,666	44,518	-	-	**46,184**
Net loss for the period	$ 159,211	$ 44,518	$ -	$ -	**$ 203,729**

Six months ended January 31, 2025	Canada	USA	Sweden	Finland	Total
Loss from operations	$ 354,021	$ -	$ -	$ -	**$ 354,021**
Other (income) expenses	(1,421)	44,518	-	-	**43,097**
Net loss for the period	$ 352,600	$ 44,518	$ -	$ -	**$ 397,118**

The location of the Company's net loss for the three and six months ended January 31, 2024, is as follows:

Three months ended January 31, 2024	Canada	USA	Sweden	Finland	Total
Loss from operations	$ 724,278	$ -	$ -	$ -	**$ 724,278**
Other (income) expenses	- 52,311	-	-	-	**- 52,311**
Net loss for the period	$ 671,967	$ -	$ -	$ -	**$ 671,967**

Six months ended January 31, 2024	Canada	USA	Sweden	Finland	Total
Loss from operations	$ 1,222,882	$ -	$ -	$ -	**$ 1,222,882**
Other (income) expenses	(102,800)	-	-	-	**(102,800)**
Net loss for the period	$ 1,120,082	$ -	$ -	$ -	**$ 1,120,082**

13. Financial instruments and risk management

Financial assets and liabilities have been classified into categories that determine their basis of measurement and, for items measured at fair value on a recurring basis, whether changes in fair value are recognized at fair value through profit or loss or fair value through other comprehensive income.

Unaudited and Expressed in Canadian Dollars

The Company's financial assets and financial liabilities are classified as follows:

		January 31, 2025		July 31, 2024
Financial Assets				
Cash and cash equivalents	**$**	**482,528**	$	1,265,331
Other receivables		**45,196**		54,661
Long-term deposits		**69,707**		54,860
Total financial assets	**$**	**597,431**	$	1,374,852
Financial Liabilities				
Accounts payable	**$**	**42,708**	$	121,112
Amounts due to related parties		**25,000**		-
Lease liabilities		**90,392**		109,424
Total financial liabilities	**$**	**158,100**	$	230,536

IFRS 7, Financial Instruments: Disclosures establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying amounts for cash and cash equivalents, other receivables, deposits, accounts payable, amounts due to related parties, and lease liabilities approximate their fair values due to the short-term nature of these instruments.

The Company does not have any level 1, level 2 or level 3 financial instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The Company is exposed in varying degrees to a variety of financial instrument-related risks, including credit risk, liquidity risk and market risk. The Board approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is summarized as follows:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash and cash equivalents held in bank accounts. The majority of cash and cash equivalents are deposited in bank accounts at a major bank in Canada. As most of the Company's cash and cash equivalents are held by one bank there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. Receivables consist primarily of value added tax receivables from the tax authorities in Canada, Sweden and Finland. The Company has been successful in recovering input tax credits in the past and has settled some of its receivables subsequent to January 31, 2025, and believes credit risk with respect to receivables is insignificant. Overall, credit risk is assessed as low.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to necessary levels of equity funding. The Company believes that its current cash is sufficient to settle its near-term obligations including general corporate activities and planned exploration expenditures, based on its cash position, its ability to modify planned activities or exploration programs and ability to pursue additional sources of financing, including further equity placements. The Company will continue forecasting its cash flows to maintain liquidity and investigate opportunities to obtain further financing through transactions such as equity placements, debt or joint venture arrangements, if necessary. Liquidity risk is assessed as high.

(c) Market risk

(i) Foreign exchange *risk*

The Company's report and functional currency is the Canadian dollar ("CAD") but also undertakes transactions denominated in US dollars ("USD"), Swedish Krona ("SEK"), and Euros ("EUR"). As the exchange rates between the CAD, and the SEK, USD and EUR fluctuate, the Company experiences foreign exchange gains and losses. The Company has cash and cash equivalents, value-added-tax receivables, receivables and accounts payable and accrued liabilities denominated in foreign currencies, which are subject to currency risk.

The Company does not enter into any financial instruments to hedge currency risk, but the Company monitors its foreign exchange exposure and considers its exposure to foreign currency risk to be minimal as at January 31, 2025.

(ii) Interest rate risk

Interest rate risk is the risk that the fair values and future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its cash and cash equivalents, which is insignificant due to their short-term nature. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by highly rated financial institutions. The Company monitors the investments it makes and is satisfied with the credit ratings of its banks. As at January 31, 2025, the Company held $400,000 (July 31, 2024 - $953,924) of its cash equivalents in investment-grade short-term deposit certificates.

(iii) Price risk

The mining industry is heavily dependent upon the market price of the metals or minerals being mined. There is no assurance that, even if commercial quantities of mineral resources are discovered, a profitable market will exist for their sale. There can be no assurance that mineral prices will be such that the Company's properties can be mined at a profit. Factors beyond the control of the Company may affect the marketability of any minerals discovered. The price of silver has experienced volatile and significant price movements over short periods of time and is affected by numerous factors beyond the Company's control. The Company's profitability and ability to raise capital to fund exploration, evaluation and production activities is subject to risks associated with fluctuations in mineral prices. The Company closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

14. Capital management

The Company's primary objectives in capital management are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain sufficient funds to finance the acquisition and exploration of its exploration and evaluation assets. Capital is comprised of the Company's shareholders' equity. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

The properties in which the Company currently has an interest are in the exploration stage and do not currently generate revenue; as such, the Company is dependent on external financing to fund its activities. The Company will spend its existing working capital and seek to raise additional amounts as needed by way of equity financing or debt to carry out its planned corporate development, general administrative costs and exploration and development programs. 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. There has been no change in the Company's management of capital during the six months ended January 31, 2025.