



One World Lithium Inc.

Condensed Consolidated Interim Financial Statements (Unaudited)
Expressed in Canadian Dollars, unless otherwise noted

For the Three Months Ended March 31, 2024 and 2023

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One World Lithium Inc.
Condensed Consolidated Interim Statements of Financial Position
As of March 31, 2024 and December 31, 2023
Unaudited - Expressed in Canadian Dollars

As at	Notes	March 31, 2024	December 31, 2023
ASSETS			
Current			
Cash		\$ 12,642	\$ 7,446
Receivables and advances		17,196	38,871
Prepaid expenses and deposits		9,905	4,773
TOTAL ASSETS		\$ 39,743	\$ 51,090
LIABILITIES			
Current liabilities			
Accounts payables and accrued liabilities		1,279,810	1,151,247
Due to related parties	8	358,007	311,976
Loans and borrowings	5	9,359	21,508
Share subscriptions payable	6	134,934	60,254
		1,782,110	1,544,985
Loans and borrowings	5	60,000	60,000
TOTAL LIABILITIES		\$ 1,842,110	\$ 1,604,985
SHAREHOLDERS' DEFICIT			
Share capital	6	\$ 23,694,382	\$ 23,694,382
Contributed surplus		428,088	428,088
Share-based payments and warrants reserve	6,7	1,217,241	833,297
Accumulated deficit		(27,142,078)	(26,509,662)
TOTAL SHAREHOLDERS' DEFICIT		\$ (1,802,367)	\$ (1,553,895)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT		\$ 39,743	\$ 51,090

Events after reporting period (Note 11)

Approved on behalf of the Board of Directors on May 30, 2024

"Douglas Fulcher"

Director

"Kevin Milledge"

Director

One World Lithium Inc.**Condensed Consolidated Interim Statements of Loss and Comprehensive Loss****For the Three Months Ended March 31, 2024 and 2023**

Unaudited - Expressed in Canadian Dollars except number of shares

For the three months ended:	Notes	March 31, 2024		March 31, 2023	
Expenses					
Exploration and evaluation		\$	-	\$	-
General and administration	8		76,440		135,281
Professional and consulting fees	8		162,091		202,341
Share-based payments	7,8		20,767		218,400
Total expenses		\$	(259,298)	\$	(556,022)
Operating loss		\$	(259,298)	\$	(556,022)
Other expenses					
Net financing cost	5,6		(371,781)		(15,807)
Foreign exchange loss			(1,337)		(897)
Net loss and comprehensive loss		\$	(632,416)	\$	(572,726)
Basic and diluted loss per common share					
		\$	(0.00)	\$	(0.00)
Weighted average number of common shares outstanding – basic and diluted			196,616,651		145,328,688

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

One World Lithium Inc.**Condensed Consolidated Interim Statements of Changes in Shareholders' Equity (Deficit)****For the Three Months Ended March 31, 2024 and 2023**

Unaudited - Expressed in Canadian Dollars except number of shares

	Notes	Share capital	Contributed surplus	Share-based payments and warrants reserve	Accumulated deficit	Total shareholders' deficit
Balance as of December 31, 2022		\$ 23,594,542	\$ 428,088	\$ 1,029,048	\$ (25,412,611)	\$ (360,933)
Share-based payments	7	-	-	218,400	-	218,400
Warrants expired	6	-	-	8,500	-	8,500
Transfer of share-based payments expired	7	-	-	(313,600)	313,600	-
Net loss for the period		-	-	-	(572,726)	(572,726)
Balance as of March 31, 2023		\$ 23,594,542	\$ 428,088	\$ 942,348	\$ (25,671,737)	\$ (706,759)
Balance as of December 31, 2023		\$ 23,694,382	\$ 428,088	\$ 833,297	\$ (26,509,662)	\$ (1,553,895)
Share based payments	7	-	-	20,766	-	20,766
Warrant modification	6	-	-	360,178	-	360,178
Warrants issued on loan payable	6	-	-	3,000	-	3,000
Net loss for the period		-	-	-	(632,416)	(632,416)
Balance as of March 31, 2024		\$ 23,694,382	\$ 428,088	\$ 1,217,241	\$ (27,142,078)	\$ (1,802,367)

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

One World Lithium Inc.
Condensed Consolidated Interim Statements of Cash Flows
For the Three Months Ended March 31, 2024 and 2023
Unaudited - Expressed in Canadian Dollars

For the three months ended:	March 31, 2024	March 31, 2023
Cash (used in) provided by:		
OPERATING ACTIVITIES		
Net loss	\$ (632,416)	\$ (572,726)
Non-cash items:		
Share-based payments	20,766	218,400
Net financing cost	371,781	15,807
Foreign exchange loss (gain)	-	897
Changes in non-cash working capital items		
Receivables and advances	21,675	(10,879)
Prepaid expenses and deposits	(5,132)	(19,766)
Accounts payable and accrued liabilities	837,013	69,204
Due to related parties	(669,983)	-
Net cash used in operating activities	\$ (56,296)	\$ (299,063)
FINANCING ACTIVITIES		
Repayment of loans and borrowings	\$ (13,188)	-
Advance for private placement	74,680	\$ 2,400
Proceeds from private placement, net of share issuance costs	-	75,000
Net cash provided by financing activities	\$ 61,492	\$ 77,400
Net increase (decrease) in cash in the period	\$ 5,196	\$ (221,663)
Cash – opening balance	\$ 7,446	\$ 232,402
Cash – closing balance	\$ 12,642	\$ 10,739

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

One World Lithium Inc.

Notes to Condensed Consolidated Interim Financial Statements

For the Three Months Ended March 31, 2024 and 2023

Unaudited - Expressed in Canadian Dollars except otherwise noted

NOTE 1 – NATURE OF OPERATIONS AND GOING CONCERN

One World Lithium Inc., together with its subsidiary (collectively referred to as the "Company") was incorporated under the laws of the province of British Columbia on November 9, 1982. The Company is focused on the acquisition, exploration and development of lithium resource properties and a new lithium separation extraction technology. The Company is in an early stage of development of lithium separation technology. The Company's head office and records offices are located at Suite 615, 800 West Pender Street, Vancouver, British Columbia, V6C 2V6. On January 19, 2018, the Company changed its name to One World Lithium Inc. to align with its primary exploration and evaluation asset and the trading symbol on the CSE was changed to OWLI. On March 7, 2019, the Company also began trading on the OTCQB Venture Market under the trading symbol OWRDF.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") on a going concern basis, which contemplates the realization of assets and discharge of liabilities at their carrying values in the ordinary course of operations for the foreseeable future rather than through the process of forced liquidation.

During the three months ended March 31, 2024, the Company generated a net loss of \$632,416 and cash used in operating activities of \$56,296. As at March 31, 2024, the Company had an accumulated deficit of \$27,142,078 and a working capital deficit of \$1,742,367. As a result, the Company may not have sufficient capital to fund its current planned operations for the foreseeable future.

These condensed consolidated interim financial statements do not include any adjustments to the classification and amounts of assets and liabilities that may be required should the Company be unable to continue as a going concern. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate the acquisition of, participation in or interest in new properties, assets or business opportunities, as well as the successful results from exploration activities, development of its lithium separation technology and its ability to attain profitable operations and generate funds therefrom, and raise equity capital or obtain the necessary financing sufficient to meet current and future obligations. These conditions indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. Although the Company has been successful at raising funds in the past through the issuance of securities, it is uncertain whether it will be successful in doing so in the future.

NOTE 2 - BASIS OF PREPARATION AND PRESENTATION, STATEMENT OF COMPLIANCE

These condensed consolidated interim financial statements for the three months ended March 31, 2024 have been prepared in accordance with IAS 34 *Interim Financial Reporting*, and should be read in conjunction with the Company's last annual consolidated financial statements as at and for the year ended December 31, 2023 ('last annual financial statements'). They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's consolidated financial position and performance since the last annual financial statements.

These condensed consolidated interim financial statements include the accounts of the Company and Lithium Investments Ltd., its wholly-owned subsidiary, a Canadian company.

These condensed consolidated interim financial statements were authorized for issue by the Company's board of directors on May 30, 2024.

Critical accounting judgments and estimates

The preparation of condensed consolidated interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

One World Lithium Inc.

Notes to Condensed Consolidated Interim Financial Statements

For the Three Months Ended March 31, 2024 and 2023

Unaudited - Expressed in Canadian Dollars except otherwise noted

Management notes no critical judgments exercised in the application of accounting policies and estimates having the most significant effects on the amounts recognized in these condensed consolidated interim financial statements.

NOTE 3 – MATERIAL ACCOUNTING POLICIES

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the Company's consolidated financial statements as at and for the year ended December 31, 2023.

NOTE 4 – ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2024	December 31, 2023
Trade payables and accrued liabilities	\$ 975,840	\$ 854,842
Part XII.6 tax payable	303,970	296,405
Total accounts payable and accrued liabilities	\$ 1,279,810	\$ 1,151,247

NOTE 5 – LOANS AND BORROWINGS

The loans and borrowings as of March 31, 2024 and the changes for the three months then ended, respectively, is as follows:

Opening balance, January 1, 2024	\$	60,133
Financing cost (i) (Note 6(b(i)))		(3,000)
Interest		893
Accretion		3,146
Repayments		(13,188)
Ending balance, March 31, 2024	\$	69,359

	March 31, 2024	December 31, 2023
Unsecured term loan with \$15,000 principal and accrued interest at a fixed rate of 8% due on or before April 30, 2024. (i) (Note 7(b(i)))	\$ 8,785	\$ 8,340
Unsecured federal government term loan with principal due on December 31, 2026 with monthly interest payments beginning in January 2024 and ending in December 2026 at a fixed rate of 5%. The portion of the loan may be forgiven with early repayment by January 2024 (ii).	60,574	60,000
Unsecured promissory note principal with interest accrued at an annual fixed rate of 6.00% and repayable on July 31, 2024 (iii).	-	13,168
Total loans and borrowings	\$ 69,359	\$ 81,508
Less: current portion of loans and borrowings	\$ 9,359	\$ 21,508
Non-current loans and borrowings	\$ 60,000	\$ 60,000

- (i) On October 20, 2023, the Company closed an unsecured term loan in the amount of \$15,000 with bonus warrants. The Term Loan matures on January 31, 2024, and has an interest rate of 8% per annum. The bonus warrants consist of 300,000 share purchase warrants which will entitle the holder thereof to purchase 300,000 common shares of the Company at a price of \$0.05 for a period of 24 months from the close of the Term Loan. On February 28, 2024, the Company issued 300,000 share purchase warrants and agreed to issued additional 300,000 share purchase warrants as a consideration to extend the term loan's maturity date from January 31, 2024 to April 30, 2024.
- (ii) The Company did not repay the loan by January 2024, therefore the Company recognized an additional liability of \$20,000 as the terms of loan forgiveness were not met. The corresponding expense was recognized as other expense in the consolidated statement of loss and comprehensive loss.
- (iii) On December 31, 2023, the Company entered into an amending agreement to extend the maturity date from January 31, 2024 to July 31, 2024. The promissory note was settled in full during the three months ended March 31, 2024.

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Notes to Condensed Consolidated Interim Financial Statements

For the Three Months Ended March 31, 2024 and 2023

Unaudited - Expressed in Canadian Dollars except otherwise noted

NOTE 6 – SHARE CAPITAL

a) Common shares

Authorized: unlimited common shares without par value

	Number of Shares	Amount
Balance, December 31, 2022	194,120,651	\$ 23,594,542
Common shares upon private placement, net of issuance costs (i)	2,496,000	99,840
Balance, December 31, 2023 and March 31, 2024	196,616,651	\$ 23,694,382

- (i) On September 14, 2023, the Company closed the first tranche of its non-brokered private placement (the "Offering"). The Company received a total of \$124,800 in cash proceeds through the issuance of 2,496,000 Units at a price of \$0.05 per Unit. Each Unit consists of one common share of the Company and one non-transferable common share purchase warrant (each a "Warrant"). The Company incurred \$nil of share issuance costs in connection with the private placement.

A total of 2,496,000 Warrants were issued in connection with the private placement. Each Warrant will entitle the holder to purchase one common share at a price of \$0.08 for a period of 36 months from the closing of the Offering. The fair value of the Company's common shares on closing was \$99,840 with a residual fair value of \$24,960 allocated to the Warrants.

During the year ended December 31, 2023, the Company collected an additional \$60,254 in cash proceeds in connection with the open 2nd tranche of its Offering. No Units have been issued in connection with these specific cash proceeds and the total cash collected has been presented as a share subscription payable as at December 31, 2023.

During the three months ended March 31, 2024, the Company collected an additional \$74,680 in cash proceeds in connection with the open 2nd tranche of its Offering. No Units have been issued in connection with these specific cash proceeds and the total cash collected of \$134,934 has been presented as a share subscription payable as at March 31, 2024.

b) Warrants

The Company's warrants outstanding as at March 31, 2024 and December 31, 2023 are as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, December 31, 2022	97,070,114	\$ 0.10
Issued (i)	2,796,000	0.076781116
Expired	(6,720,500)	0.1
Balance, December 31, 2023	93,145,614	\$ 0.10
Issued (ii)	300,000	0.05
Expired	(500,000)	0.15
Balance, March 31, 2024	92,945,614	0.10

- (i) During the year ended December 31, 2023 the Company issued 300,000 share purchase warrants on October 19, 2023 in connection with a loan financing (Note 6). The grant date fair value of the warrants was \$6,900 estimated using the Black-Scholes option-pricing model with the following weighted average assumptions:

One World Lithium Inc.

Notes to Condensed Consolidated Interim Financial Statements

For the Three Months Ended March 31, 2024 and 2023

Unaudited - Expressed in Canadian Dollars except otherwise noted

	December 31, 2023
Grant date share price	\$0.04
Exercise price	\$0.07
Risk free rate	4.88%
Expected life (years)	2.00
Expected volatility	137%
Expected dividends	0%
Forfeiture rate	0%
Fair-value per warrant	\$0.02

- (ii) The Company amended various warrants previously issued during the year ended December 31, 2023. On February 28, 2023, 500,000 warrants, which were previously granted on February 28, 2021, were extended for an additional one year with an amended expiry date of February 28, 2024. On August 24, 2023, 125,000 warrants, which were previously granted on August 24, 2020, and previously amended on August 24, 2022, were extended for an additional one year with an amended expiry date of August 24, 2024.

The grant date fair value of the amended warrants was estimated using the Black-Scholes option-pricing model with the following weighted average assumptions:

	Amended Warrants	Original Warrants
Grant date share price	\$ 0.05	\$ 0.09
Exercise Price	\$ 0.14	\$ 0.14
Expected Life	1.00	-
Volatility	131%	0%
Dividend Yield	0%	0%
Risk Free Rate	4.32%	4.32%
Forfeiture Rate	0%	0%

The total cost of the warrant amendments is \$9,250 which has been recorded as net financing expense during the year ended December 31, 2023.

- (iii) The Company issued 300,000 share purchase warrants on January 31, 2024 in connection with a loan financing (Note 5). The grant date fair value of the warrants was \$3,000 estimated using the Black-Scholes option-pricing model with the following weighted average assumptions:

	March 31, 2024
Grant Date Share Price	\$0.02
Exercise Price	\$0.05
Expected Life	2.00
Volatility	134.03%
Dividend Yield	0.00%
Risk Free Rate	4.00%
Forfeiture rate	0.00%
Fair-value per warrant	\$ 0.01

- (iv) On February 7, 2024, the Company amended 45,022,210 warrants, which were previously granted on March 1, 2021, by extending the expiry date of the warrants for an additional two years with an amended expiry date of March 1, 2026. The grant date fair value of the amended warrants was estimated using the Black-Scholes option-pricing model with the following weighted average assumptions:

One World Lithium Inc.

Notes to Condensed Consolidated Interim Financial Statements

For the Three Months Ended March 31, 2024 and 2023

Unaudited - Expressed in Canadian Dollars except otherwise noted

	Amended Warrants	Original Warrants
Grant Date Share Price	\$0.02	\$0.10
Exercise Price	\$0.10	\$0.10
Expected Life (years)	2.06	0.06
Volatility	136%	223%
Dividend Yield	0.00%	0.00%
Risk Free Rate	4.12%	4.12%
Forfeiture rate	0.00%	0.00%

The total cost of the warrant amendments is \$360,178 which has been recorded as net financing expense during the three months ended March 31, 2024.

Warrants outstanding as of March 31, 2024 were as follows:

Expiry Date	Exercise Price	Outstanding Warrants
March 1, 2026	\$0.10	45,022,210
August 24, 2024	\$0.08	125,000
November 3, 2024	\$0.12	12,770,341
December 7, 2024	\$0.12	17,350,843
December 20, 2025	\$0.08	14,581,220
September 14, 2026	\$0.08	2,496,000
October 19, 2025	\$0.05	300,000
January 31, 2026	\$0.05	300,000
	\$0.10	92,945,614

The weighted average remaining contractual life of warrants outstanding as of March 31, 2024 is 1.49 years (December 31, 2023 – 0.76 years).

NOTE 7 – SHARE-BASED PAYMENTS

On February 4, 2013, the Company adopted a “rolling” stock option plan for its employees, directors, officers and self-employed consultants, which plan received regulatory approval in 2013. The terms of the plan provide for options to be granted to a maximum of 10% of the issued and outstanding common shares of the Company at the time of grant of the stock options. The exercise price of each option shall not be less than the minimum price permitted by the policies of the Exchange. The options may be granted for a maximum term of ten years from the date of grant, and at the Board’s election, may include vesting provisions. The total amount of share-based payments expense, if any, which is expected to be recognized over the vesting period of options, is recognized during the period in which it occurs.

On October 31, 2018, at the Company’s Annual General Meeting the shareholders approved a new stock option plan to incorporate the policies of the Canadian Stock Exchange (“CSE”). Under the new stock option plan the maximum number of shares of the Company reserved for issuance will be limited to 10% of the issued shares of the Company at the time of any granting of options (on a non-diluted basis). In addition, the number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant. The Board may from time to time authorize the issue of options to directors, officers, employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries. The exercise price of each option shall be determined by the Board provided that such exercise price shall be not lower than the greater closing price of the Company’s shares on the CSE on the trading day prior to the date of grant. The options may be granted for a maximum term of ten years from the date of grant, and at the Board’s election, may include vesting provisions. The total amount of share-based payments expense, if any, which is expected to be recognized over the vesting period of options, is recognized during the period in which it occurs.

One World Lithium Inc.

Notes to Condensed Consolidated Interim Financial Statements

For the Three Months Ended March 31, 2024 and 2023

Unaudited - Expressed in Canadian Dollars except otherwise noted

a) Stock options

The Company's recorded share-based compensation expense for the three months ended March 31, 2024 and 2023 comprised of the following:

	March 31, 2024	March 31, 2023
Stock Options	\$ 20,767	\$ 218,400

Movements in the number of stock options outstanding and their related weighted average exercise prices are as follows:

	Number of options	Weighted average exercise price
Balance, December 31, 2022	12,600,000	\$ 0.10
Granted (i)	9,000,000	0.06
Expired (ii)	(8,550,000)	0.11
Balance, December 31, 2023	13,050,000	\$ 0.06
Granted (iii)	1,000,000	0.06
Balance, March 31, 2024	14,050,000	\$ 0.06

- (i) During the year ended December 31, 2023, the Company granted a total of 9,000,000 incentive stock options with 1,500,000 granted to officers of the Company. The remaining 7,500,000 were granted to consultants of the Company. The options have an exercise price of \$0.050 - \$0.060 per common share. The weighted average fair value of stock options granted in the year was estimated at \$0.03 per option.
- (ii) During the year ended December 31, 2023 a total of 8,550,000 stock options expired without exercise resulting in a transfer of \$523,950 from share-based payment reserve to accumulated deficit
- (iii) During the three months ended March 31, 2024, the Company granted a total of 1,000,000 incentive stock options to a consultant. The options have an exercise price of \$0.050 - \$0.060 per common share. The weighted average fair value of stock options granted in the year was estimated at \$0.01 per option. The Company fair valued the options granted during the years ended December 31, 2023 and 2022 using the Black-Scholes option pricing model with the following weighted average inputs:

	March 31, 2024	December 31, 2023
Grant Date Share Price	\$0.025	\$0.05
Exercise Price	\$0.050	\$0.056
Expected Life	2.00	2.07
Volatility	140.17%	131.85%
Dividend Yield	0.00%	0.00%
Risk Free Rate	4.14%	3.89%
Fair-value per option	\$0.014	\$0.03

Stock options outstanding and exercisable as of March 31, 2024 are as follows:

Number of Options Outstanding	Number of Options		Exercise Price	Expiry Date
		Exercisable		
600,000		600,000	\$ 0.070	May 31, 2024
2,700,000		2,700,000	\$ 0.065	September 2, 2024
750,000		750,000	\$ 0.090	December 7, 2024
5,100,000		5,100,000	\$ 0.060	March 24, 2025
500,000		500,000	\$ 0.060	March 29, 2025
800,000		800,000	\$ 0.050	September 6, 2025
2,000,000		2,000,000	\$ 0.050	October 23, 2025
600,000		200,000	\$ 0.050	November 16, 2026
1,000,000		1,000,000	\$ 0.050	March 13, 2026
14,050,000		13,650,000	\$ 0.059	

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Notes to Condensed Consolidated Interim Financial Statements

For the Three Months Ended March 31, 2024 and 2023

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The weighted average remaining contractual life of stock options outstanding and exercisable as of March 31, 2024 is 1.03 years (December 31, 2023 – 1.18 years).

NOTE 8 – RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel 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 defines key management personnel as being the directors and key officers.

The compensation awarded to key management personnel is as follows:

For the three months ended:	March 31, 2024		March 31, 2023	
Professional and consulting fees	\$	54,000	\$	54,000
Director fees		13,500		16,500
Share-based payments		-		58,500
Total compensation	\$	67,500	\$	129,000

Other related party transactions

Effective May 1, 2016, the Company entered into an office rental agreement in which an officer and director is a shareholder. The Company was charged rent, office and parking expenses:

For the three months ended:	March 31, 2024		March 31, 2023	
Rent, office and parking	\$	23,678	\$	23,049

Due to related parties

Balances owed to key management personnel and related parties, which are included in accounts payable and accrued liabilities are as follows:

	March 31, 2024		December 31, 2023	
Due to Chief Financial Officer	\$	266,492	\$	223,173
Due to directors		39,900		25,725
Rent, office and parking payable		51,615		63,078
Total balance due to related parties	\$	358,007	\$	311,976

NOTE 9 – FINANCIAL INSTRUMENTS

Fair values

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs in the valuation techniques as follows:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The carrying values of cash, receivables and advances, share subscriptions receivable, accounts payable and accrued liabilities, and share subscriptions payable approximate their fair values due to the immediate or short-term nature of these instruments. The fair values of loans and borrowings approximate their carrying values due to the market rate of interest being applied. There has been no significant change in credit and market interest rates since the date of its receipt.

One World Lithium Inc.

Notes to Condensed Consolidated Interim Financial Statements

For the Three Months Ended March 31, 2024 and 2023

Unaudited - Expressed in Canadian Dollars except otherwise noted

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Change in assumptions could significantly affect the estimates.

The following table summarizes the classification of the Company's financial instruments under IFRS 9 – *Financial Instruments*:

Financial assets	
Cash	Amortized cost
Receivables and advances	Amortized cost
Financial liabilities	
Accounts payable and accrued liabilities	Amortized cost
Loans and borrowings	Amortized cost
Share subscriptions payable	Amortized cost

Capital and risk management

The Company's objective and policies for managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company manages its capital structure and makes changes based on economic conditions, risks that impact the operations and future significant capital investment opportunities. In order to maintain or adjust its capital structure, the Company may issue new equity instruments or raise additional debt financing.

The Company is exposed to a variety of financial risks by virtue of its activities: market risk, interest rate risk, liquidity risk and foreign currency risk. The Board of Directors has overall responsibility for the determination of the Company's capital and risk management objectives and policies while retaining ultimate responsibility for them. The Company's overall capital and risk management program has not changed throughout the period. It focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on financial performance. Risk management is carried out by the finance department under policies approved by the Board of Directors. The finance department identifies and evaluates financial risks in close cooperation with management.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest-bearing debt instrument has a fixed interest rate and is not subject to interest rate cash flow risk.

The interest-bearing financial instruments, as reported in the consolidated financial statements, have the following interest rate profile:

As at:	March 31, 2024	December 31, 2023
Fixed rate instruments	\$ 69,359	\$ 81,508

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 generally relies on external financing or key management to provide sufficient liquidity to meet budgeted operating requirements. The following table sets forth details of the payment profile of financial liabilities based on their undiscounted cash flows:

One World Lithium Inc.

Notes to Condensed Consolidated Interim Financial Statements

For the Three Months Ended March 31, 2024 and 2023

Unaudited - Expressed in Canadian Dollars except otherwise noted

	Total carrying amount	Contractual cash flows	Less than 1 year	1 to 5 years	More than 5 years
Accounts payable and accrued liabilities	\$ 1,279,810	\$ 1,279,810	\$ 1,279,810	\$ -	\$ -
Due to related parties	358,007	358,007	358,007	-	-
Loans and borrowings	69,359	69,359	9,359	60,000	-
Share subscriptions payable	134,934	134,934	134,934	-	-
Totals	\$ 1,842,110	\$ 1,842,110	\$ 1,782,110	\$ 60,000	\$ -

Taking into consideration the Company's current cash position, volatile equity markets, global uncertainty in the capital markets and increasing cost pressures, the Company is continuing to review its needs to seek financing opportunities in accordance to its capital risk management strategy.

Foreign currency risk

Foreign currency risk is defined as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company maintains financial instruments and enters into transactions denominated in foreign currencies, principally in U.S. dollar, which exposes the Company to fluctuating balances and cash flows due to various in foreign exchange rates.

NOTE 10 – SEGMENT REPORTING

All of the Company's operations are based in Canada.

NOTE 11 – EVENTS AFTER REPORTING PERIOD

There were no events or transactions to report subsequent to the period ended March 31, 2024.