AMERICAN SALARS LITHIUM INC.

Consolidated Financial Statements

For the Years Ended September 30, 2024 and 2023

(Amounts Expressed in Canadian Dollars)

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of American Salars Lithium Inc.:

Opinion

We have audited the consolidated financial statements of American Salars Lithium Inc. and its subsidiary (together the "Company"), which comprise the consolidated statements of financial position as at September 30, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in shareholders' equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at September 30, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which describes conditions indicating that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended September 30, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section of our auditor's report, we have determined the matter described below to be the key audit matters to be communicated in our report.

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Assessment of the existence of impairment indicators for exploration and evaluation assets</td></tr>
<tr><td>
Refer to note 5.

As at September 30, 2024, the carrying amount of the Company’s exploration and evaluation assets was $2,749,332.

At each reporting period, management assesses exploration and evaluation assets to determine whether there are any indicators of impairment. If any such indicators exist, the asset’s recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount.

Management assesses exploration and evaluation assets for impairment based on, at minimum, the presence of any of the following indicators:
(i) the period for which the Company has the right to explore in the specific area has expired during the year or will expire in the near future, and is not expected to be renewed;
(ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
(iii) the Company has decided to discontinue exploration for and evaluation of mineral resources in the specific area; and/or,
(iv) for areas of likely development, available data indicates that the carrying amount exceeds the recoverable amount.

No impairment indicators were identified by management as at September 30, 2024.

We considered this a key audit matter due to the significance of the exploration and evaluation assets and the judgments made by management in their assessment of impairment indicators related to exploration and evaluation assets. These factors have resulted in a high degree of subjectivity in performing audit procedures, related to the judgment applied by management.
</td><td>
Our approach to addressing the matter involved the following procedures, among others:

Evaluating the judgments made by management in determining the impairment indicators, which included the following:
• Obtained, for a sample of claims by reference to government registries, evidence to support (i) the right to explore the area and (ii) claim expiration dates.
• Read the board of directors’ minutes and resolutions, and inquired with management about the continued and planned exploration expenditures.
• Assessed whether available data indicates the potential for commercially viable mineral resources of which we noted that there is no currently available data indicating the potential or lack of potential for commercially viable mineral resources.
• Based on evidence obtained in other areas of the audit, considered whether other facts and circumstances suggest that the carrying amount may exceed the recoverable amount.
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Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis filed with the relevant Canadian securities commissions.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Aycha Aziz.

Baker Tilly WM LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.
January 28, 2025

AMERICAN SALARS LITHIUM INC.

Consolidated Statements of Financial Position
As at September 30, 2024 and 2023
(in Canadian dollars)

		2024		2023
Assets				
Current assets:				
Cash	$	84,838	$	40,809
Amounts receivable		22,774		968
Prepaid expenses		568,974		-
Total current assets		676,586		41,777
Exploration and evaluation assets (note 5)		2,749,332		539,747
Total assets	**$**	**3,425,918**	**$**	**581,524**
Liabilities and Shareholders' Equity				
Current liabilities:				
Accounts payable and accrued liabilities (notes 6, 8 and 13)	$	186,907	$	27,806
Total current liabilities		186,907		27,806
Shareholders' equity:				
Share capital (note 7)		4,672,234		1,012,406
Share-based payments reserve		200,610		155,964
Deficit		(1,633,833)		(614,652)
Total shareholders' equity		3,239,011		553,718
Total liabilities and shareholders' equity	**$**	**3,425,918**	**$**	**581,524**

Nature of business and continuing operations (note 1)
Commitments (note 13)
Subsequent events (note 14)

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

AMERICAN SALARS LITHIUM INC.

Consolidated Statements of Loss and Comprehensive Loss
For the years ended September 30, 2024 and 2023
(in Canadian dollars)

	2024	2023
Expenses		
Investor communications	$ 333,754	$ -
Management and consulting fees (note 8)	474,531	28,000
Occupancy costs	49,771	20,869
Office and general	12,562	7,244
Professional fees (note 8)	95,967	79,126
Transfer agent and filing fees	47,800	19,664
Travel and promotion	5,600	693
Loss on disposal of exploration and evaluation assets (note 5)	-	19,500
Foreign currency exchange	(804)	-
	1,019,181	175,096
Net loss and comprehensive loss	$ (1,019,181)	$ (175,096)
Weighted average shares outstanding – basic and diluted	19,322,934	9,367,055
Loss per share – basic and diluted	$ (0.05)	$ (0.02)

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

AMERICAN SALARS LITHIUM INC.

Consolidated Statements of Cash Flows
For the years ended September 30, 2024 and 2023
(in Canadian dollars)

	2024	2023
Cash provided by (used in):		
Operating activities		
Net loss for the year	$ (1,019,181)	$ (175,096)
Items not involving cash:		
Loss on disposal of exploration and evaluation assets	-	19,500
Change in non-cash working capital:		
Amounts receivable	(21,806)	605
Prepaid expenses	(218,974)	-
Accounts payable and accrued liabilities	168,101	(90,210)
Net cash used in operations	**(1,091,860)**	**(245,201)**
Investing activities		
Acquisition of exploration and evaluation assets	(199,284)	10,000
Net cash provided from (used in) investing activities	**(199,284)**	**10,000**
Financing activities		
Proceeds from loan	75,000	-
Loan repayment	(25,000)	-
Proceeds from issuance of common shares	1,370,619	265,500
Share issue costs	(85,446)	-
Net cash provided from financing activities	**1,335,173**	**265,500**
Increase in cash	44,029	30,299
Cash, beginning of year	40,809	10,510
Cash, end of year	**$ 84,838**	**$ 40,809**

Supplemental Disclosures		
Income taxes paid	-	-
Interest paid	-	-
Non-Cash Financing Activities		
Shares issued for exploration and evaluation assets	1,989,301	372,000
Shares issued for advisory services	350,000	-
Shares issued on settlement of debt	80,000	-

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

AMERICAN SALARS LITHIUM INC.

Consolidated Statements of Changes in Shareholders' Equity
For the years ended September 30, 2024 and 2023
(in Canadian dollars)

	Number of Common Shares	Share Capital	Share-Based Payments Reserve	Deficit	Total Equity
Balance, September 30, 2022	6,775,000	$ 374,906	$ 155,964	$ (439,556)	$ 91,314
Shares issued for exploration and evaluation assets (note 5)	3,100,000	372,000	-	-	372,000
Shares issued for cash	2,550,000	265,500	-	-	265,500
Net loss and comprehensive loss for the year	-	-	-	(175,096)	(175,096)
Balance, September 30, 2023	**12,425,000**	**$ 1,012,406**	**$ 155,964**	**$ (614,652)**	**$ 553,718**
Shares issued for exploration and evaluation assets (note 5)	10,810,009	1,989,301	-	-	1,989,301
Shares issued for cash	6,649,995	1,329,999	-	-	1,329,999
Shares issued for consulting services	1,000,000	350,000	-	-	350,000
Shares issued on exercise of warrants	120,600	18,120	-	-	18,120
Shares issued on exercise of options	75,000	22,500	-	-	22,500
Shares issued on settlement of debt	350,000	80,000	-	-	80,000
Share issue costs	-	(130,092)	44,646	-	(85,446)
Net loss and comprehensive loss for the year	-	-	-	(1,019,181)	(1,019,181)
Balance, September 30, 2024	**31,430,604**	**$ 4,672,234**	**$ 200,610**	**$ (1,633,833)**	**$ 3,239,011**

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

1. NATURE AND CONTINUANCE OF OPERATIONS

American Salars Lithium Inc. (the "Company") was incorporated on December 17, 2019 under the law of British Columbia. The address of the Company's corporate office and its principal place of business is 200-551 Howe Street, Vancouver, British Columbia, Canada. The Company's common shares were listed on the Canadian Securities Exchange ("CSE") effective December 21, 2021. The Company's common shares trade on the CSE under the symbol "USLI".

On July 21, 2023, the Company consolidated its common shares on a 2:1 basis. All share and per share amounts throughout the consolidated financial statements have been adjusted to reflect the share consolidation.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at September 30, 2024, the Company holds interests in early stage mineral exploration properties and the Company had not yet determined whether the Company's mineral property assets contain deposits of minerals that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the properties or realizing proceeds from their disposition.

The Company had a deficit of $1,633,833 as at September 30, 2024, which has been funded by the issuance of equity and the receipt of a short-term loan. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

These consolidated financial statements do not give affect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be 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 these consolidated financial statements.

2. BASIS OF PREPARATION

Statement of Compliance and basis of presentation

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

Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

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

Functional and presentation currency

The consolidated financial statements are presented in Canadian Dollars, which is the Company's and its subsidiary's functional currency.

2. BASIS OF PREPARATION *(continued)*

Basis of consolidation

These consolidated financial statements include the financial statements of the Company and the entities controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Control is defined as the exposure, or rights, to variable returns from involvement with an investee and the ability to affect those returns through power over the investee. Power over an investee exists when an investor has existing rights that give it the ability to direct the activities that significantly affect the investee's returns. This control is generally evidenced through owning more than 50% of the voting rights or currently exercisable potential voting rights of the Company's common shares. All significant intercompany transactions and balances have been eliminated.

The controlled subsidiaries are listed in the following table:

Name of Subsidiary	Country of Incorporation	Ownership	Principal Activity
Aesir Lithium Corp.	Canada	100%	Holding Company

Approval of the consolidated financial statements

The consolidated financial statements of the Company for the year ended September 30, 2024, were approved and authorized for issuance by the Board of Directors on January 28, 2025.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the consolidated statement of financial position reporting date, 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, relate to, but are not limited to, the following:

Significant accounting estimates

Management has not identified any significant estimates which have a material effect on the amounts recognized in the consolidated financial statements.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Significant accounting judgments

i. Carrying value of exploration and evaluation assets: The recoverability of the exploration and evaluation assets' carrying values is dependent upon the determination of economically recoverable reserves, the ability of the Company to obtain the necessary financing and permits to complete development and future profitable production or proceeds from the disposition thereof. At each reporting date, the Company reviews the carrying amounts of its exploration and evaluation assets to determine whether there is an indication of impairment. The Company did not identify any indications of impairment as of September 30, 2024.

ii. The Company applies significant judgment to conclude whether an acquired set of activities and assets is a business. The acquisition of a business is accounted for as a business combination, under IFRS 3. If an acquired set of activities and assets does not meet the definition of a business, the transaction is accounted for as an asset acquisition. The Company also applied judgment in identifying the assets acquired and evaluating which IFRS standard the assets should be measured under.

4. MATERIAL ACCOUNTING POLICIES

Cash Equivalents

Cash equivalents include short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash. As at September 30, 2024 and 2023, the Company held no cash equivalents.

Income Taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the consolidated statement of financial position date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the consolidated statement of financial position date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Loss Per Share

The Company presents basic loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding as the effect is anti-dilutive. Basic and diluted loss per share excludes all of the Company's common shares from the weighted average shares calculation that are contingently returnable. As at September 30, 2024 and 2023, there were no such shares.

Share Issuance Costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issuance costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are recognized in profit or loss.

Share Capital

Common shares, options and warrants are classified as equity. Transaction costs directly attributable to the issuance of common shares, options and warrants are recognized as a deduction from equity, net of any tax effects.

The Company bifurcates units which consist of common shares and share purchase warrants using the residual value approach, whereby it measures the common share component of the unit at fair value using the trading price and then allocates the residual value, if any, of the units over the fair value of the common shares to the warrant component. The value of the warrant component is credited to reserves. When warrants are exercised, the corresponding value is transferred from reserves to share capital. When warrants expire unexercised or are cancelled, the applicable amounts recorded in reserves are reclassified to deficit.

Share-based Payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized in expenses and reserves over the vesting period. Consideration paid for the shares along with the fair value recorded in reserves on the exercise of stock options is credited to share capital. The Company estimates a forfeiture rate and adjusts the corresponding expense each period based on an updated forfeiture estimate.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the Company as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Where the terms and conditions of options are modified, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Financial Instruments

Financial Assets

When the Company becomes party to a contract, financial assets are classified as measured at:

i. Amortized cost;

ii. Fair value through other comprehensive income ("FVOCI"); or

iii. Fair value through profit or loss ("FVTPL").

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

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

Subsequent measurement of financial assets depends on their classification:

i. Amortized cost

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

The Company does not have any assets classified at amortized cost.

ii. FVOCI

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest method.

The Company does not have any assets classified at FVOCI.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

iii. FVTPL

Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the statement of loss and comprehensive loss in the period in which it arises.

The Company's cash is classified at FVTPL.

Impairment of financial assets

There is a three-stage expected credit loss ("ECL") model for determining impairment of financial assets. The ECL model does not require the occurrence of a triggering event before the Company recognizes credit losses. The Company is required to recognize ECLs upon initial recognition of a financial asset and to update the quantum of ECLs at the end of each reporting period to reflect changes to credit risk of the financial asset.

Financial Liabilities and Equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Financial liabilities are classified as measured at (i) FVTPL; (ii) FVOCI; or (iii) amortized cost.

(i) FVTPL

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI and the remaining amount of the change in the fair value is presented in profit or loss.

The Company does not classify any financial liabilities at FVTPL.

(ii) FVOCI

The amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI and the remaining amount of the change in the fair value is presented in profit or loss.

The Company does not classify any financial liabilities at FVOCI.

(iii) Amortized cost

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

The Company classifies its accounts payable and accrued liabilities at amortized cost.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Exploration and Evaluation Assets

Pre-exploration costs or property investigation costs are expensed in the period in which they are incurred. Once the legal right to explore a property has been acquired, all costs related to the acquisition, exploration and evaluation are capitalized by property. Costs not directly attributable to exploration and evaluation activities, including general and administrative overhead costs, are expensed in the period in which they occur.

Exploration and evaluation assets are reviewed for indicators of impairment at each reporting date. An exploration and evaluation asset is deemed to have an indicator of impairment if in the period for which the Company has the right to explore the property has expired or is not expected to be renewed, substantive expenditure on further exploration and evaluation of mineral resources is neither budgeted nor planned, exploration and evaluation activities have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities for the specific property, or if sufficient data exists to indicate that development of a specific property would be unlikely to recover the carrying amount of the associated capitalized exploration and evaluation expenditures.

If there is an indication of impairment, and the Company determines the recoverable amount of the specific exploration and evaluation asset as the greater of the asset's value in use or fair value less costs of disposal, and compares this to the carrying amount as at the reporting date. If the carrying amount exceeds the recoverable amount, those exploration and evaluation assets, in excess of estimated recoveries, are written off to profit or loss as an impairment loss.

The recoverability of mineral properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mines under construction". Exploration and evaluation assets are tested for impairment before the assets are transferred to mines under construction.

Exploration and evaluation expenditures are classified as intangible assets.

Decommissioning, Restoration and Similar Liabilities

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the units-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lessees are permitted to make an election for leases with a term of 12 months or less, or where the underlying asset is of low value, and not recognize lease assets and lease liabilities. For short term leases, the Company has elected to use this election and has recognized rent expense associated with these leases on a straight-line basis over the lease term within profit or loss as occupancy costs.

Business Combinations and Asset Acquisitions

A business combination is a transaction or event in which an acquirer obtains control of one or more businesses and is accounted for using the acquisition method. The total consideration paid for the acquisition is the fair value of the assets transferred, liabilities incurred and equity instruments issued in exchange for control of the acquiree at the acquisition date. The acquisition date is the date when the Company obtains control of the acquiree. The identifiable assets acquired and liabilities assumed are recognized at their acquisition date fair values, except for deferred taxes and share-based payment awards where IFRS provides exceptions to recording the amounts at fair value. Goodwill represents the difference between total consideration paid and the fair value of the net-identifiable assets acquired. Acquisition costs incurred are expensed in profit or loss.

Based on the facts and circumstances that existed at the acquisition date, management will perform a valuation analysis to allocate the purchase price based on the fair values of the identifiable assets acquired and liabilities assumed on the acquisition date. Management has one year from the acquisition date to confirm and finalize the facts and circumstances that support the finalized fair value analysis and related purchase price allocation.

Acquisitions that do not meet the definition of a business combination are accounted for as asset acquisitions. Consideration paid for an asset acquisition is allocated to the individual identifiable assets acquired and liabilities assumed based on their relative fair values.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Transaction costs for asset acquisitions are capitalized as part of the cost of the assets acquired. Asset acquisitions do not give rise to goodwill.

Adoption of New Accounting Standards, Interpretations and Amendments

<u>Recently adopted accounting standards</u>

The Company adopted the following amendment to IFRS Accounting Standards that are mandatorily effective for accounting periods beginning on or after January 1, 2023. Their adoption has not had a material impact on disclosures or amounts reported in these consolidated financial statements.

IAS 1 Presentation of Financial Statements: Amendments to IAS 1 require that companies disclose their material accounting policies rather than their significant accounting policies and explain how a company identifies its material accounting policies.

IAS 8 Accounting Policies, Change in Accounting Estimates and Errors: Amendments to IAS 8 relate to the change in definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The amendments clarify that a change in an accounting estimate that results from new information or new developments is not the correction of an error.

IAS 12 Income Taxes: Amendments to IAS 12 relate to deferred tax assets and liabilities arising from a single transaction and clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

<u>Recently issued but net yet effective accounting standards</u>

The Company has not yet adopted certain new standards, amendments and interpretations to existing standards as outlined below, which have been published but are only effective for accounting periods beginning on or after October 1, 2024 or later periods. The new and amended standards are not expected to have a material impact on the Company except for the below standards.

IFRS 9 requires entities to recognize financial assets and liabilities when they become party to the contractual terms and to measure them initially at fair value, adjusted for directly attributable transaction costs where applicable. The standard also provides guidance on the derecognition of financial liabilities, which can impact bank reconciliation processes, especially during debt restructuring.

Amendments to IFRS 9 and IFRS 7, effective for reporting periods beginning on or after January 1, 2026, address classification and measurement of financial instruments. The Company is assessing the impact of these amendments on its consolidated financial statements.

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

(Amounts in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS

	Isla	Black Rock South	Aesir	Spey	Pocitos 1	Total
Balance, September 30, 2022	$ 197,247	$ -	$ -	$ -	$ -	$ 197,247
Recovery of costs	(10,000)	-	-	-	-	(10,000)
Loss on disposal	(19,500)	-	-	-	-	(19,500)
Acquisitions costs	-	-	372,000	-	-	372,000
Balance, September 30, 2023	**$ 167,747**	**$ -**	**$ 372,000**	**$ -**	**$ -**	**$ 539,747**
Balance, September 30, 2023	$ 167,747	$ -	$ 372,000	$ -	$ -	$ 539,747
Acquisitions costs	5,000	524,251	-	627,550	975,000	2,131,801
Geological costs	-	49,661	7,123	-	21,000	77,784
Balance, September 30, 2024	**$ 172,747**	**$ 573,912**	**$ 379,123**	**$ 627,550**	**$ 996,000**	**$ 2,749,332**

Isla Property Option

On November 8, 2020, and amended on February 9, 2021 and August 29, 2023, the Company entered into a Purchase Agreement (the "Isla Agreement") with an arms-length party. Pursuant to the Isla Agreement, the Company has an option to acquire 100% interest in six mineral claims known as the Isla claims located in British Columbia, Canada from the arms-length party.

In addition, the Isla claims are subject to a Net Smelter Return Royalty of 1.5% which can be purchased at any time for $1,500,000 from the arms-length party.

Under the Isla Agreement, the Company will make cash payments totaling $40,000 as follows:

- make a cash payment of $5,000 upon execution and delivery of the agreement (paid);
- make a further cash payment of $5,000 on the date upon which the common shares are listed on a stock exchange in Canada (paid); and
- make a further cash payment of $5,000 within 24 months (paid) and $25,000 within 30 months of listing on a stock exchange in Canada (extension granted to February 14, 2025).

The Company allowed the expiry of one of the six claims during the year ended September 30, 2023. Consequently, the Company recorded a loss on disposal related to the Isla property of $19,500 to reflect the forfeiture of the claim.

Black Rock South

On September 13, 2023, the Company entered into a Share Purchase Agreement (the "Black Rock Agreement") with an arms-length party to acquire 100% ownership interest in American Brines Lithium Inc., which owns the Black Rock South Lithium project located in Washoe County, Nevada. Pursuant to the terms of the Black Rock Agreement the Company issued 3,495,009 shares on closing on November 9, 2023, fair valued at $0.15 per share, and will issue an additional 3,495,009 shares on or before November 9, 2024 (extension granted to March 9, 2025) and 3,494,997 shares on or before November 9, 2025.

The Company accounted for this transaction as an asset acquisition. The assets to be acquired consist entirely of the Black Rock claims. The $524,251 purchase consideration was applied entirely to the exploration and evaluation asset and there were no transaction costs.

5. EXPLORATION AND EVALUATION ASSETS (*continued)*

Aesir Lithium Claims

On May 31, 2023, the Company entered into a Purchase Agreement (the "Aesir Agreement") with an arms-length party to acquire a 100% interest in Aesir Lithium Corp. Pursuant to the Aesir Agreement, the Company acquired a 100% interest in twenty seven mineral claims known as the Aesir lithium claims located in Quebec, Canada. As consideration the Company issued 3,100,000 shares at their fair value $0.12 per share.

The Company accounted for this transaction as an asset acquisition. The assets acquired consisted entirely of the Aesir lithium claims, and there were no liabilities assumed. The $372,000 purchase consideration was applied entirely to the exploration and evaluation asset and there were no transaction costs.

Spey Property

On March 1, 2024, the Company entered into a Purchase Agreement (the “Spey Agreement”) with third parties to acquire a 100% ownership interest in Spey Resources Argentina S.A., which owns 100% interest in the Spey property. Pursuant to the agreement, the Company is required to make the following payments:

Make cash payments as follows:

- $137,500 (paid) within 60 days of the purchase agreement;
- $220,000 on or before the first anniversary of the agreement;
- $440,000 on or before the second anniversary of the agreement;
- $550,000 on or before of each the third, fourth, and fifth anniversary of the agreement.

Issue common share of the Company as follows:

- Issue 1,650,000 common shares (issued) within 60 days of the purchase agreement;
- Issue 1,650,000 common shares on or before the first anniversary date of the agreement;
- Issue 1,650,000 common shares on or before the second anniversary date of the agreement;
- Issue 1,650,000 common shares on or before the third anniversary date of the agreement.

In addition, the Company is required to pay a finder’s fee equivalent to 10% of the shares issued pursuant to the Spey Agreement. The finder’s fee can be paid in cash or shares at the election of the Company. During the year ended September 30, 2024, the Company issued 165,000 finder fee shares (note 7).

The Company accounted for this transaction as an asset acquisition. The assets to be acquired consist entirely of the Spey claims. The $627,550 purchase consideration was applied entirely to the exploration and evaluation asset and there were no transaction costs other than the finder fee noted above.

(Amounts in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS (*continued)*

Pocitos 1 Lithium

On June 11, 2024, the Company has entered into an agreement with Recharge Resources Ltd. ("Recharge") to acquire a 100% interest in the Pocitos 1 lithium salar project by issuing 5,000,000 common shares (issued, note 7) subject to a 24-month escrow and assuming an outstanding tax liability estimated to be no more than USD $250,000 as well as a payable to a third party of AUS $80,000. During the year ended September 30, 2024, the Company issued 500,000 finder fee shares (notes 7 and 13). As of September 30, 2024, the transaction has not closed due to a lien on the property and ongoing discussions regarding the tax liability to be assumed. The Company has issued a total of 5,500,000 shares in relation to this transaction, and management has concluded that there was no impairment at year-end.

Recharge has agreed to a 24-month escrow with releases every six months and a further voluntary escrow whereby they have agreed not to sell more than 10,000 shares per day in any given trading day and cumulatively no more than 50,000 shares in a normal business week. Recharge has further agreed to proxy all votes to management of the Company.

At closing, the Company will issue to Recharge 2,500,000 bonus warrants (the "Bonus Warrants"), with each Bonus Warrant entitling the Vendor to acquire one common share of the Purchaser at an exercise price of CAD $0.75 for a period of five years.

The Pocitos 1 property is subject to a 2.5% net smelter royalty ("NSR") of the minerals produced on a Freight On Board basis from the property, the Company can purchase 1.5% (60%) of the NSR for $1,500,000.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities are non-interest bearing and detailed below:

		2024		2023
Trade accounts payable and accrued liabilities	$	186,907	$	27,806
	$	**186,907**	**$**	**27,806**

7. SHARE CAPITAL

Authorized:

Unlimited number of common shares without par value.

Escrow shares:

As at September 30, 2024, there were 5,285,001 (2023 – 855,001) common shares held in escrow.

Issued:

During the year ended September 30, 2023, the Company had the following transactions:

On December 22, 2022, the Company issued 1,500,000 common shares at a price of $0.10 per share for gross proceeds of $150,000 pursuant to a private placement.

On April 5, 2023, the Company completed a private placement of 1,050,000 units at $0.11 per unit for gross proceeds of $115,500. Each unit consists of one common share and one share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share at $0.14 per share for a period of 36 months. Nil was allocated to the warrants, under the residual value method.

7. SHARE CAPITAL *(continued)*

On June 8, 2023, the Company issued 3,100,000 common shares in connection with the acquisition of the Aesir lithium claims for a fair value of $372,000 (note 5).

During the year ended September 30, 2024, the Company had the following transactions:

On November 9, 2023, the Company issued 3,495,009 common shares with a fair value of $524,251 for the acquisition of American Brines Lithium Inc. (note 5).

On March 8, 2024, the Company issued 100,000 common shares on the exercise of warrants for gross proceeds of $14,000. The Company's share price on the date of exercise was $0.38.

On April 5, 2024, the Company issued 20,600 common shares on the exercise of warrants for gross proceeds of $4,120. The Company's share price on the date of exercise was $0.36.

On April 26, 2024, the Company closed a private placement of 3,999,995 units at $0.20 per unit. 250,000 units were issued to settle $50,000 in debt. Gross proceeds were $749,999. Each unit consists of one common share and one common share purchase warrant allowing the holder to purchase half of a share at $0.25 per common share and expires twelve months from closing. These warrants were valued at nil using the residual value method. In addition, the Company issued 65,000 broker warrants with a fair value of $11,837.

On April 29, 2024 the Company issued 75,000 common shares on the exercise of stock options for gross proceeds of $22,500. The Company's share price on the date of exercise was $0.32.

On May 16, 2024, the Company issued 1,815,000 common shares with a fair value of $490,050 for the acquisition of Spey Resources Argentina S.A. (note 5).

On May 31, 2024, the Company closed a private placement of 2,900,000 units for gross proceeds of $580,000. Each unit consists of one common share and one common share purchase warrant allowing the holder to purchase half of a share at $0.25 per common share and expires twelve months from closing. These warrants were valued at nil using the residual value method. In addition, the Company issued 215,000 broker warrants with a fair value of $32,809.

On June 3, 2024, the Company issued 1,000,000 common shares for advisory services with a fair value of $350,000 (note 13).

On July 30, 2024, the Company issued 100,000 common shares for the settlement of debt with a fair value of $30,000.

On September 12, 2024, the Company issued 5,000,000 common shares with a fair value of $900,000 for the acquisition of the Pocitos 1 Lithium property (note 5). In addition, the Company issued 500,000 common shares as a finder's fee with a fair value of $75,000.

Stock Options

During the year ended September 30, 2023, the Company adopted a Stock Option Plan (the "Plan"). Under the Plan, the Company can issue up to 10% of the issued and outstanding common shares as incentive stock options to directors, officers, employees and consultants to the Company. The Plan limits the number of stock options which may be granted to any one individual to not more than 5% of the total issued common shares of the Company in any 12-month period. The Plan also limits the stock options which may be granted to any one individual if the exercise would result in the issuance of common shares more than 2% in any 12-month period. The number of options granted to any one consultant or a person employed to provide investor relations activities in any 12 month period must not exceed 2% of the total issued common shares of the Company.

(Amounts in Canadian dollars)

7. SHARE CAPITAL *(continued)*

A continuity of the stock options outstanding at September 30, 2024 is as follows:

	Number of Warrants	Weighted Average Exercise Price
		$
Balance, September 30, 2023 and 2022	325,000	0.30
Exercised	(75,000)	0.30
Balance, September 30, 2024	**250,000**	**0.30**

The following stock options were outstanding as at September 30, 2024:

Expiry date	Number of options	Exercise price	Remaining contractual life (years)
		$	
February 3, 2025	250,000	0.30	0.35
	250,000	**0.30**	**0.35**

Warrants

A continuity of the warrants outstanding at September 30, 2024 is as follows:

	Number of Warrants	Weighted Average Exercise Price
		$
Balance, September 30, 2022	175,000	0.20
Issued	1,050,000	0.14
Balance, September 30, 2023	1,225,000	0.15
Issued	3,729,998	0.25
Exercised	(120,600)	0.15
Balance, September 30, 2024	**4,834,398**	**0.23**

The following share purchase warrants were outstanding as at September 30, 2024:

Expiry date	Number of warrants	Exercise price	Remaining contractual life (years)
		$	
December 22, 2026	154,400	0.20	2.23
April 5, 2026	950,000	0.14	1.51
April 26, 2025	2,064,998	0.25	0.57
May 31, 2025	1,665,000	0.25	0.67
	4,834,398	**0.23**	**0.84**

(Amounts in Canadian dollars)

7. SHARE CAPITAL *(continued)*

The weighted average assumptions used in the Black-Scholes option pricing model valuation of warrants issued during the year ended September 30, 2024 are as follows:

	2024
Share price	$0.32
Exercise price	$0.25
Risk-free interest rate	4.3%
Expected life of warrants	1 year
Dividend rate	0%
Annualized volatility	101%

8. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management personnel includes directors and key officers of the Company, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"). The Company incurred the following key management personnel costs:

		2024		2023
Management and consulting	$	100,500	$	28,000
Professional fees		10,000		-
	$	**110,500**	**$**	**28,000**

During the year end September 30, 2024, the Company entered into a loan agreement with a Company controlled by the CEO. The loan principal was $50,000 and did not bear any interest. The loan was settled during the year by the issuance of 250,000 units (note 7).

As at September 30, 2024 included in accounts payable and accrued liabilities is $70,500 (2023 - nil) owed to a companies controlled by directors and $1,000 (2023 - nil) owed to a director. The amounts owing are unsecured, non-interest bearing and have no fixed terms for repayment.

9. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the Company's principal business activities which include the acquisition and exploration of mineral property assets. The Company does not have any externally imposed capital requirements to which it is subject.

The Company's capital structure consists of shareholders' equity of $3,239,011 (2023 - $553,718). As at September 30, 2024, the Company had capital resources consisting of cash. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets or adjust the amount of cash.

The Company's strategy for managing capital did not change during the year ended September 30, 2024.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

IFRS 13, Fair value measurement, establishes a fair value hierarchy that reflects the reliability of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) 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 fair value of the Company's cash is classified as Level 1.

The carrying value of accounts payable and accrued liabilities approximates its fair value due to the relatively short period to maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable and accrued liabilities. The risks associated with these financial instruments and the policies on mitigating these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. There were no changes to the Company's risk exposure during the year ended September 30, 2024.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and the Company's maximum exposure to credit risk is the carrying amount of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution. The Company's exposure to and management of credit risk has not changed materially from that of the prior year.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. In the management of liquidity risk, the Company maintains a balance between continuity of funding and the flexibility through the use of debt. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. The Company's accounts payable have contractual maturities of less than 30 days and are subject to normal trade terms. As at September 30, 2024, the Company had cash of $84,838 (2023 - $40,809) to settle accounts payable and accrued liabilities of $186,907 (2023 - $27,806). The Company's management of liquidity risk has not changed materially from that of the prior year.

(Amounts in Canadian dollars)

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(continued)*

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. These risks are generally outside the control of the Company. The objective of the Company is to mitigate market risk exposures within acceptable limits. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. It is management's opinion that the Company is not exposed to material currency risk, interest rate risk or other price risk. The Company's exposure to and management of market risk has not changed materially from that of the prior year.

11. INCOME TAXES

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates to the tax expense (recovery) recognized in the consolidated financial statements:

		2024		2023
Net loss for the year	$	(1,019,181)	$	(175,096)
Canadian statutory income tax rate		27%		27%
Income tax recovery at statutory rate		(275,000)		(47,000)
Non-deductible expenses and other		1,000		10,000
Share issue costs		(23,000)		-
Change in estimate		28,000		-
Change in deferred tax assets not recognized		269,000		37,000
	$	**-**	**$**	**-**

Significant components of the Company's deductible (taxable) temporary differences are shown below:

		2024		2023
Exploration and evaluation assets	$	(45,000)	$	(50,000)
Share issue costs		18,000		21,000
Non-capital loss carry forwards		425,000		158,000
		398,000		129,000
Deferred tax assets not recognized		(398,000)		(129,000)
	$	**-**	**$**	**-**

(Amounts in Canadian dollars)

11. INCOME TAXES *(continued)*

The Company has non-capital loss carry forwards of approximately $1,573,000, which may be carried forward to apply against taxable income, subject to the final determination by taxation authorities, expiring in the following years:

Expiry date	Amount
2040	$ 21,000
2041	152,000
2042	210,000
2043	156,000
2044	1,034,000
	$ 1,573,000

12. SEGMENT REPORTING

Management determined that the Company has one reportable operating segment, being the exploration and development of its exploration and evaluation assets in three geographic locations being Canada, USA and Argentina. As at September 30, 2024, $1,623,550 (2023 - nil), $573,912 (2023 – nil), and $1,228,456 (2023 - $581,524) of total assets were located in Argentina, USA, and Canada respectively.

13. COMMITMENTS

On June 2, 2024, the Company has entered into an agreement with a third party (the “Advisor”) to provide advisory services related to acquisitions and disposals of exploration and evaluation properties. Under the agreement, the Company shall pay the Advisor:

i. A monthly fee of $10,000 of which the first two months were payable in cash (paid) and the subsequent months will be accrued and converted to common shares of the Company on a quarterly basis until the Company completes a minimum raise of a $2.5 million private placement, after which the monthly fee will be paid in cash. As at September 30, 2024 $20,000 is included in accounts payable and accrued liabilities.
ii. 1,000,000 common shares of the Company (issued, note 7).
iii. 3,000,000 common shares of the Company over an 18-month period (no shares have been issued as at or subsequent to September 30, 2024).

The Company must also pay a 5% completion fee related to any completed transaction. The transaction fee is payable in either cash or shares at the option of the Advisor. If the Company receives a break fee from any proposed transaction, the Advisor is entitled to receive 50% of the fee. During the year ended September 30, 2024, the Company issued the Advisor 250,000 shares with a fair value of $37,500 pursuant to the terms of this agreement in connection with the Recharge Agreement (notes 5 and 7).

14. SUBSEQUENT EVENTS

On October 30, 2024, the Company entered into a Mineral Claims Purchase Agreement to acquire 100% of the Lac Simard South project consisting of 64 mineral claims covering 3,672 hectares. In consideration, the Company will issue 50,000 common shares.

On November 7, 2024, the Company entered into a Mineral Claims Purchase Agreement to acquire 100% of the Lac Simard Nord project consisting of 2 mineral claims covering 286 hectares. In consideration, the Company will issue 50,000 common shares.

On November 28, 2024, the Company granted 1,950,000 stock options to certain officers, directors and consultants of the Company. The options vest immediately, exercisable at $0.12 per common share, and expire one year from the date of grant.

On December 17, 2024, the Company entered into a Mineral Claims Purchase Agreement to acquire 100% of the Xenia West and East lithium projects consisting of 92 mineral claims covering 5,382 hectares. In consideration, the Company will issue 50,000 common shares.