POWR LITHIUM CORP.

Condensed Interim Consolidated Financial Statements

For the three months ended November 30, 2024 and 2023

(Unaudited - Expressed in Canadian dollars)

Notice of Disclosure of Non-auditor Review of the Condensed Interim Consolidated Financial Statements for the Three Months Ended November 30, 2024 and 2023

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*, part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of POWR Lithium Corp. for the interim periods ended November 30, 2024 and 2023, have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as issued by the International Accounting Standards Board, and are the responsibility of management.

The independent auditors, Dale Matheson Carr-Hilton LaBonte LLP Chartered Professional Accountants, have not performed a review of these unaudited condensed interim consolidated financial statements.

January 28, 2025

POWR LITHIUM CORP.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian dollars)

	Note	**November 30, 2024**	August 31, 2024
		$	$
ASSETS			
Current			
Cash		**16,356**	4,298
Prepaid expenses	5	**31,409**	7,145
GST receivable		**20,361**	16,165
		68,126	27,608
Reclamation bond	6	**23,264**	22,956
Exploration and evaluation assets	8	**14,001**	1
Total assets		**105,391**	50,565
LIABILITIES			
Current			
Accounts payable and accrued liabilities	10	**435,786**	323,273
Decommissioning liability	7	**8,406**	8,214
Subscription liabilities	11(f)	**46,970**	-
Total liabilities		**491,162**	331,487
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital	11(b)	**7,433,622**	7,429,622
Obligation to issue shares	8(a)	**38,951**	38,951
Reserves		**2,305,773**	2,263,427
Deficit		**(10,164,117)**	(10,012,922)
Total shareholders' deficiency		**(385,771)**	(280,922)
Total liabilities and shareholders' deficiency		**105,391**	50,565

Nature of operations and going concern (Note 1)
Subsequent events (Note 16)

Approved and authorized for issue on behalf of the Board of Directors:

/s/ "Marco Montecinos"	*/s/ "Mark Mukhija"*
Director	Director

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

POWR LITHIUM CORP.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian dollars, except number of shares)

		Three months ended November 30,	
	Note	**2024**	2023
		$	$
Operating expenses			
Bank charges		**210**	349
Consulting and management fees	12	**34,250**	129,688
Exploration and evaluation expenditures	9,12	**3,910**	345,259
General and administrative		**1,938**	49,701
Legal and professional fees	12	**57,476**	53,864
Marketing		**2,652**	259,608
Share-based compensation	11,12	**42,346**	659,525
Transfer agent and regulatory fees		**8,091**	9,634
		150,873	1,507,628
Other income (expenses)			
Foreign exchange loss		**(322)**	(1,380)
Interest income		**-**	1,465
Net loss and comprehensive loss		**(151,195)**	(1,507,543)
Net loss per share:			
Basic and diluted		**(0.00)**	(0.03)
Weighted average number of common shares:			
Basic and diluted		**52,246,481**	45,300,680

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

POWR LITHIUM CORP.
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited - Expressed in Canadian dollars)

	Three months ended November 30, 2024	2023
	$	$
Operating activities		
Net loss for the period	**(151,195)**	(1,507,543)
Adjustment for:		
Share-based compensation	**42,346**	659,525
Foreign exchange gain	**(116)**	-
Changes in non-cash working capital:		
Prepaid expenses	**(24,264)**	(562,194)
GST receivable	**(4,196)**	5,693
Accounts payable and accrued liabilities	**112,513**	115,607
Cash used in operating activities	**(24,912)**	(1,288,912)
Investing activities		
Laroque Lake project option payment	**(10,000)**	-
Cash used in investing activities	**(10,000)**	-
Financing activities		
Proceeds from private placement of units	**-**	1,980,000
Proceeds from subscription liabilities	**46,970**	-
Unit issuance costs	**-**	(73,003)
Cash provided by financing activities	**46,970**	1,906,997
Change in cash	**12,058**	618,085
Cash, beginning of the period	**4,298**	75,124
Cash, end of the period	**16,356**	693,209
Supplemental cash flow information:		
Units issued to settle accounts payable and accrued liabilities	**-**	142,750
Shares issued as consideration in Laroque Lake project option payment	**4,000**	-

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

POWR LITHIUM CORP.
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
(Unaudited - Expressed in Canadian dollars, except number of shares)

	Common shares	Share capital	Obligation to issue shares	Reserves	Deficit	Total shareholders' equity (deficiency)
	#	$	$	$	$	$
Balance, August 31, 2023	37,883,468	4,969,868	38,951	1,539,139	(4,635,232)	1,912,726
Units issued in a private placement	10,000,000	1,659,231	-	340,769	-	2,000,000
Unit issuance costs	-	(111,592)	-	38,589	-	(73,003)
Units issued for debt settlement	713,750	118,428	-	24,322	-	142,750
Share-based compensation	-	-	-	659,525	-	659,525
Warrant modification	-	-	-	37,280	(37,280)	-
Net loss and comprehensive loss for the period	-	-	-	-	(1,507,543)	(1,507,543)
Balance, November 30, 2023	48,597,218	6,635,935	38,951	2,639,624	(6,180,055)	3,134,455
Warrants exercised	352,834	37,082	-	(1,799)	-	35,283
Conversion of restricted share units	3,275,000	753,250	-	(753,250)	-	-
Unit issuance costs	-	(20,967)	-	-	-	(20,967)
Units issued for debt settlement	-	24,322	-	7,871	-	32,193
Share-based compensation	-	-	-	408,261	-	408,261
Warrant modification	-	-	-	(37,280)	37,280	-
Net loss and comprehensive loss for the period	-	-	-	-	(3,870,147)	(3,870,147)
Balance, August 31, 2024	52,225,052	7,429,622	38,951	2,263,427	(10,012,922)	(280,922)
Laroque Lake project option payment	50,000	4,000	-	-	-	4,000
Share-based compensation	-	-	-	42,346	-	42,346
Net loss and comprehensive loss for the period	-	-	-	-	(151,195)	(151,195)
Balance, November 30, 2024	**52,275,052**	**7,433,622**	**38,951**	**2,305,773**	**(10,164,117)**	**(385,771)**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

POWR Lithium Corp. (formerly Clear Sky Lithium Corp.) (the "Company") is in the business of the exploration and evaluation of mineral properties. The Company was incorporated under the Business Corporations Act of British Columbia on June 25, 2018 and changed its name from Clear Sky Lithium Corp. to POWR Lithium Corp. on January 30, 2023. The address of the Company's registered and records office is 1021 West Hastings Street, 9th floor, Vancouver, BC, V6E 0C3.

The Company's common shares trade on the Canadian Securities Exchange (the "CSE") under the symbol "POWR", on the OTC Markets Exchange under the symbol "CSKYF", and on the Frankfurt Stock Exchange under the symbol "6JX".

These condensed interim consolidated financial statements for the three months ended November 30, 2024 and 2023 (the "financial statements") have been prepared on a going concern basis, which assumes the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. During the three months ended November 30, 2024, the Company incurred a net loss and comprehensive loss of $151,195 (2023 - $1,507,543). As at November 30, 2024, the Company had a working capital deficiency of $423,036, and accumulated deficit of $10,164,117 (August 31, 2024 - $303,879 and $10,012,922, respectively). The Company has no source of operating cash flows, and there is no assurance that sufficient funding (including adequate financing) will be available to conduct the required exploration and development of exploration and evaluation assets. These factors present a material uncertainty that may cast significant doubt over the Company's ability to continue as a going concern.

The application of the going concern assumption is dependent on the Company's ability to generate future profitable operations and receive continued financial support from its creditors and shareholders. These financial statements do not give effect to any adjustments that may be material in nature and may be required should the Company be unable to continue as a going concern.

2. BASIS OF PRESENTATION

a) Statement of compliance

These financial statements were approved by the Board of Directors and authorized for issue on January 28, 2025.

These financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board applicable to the preparation of interim financial statements including International Accounting Standard 34 *Interim Financial Reporting*. These financial statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited financial statements for the years ended August 31, 2024 and 2023 (the "Annual Financial Statements"), which include the information necessary or useful to understanding the Company's business and financial statement presentation.

b) Basis of presentation

These financial statements have been prepared on a historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

c) Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiaries. The functional currency is the currency of the primary economic environment in which an entity operates. References to "US$" are United States dollars.

d) Basis of consolidation

These financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances are eliminated on consolidation. Control exists where the parent entity has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are included in the financial statements from the date control commences until the date control ceases.

2. BASIS OF PRESENTATION (continued)

A summary of the Company's subsidiaries included in these financial statements as at November 30, 2024 is as follows:

Name of subsidiary	Country of incorporation	Percentage ownership	Principal activity
1291455 B.C. LTD	Canada	100%	Holding company and mineral exploration
Clear Sky Lithium Nevada Inc	US	100%	Mineral exploration

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies followed in preparing the financial statements are the same as those followed in preparing the Annual Financial Statements. For a complete summary of significant accounting policies, please refer to the Company's Annual Financial Statements except as follows:

Classification of liabilities as current or non-current - amendments to IAS 1

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. The amendments have not had an impact on the classification of the Company's liabilities.

4. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements under IFRS Accounting Standards requires management to make judgements in applying its accounting policies and estimates that affect the reported amounts of assets and liabilities at the period end date and reported amounts of expenses during the reporting period. Such judgements and estimates are, by their nature, uncertain. Actual outcomes could differ from these estimates.

The impact of such judgements and estimates are pervasive throughout these financial statements and may require accounting adjustments based on future occurrences. These judgements and estimates are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and are accounted for prospectively.

In preparing these financial statements, the Company applied the same significant judgements in applying its accounting policies and is exposed to the same sources of estimation uncertainty as disclosed its Annual Financial Statements.

(Unaudited - Expressed in Canadian dollars, except where noted)

5. PREPAID EXPENSES

A summary of the Company's prepaid expenses is as follows:

	November 30, 2024	August 31, 2024
	$	$
Legal and professional fees	**2,478**	2,477
Marketing	**9,639**	1,275
Transfer agent and regulatory fees	**19,292**	3,393
	31,409	7,145

6. RECLAMATION BOND

During the year ended August 31, 2024, the Company paid for a reclamation bond for a drilling permit at the Halo Project. As at November 30, 2024 and August 31, 2024, the value of the reclamation bond was $23,264 (US$ 16,605).

7. DECOMMISSIONING LIABILITY

The Company has an obligation to undertake restoration and environmental work when environmental disturbance is caused by exploration activities.

A provision for decommissioning liabilities is estimated based on current regulatory requirements and is recognized at the present value of such costs. The expected timing of cash flows in respect of the provision is based on the estimated life of the Company's exploration activities.

As at November 30, 2024, the decommissioning liability is estimated to be $8,406 (August 31, 2024 - $8,214).

8. EXPLORATION AND EVALUATION ASSETS

A summary of the Company's exploration and evaluation assets activity is as follows:

	ELi Property	**Halo Project**	**Laroque Lake Project**	**Total**
	$	$	$	$
Balance, August 31, 2023	127,500	2,274,306	-	2,401,806
Impairment loss	(127,499)	(2,274,306)	-	(2,401,805)
Balance, August 31, 2024	1	-	-	1
Acquisition costs	-	-	14,000	14,000
Balance, November 30, 2024	**1**	**-**	**14,000**	**14,001**

a) ELi Property

On December 23, 2021, the Company acquired a 100% interest in 26 unpatented mining claims situated in Eureka County and Nye County, Nevada, (the "ELi Property") with a fair value of $127,500 as a result of acquiring its subsidiary 1291455BC. The fair value on acquisition was determined based on the price that was paid by 1291455BC on November 16, 2021, in an arm's length transaction prior to it being acquired by the Company.

On November 16, 2021, 1291455BC purchased a 100% interest in the ELi Property for purchase consideration comprising US$50,000 cash and 100,000 common shares of 1291455BC with a contractual value of US$50,000 (the "share contractual value") or US$0.50 per share. On June 13, 2022, the Company completed the initial public offering process and was listed on CSE with a share price of $0.25, which was lower than the share contractual value of US$0.50. Pursuant to the agreement, an obligation to issue shares of $38,951 was recognized in connection with this requirement. In addition, the Company agreed to provide the seller with a gross-returns mineral production royalty of 2% from the production of minerals from the ELi Property and any unpatented mining claims that the Company locates in an identified area of interest.

8. EXPLORATION AND EVALUATION ASSETS (continued)

At present, substantive exploration work is neither budgeted nor planned. As a result, on August 31, 2024, the Company impaired the property and recognized impairment loss on this asset of $127,499.

b) Halo Project

On August 4, 2022, the Company entered into an option agreement with Halo Lithium LLC (the "Optionor") to acquire a 100% interest in 98 mineral claims located in Esmeralda and Nye Counties, Nevada, (the "Halo Project"). The option agreement required a series of cash payments, reimbursement of expenses and share consideration as follows:

- $319,914 (US$250,000) cash, $97,917 (US$76,518) reimbursement of expenses, and 1,865,269 common shares of the Company payable on or before August 9, 2022 (fully paid and issued). The fair value of this first tranche of shares was measured as $1,212,425 based on a $0.65 per share market price on the date of issuance.
- US$200,000 cash and 1,250,000 common shares of the Company payable on or before August 4, 2023 (fully paid and issued). The fair value of this second tranche of shares was measured as $268,750 based on a $0.22 per share market price on the date of issuance.
- US$200,000 cash and 500,000 common shares of the Company payable on or before August 4, 2024.

The claims were subject to a 1% net smelter royalty ("NSR") to the Optionor, subject to a buyback right whereby the Company was entitled to purchase one half of the NSR from the Optionor for a cash payment of US$1,000,000 any time prior to the commencement of commercial production.

Pursuant to the Halo Project option agreement, the Company incurred finder's fees requiring the issuance of common shares ("Finder's fee shares") in separate tranches as follows:

- 118,406 common shares due within five days of August 4, 2022 (issued).
- 75,000 common shares and common shares equal to US$12,000 due on August 4, 2023 (issued).
- 30,000 common shares and common shares equal to US$12,000 due on August 4, 2024.

The fair value of the first tranche of the Finder's fee shares was measured as $76,964 based on the $0.65 per share market price on August 9, 2022, the date of issuance. The fair value of the second tranche of the Finder's fee shares was measured at $33,936 based on the $0.22 per share market price on August 4, 2023, the date of issuance.

The Company did not pay the option payments scheduled for August 4, 2024. As a result, on August 31, 2024, the option agreement has been terminated and the Company recognized impairment loss on this asset of $2,274,306.

c) Laroque Lake Project

On October 10, 2024, the Company entered into a property option agreement to acquire a 100% interest in mineral claims located in Laroque Lake, Saskatchewan, Canada (the "Laroque Lake project"). The option agreement requires a series of cash payments, expenditures, and share consideration as follows:

- $10,000 cash and 50,000 common shares of the Company payable on or before October 17, 2024 (fully paid and issued).
- $17,500 cash, expenditures of $50,000, and 75,000 common shares of the Company payable on or before October 10, 2025.
- $25,000 cash and expenditures of $50,000 payable on or before October 10, 2026.
- $57,500 cash and expenditures of $100,000 payable on or before October 10, 2027.

The claims are subject to a 1% net smelter royalty ("NSR") to the Optionor, subject to a buyback right whereby the Company is entitled to purchase the NSR from the Optionor for a cash payment of $1,000,000 any time prior to the commencement of commercial production.

(Unaudited - Expressed in Canadian dollars, except where noted)

9. EXPLORATION AND EVALUATION EXPENDITURES

A summary of the Company's exploration and evaluation expenditures for the three months ended November 30, 2024 is as follows:

	ELi Property	Halo Project	Laroque Lake Project	Total
	$	$	$	$
Geological consulting	2,827	-	-	2,827
Permitting	1,083	-	-	1,083
	3,910	**-**	**-**	**3,910**

A summary of the Company's exploration and evaluation expenditures for the three months ended November 30, 2023 is as follows:

	ELi Property	Halo Project	Laroque Lake Project	Total
	$	$	$	$
Drilling	-	344,916	-	344,916
Mining claims and maintenance	115	228	-	343
	115	**345,144**	**-**	**345,259**

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

A summary of the Company's accounts payable and accrued liabilities is as follows:

	November 30, 2024	August 31, 2024
	$	$
Accounts payable	**427,786**	314,273
Accrued liabilities	**8,000**	9,000
	435,786	323,273

11. SHARE CAPITAL

a) Authorized share capital

The Company is authorized to issue an unlimited number of common shares without par value.

b) Issued share capital

As at November 30, 2024, there were 52,275,052 issued and fully paid common shares outstanding (August 31, 2024 - 52,225,052).

During the three months ended November 30, 2024, the Company had the following share capital transactions:

- On October 22, 2024, the Company issued 50,000 common shares as consideration for the Laroque Lake project mineral property option (Note 8(c)). The fair value of the shares was measured as $4,000 based on a $0.08 per share market price on the date of issuance.

(Unaudited - Expressed in Canadian dollars, except where noted)

11. SHARE CAPITAL (continued)

During the year ended August 31, 2024, the Company had the following share capital transactions:

- On September 29, 2023, the Company issued 10,000,000 units at $0.20 per unit for gross proceeds of $2,000,000. Of the $2,000,000 gross proceeds, $20,000 was received during the year ended August 31, 2023, and is included under obligation to issue shares within current liabilities as at August 31, 2023. Each unit comprises one common share and one-half of one share purchase warrant. Each whole share purchase warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.40 until September 27, 2025. The warrants were valued using a Black-Scholes option pricing model with the following inputs: a share price of $0.20, an exercise price of $0.40, a risk-free interest rate of 4.87%, an expected life of two years, an expected volatility of 114%, and an expected annual dividend yield of 0%. Applying the relative fair value approach, the gross proceeds were allocated as follows: $1,659,231 to common shares and $340,769 to reserves. The Company paid legal fees of $20,967, cash finders' fees of $73,003 and issued 427,777 finder's warrants in connection with this transaction. The fair value of the finder's warrants was estimated to be $38,589 using the Black-Scholes option pricing model with the following inputs: a share price of $0.20, an exercise price of $0.40, a risk-free interest rate of 4.87%, an expected life of two years, an expected volatility of 114%, and an expected annual dividend yield of 0%. Therefore, $132,559 of share issuance costs were recorded as a reduction to share capital in connection with this unit issuance.
- Concurrent with the September 29, 2023 private placement, the Company settled outstanding payables totaling $142,750 for consideration of 713,750 units. Each unit comprises one common share and one-half of one share purchase warrant. Each whole share purchase warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.40 until September 27, 2025. The shares were valued at $0.20 per share based on the market price of the Company's shares on the date the debt settlement agreements were entered into.The warrants were valued using a Black-Scholes option pricing model with the following inputs: a share price of $0.20, an exercise price of $0.40, a risk-free interest rate of 4.87%, an expected life of two years, an expected volatility of 114%, and an expected annual dividend yield of 0%. The Company recognized $142,750 to common shares, $32,193 to reserves, and loss on debt settlement of $32,193 in connection with this unit issuance. 196,875 of these units were issued to the CEO of the Company to settle $39,375 in accounts payables which was outstanding at August 31, 2023 (Note 12).
- The Company issued 352,834 common shares pursuant to the exercise of outstanding warrants for gross proceeds of $35,283. In connection with the exercised warrants, $1,799 was transferred from reserves to share capital.
- On January 30, 2024, the Company issued 3,275,000 common shares pursuant to the conversion of 3,275,000 restricted share units. In connection with the conversion of restricted share units, $753,250 was transferred from reserves to share capital.

c) Warrants

A summary of the Company's warrants activity is as follows:

	Number of warrants	Weighted average exercise price
	#	$
Balance, August 31, 2023	11,409,128	0.25
Granted	5,784,653	0.40
Exercised	(352,834)	0.10
Balance, August 31, 2024	16,840,947	0.25
Expired	(2,578,858)	0.10
Balance, November 30, 2024	**14,262,089**	**0.28**

A summary of the Company's outstanding and exercisable warrants as at November 30, 2024 is as follows:

Expiry date	Number of warrants	Weighted average exercise price	Weighted average contractual remaining life
	#	$	Years
December 23, 2024	2,744,236	0.10	0.06
January 17, 2025	5,733,200	0.25	0.13
September 27, 2025	5,784,653	0.40	0.83
	14,262,089	**0.28**	**0.40**

(Unaudited - Expressed in Canadian dollars, except where noted)

11. SHARE CAPITAL (continued)

On September 28, 2024, 2,578,858 warrants with exercise price of $0.10 expired unexercised.

On October 5, 2023, the Company modified the terms of the 5,733,200 outstanding warrants issued on January 17, 2022 in a private placement of units. The exercise price was reduced from $0.40 to $0.25 per common share, while the expiry date of January 17, 2025 remained unchanged.

d) Stock options

The Company established a stock option plan (the "Option Plan") for the benefit of full-time and part-time employees, officers, directors, and consultants of the Company and its affiliates. The maximum number of shares available under the Option Plan is limited to 10% of the issued common shares of the Company and are exercisable within a maximum of ten years. The Board of Directors has the exclusive power over the granting of stock options, the exercise price, the term, and their vesting and cancellation provisions.

A summary of the Company's stock options activity is as follows:

	Number of stock options	Weighted average exercise price
	#	$
Balance, August 31, 2023	3,125,000	0.33
Granted	1,350,000	0.23
Expired	(1,585,000)	0.46
Balance, August 31, 2024	2,890,000	0.31
Granted	710,000	0.23
Expired	(300,000)	0.18
Balance, November 30, 2024	**3,300,000**	**0.27**

During the three months ended November 30, 2024, the Company recorded share-based compensation expense of $36,037 (2023 - $254,853) related to the vesting of stock options.

During the three months ended November 30, 2024, the Company had the following stock options transactions:

- On October 11, 2024, the Company granted 710,000 stock options to certain directors, officers, and consultants of the Company. Each stock option entitles the holder to purchase one common share at an exercise price of $0.06. All the stock options vested immediately and were exercisable upon issuance and expire on October 11, 2026. The fair value of the options was estimated to be $36,036 using the Black-Scholes option pricing model with the following inputs: a share price of $0.06, an exercise price of $0.06, a risk-free interest rate of 3.14%, an expected life of two years, an expected volatility of 199%, and an expected annual dividend yield of 0%.
- On September 28, 2024, and October 25, 2024, 250,000 and 50,000 stock options with exercise prices of $0.10 and $0.55 expired, respectively.

During the year ended August 31, 2024, the Company had the following stock options transaction:

- On September 29, 2023, the Company granted 1,350,000 stock options to consultants of the Company. Each stock option entitles the holder to purchase one common share at an exercise price of $0.23. The stock options vested and were exercisable upon issuance and expire on September 29, 2028. The fair value of the options was estimated to be $254,853 using the Black-Scholes option pricing model with the following inputs: a share price of $0.23, an exercise price of $0.23, a risk-free interest rate of 4.83%, an expected life of five years, an expected volatility of 114%, and an expected annual dividend yield of 0%.

The expected life in years represents the period of time the options granted are expected to be outstanding. The volatility rate is based on comparable companies with a historical volatility. The risk-free rate is based on Canada government bonds with a remaining term equal to the expected life of the options.

(Unaudited - Expressed in Canadian dollars, except where noted)

11. SHARE CAPITAL (continued)

A summary of the Company's outstanding and exercisable stock options as at November 30, 2024 is as follows:

Expiry date	Outstanding and exercisable	Weighted average exercise price	Weighted average remaining life
	#	$	Years
January 10, 2025	1,240,000	0.44	0.11
October 11, 2026	710,000	0.06	1.86
September 29, 2028	1,350,000	0.23	3.83
	3,300,000	**0.27**	**2.01**

e) Restricted share units

The Company established a restricted share unit ("RSU") program under which certain consultants and Company officers are awarded common shares of the Company. Each RSU comprises one common share of the Company and is subject to vesting periods as approved by the Board of Directors. Upon vesting, RSU's are converted to common shares at the request of the holder.

During the three months ended November 30, 2024, the Company had no RSU transactions.

During the year ended August 31, 2024, the Company had the following RSU transactions:

- On September 29, 2023, the Company granted 3,275,000 RSUs to certain consultants and an officer of the Company. These RSUs vested on January 30, 2024. The fair value of the RSUs issued is the market price of a common share at the date of grant of $0.23.
- On September 29, 2023, the Company granted 250,000 RSUs to a consultant of the Company. 50,000 of the RSUs vest on March 29, 2024, 100,000 of the RSUs vest on September 29, 2024, and the remaining 100,000 RSUs vest on March 29, 2025. The fair value of RSUs issued is the market price of a common share at the date of grant of $0.23.

During the three months ended November 30, 2024, the Company recorded share-based compensation expense of $6,309 (2023 - $404,672) related to the vesting of these RSUs. During the year ended August 31, 2024, the Company recognized a recovery of share-based compensation expense of $20,301 (2023 - $nil) related to the expiry of 100,000 unvested RSUs.

A summary of the Company's RSUs activity is as follows:

	Number of RSUs	Weighted average fair value
	#	$
Balance, August 31, 2023	300,000	0.50
Granted	3,525,000	0.23
Converted	(3,275,000)	0.23
Expired	(100,000)	0.53
Balance, November 30, 2024 and August 31, 2024	**450,000**	**0.34**

f) Subscription liabilities

During the three months ended November 30, 2024, the Company received $46,970 from investors in exchange for the future issuance of units which has been recorded as subscription liabilities.

12. RELATED PARTY TRANSACTIONS

Key management personnel include those having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

(Unaudited - Expressed in Canadian dollars, except where noted)

12. RELATED PARTY TRANSACTIONS (continued)

A summary of amounts paid to key management personnel and/or entities over which they have control is as follows:

	Three months ended November 30,	
	2024	2023
	$	$
Consulting and management fees paid to a company owned by an officer	**15,000**	37,500
Exploration and evaluation expenditures paid to a company owned by a director	**1,402**	-
Legal and professional fees paid to a company owned by an officer	**25,625**	26,650
Share-based compensation	**5,692**	10,590
	47,719	74,740

A summary of the Company's balances due to related parties is as follows:

	November 30, 2024	August 31, 2024
	$	$
Accounts payable and accrued liabilities	**52,165**	7,730

Accounts payable and accrued liabilities due to related parties are non-interest bearing and due on demand.

On September 29, 2023, 196,875 units were issued to the CEO of the Company to settle accounts payable of $39,375 (Note 11(b)).

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company’s financial instruments consist of cash, accounts payables and accrued liabilities, subscription liabilities, and obligation to issue shares. The Company’s financial assets and liabilities are classified as and measured at amortized cost. The carrying values of the Company’s financial assets and liabilities approximate their respective fair values due to the short-term nature of these instruments.

The Company’s risk exposures on financial instruments are summarized below:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty fails to meet an obligation under contract. The Company’s is exposed to credit risk through its cash. The Company reduces its credit risk by placing cash with financial institutions of high credit worthiness.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. As the Company’s operations do not generate cash, financial liabilities are discharged using funding through the issuance of common shares or debt as required. The Company is exposed to liquidity risk through its accounts payable and accrued liabilities. As at November 30, 2024, the Company has a working capital deficiency of $423,036 (August 31, 2024 - $303,879). Management mitigates this risk by monitoring its cash position. As the Company does not have sufficient cash to pay its current obligations, it will need to raise additional proceeds in the form of debt or equity financing. There is no assurance that the Company will be able to obtain financing on terms that are acceptable to the Company or at all. Liquidity risk is therefore assessed as high.

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company is not significantly exposed to market risk.

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to interest rate risk as the Company has no financial instruments that are subject to variable interest rates.

Foreign currency risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies (US$).

A summary of the Company's financial liabilities that are denominated in US$ is as follows:

	November 30, 2024	August 31, 2024
	$	$
Accounts payable and accrued liabilities	**3,569**	1,084

14. CAPITAL MANAGEMENT

The Company's capital structure consists of all components of shareholders' equity and subscription liabilities. The Company's objective when managing capital is to maintain its ability to continue as a going concern.

The Company manages its capital structure and adjusts it based on the funding required to continue the Company's mineral property acquisition and exploration programs. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management and consultants to sustain future development of the business

The Company's properties are in the exploration stage and as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing cash and be required to raise additional funds in the form of debt or equity.

Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the relative size of the Company. There were no changes to the Company's approach to capital management during the three months ended November 30, 2024.

15. SEGMENTED INFORMATION

The Company operated in two business segments being the exploration and development of resource properties located in Nevada, the United States of America and the exploration and development of resource properties located in Laroque Lake, Saskatchewan, Canada.

16. SUBSEQUENT EVENTS

On December 23, 2024, 2,744,236 warrants with an exercise price of $0.10 expired unexercised.

On January 10, 2025, 1,240,000 stock options with an exercise price of $0.44 expired unexercised.

On January 17, 2025, 5,733,200 warrants with an exercise price of $0.25 expired unexercised.