NEOTECH METALS CORP.
(FORMERLY CARAVAN ENERGY CORPORATION)

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIODS ENDED DECEMBER 31, 2024 AND 2023

(Expressed in Canadian Dollars)

(Unaudited)

NOTICE OF NO AUDIT OR REVIEW OF
CONDENSED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, if an auditor has not performed a review of the interim financial statements they must be accompanied by a note indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements have been prepared by and are the responsibility of management. The Corporation's independent auditor has not performed a review of these interim financial statements.

NEOTECH METALS CORP. (FORMERLY CARAVAN ENERGY CORPORATION)
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT

		December 31, 2024 (unaudited)		June 30, 2024 (audited)
ASSETS				
Current assets				
Cash	$	458,174	$	2,843,559
Restricted cash (Note 4)		28,750		28,750
Receivables (Note 5)		311,025		31,505
Deferred financing costs		-		57,020
Prepaid expenses (Note 6)		412,598		192,015
Promissory note receivable (Note 7)		40,395		40,395
Total current assets		1,250,942		3,193,244
Non-current assets				
Exploration and evaluation assets (Note 8)		6,183,590		2,841,117
Reclamation deposit (Note 8)		17,300		-
Total assets	$	7,451,832	$	6,034,361
LIABILITIES AND EQUITY				
Current liabilities				
Accounts payable and accrued liabilities (Note 10)	$	686,431	$	602,182
Flow-through liability (Note 9)		400,571		405,079
Total current liabilities		1,087,002		1,007,261
Non-current liabilities				
Flow-through liability (Note 9)		-		462,858
Total liabilities		1,087,002		1,470,119
Equity				
Share capital (Note 9)		13,869,053		11,900,035
Warrants reserve (Note 9)		176,050		159,999
Share-based compensation reserve (Note 9)		923,811		958,829
Deficit		(8,604,084)		(8,454,621)
Total equity		6,364,830		4,564,242
Total liabilities and equity	$	7,451,832	$	6,034,361

Nature of operations and going concern (Note 1)

Approved and authorized on behalf of the Board:

"Reagan Glazier", Director   *"Robert Krause"*, Director

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

NEOTECH METALS CORP. (FORMERLY CARAVAN ENERGY CORPORATION)
UNAUDITED CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
FOR THE PERIODS ENDED DECEMBER 31,

	Three months ended December 31,		Six months ended December 31,	
	2024	**2023**	**2024**	**2023**
EXPENSES				
Advertising and promotion	$ 13,750	$ 1,221,848	$ 22,500	$ 1,228,187
Consulting fees (Note 10)	57,563	68,769	111,999	105,369
Insurance	2,905	2,405	5,810	4,810
Office and miscellaneous	4,905	12,101	15,590	12,581
Professional fees (Note 10)	52,810	121,893	125,041	206,968
Project scoping costs (Note 8)	-	33,364	-	33,364
Salaries and benefits (Note 10)	38,397	40,888	76,416	50,074
Share-based compensation (Note 9 & 10)	72,729	2,800,131	213,607	2,800,131
Transfer agent and regulatory fees	25,012	26,692	31,929	40,350
Operating loss	268,071	4,328,091	602,892	4,481,834
Flow-through premium recovery (Note 9)	374,103	30,536	435,482	30,536
Flow-through tax recovery (expense) (Note 9)	9,517	-	(19,598)	-
Foreign exchange gain	5,529	-	4,095	-
Interest income	10,191	34,287	33,450	34,287
	399,340	64,823	453,429	64,823
Income (loss) and comprehensive income (loss)	$ 131,269	$ (4,263,268)	$ (149,463)	$ (4,417,011)
Earnings (loss) per share				
Basic & diluted	$ 0.00	$ (0.11)	$ (0.00)	$ (0.16)
Weighted average number of shares outstanding				
Basic & diluted	59,367,509	39,737,190	55,554,796	27,493,150

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

NEOTECH METALS CORP. (FORMERLY CARAVAN ENERGY CORPORATION)
UNAUDITED CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
FOR THE PERIODS ENDED DECEMBER 31,

		2024		2023
CASH FLOW FROM OPERATING ACTIVITIES				
Net loss for the period	$	(149,463)	$	(4,417,011)
Adjustments for non-cash items:				
Flow-through premium recovery		(435,482)		(30,536)
Flow-through tax expense		19,598		-
Share-based compensation		213,607		2,800,131
Changes in non-cash working capital:				
Prepaid expenses		(220,583)		(242,388)
Receivables		(279,520)		(102,156)
Accounts payable and accrued liabilities		24,653		46,182
Net cash used in operating activities		(827,190)		(1,945,778)
CASH FLOW FROM INVESTING ACTIVITIES				
Acquisition of exploration and evaluation assets		(2,851,359)		(482,340)
Placement of reclamation deposit		(17,300)		-
Net cash used in investing activities		(2,868,659)		(482,340)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issuance of units		1,351,450		6,050,260
Proceeds from the exercise of warrants		-		893,400
Proceeds for shares not yet issued		-		20,600
Share issuance costs		(40,986)		(522,668)
Deferred financing costs		-		(26,755)
Net cash provided by financing activities		1,310,464		6,414,837
Change in cash		(2,385,385)		3,986,719
Cash, beginning of year		2,843,559		127,107
Cash, end of year	$	458,174	$	4,113,826

Supplemental cash flow information (Note 13)

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

NEOTECH METALS CORP. (FORMERLY CARAVAN ENERGY CORPORATION)
UNAUDITED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)

	Share Capital						
	Common Shares	Amount	Warrant Reserve	Share-based Compensation Reserve	Obligation to Issue Shares	Deficit	Total Equity
Balance, June 30, 2023	15,236,500	$ 613,450	$ -	$ -	$ 780,000	$ (1,151,347)	$ 242,103
Shares issued for Thor property	58,165	67,137	-	-	31,931	-	99,068
Shares issued for TREO property	6,124,955	2,865,812	-	-	-	-	2,865,812
Flow-through units issued	6,000,000	3,000,000	-	-	-	-	3,000,000
Non-flow-through units issued	7,262,524	3,050,260	-	-	-	-	3,050,260
Proceeds for shares not yet issued	-	-	-	-	20,600	-	20,600
Exercise of warrants	7,092,000	893,400	-	-	-	-	893,400
Restricted share unit settlement	5,112,500	3,388,108	-	(2,608,108)	(780,000)	-	-
Share issuance costs	-	(979,875)	457,207	-	-	-	(522,668)
Flow-through premium liability	-	(480,000)	-	-	-	-	(480,000)
Share-based compensation	-	-	-	2,800,131	-	-	2,800,131
Loss for the period	-	-	-	-	-	(4,417,011)	(4,417,011)
Balance, December 31, 2023	46,886,644	$ 12,418,292	$ 457,207	$ 192,023	$ 52,531	$ (5,568,358)	$ 7,551,695
Balance, June 30, 2024	48,568,170	$ 11,900,035	$ 159,999	$ 958,829	$ -	$ (8,454,621)	$ 4,564,242
Shares issued for Hecla-Kilmer property	4,000,000	483,000	-	-	-	-	483,000
Units issued	9,009,665	1,351,450	-	-	-	-	1,351,450
Share issuance costs	-	(98,006)	-	-	-	-	(98,006)
Finders' warrants	-	(16,051)	16,051	-	-	-	-
Restricted share unit settlement	295,833	248,625	-	(248,625)	-	-	-
Share-based compensation	-	-	-	213,607	-	-	213,607
Loss for the year	-	-	-	-	-	(149,463)	(149,463)
Balance, December 31, 2024	61,873,668	$ 13,869,053	$ 176,050	$ 923,811	$ -	$ (8,604,084)	$ 6,364,830

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Neotech Metals Corp. (formerly Caravan Energy Corporation) ("Neotech" or the "Company") is a company incorporated on October 21, 2020 under the Business Corporations Act (British Columbia) and registered under the name "Neotech Metals Corp., effective as of October 26, 2023. The registered records and head office of the Company is located at 220 – 333 Terminal Avenue, Vancouver BC V6A 4C1. The Company is in the business of acquiring, exploring and evaluating mineral resource properties in Canada. The Company's shares trade on the Canadian Securities Exchange ("CSE") under the trading symbol "NTMC", on the OTCQB under the trading symbol "NTMFF" and on the Frankfurt Stock Exchange under the trading symbol "V690".

These condensed interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and settle its obligations in the normal course of business. During the period ended December 31, 2024, the Company incurred a net loss of $149,463 (2023 - $4,417,011) and as at December 31, 2024, had an accumulated deficit of $8,604,084 (June 30, 2024 - $8,454,621). The Company has not generated significant cash inflows from operations. These conditions cast significant doubt about the Company's ability to continue as a going concern. The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate financing from lenders, shareholders and other investors and/or generate profitability and positive cash flow. These condensed interim financial statements do not give effect to the adjustments that would be necessary should the Company be unable to continue as a going concern and to realize its assets and liquidate its liabilities and commitments at amounts different from those in the accompanying financial statements. Such adjustments could be material.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. These factors may create further uncertainty and risk with respect to the prospects of the Company's business.

2. BASIS OF PRESENTATION

Statement of Compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, Interim Financial Reporting ("IAS 34"), as issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee ("IFRIC").

These financial statements were authorized and issued by the Board of Directors on February 28, 2025.

Significant Accounting Judgments and Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting year. Actual outcomes could differ from these estimates. These condensed interim financial statements include estimates, which, by their nature, are uncertain. The impact of such estimates appears throughout the condensed interim financial statements and may require 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 relevant factors that are believed to be reasonable under the circumstances.

(Expressed in Canadian Dollars)

In preparing these condensed interim financial statements, the significant estimates and critical judgments were the same as those applied to the audited annual financial statements for the year ended June 30, 2024.

3. MATERIAL ACCOUNTING POLICIES

The material accounting policies followed by the Company are set out in Note 3 to the audited annual financial statements for the year ended June 30, 2024, and have been consistently followed in the preparation of these condensed interim financial statements.

4. RESTRICTED CASH

The restricted cash balance relates to a $28,750 variable rate guaranteed investment certificate deposit held as security against any advances or indebtedness provided by the Company's bank to the Company. Default of any indebtedness will be remedied through the application of the restricted cash against the debt. The guaranteed investment certificate has a maturity date of January 11, 2025, and earns a variable interest rate of 3.50%. As at December 31, 2024, the Company's restricted cash totaled $28,750 (June 30, 2024 - $28,750).

5. RECEIVABLES

		December 31, 2024		June 30, 2024
Due from related party (Note 10)	$	19,111	$	-
GST and HST receivable		290,537		26,478
Interest receivable		1,377		5,027
	$	**311,025**	**$**	**31,505**

6. PREPAID EXPENSES

		December 31, 2024		June 30, 2024
Advertising and promotion	$	136,772	$	136,772
Consulting fees		-		5,000
Exploration deposits		243,215		-
Insurance		600		6,411
Legal fees		-		486
Transfer agent and regulatory fees		32,011		2,313
Other		-		41,033
	$	**412,598**	**$**	**192,015**

7. PROMISSORY NOTE RECEIVABLE

On April 24, 2024, the Company provided an unsecured promissory note with a principal amount of $40,395 to an officer of the Company to cover payroll withholdings on the vesting of restricted share units. The note accrues interest at 1% per annum on the principal amount to be repaid on April 30, 2025 or later as may be agreed by the Company. As of December 31, 2024, $278 in interest income was accrued on this note (June 30, 2024 - $75).

(Expressed in Canadian Dollars)

8. EXPLORATION AND EVALUATION ASSETS

The following table summarizes costs of expenditures on exploration and evaluation assets for the period ended December 31, 2024 and the year ended June 30, 2024.

Acquisition costs	EBB Nickel - Cobalt	TREO	Thor	Foothills	Hecla - Kilmer	Total
Balance at June 30, 2023	$ 85,000	$ -	$ -	$ -	$ -	$ 85,000
Additions	-	1,736,422	166,390	28,905	600,000	2,531,717
Recovery	-	-	(166,390)	-	-	(166,390)
Impairment	(85,000)	-	-	-	-	(85,000)
Balance at June 30, 2024	-	1,736,422	-	28,905	600,000	2,365,327
Additions	-	563	-	-	883,000	883,563
Balance at December 31, 2024	**$ -**	**$ 1,736,985**	**$ -**	**$ 28,905**	**$ 1,483,000**	**$ 3,248,890**

Exploration Costs	EBB Nickel - Cobalt	TREO	Thor	Foothills	Hecla - Kilmer	Total
Balance at June 30, 2023	$ 145,905	$ -	$ -	$ -	$ -	$ 145,905
Geological consulting	3,733	248,315	10,827	104,169	-	367,044
Laboratory analysis	-	18,048	1,490	22,743	-	42,281
Equipment rental	-	52,563	-	23,221	-	75,784
Tools and supplies	-	3,841	568	2,890	-	7,299
Mining tax credit	(29,181)	-	-	-	-	(29,181)
Impairment	(120,457)	-	(12,885)	-	-	(133,342)
Balance at June 30, 2024	-	322,767	-	153,023	-	475,790
Drilling	-	-	-	-	986,737	986,737
Geological consulting	-	177,541	-	(2,763)	401,182	575,960
Laboratory analysis	-	11,926	-	3,658	65,045	80,629
Equipment rental	-	65,559	-	(7,362)	91,003	149,200
Repairs and maintenance	-	-	-	-	13,004	13,004
Tools and supplies	-	2,480	-	-	104,334	106,814
Transportation services	-	-	-	-	542,626	542,626
Community relations	-	3,940	-	-	-	3,940
Balance at December 31, 2024	**$ -**	**$ 584,213**	**$ -**	**$ 146,556**	**$ 2,203,931**	**$ 2,934,700**
Balance at June 30, 2024	**$ -**	**$ 2,059,189**	**$ -**	**$ 181,928**	**$ 600,000**	**$ 2,841,117**
Balance at December 31, 2024	**$ -**	**$ 2,321,198**	**$ -**	**$ 175,461**	**$ 3,686,931**	**$ 6,183,590**

During the period ended December 31, 2024, the Company recognized $Nil (2023 - $33,364) in exploration costs relating to geological research services associated with identifying potential mineral properties.

EBB Nickel-Cobalt Property

On June 15, 2022, the Company entered into an option agreement to acquire a 100% undivided interest in the EBB Nickel-Cobalt property subject to a 2% net smelter return royalty payable to the optionor. This property is located near Port Renfrew, BC. In order to exercise the option agreement, the Company must make the following payments:

- Cash payment of $30,000 upon execution of the option agreement – paid;
- Cash payment of $35,000 within four months of executing the option agreement – paid;
- Share payment of 200,000 shares on the date the Company's shares are listed for trading on a stock exchange in Canada – paid;
- Cash payment of $30,000 and share payment of 250,000 shares on the first anniversary of the date the Company's shares were listed for trading on a stock exchange in Canada;
- Cash payment of $40,000 and share payment of 300,000 shares on the second anniversary of the date the Company's shares were listed for trading on a stock exchange in Canada.

The Company also must incur the following expenditures under the option agreement in order to earn its interest:

- Incur expenditures of $110,000 on or before the first anniversary of the date the Company's shares were listed for trading on a stock exchange in Canada – incurred;
- Incur expenditures of $240,000 on or before the second anniversary of the date the Company's shares were listed for trading on a stock exchange in Canada.

The Company has the right to purchase 50% of the NSR, being one percent (1%), from the optionor in exchange for cash payment of $1,000,000 payable to the optionor.

During the year ended June 30, 2024, the Company halted exploration on the EBB Nickel-Cobalt property and did not make payments required under the option agreement. Pursuant to these events, the Company recognized $205,457 in impairment expenses on the EBB Nickel-Cobalt property.

TREO Property

On October 6, 2023, the Company closed a series of agreements to acquire the rare earth TREO property located near Prince George, BC. The property is currently comprised of a total of 35 mineral claims.

On September 8, 2023, the Company entered into an agreement to acquire 24 TREO claims in exchange for $100,000 in cash and 4,363,636 common shares, with a value of $930,927 (See Note 9). These claims are subject to a 2% net smelter royalty. The Company may buy back 50% of the royalty on these claims for $1,000,000 in cash.

On September 8, 2023, the Company entered into an agreement to acquire an additional four TREO mineral claims in exchange for $100,000 in cash and 1,045,454 common shares, with a value of $220,991 (See Note 9). $50,000 in cash consideration was paid as of December 31, 2023 with the remaining consideration paid on January 31, 2024. These claims are subject to a 2% net smelter royalty. The Company may buy back 50% of the net smelter royalty on these claims through paying $500,000 in cash.

The Company agreed to pay a finder's fee of 579,371 common shares in connection with securing the September 8, 2023 agreements. These shares were determined to have a value of $243,336 as at the October 6, 2023 closing date.

On September 22, 2023, the Company entered into an agreement to acquire an additional five TREO mineral claims in exchange for $50,000 in cash and 100,000 common shares. The shares were determined to have a value of $42,000 as at the October 6, 2023 closing date. These claims are subject to a 2% net smelter royalty. The Company may buy back 50% of the royalty on these claims for $1,000,000 in cash. On September 25, 2023, the seller of these claims was appointed as an officer of the Company.

The Company agreed to pay a finder's fee of 16,494 common shares in connection with the September 22, 2023 agreement. These shares were determined to have a value of $6,927 as at the October 6, 2023 agreement closing date.

On November 29, 2023, the Company acquired an additional two TREO claims in exchange for $5,000 in cash and 20,000 common shares. The shares were determined to have a value of $21,400 as of the issuance date.

During the period ended December 31, 2024, the Company paid a $17,300 security deposit in connection with obtaining a mineral exploration permit authorizing drilling on the TREO property. The exploration permit was received in January 2025.

Thor Rare Earth Elements Property

On December 13, 2023, the Company entered into an option agreement to acquire a 100% undivided interest in 22 mining claims compromising the Thor Rare Earth Elements property. This exploration property is located in the eastern Mojave Desert Regions. The Company must make the following payments under the option agreement:

- Cash payment of USD$50,000 within seven days of executing the option agreement – paid;
- Share payment valued at USD$75,000 within ten days of executing the option agreement - paid;
- Cash payment of USD$75,000 and share payment valued at USD$125,000 on or before December 1, 2024;
- Cash payment of USD$75,000 and share payment valued at USD$200,000 on or before December 1, 2025;

During March 2024, the Company terminated the Thor option agreement. Pursuant to the termination, $33,903 (USD$25,000) was returned to the Company in March 2024 with the remaining $33,418 (USD$25,000) returned in June 2024. The 85,829 common shares valued at $99,069 (USD$75,000) were also returned to treasury. The Company recognized $12,885 in impairment expenses on the Thor property pursuant to termination of the option agreement.

Foothills Rare Earth Elements Property

During January 2024, the Company incurred $28,905 in connection with staking its Foothills Rare Earth Elements property. This property is comprised of nine claims across 16,517 hectares and is located northeast of Kelowna in central British Columbia.

Hecla-Kilmer Property

During July 2024, the Company closed an agreement to acquire a 100% interest in the Hecla-Kilmer property. The property is located in Northern Ontario and consists of 224 claims covering an area of approximately 4,617 hectares. In exchange, The Company must make the following payments under the agreement:

- Cash payment of $600,000 due by April 8, 2024 - paid;
- Cash payment of $400,000 due by June 30, 2024 – paid;
- Share payment of 500,000 common shares due and released from escrow by November 20, 2024 – paid;
- Share payment of 1,500,000 common shares due June 30, 2024 and released from escrow by July 19, 2025;
- Share payment of 1,500,000 common shares due June 30, 2024 and released from escrow by July 19, 2026;
- Share payment of 500,000 common shares due June 30, 2024 and released from escrow by January 19, 2027.

9. SHARE CAPITAL

a) Authorized share capital:

Unlimited number of common shares without par value.

b) Issued share capital:

As at December 31, 2024, the Company had 61,873,668 common shares issued and outstanding (June 30, 2024 – 48,568,170).

During the period ended December 31, 2024:

On October 25, 2024, the Company closed a LIFE offering and issued 9,009,665 units at $0.15 per unit for gross proceeds of $1,351,450, with net proceeds to be used for exploration and general corporate activities. Each unit is comprised of one common share and one share purchase warrant. Each warrant entitles its holder to purchase one common share at a price of $0.25 for a period of three years. The Company incurred finder's fees of $31,061 and issued 207,072 finders' warrants in connection with the financing. The finders' warrants were determined to have a value of $16,051 using the Black Scholes option pricing model with the following inputs: share price of $0.14, exercise price of $0.25, expected life of 3.00 years, 107% volatility and 3.12% risk-free rate. The Company also incurred $66,945 in professional fees in connection with the LIFE offering.

On October 18, 2024, 295,833 common shares were issued to officers and directors of the Company in connection with the vesting of RSUs.

On July 19, 2024, the Company issued 4,000,000 common shares with a value of $483,000 in connection with the Hecla-Kilmer property (see Note 8). 3,500,000 of these shares are subject to an escrow arrangement. The shares were valued at $483,000 based on the July 19, 2024 issuance date value of $880,000 less a discount of $397,000 for the escrow arrangement. The escrow discount was determined using the Black Scholes option pricing model with the following inputs: share price of $0.22, exercise price of $0.22, expected life of 1.00 – 2.50 years, 108% volatility and 3.86% risk-free rate. Expected volatility was estimated based on the share price volatility of a group of comparable companies involved in mineral exploration.

On October 6, 2023, the Company completed a flow-through and non-flow through private placement of 6,000,000 flow-through units ("FT unit") at a price of $0.50 per FT unit for gross proceeds of $3,000,000 and 7,262,524 non-flow-through units ("NFT Unit") at a price of $0.42 per NFT Unit for gross proceeds of $3,050,260. Each FT and NFT Unit consists of one common flow-through share and common non-flow through share, respectively, and half of a common share purchase warrant. All proceeds received were allocated to the common shares and no fair value was allocated to the attached warrants. Each warrant will entitle the holder thereof to acquire an additional common share in the capital of the Company at a price of $0.60 per common share for a period of 24 months from the date of issuance. In addition, the Company issued 826,800 finders' warrants with the same terms as the common share purchase warrants. These warrants were determined to have a value of $172,518 using the Black Scholes option pricing model.

On April 10, 2024 the Company completed a flow-through private placement of 1,142,858 flow-through units at a price of $0.70 per flow-through unit for gross proceeds of $800,000. Each flow-through unit consists of one common flow-through share and one common share purchase warrant. Each warrant will entitle the holder thereof to acquire an additional common share in the capital of the Company at a price of $0.80 per common share for a period of 36 months from the date of issuance. The warrants will be subject to an acceleration provision whereby, if for any 15 consecutive trading day period, the closing price of the Company's common shares exceeds $1.00 per share, the Company may announce by way of news release that the expiry date of the warrants will be accelerated to 30 days thereafter.

(Expressed in Canadian Dollars)

The premium received on the issuance of FT Units was recognized as a liability on the Company's statements of financial position. As at December 31, 2024, the Company was required to spend $692,344 by December 31, 2025 in connection with its FT Units. The continuity of the flow-through premium liability is as follows:

Balance as at June 30, 2023	$	-
Flow through premium liability recognized		942,858
Recognized in profit or loss upon incurring qualifying expenditures		(74,921)
Balance as at June 30, 2024		867,937
Recognized in profit or loss upon incurring qualifying expenditures		(467,366)
Balance as at December 31, 2024	**$**	**400,571**

During the period ended December 31, 2024, the Company also recognized a $31,884 provision in accounts payable and accrued liabilities for indemnifications in connection with its October 6, 2023 FT units. The indemnifications pertain to the Company spending a portion of its 2024 exploration expenditures in Ontario instead of solely in British Columbia. The provision is expected to be settled within 2025. The Company also accrued $19,598 (2023 - $Nil) in Part XII.6 taxes in connection with its FT units issued in 2023 and 2024. The total accrued Part XII.6 taxes of $100,425 (2023 - $80,827) are expected to be settled during early 2025.

During the period ended December 31, 2023:

On October 6, 2023 the Company completed a flow-through and non-flow through private placement of 6,000,000 flow-through units ("FT unit") at a price of $0.50 per FT unit for gross proceeds of $3,000,000 and 7,262,524 non-flow-through units ("NFT Unit") at a price of $0.42 per NFT Unit for gross proceeds of $3,050,260. Each FT and NFT Unit consists of one common flow-through share and common non-flow through share, respectively, and one common share purchase warrant. All proceeds received were allocated to the common shares and no fair value was allocated to the attached warrants. Each warrant will entitle the holder thereof to acquire an additional common share in the capital of the Company at a price of $0.60 per common share for a period of 24 months from the date of issuance. In addition, the Company issued 826,800 finders' warrants with the same terms as the common share purchase warrants. These warrants were determined to have a value of $457,207 using the Black Scholes option pricing model.

The Company issued 58,165 common shares with a value of $67,137 in connection with the Thor project (See Note 8). As at December 31, 2023, the Company also had an obligation to issue 27,664 common shares valued at $31,931 in connection with the Thor project acquisition.

The Company issued 6,124,955 common shares with a value of $2,865,812 in connections with the TREO property (See Note 8). 5,409,090 of these shares were subject to an escrow arrangement. The shares were valued at $2,337,927 based on the October 6, 2023 issuance date value of $4,682,727 less a discount of $2,344,800 for the escrow arrangement. The escrow discount was determined using the Black Scholes option pricing model with the following inputs: share price of $0.85, exercise price of $0.85, expected life of 2.50 – 3.00 years, 102% volatility and 4.87% risk-free rate. Expected volatility was estimated based on the share price volatility of a group of comparable companies involved in mineral exploration.

The Company issued 5,112,500 common shares as a result of restricted share units ("RSU") being converted to shares. The Company also received $893,400 in proceeds pursuant to the exercise of warrants into 7,092,000 shares.

The Company incurred cash share issuance costs of $522,668 in connection with the issuance of the above shares.

(Expressed in Canadian Dollars)

c) Shares in escrow:

At December 31, 2024, the Company had 7,607,272 (June 30, 2024 – 5,010,908) subject to escrow release arrangements. The shares are to be released from escrow in accordance with the following schedule:

Release timing	Shares to be released
February 6, 2025	937,727
March 17, 2025	75,000
July 19, 2025	1,500,000
September 17, 2025	75,000
October 6, 2025	1,046,819
March 17, 2026	75,000
April 6, 2026	1,046,818
July 19, 2026	1,500,000
October 6, 2026	850,908
January 19, 2027	500,000
	7,607,272

d) Equity incentive compensation plan:

The Company established an equity incentive compensation plan for its directors, officers, employees, and consultants under which the Company may grant equity compensation awards from time to time to acquire shares. Under the plan, the maximum number of shares issuable pursuant to such awards shall be equal to 20% of the then issued and outstanding shares on a rolling basis. The exercise price of certain awards like stock options shall be determined by the Board of Directors and must be at least equal to the closing price of Company's shares on the CSE on the date such awards are granted. These awards are non-transferable and may be granted for a maximum of ten years from the date of issuance. When and if RSU becomes payable, the Board of Directors can determine and choose the form of payout between (i) cash, (ii) shares, (iii) a combination of both, or (iv) in any other form.

e) Restricted share units:

During the period ended December 31, 2024, the Company recognized $150,055 (2023 - $2,712,459) in share-based compensation expenses in connection with the vesting of previously issued RSUs.

The changes in RSUs are summarized as follows:

	Number of RSUs
Balance, June 30, 2023	2,000,000
Granted	4,000,000
Exercised	(5,420,833)
Balance, June 30, 2024	**579,167**
Exercised	(295,833)
Balance, December 31, 2024	**283,334**

As at December 31, 2024 the following RSUs were outstanding:

Outstanding	Full Vesting Date
283,334	April 11, 2025
283,334	

(Expressed in Canadian Dollars)

f) Warrants:

As of December 31, 2024, warrant transactions and the number of warrants outstanding are summarized as follows:

	Number of Warrants		Weighted Average Exercise Price
Balance, June 30, 2023	7,978,500	$	0.12
Granted	8,029,492		0.61
Exercised	(7,380,500)		0.14
Balance, June 30, 2024	**8,627,492**	**$**	**0.57**
Granted	9,216,737		0.25
Balance, December 31, 2024	**17,844,229**	**$**	**0.40**

As at December 31, 2024, the following warrants were outstanding, entitling the holders to the right to purchase one common share for each warrant held as follows:

Outstanding	Exercise Price	Expiry Date
750,000	$0.10	March 17, 2025
29,000	$0.20	March 17, 2025
7,277,063	$0.60	October 6, 2025
571,429	$0.80	April 10, 2027
9,216,737	$0.25	October 25, 2027
17,844,229		

g) Options:

As of December 31, 2024, option transactions and the number of options outstanding are summarized as follows:

	Number of Options		Weighted Average Exercise Price
Balance, June 30, 2023	-	$	-
Granted	2,825,000		0.43
Balance, June 30, 2024	**2,825,000**	**$**	**0.43**
Granted	50,000		0.30
Forfeited	(75,000)		0.85
Balance, December 31, 2024	**2,800,000**	**$**	**0.42**

As at December 31, 2024, there were 2,800,000 options outstanding (June 30, 2024 – 2,425,000), with the weighted average life of stock options outstanding being 4.07 years.

On October 7, 2024, the Company granted 50,000 options to an advisor to the board of directors. These options are exercisable at a price of $0.30 for a period of three years. The options vest on February 4, 2025. The value of the options was estimated to be $4,172 based on the Black-Scholes option pricing model using the following assumptions: share price of $0.16, exercise price of $0.30, expected life of 3.00 years, volatility of 107% and risk-free rate of 3.06%. Expected volatility was estimated based on the share price volatility of a group of comparable companies involved in mineral exploration.

During the period ended December 31, 2024, 75,000 options previously held by a former director were forfeited. The options were exercisable at a price of $0.85 and were originally set to expire on October 17, 2025.

During the period ended December 31, 2024, share-based compensation in the amount of $63,552 (2023 - $87,672), was recognized on stock options granted and vested.

(Expressed in Canadian Dollars)

As at December 31, 2024 the following options were outstanding, entitling the holders to the right to purchase one common share for each option held as follows:

Outstanding	Exercisable	Exercise Price	Expiry Date
150,000	100,000	$0.79	October 11, 2025
50,000	50,000	$0.85	October 17, 2025
50,000	50,000	$0.90	November 20, 2025
2,200,000	2,200,000	$0.38	May 28, 2029
300,000	100,000	$0.40	June 27, 2029
50,000	-	$0.30	October 7, 2027
2,800,000	**2,500,000**		

10. RELATED PARTY BALANCES AND TRANSACTIONS

The Company has determined that key management personnel consists of the Company's Board of Directors and its executive officers. During the periods ended December 31, 2024 and 2023, the Company incurred the following fees charged by directors and officers and companies controlled by directors and officers of the Company:

	Three months ended		Six months ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Consulting fees	$ 6,150	$ 15,000	$ 27,883	$ 33,000
Salaries and benefits	38,019	38,269	76,037	46,832
Share-based compensation	69,774	355,713	210,651	355,713
Total	**$ 113,943**	**$ 408,982**	**$ 314,571**	**$ 435,545**

During the six months ended December 31, 2024, the Company also incurred $179,761 (2023 - $3,829) in exploration expenditures on its TREO, Foothills and Hecla-Kilmer properties with officers, companies controlled by officers and relatives of directors and officers.

Further, during the six months ended December 31, 2024, the Company incurred expenses of $89,229 (2023 - $65,963) with a separate management entity for the provision of CFO services, which is included in professional and consulting fees. As of December 31, 2024, the Company owed $59,733 (June 30, 2024 - $45,549) to this management entity for the provision of CFO services. This balance is non-interest bearing, unsecured and due on demand.

At December 31, 2024, the Company owed $23,725 (June 30, 2024 – $8,475) to companies controlled by directors and former directors, $29,688 (June 30, 2024 - $28,769) to officers and companies controlled by officers and $Nil (June 30, 2024 - $3,900) to relatives of directors and officers. These amounts are non-interest bearing, unsecured and due on demand.

At December 31, 2024, the Company was owed $40,673 in principal and interest (June 30, 2024 - $40,470) by an officer of the Company in the form of a promissory note (Note 7). $204 (2023 - $Nil) in interest income was recognized on this note during the period ended December 31, 2024. The Company was also owed $19,111 (June 30, 2024 - $Nil) by an officer of the Company for withholding taxes paid in connection with the vesting of RSUs. The $19,111 is non-interest bearing, unsecured and due on demand. This amount was paid back to the Company subsequent to December 31, 2024.

11. FINANCIAL INSTRUMENTS AND RISK

Fair Value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities;
Level 2 – Inputs other than quoted prices that are observable for the assets or liabilities either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The Company's primary financial instruments are classified as follows:

Financial instruments	Classifications
Cash	Amortized Cost
Restricted cash	Amortized Cost
Promissory note receivable	Amortized Cost
Accounts payable and accrued liabilities	Amortized Cost

The fair values of cash, restricted cash, promissory notes receivable and accounts payable and accrued liabilities approximate their carrying amounts due to their short-term nature.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument will cause a financial loss to the Company by failing to meet its obligations. The Company's financial instruments that are exposed to concentrations of credit risk are primarily cash. The Company limits its exposure to credit risk with respect to cash by holding it with major Canadian financial institutions. The carrying amount of financial assets represents the maximum credit risk exposure.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis.

Historically, the Company's primary source of funding has been the issuance of equity securities for cash. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

(Expressed in Canadian Dollars)

The following is an analysis of the contractual maturities of the Company's financial liabilities as at December 31, 2024:

	Within one year	Between one and five years	More than five years
Accounts payable and accrued liabilities	$ 686,431	$ -	$ -
	$ 686,431	**$ -**	**$ -**

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, commodity and equity prices.

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows from a financial instrument will fluctuate because of changes to market interest rates. The Company does not have any financial instruments that are exposed to interest rate fluctuations. The Company believes it has no significant interest rate risk.

b) Foreign currency risk

Foreign currency risk relates to the risk that the fair values or future cash flows of the Company's financial instruments will fluctuate because of changes in foreign exchange rates. Exchange rate fluctuations affect the costs that the Company incurs in its operations.

Some of the Company's financial instruments and transactions are denominated in currencies other than its functional currencies. The fluctuation in foreign currencies will consequently impact the profitability of the Company and may also affect the value of the Company's assets and liabilities and the amount of shareholders' equity. At December 31, 2024, the Company held net financial assets of $77,611 denominated in currencies other than functional currencies. A 10% change in the foreign exchange rate would result in a change in the net income for the period of approximately $8,000.

c) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company does not hold any financial instruments that would result in material exposure to other price risk.

12. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern. In the management of capital, the Company monitors its capital, which comprises all components of equity (i.e., share capital, reserves and deficit).

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue common shares through private placements. The Company is not exposed to any externally imposed capital requirements.

No changes were made to capital management during the period ended December 31, 2024.

(Expressed in Canadian Dollars)

13. SUPPLEMENTAL CASH FLOW INFORMATION

	2024	2023
Interest received	$ 32,071	$ 25,918
Exploration and evaluation expenditures in accounts payable	8,115	-
Non-cash transactions:		
Finders' warrants	16,051	457,207
RSU settlement	248,625	-
Shares issued for Hecla-Kilmer Property	483,000	-
Shares issued for Thor Property	-	67,137
Shares issued for TREO Property	-	2,865,812

14. SEGMENT INFORMATION

The Company has one operating segment, being the acquisition, exploration and evaluation of mineral resource properties. All of the Company's assets are located in Canada.