CHAMPION
ELECTRIC METALS

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Unaudited)

For the Three and Nine Months ended September 30, 2024, and 2023

(Expressed in Canadian Dollars)

NOTICE TO READER
The accompanying unaudited condensed consolidated interim financial statements of Champion Electric Metals Inc. have been prepared and are the responsibility of the Company's management ("Management"). The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

CHAMPION
ELECTRIC METALS

Condensed Consolidated Interim Statements of Financial Position (Unaudited)

Expressed in Canadian dollars.

As at	Note	**September 30, 2024**	December 31, 2023
Assets			
Current assets			
Cash		**$128,551**	$2,621,192
Accounts receivables and prepaid expenses		**276,758**	468,072
Total assets		**$405,309**	$3,089,264
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**$2,207,142**	$216,217
Flow-through share premium liability	**6**	**42,947**	277,479
Total liabilities		**2,250,089**	493,696
Shareholders' Equity			
Share capital	**7**	**$27,430,683**	$26,326,514
Warrants	**8**	**1,358,759**	1,797,043
Contributed surplus	**9**	**3,501,424**	2,684,759
Accumulated deficit		**(34,135,646)**	(28,212,748)
Total equity (deficiency)		**(1,844,780)**	2,595,568
Total liabilities and equity (deficiency)		**$405,309**	$3,089,264

Nature of Operations and Going Concern	1
Commitments and Contingencies	14
Subsequent Events	15

On behalf of the Board,

"Signed" "Signed"

Jonathan Buick
Director

Paul Fornazzari
Director

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

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss (Unaudited)

Expressed in Canadian dollars.

Periods ended September 30,	Note	Three Months 2024	Three Months 2023	Nine Months 2024	Nine Months 2023
Expenses					
Exploration and evaluation expenditures	6	**$2,137,746**	$1,682,842	**$4,086,766**	$2,476,561
Property acquisition costs	6	**249,468**	983,017	**929,070**	2,140,622
Management fees	14	**102,750**	102,750	**313,774**	307,298
Shareholder and investor relations		**46,264**	93,716	**247,173**	417,231
Professional fees and consulting		**31,533**	71,197	**166,755**	267,239
General administrative costs	11	**10,067**	23,660	**24,291**	50,188
		2,577,828	2,957,182	**5,767,829**	5,659,139
Share-based compensation expense		**101,406**	78,238	**711,948**	459,141
Net loss before the under-noted items:		**$2,679,234**	$3,035,420	**$6,479,777**	$6,118,280
Gain on flow-through premium	8	**(272,784)**	(163,133)	**(497,032)**	(239,106)
Foreign exchange loss		**2,001**	18,996	**15,635**	19,541
Interest income		**(375)**	(10,013)	**(2,037)**	(10,122)
Net loss and comprehensive loss		**$2,408,076**	$2,881,270	**$5,996,343**	$5,888,593
Net loss per common share	15	**$0.01**	$0.01	**$0.02**	$0.03
Weighted average number of shares outstanding during the period – basic and diluted		**267,120,049**	248,376,478	**259,300,636**	218,810,357

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

CHAMPION ELECTRIC METALS

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity (Deficiency) (Unaudited)

For the Three and Nine Months Ended September 30, 2024, and 2023

Expressed in Canadian dollars.

		SHARE CAPITAL		RESERVES		SHAREHOLDERS' EQUITY (DEFICIT)	
		Common Shares	Share Capital	Warrants	Contributed Surplus	Deficit	Total Equity
	Note	#	$	$	$	$	$
Balance – December 31, 2022		**184,801,051**	**$17,856,875**	**$3,066,574**	**$1,162,945**	**$(21,239,695)**	**$846,699**
Shares issued for property purchase	**5,7**	12,950,000	1,841,039	182,253	—	—	2,023,292
Shares issued for private placements	**7**	23,192,308	2,240,000	—	—	—	2,240,000
Share issue costs	**7**	—	(241,019)	—	—	—	(241,019)
Shares issued for FT transaction	**7**	20,850,000	4,170,000	—	—	—	4,170,000
Shares issued for finders' fee	**7**	520,000	69,100	—	—	—	69,100
Shares issued for services	**7**	247,372	11,181	—	—	—	11,181
Flow-through share premium	**6**	—	(521,250)	—	—	—	(521,250)
Option exercised	**9**	2,300,000	259,898	—	(78,898)	—	181,000
Option expired	**9**	—	—	—	(439,546)	439,546	—
Warrants exercised	**8**	5,603,000	640,690	(80,390)	—	—	560,300
Warrant expired	**8**	—	—	(1,371,394)	1,371,394	—	—
Share-based compensation	**9**	—	—	—	412,689	—	412,689
Grant of restricted stock units (RSUs)	**9**	—	—	—	46,452	—	46,452
Net loss for the period		—	—	—	—	(5,888,593)	(5,888,593)
Balance – September 30, 2023		**250,463,731**	**$26,326,514**	**$1,797,043**	**$2,475,036**	**$(26,688,742)**	**$3,909,851**
Share-based compensation	**9**	—	—	—	24,723	—	24,723
Grant of restricted stock units (RSUs)	**9**	—	—	—	185,000	—	185,000
Net loss for the period		—	—	—	—	(1,524,006)	(1,524,006)
Balance – December 31, 2023		**250,463,731**	**$26,326,514**	**$1,797,043**	**$2,684,759**	**$(28,212,748)**	**$2,595,568**

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity (Deficiency) (Unaudited)

For the Three and Nine Months Ended September 30, 2024, and 2023

Expressed in Canadian dollars.

		SHARE CAPITAL		RESERVES		SHAREHOLDERS' EQUITY (DEFICIT)	
		Common Shares	Share Capital	Warrants	Contributed Surplus	Deficit	Total Equity
	Note	#	$	$	$	$	$
Balance – December 31, 2023		**250,463,731**	**$26,326,514**	**$1,797,043**	**$2,684,759**	**$(28,212,748)**	**$2,595,568**
Shares issued for property purchases	**5,7(xiii,xiv)**	6,075,000	302,625	39,922	—	—	342,547
Shares issued for finders' fee	**7(xiii)**	400,000	20,000	—	—	—	20,000
Shares issued for private placement	**7(xv)**	20,000,000	800,000	—	—	—	800,000
Share issue costs	**7**	—	(75,956)	—	—	—	(75,956)
Shares issued for RSUs (2023)		1,999,998	320,000	—	(320,000)	—	—
Flow-through share premium	**7**	—	(262,500)	—	—	—	(262,500)
Options grant	**9**	—	—	—	318,012	—	318,012
Grant of restricted stock units (RSUs)	**9**	—	—	—	393,936	—	393,936
Broker warrants issued	**8**	—	—	19,956	—	—	19,956
Warrants expired	**8**	—	—	(498,162)	498,162	—	—
Options expired	**9**	—	—	—	(73,445)	73,445	—
Net loss for the period		—	—	—	—	(5,996,343)	(5,996,343)
Balance – September 30, 2024		**278,938,729**	**$27,430,683**	**$1,358,759**	**$3,501,424**	**$(34,135,646)**	**($1,844,780)**

CHAMPION
ELECTRIC METALS

Condensed Consolidated Interim Statements of Cash Flows (Unaudited)

Expressed in Canadian dollars.

For the nine months ended September 30,	Note	2024	2023
OPERATING ACTIVITIES			
Net loss for the period		**$(5,996,343)**	$(5,888,593)
Adjustments to non-cash items:			
Gain on flow-through premium	**6**	**(497,032)**	(239,106)
Shares issued for properties	**7**	**362,547**	1,865,250
Shares issued for services	**7**	**—**	11,181
Share-based compensation expense	**9**	**711,948**	459,141
Net change in non-cash working capital balances:			
Accounts receivables and prepaids		**191,314**	(511,743)
Accounts payable and accrued liabilities		**1,990,925**	409,381
Long-term prepaid expenses		**—**	2,500
		$(3,236,641)	$(3,891,989)
FINANCING ACTIVITIES			
Private placement proceeds	**7**	**$800,000**	$6,410,000
Share issue costs	**7**	**(56,000)**	(171,918)
Shares issued for the exercise of warrants	**7,8**	**—**	560,300
Option exercised	**8**	**—**	181,000
Loans payable		**—**	50,000
		$744,000	$6,929,382
Net (decrease) increase in cash		**$(2,492,641)**	$3,037,393
Cash, beginning of period		**2,621,192**	1,082,934
Cash, end of period		**$128,551**	$4,120,327

Non-cash activities:		
Shares issued for finders' fees	**$(20,000)**	($69,100)
Shares issued for services	**$—**	$(11,181)
Warrants issued for finders' fees	**$(19,956)**	$—

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

1. Nature of Operations and Going Concern

CHAMPION ELECTRIC METALS INC., a company incorporated under the Canada Business Corporation Act, and its wholly owned subsidiaries (collectively the "**Company**" or "**Champion**") are engaged in the acquisition and exploration of certain mineral properties in Quebec, Canada and Idaho, United States of America ("USA"). The Company is listed on the Canadian Securities Exchange ("CSE") under the symbol "ITKO", the OTCQB Exchange, under "GLDRF", and the Frankfurt Stock Exchange under "1QB1". The address of the registered office is Suite 1800, 372 Bay Street Toronto, Ontario, M5H 2W9.

These condensed consolidated interim financial statements for the three and nine months ended September 30, 2024 and 2023 ("Interim Financial Statements") have been prepared on the basis of accounting principles applicable to a going concern that assumes the realization of assets and discharge of liabilities in the normal course of business. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying consolidated financial statements; such adjustments could be material.

Mineral exploration projects, even when successful, require large amounts of exploration investment to prove mineable reserves, generally over long periods of time, prior to the commencement of production. The ability of the Company to continue as a going concern is dependent upon, among other things, being able to obtain additional financing, the continued support of its existing shareholders, and the outlining and development of commercial deposits of metals at its project to generate positive cash flows from operations. While the Company has been successful in securing financing and identifying suitable properties to date, there is no assurance that the Company will continue to be successful in achieving these objectives. For these reasons, there may exist material uncertainties that cast significant doubt on the ability of the Corporation to continue as a going concern.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and development activities and in which it has an interest, in accordance with industry standards for the current stage of exploration and development of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, and non-compliance with regulatory and environmental requirements. These Interim Financial Statements were authorized for issue in accordance with a resolution of the directors dated August 29, 2024.

2. Basis of Presentation

a) Statement of compliance

These Interim Financial Statements, including comparatives, have been prepared in accordance with International Accounting Standards 34 ("IAS 34") 'Interim Financial Reporting' using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Except as noted below, the accounting policies applied by the Company in these Interim Financial Statements are the same as those applied in the Company's audited annual consolidated financial statements for the years ended December 31, 2023, and 2022 ("Annual Financial Statements") and should be read in conjunction with those statements.

2. Basis of Presentation, continued

b) Basis of Measurement

These Interim Financial Statements were prepared on a going concern basis, under the historical cost convention.

Measurement Uncertainty

The preparation of these Interim Financial Statements in conformity with IFRS requires Management to make judgments, estimates, and assumptions that affect the application of the accounting policies to the financial information presented. Actual results may differ from the estimates, assumptions, and judgments made. Estimates and underlying assumptions are reviewed on an ongoing basis. Changes made to estimates are reflected in the period the changes are made.

3. Summary of Significant Accounting Policies

a) Basis of Consolidation

These Interim Financial Statements include the accounts of Champion and its wholly owned subsidiaries, Idaho Champion Gold Mines Ltd., Energy IQ Quebec Ltd., Idaho Champion Gold Mines USA, Inc., Idaho Champion Gold Mines LLC., and Idaho Champion Cobalt USA, Inc. Control is achieved when Champion has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The results of subsidiaries acquired or disposed of during the period are included in the consolidated statements of loss and comprehensive loss from the effective date of acquisition or to the date of disposal. Intergroup balances and transactions are eliminated on consolidation.

b) Functional and Presentation Currency

These Interim Financial Statements are presented in Canadian dollars, which is the Company's presentation currency. The functional currency of Champion and its subsidiaries is the Canadian dollar. Monetary assets and liabilities in other currencies are translated at the closing rate at the reporting date. Non-monetary assets in other currencies are translated at historical rates. Income and expenses in other currencies are translated at the exchange rates at the dates of the transactions. All resulting exchange differences are recognized in income (loss).

c) Exploration Projects and Mining Interest Expenditures

The Company expenses the both the cost of its exploration and evaluation expenditures (“E&E”), and the cost of acquiring interests in mineral rights, licenses, and properties, asset acquisitions or option agreements. E&E relates to costs incurred for the exploration and evaluation of potential mineral reserves such as: conducting geological studies; exploratory drilling and sampling and evaluating the technical feasibility and commercial viability of extracting a mineral resource.

3. Summary of Significant Accounting Policies, continued

d) Material Accounting Policies

The accounting policies applied by the Company in these Interim Financial Statements are the same as those applied to the Annual Financial Statements and the corresponding interim reporting period. Notes 3 and 5 to the Annual Financial Statements describe the significant accounting policies used by the Company.

Recent accounting pronouncements

Standards issued and effective for annual periods beginning on or after January 1, 2024

Certain new standards, interpretations, amendments, and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for accounting periods beginning on January 1, 2024, or later. This includes IAS1 and IAS8. These new standards and changes did not have any material impact on the Company's financial statements. Updates that are not applicable or are not consequential to the Company have been excluded.

4. Critical Judgments and Accounting Estimates

Significant Accounting Judgments

The critical judgments that Management has made in the process of applying the Company's accounting policies, apart from those involving estimations that have the most significant effect on the amounts recognized in the Company's Annual Financial Statements, are related to the functional currency assessment, related parties, the provision for reclamation and obligation, when and if deferred taxes are recoverable and the assumption that the Company will continue as a going concern.

The Company made a determination that its functional currency and that of its subsidiaries is the Canadian dollar. Management considered all of the relevant primary and secondary factors in making this determination.

5. Exploration Projects/Mining Interests

LITHIUM

James Bay, Quebec Projects

Effective November 11, 2022, the Company completed an acquisition with Quebec Precious Metals Corporation ("QPM") (the "Acquisition") with respect to the Blanche and Charles lithium pegmatite projects (the "Projects") in the Eeyou Istchee James Bay territory of Quebec ("James Bay Area" or "JBA"). Consideration for 100% of the projects included $100,000 in cash and the issuance of 12,000,000 common shares of the Company. QPM will retain a 2% net smelter return royalty ("NSR") on the claims constituting the Projects. The Company has the option to repurchase 1% of the NSR from QPM for $1,000,000. In connection with the Acquisition, Champion issued 700,000 common shares of the Company as consideration for finders' fees.

During the year ended December 31, 2023 and the nine months ended September 30, 2024, the Company acquired certain lithium claims (the "2023/2024" Claims") in the JBA. Consideration for the 2023/2024 claims includes payments in cash, common shares, warrants, and finders' fees (also payable in cash, common shares or warrants), as follows:

Expressed in Canadian dollars.

5. Exploration Projects/Mining Interests, continued

		Consideration		
Date	**# Claims**	**Cash ($)**	**# Shares/warrants**	**# Finders' fees - shares**
2023				
February 22	50	25,000	2,000,000 common shares	125,000 common shares
March 2	29	—	2,000,000 common shares	100,000 common shares
May 23	148	25,000	3,000,000 common shares	175,000 common shares
May 26	8	—	700,000 common shares and 250,000 warrants	35,000 common shares
July 6	256	70,000	3,500,000 common shares and 1,500,000 warrants	n/a
July 26	55	—	1,700,000 common shares	85,000 common shares
2024				
February 12	134	100,000	6,000,000 common shares and 3,000,000 warrants	400,000 common shares

All of these transactions contain provisions ("Provisions") for a) the Vendors to retain a net smelter royalty ("NSR") and b) the Company to repurchase the NSRs for certain future consideration including cash and/or the issuance of common shares. If/when spodumene is discovered on one or more of the claim areas, a bonus may also be paid in either cash or with the issuance of common shares.

As no triggering event as defined by the terms of the Provisions has occurred, the contingent cash payments and equity issuances have not been recorded in the Interim Financial Statements.

On February 12, 2024, (the "Date of Acquisition"), the Company completed the acquisition of 134 (Des Bois) claims in the JBA. Consideration for the lithium-based claims included the issuance of a) 6,000,000 common shares valued at $300,000 (based on the trading price of the common shares at the Date of Acquisition), and b) 3,000,000 common share purchase warrants convertible at $0.20 within two years from the date of signing of the Definitive Purchase and Sale Agreement and claims transfer. The warrants were valued at $39,922. See notes 7(xiii) and 8(vi) – *Share capital and Warrants*. Additionally, the Company issued 400,000 common shares valued at $20,000 as finders' fees. The Vendors will retain a 2% NSR on the Des Bois claims and the Company has the option to repurchase 1% of the NSR for $1,000,000.

Expressed in Canadian dollars.

5. Exploration Projects/Mining Interests, continued

POLYMETALLIC

Champagne Project
On April 30, 2020, Champion acquired certain patented claims (private property) that are located within the Company's past-producing Champagne Project in Idaho, USA. Consideration for the claims was US$150,000. The claims include five patent lode mining claims and one patent mill site which are located inside the project area controlled by Champion.

On May 6, 2020, Champion signed a binding Property Option Agreement (the "Agreement") with a private family (the "Optionor") which provides an option to acquire additional claims that are also located within the Company's past producing Champagne Project. Under the terms of the Agreement, Champion shall pay the Optionor US$8,000 (paid) and issue 100,000 Champion common shares (issued). Further, the Company will pay US$8,000 on each anniversary date of the option agreement thereafter for the first 20 years of the agreement. The agreement can be renewed for an additional 20 years upon payment of US$15,000 and the issuance of shares with a value of US$20,000 on each anniversary date.

Champion can purchase a 100% interest in the claims by paying the Optionor the following in US$:

• If option is exercised during years 1 to 10	$150,000
• If option is exercised during years 11 to 20:	$200,000
• If option is exercised during years 21 to 30:	$250,000
• If option is exercised during years 31 to 40	$300,000

On May 19, 2020, the Company acquired additional mining claims ("Reliance") that are also located within the Company's Champagne Project. Consideration for the Reliance Claims was US$15,000 and the issuance of 150,000 Champion common shares.

On June 29, 2021, Champion signed a binding property option agreement to acquire a 100% fee simple interest in new surface and mineral rights on properties within Champion's Champagne Gold Project.

Under the terms of the option agreement, the parties have agreed to a five-year option, during which Champion will pay total consideration of US$240,000 and 500,000 common shares of the Company, structured as follows:

• An initial payment of US$10,000 and 50,000 common shares of the Company (completed);
• Annual payments of US$10,000 and 50,000 common shares of the Company on the first and second anniversaries, each of which is an option to be paid at the sole discretion of the Company (completed);
• Annual payments of US$10,000 and 75,000 common shares of the Company on the third and fourth anniversaries (completed); and
• On or before the fifth anniversary, Champion has the option to remit the final consideration of US$190,000 and 200,000 common shares of the Company.

Expressed in Canadian dollars.

5. Exploration Projects/Mining Interests, continued

COBALT

Idaho Cobalt (Idaho)

The Company owns 100% of the Idaho Cobalt property through its subsidiary Idaho Champion Cobalt USA Inc. These claims are in good standing.

GOLD

Baner Project (Idaho)

Since October 2017, the Company has owned 100% of the Baner Property in Idaho, USA. In February 2018 the Company staked certain claims comprising the Baner property. These claims are in good standing.

See note 15 – *Subsequent event*

Property Acquisition and Exploration and Evaluation ("E&E") Expenditures

During the nine months ended September 30, 2024, the Company incurred $929,070 (2023-$2,140,622) of property acquisition costs (including cash and the issuance of common shares and EU&E of $4,086,766 (2023 - $2,476,561) of E&E for the Company's active projects:

	September 30 2024 [(1)]	September 30, 2023 [(1)]
Acquisition – James Bay	**$647,235**	$1,985,473
Acquisition – Cobalt	**156,573**	122,554
Acquisition – Champagne	**74,017**	32,595
Acquisition - Baner	**51,245**	46,102
Exploration – James Bay	**$3,981,149**	$1,894,952
Exploration – Cobalt	**77,920**	457,854
Exploration – Champagne	**21,230**	77,796
Exploration – Baner	**6,467**	45,959
	$5,015,836	$4,617,183

(1) Property acquisition costs include all payments made (including share issuances) to acquire and maintain mineral properties, claims, licenses and permits.

6. Flow-through Share Premium Liability

The premium paid for flow-through shares in excess of the market value of the shares without the flow-through features is initially recognized as a liability. The liability is subsequently reduced and recorded in the consolidated statements of loss and comprehensive loss on a pro-rata basis based on the corresponding eligible exploration expenditures that have been incurred. A premium liability of $262,500 (2023 - $521,250) was recognized, in respect of private placements completed during the nine months ended September 30, 2024 and 2023.

Expressed in Canadian dollars.

6. Flow-through Share Premium Liability, continued

During the nine months ended September 30, 2024, a total of $3,961,661 (2023 - $1,893,453) was expended on eligible Canadian Exploration Expenses ("CEE"), which resulted in a total of $497,032 being derecognized as flow-through share premium (2023 - $332,044).

The following is a continuity schedule of the liability of the flow-through share issuances:

Balance, December 31, 2022	**$88,273**
Liability incurred on flow-through shares issued	$521,250
Flow-through share premium derecognized	(332,044)
Balance, December 31, 2023	**$277,479**
Liability incurred on flow-through shares issued	262,500
Flow-through share premium derecognized	(497,032)
Balance, September 30, 2024	**$42,947**

7. Share Capital

The Company is authorized to issue an unlimited number of common shares. At September 30, 2024, there are 278,938,729 (December 31, 2023 – 250,463,731) common shares issued and outstanding:

(i) On January 18, 2023, 247,372 common shares were issued to contractors as compensation for services rendered. A fair value of $11,181 was assigned to these shares using market value.

(ii) On February 22, 2023, the Company acquired certain Lithium claims for $25,000 cash, the issuance of 2,000,000 common shares (the "February Purchase Shares") and 125,000 common shares for finder's fees. The February Purchase Shares were valued at $200,000 and the finders' fees were valued at $12,500, based on the trading price of the Company's common shares at the date of issuance.

(iii) On February 27, 2023, the Company closed a private placement offering with the issuance of 15,500,000 common shares, for gross proceeds of $1,240,000 (the "February Offering". The February Offering was funded by a newly-appointed Director.

(iv) On March 2, 2023, the Company acquired certain Lithium claims for $70,000 cash and the issuance of 2,000,000 common shares (the "March Purchase Shares") and 100,000 common shares for finder's fees. The March Purchase Shares were valued at $270,000, and the finders' fee shares were valued at $13,500, based on the trading price of the Company's common shares at the date of issuance.

(v) On May 12, 2023, the Company closed a private placement offering with the issuance of 7,692,308 common shares, for gross proceeds of $1,000,000 (the "May Offering". The May Offering was funded by a newly-appointed Director.

(vi) On May 23, 2023, the Company acquired certain Lithium claims for $25,000 cash, the issuance of 3,000,000 common shares (the "May 23 Purchase Shares"), and 175,000 common shares for finders' fees. The May 23 Purchase Shares were valued at $420,000 and the finders' fees were valued at $24,500 based on the trading price of the Company's common shares at the date of issuance.

(vii) On May 26, 2023, the Company acquired certain Lithium claims for the issuance of 700,000 common shares (the "May 26 Purchase Shares"), 250,000 warrants, and 35,000 common shares for finders' fees. The May 26 Purchase Shares were valued at $108,500 and the finders' fees were valued at $5,425 based on the trading price of the Company's common shares at the date of issuance.

7. Share Capital, continued

(viii) On June 12, 2023, the Company closed a private placement with the issuance of 20,850,000 Charitable Flow-Through Shares for gross proceeds of $4,170,000 ("CFT Offering"). In connection with closing the CFT Offering, the Company paid $104,250 cash finders' fees.

(ix) On June 29, 2023, the Company made a third annual payment as part consideration for the five-year option for the acquisition of certain property interests in Idaho, USA, by issuing 50,000 common shares, valued at $0.165 each, based on the market value of the shares on the date of issue.

(x) On July 6, 2023, the Company acquired certain Lithium claims for $70,000 cash, the issuance of 3,500,000 common shares (the "June Purchase Shares") and 1,500,000 common share purchase warrants. The June Purchase Shares were valued at $595,000 based on the trading price of the Company's common shares at the date of issuance.

(xi) On July 26, 2023, the Company acquired certain Lithium claims for the issuance of 1,700,000 common shares (the "July Purchase Shares") and 85,000 common shares for finders' fees. The July Purchase Shares were valued at $263,500 and the finders' fees were valued at $13,175 based on the trading price of the Company's common shares at the date of issuance.

(xii) During the financial year 2023, a total of 2,300,000 common shares were issued upon the exercise of 2,300,000 stock options, for proceeds of $181,000.

(xiii) On February 12, 2024, the Company acquired 134 claims ("DesBois Lithium Project" or "DLP") for the issuance of 6,000,000 common shares (the "February 2024 Purchase Shares") and the issuance of 400,000 common shares for finders' fees. The February 2024 Purchase Shares were valued at $300,000 and the finders' fees shares were valued at $20,000; both values were based on the trading price of the Company's common shares at the date of issuance. See note 8 (vi) – *Warrants.*

(xiv) On June 21, 2024, the Company made a fourth annual payment as part consideration for the five-year option for the acquisition of certain property interests in Idaho, USA, by issuing 75,000 common shares, valued at $0.035 each or $2,625 in total.

(xv) On August 19, 2024, the Company closed a private placement with the issuance of 20,000,000 flow-through shares for gross proceeds of $800,000 ("FT Offering"). In connection with closing the FT Offering, the Company paid $56,000 cash and issued 1,400,000 broker warrants to the finders.

(xvi) On August 19, 2024, 1,999,998 RSUs were settled, resulting in the issuance of a corresponding number of common shares. The shares were valued at $320,000 based on the share price on the original grant date.

8. Warrants

From time to time, the Company issues warrants as a component of equity financings. The Company assigns a fair value to the warrants using a Black-Scholes option pricing model, as at the date of issuance. As warrants are exercised, the fair value is transferred to share capital. Should warrants expire unexercised, the fair value is reclassified to contributed surplus.

(i) On March 14, 2023, a total of 100,000 warrants were exercised for gross proceeds of $10,000.

(ii) On May 26, 2023, the Company issued 250,000 warrants in connection with the acquisition of certain Lithium claims. See note 7(vii). A fair value of $24,211 was assigned to these warrants.

Expressed in Canadian dollars.

8. Warrants, continued

(iii) During the month of June 2023, a total of 5,303,000 warrants were exercised for gross proceeds of $540,300.

(iv) On July 6, 2023, a total of 1,500,000 warrants were issued in connection with the acquisition of certain Lithium claims. See note 7(x). A fair value of $158,042 was assigned to these warrants.

(v) On July 23, 2023, 200,000 warrants were exercised for gross proceeds of $20,000.

(vi) On February 12, 2024, the Company issued 3,000,000 warrants in connection with the acquisition of certain Lithium claims. See note 7 (xiii). A fair value of $39,922 was assigned to these warrants.

(vii) On August 19, 2024 the Company issued 1,400,000 broker warrants in connection with the FT Offering. A fair value of $19,956 was assigned to these warrants.

The following table summarizes the assumptions used in the valuation of the warrants itemized in (ii), (iv) (vi) and (vii) above:

Issue date	**May 26, 2023**	**July 6, 2023**	**Feb. 12, 2024**	**Aug. 19, 2024**
Fair value	$24,211	$158,042	$39,922	$19,956
Number of warrants	250,000	1,500,000	3,000,000	1,400,000
Exercise price	$0.16	$0.17	$0.20	$0.05
Risk-free rate of return	4.3%	4.75%	4.24%	3.33%
Annualized volatility	123.81%	122.62%	107.36%	139.91%
Expected life	1.87	1.71	2.00	2.00
Dividend yield	0%	0%	0%	0%

Expired

(viii) On July 30, 2023, a total of 13,705,000 warrants, with an exercise price of $0.45, expired.

(ix) On September 18, 2023, 500,000 warrants, with an exercise price of $0.50, expired.

(x) From May 17, 2024 to August 27, 2024, a total of 27,459,440 warrants, with exercise prices ranging from $0.10 to $0.15, expired.

The fair value of the expired warrants has been reclassified to contributed surplus.

Expressed in Canadian dollars.

8. Warrants, continued

A summary of warrant activity during the year ended December 31, 2023 and the nine months ended September 30, 2024 is as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, December 31, 2022	**73,894,266**	**$0.21**
Issued – notes 8 (ii)(iv)	1,750,000	$0.15
Exercised – notes 8 (i)(iii)(v)	(5,603,000)	$(0.10)
Expired – notes 8 (viii)(ix)	(14,205,000)	($0.45-$0.50)
Balance, December 31, 2023	**55,836,266**	**$0.15**
Issued – note 8(vi)	3,000,000	$0.20
Issued – note 8(vii)	1,400,000	$0.05
Expired – notes 8(x)	(27,459,440)	($0.10-$0.15)
Balance, September 30, 2024	**32,776,826**	**$0.19**

At September 30, 2024, there are 32,776,826 regular and finders' warrants outstanding, with each warrant entitling the holder to acquire one common share of the Company at the exercise prices noted below:

Number	Fair Value Assigned ($)	Exercise Price	Remaining Contractual Life In Years	Expiry Date
6,749,037	220,442	$0.15	0.38	Feb. 14, 2025
1,417,821	45,338	$0.15	0.41	Feb. 26, 2025
6,523,500	214,728	$0.15	0.43	March 6, 2025
1,500,000	158,042	$0.15	0.47	March 20, 2025
250,000	24,211	$0.15	0.52	May 26, 2025
4,810,103	249,357	$0.25	0.73	June 24, 2025
5,675,399	298,154	$0.25	0.80	July 20, 2025
1,150,466	60,344	$0.25	0.88	Aug.18, 2025
3,000,000	39,922	$0.20	1.29	Jan. 15, 2026
300,000	28,265	$0.25	1.60	May 7, 2026
1,400,000	19,956	$0.05	1.88	Aug. 19, 2026
32,776,326	**$1,358,759**	**$0.19**	**0.70**	

9. Share-based Incentive Plans

Champion has a stock option plan ("SOP") and a plan of restricted stock units("RSU Plan"). The purpose of these plans is to equip the board of directors to be able to attract, retain and motivate management, staff, and consultants by providing them with the opportunity, through share options and share issuances, to acquire a proprietary interest in the Company and benefit from its growth.

9. Share-based Incentive Plans, continued

The maximum number of options and common shares to be issued under the SOP and the RSU Plan shall not exceed 10% of the total number of common shares issued and outstanding.

SOP

Champion has a stock option plan that provides for the granting of incentive stock options up to a maximum of 10% of the Company's issued and outstanding common shares. Terms of the options granted are subject to the allocation and approval by the Board of Directors. All options granted are subject to a four-month hold period from the date of grant as required by the CSE.

(i) On January 18, 2023, the Company granted an aggregate of 4,200,000 stock options to certain directors, officers, and consultants. These five-year options vested immediately and have an exercise price of $0.08. The options were assigned a fair value of $186,703 based on a Black-Scholes option pricing model using the following assumptions: share price – $0.055; risk-free rate of return – 3.27%; annualized volatility – 122.49%; and dividend yield – 0%.

(ii) On May 11, 2023, the Company granted an aggregate of 2,150,000 stock options to certain directors, officers, and consultants. These five-year options vested immediately and have an exercise price of $0.13. The options were assigned a fair value of $194,200 based on a Black-Scholes option pricing model using the following assumptions: share price – $0.105; risk-free rate of return – 2.94%; annualized volatility – 133.58%; and dividend yield – 0%.

(iii) On August 9, 2023, the Company granted an aggregate of 550,000 five-year stock options to certain consultants. These options have an exercise price of $0.16 and vest one third on grant, one third on the first anniversary and the remaining third on the second anniversary. The options were assigned a fair value of $66,860 based on a Black-Scholes option pricing model using the following assumptions: share price – $0.15; risk-free rate of return – 3.86%; annualized volatility –114.09 %; and dividend yield – 0%.

(iv) During the financial year 2023, a total of 2,300,000 common shares were issued on the exercise of 2,300,000 stock options for proceeds of $181,000.

(v) During the financial year 2023, a total of 3,200,000 stock options expired unexercised.

(vi) Between February 24, 2024 and August 25, 2024, a total of 1,550,000 options expired.

On March 14, 2024, the Company granted an aggregate of 5,550,000 stock options to certain directors, and consultants. These five-year options vested immediately and have an exercise price of $0.075. The options were assigned a fair value of $307,661 based on a Black-Scholes option pricing model using the following assumptions: share price – $0.07; risk-free rate of return – 3.60%; annualized volatility – 109.65%; and dividend yield – 0%.

Expressed in Canadian dollars.

9. Share-based Incentive Plans, continued

A summary of stock option activity during the year ended December 31, 2023 and the nine months ended September 30, 2024, is as follows:

	Number of stock options outstanding	Weighted average exercise price
Balance, December 31, 2022	**12,425,000**	**$0.13**
Granted – notes 9(i)(ii)(iii)	6,900,000	$0.08-$0.16
Exercised – note 9(iv)	(2,300,000)	$(0.13)
Expired - note 9(v)	(3,200,000)	$(0.22)
Balance, December 31, 2023	**13,825,000**	**$0.10**
Granted – note 9(vii)	5,550,000	$0.075
Expired - note 9(vi)	(1,550,000)	$(0.05-$0.20)
Balance, September 30, 2024	**17,825,000**	**$0.09**

A summary of the issued and outstanding stock options as at September 30, 2024, is as follows:

Exercise Price	Number of Options Outstanding	Number of Options Exercisable	Weighted Average Remaining Contractual Life – Years	Expiry Date
$0.10	2,875,000	2,875,000	0.12	November 12, 2024
$0.30	300,000	300,000	0.84	August 4, 2025
$0.20	500,000	500,000	1.48	March 24, 2026
$0.20	100,000	100,000	1.57	April 26, 2026
$0.15	400,000	400,000	2.55	April 19, 2027
$0.05	2,500,000	2,500,000	2.90	August 24, 2027
$0.08	3,000,000	3,000,000	3.30	January 18, 2028
$0.13	2,100,000	2,100,000	3.61	May 11, 2028
$0.16	550,000	550,000	3.86	August 9, 2028
$0.075	5,500,000	5,500,000	4.45	March 14, 2029
$0.09	**17,825,000**	**17,825,000**	**3.02**	

<u>RSU Plan</u>

Champion has an RSU Plan that provides for the granting of restricted stock units up to a maximum of 10% of the Company's issued and outstanding common shares, less any issued and outstanding stock options. Terms of the RSUs are subject to the allocation and approval by the Board of Directors. Each RSU shall be converted into one common share as vesting occurs. RSUs are measured at fair value on the grant date. On August 8, 2023, the Company granted 6,000,000 RSU's. The cumulative fair value of $625,388 was recognized as a

9. Share-based Incentive Plans, continued

RSU Plan, continued

charge to share-based compensation expense, with a corresponding increase in equity. On August 19, 2024 1,999,998 RSUs were settled, resulting in the issuance of a corresponding number of common shares. The shares were valued at $320,000 based on share price on the original grant date.

For the year nine months ended September 30, 2024, the Company recorded share-based compensation expense for the RSUs of $393,936 (September 30, 2023 – $83,580)

As at September 30, 2024, a total of 1,999,998 RSUs have vested leaving a balance of 4,000,002 RSUs unvested.

10. Capital Management

The Company considers its capital structure to include cash and working capital. In order to maintain or adjust the capital structure, the Company may from time-to-time issue shares and adjust its capital spending to manage current and projected debt levels. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and benefits for other stakeholders. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying natural resource properties. The Company's objective is met by retaining adequate cash to meet the ongoing financial obligations of the Company. To assess capital operating efficiency and financial strength, the Company continually monitors its net cash and working capital.

11. Financial Instruments and Risk Management

Set out below is a comparison, by category, of the carrying amounts and fair values of all of the Company’s financial instruments that are carried in the financial statements and how the fair value of financial instruments is measured.

Fair values
Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act.

The Company classifies the fair value of the financial instruments according to the following hierarchy based on the number of observable inputs used to value the instrument.

Expressed in Canadian dollars.

11. Financial Instruments and Risk Management, continued

The following table provides an analysis of the financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in the active market for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. prices) or indirectly (derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the assets or liability that are based on observable market data (unobservable inputs).

As at September 30, 2024 and 2023, the Company did not have any financial instruments measured at fair value.

Categories of Financial Instruments	**Sep. 30, 2024**	Dec. 31, 2023
Financial Assets—amortized cost		
Cash	**$128,551**	$2,621,192
Accounts receivable and prepaid expenses	**$276,758**	$468,072
Financial Liabilities – amortized cost		
Accounts payable and accrued liabilities	**$2,207,142**	$216,217
Flow through share premium liability	**$42,947**	$277,479

The fair values of all the Company's financial instruments approximate the carrying value due to the short-term nature of the financial instruments. The Company's activities expose it to a variety of financial risks: liquidity risk and market risk (currency fluctuations, interest rates, and commodity prices). The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company has established a standard of ensuring that it has enough resources available to withstand any downturn in the industry. As the Company's industry is very capital-intensive, the majority of its spending is related to its capital programs. The Company prepares periodic capital expenditure budgets, which are regularly monitored and updated as considered necessary. Further, the Company utilizes authorizations for expenditures on both operated and non-operated projects to further manage capital expenditures. The Company's goal is to prudently spend its capital while maintaining its credit reputation amongst its suppliers. The Company also mitigates liquidity risk by maintaining an insurance program to minimize exposure to insurable losses. At September 30, 2024, the Company had $128,551 in cash to settle $2,207,142 of accounts payable and accrued liabilities (December 31, 2023 - $2,621,192 of cash to settle $216,217 of current indebtedness). Amounts recorded for flow-through share premium liability will not be settled in cash. Accordingly, Management considers Champion's liquidity risk to be significant.

11. Financial Instruments and Risk Management, continued

Market Risk
Market risk is the risk that changes in interest rates, foreign exchange rates, and commodity and equity prices will affect the Company's net earnings or loss or the value of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable limits while maximizing returns.

Interest rate risk
The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in certificates of deposit issued by a Canadian chartered bank with which it keeps its bank accounts. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of the Canadian chartered bank.

Foreign exchange risk
The Company does engage in transactions and activities in currencies other than its reported currency as a portion of its exploration activities are carried out in the USA. Accordingly, expenses, assets and liabilities in the USA result in the Company being exposed to foreign exchange fluctuations. The Company does not have a hedging policy and attempts to mitigate foreign exchange risk by buying US dollars at optimal spot rates whenever possible.

Commodity and equity risk
The Company may be exposed to price risk in the future, with respect to commodity and equity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depend upon the world market price of certain battery metals. There is no assurance that, even if commercial quantities of battery metals are produced in the future, a profitable market will exist for them.

12. Related Party Transactions and Key Management Compensation

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

(a) Related party transactions

Since November 2021, the Company has retained Grove Corporate Services Ltd. (“Grove”) to provide certain professional corporate services to the Company, including administrative, investor relations and financial reporting and corporate secretarial services provided by the CFO and Corporate Secretary (the “Services”). During the nine months ended September 30, 2024, Grove billed the Company a total of $139,500 (2023 - $126,850) for the Services. Included in accounts payable at September 30, 2024, is $19,910 (2023 - $nil) owed to Grove for unpaid Services. The amount is unsecured, non-interest bearing, and, due on demand.

(b) Key management compensation

During the nine months ended September 30, 2024, the Company remunerated its Chief Executive Officer (“CEO”) $168,750 (2023 - $172,500); the 2023 wages included a performance bonus awarded by the Board of Directors, retroactively, for 2022.

Expressed in Canadian dollars.

12. Related Party Transactions and Key Management Compensation, continued

Directors, officers, employees and consultants are eligible for stock option grants. During the nine months ended September 30, 2024, the Company granted an aggregate of 5,550,000 (2023 – 4,250,000) stock options to certain directors and officers. See note 9 – *Share-based Incentive Plans*.

Key Management Compensation for the three and nine months ended September 30, 2024, and 2023 is as follows:

	Three months ended		**Nine months ended**	
Periods ended September 30,	**2024**	2023	**2024**	2023
Salary and wages	**$56,250**	$56,250	**$168,750**	$172,500
Corporate services	**46,500**	43,710	**139,500**	126,850
Share-based compensation	**101,406**	46,472	**643,390**	292,717
	$204,156	$146,432	**$951,640**	$592,067

13. Loss Per Share

The calculation of basic loss per share for the three and nine months ended September 30, 2024, and 2023 was based on total loss attributable to common shareholders of $2,408,076 and $5,996,343 (2023 - $2,881,270 and $5,888,593, and a weighted average number of common shares outstanding of 267,120,049 and 259,300,636 (2023 – 248,376,478 and 218,810,357 respectively).

14. Commitments and Contingencies

Environment
The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company periodically evaluates its obligations under environmental regulations and expects to make in the future, expenditures to comply with such laws and regulations.

Flow-through commitments.
Flow-through agreements require the Company to renounce certain tax deductions for CEE incurred on the Company's mineral properties to flow-through subscribers. At September 30, 2024 the Company is required to incur $130,887 of CEE by December 31, 2025.

Executive and Corporate Services Agreements
The Company is a party to certain Management contracts. Upon termination of the contracts, for other than cause, approximately $271,000 would become due and owing to the terminated parties. As no terminations have taken place as at September 30, 2024, no provision has been made in these Interim Financial Statements.

15. Subsequent Events

(a) On October 4, 2024, The Company sold its 100% undivided interest in the mineral claims comprising the Company's Baner Gold Project in Idaho County, Idaho, USA (the "Baner Gold Project"), to Prestwick Capital Corporation Limited ("Legacy"). Upon closing of the Baner Gold Project, consideration included: (a) $75,000 cash (b) 1,100,000 common shares of Legacy ("Legacy Shares") issued at a deemed price of $0.235 per share, and (c) warrants to purchase up to 200,000 Legacy Shares at $0.30 per share for two (2) years from the date of issuance.

Future Consideration

Within 18 months or sooner, from the completion of the sale, the Company will receive (a) cash payment of $350,000, (b) 200,000 Legacy Shares and (c) warrants to purchase up to 200,000 Legacy Shares at the last closing price for the Legacy Shares prior to the date of issuance, for two (2) years from the date of issuance ("**Payment #1 Date**"):

Within 12 months from the Payment #1 Date, Champion will receive (a) cash payment of $500,000, (b) warrants to purchase up to 200,000 Legacy Shares at the last closing price for the Legacy Shares prior to the date of issuance, for two (2) years from the date of issuance. ("**Payment #2 Date**").

As part of the sale, Legacy will have the exclusive right to manage and operate all work programs conducted on the Baner Gold Project at its sole discretion. Legacy will also be responsible for maintaining the Baner Gold Project in good standing during this period.

Additionally, upon fulfillment of the payments and securities issuances outlined in the binding agreement, the Option will be deemed exercised, and a 100% undivided interest in the Baner Gold Project will be transferred to Prestwick, free and clear of all encumbrances, subject to a 1% net smelter return royalty (the "NSR") in favor of the Company. Prestwick may buy back the NSR in exchange for a $7,500,000 payment to Champion.

(b) On November 12, 2024, a total of 2,875,000 stock options with an exercise price of $0.10 expired.