

**FOREMOST LITHIUM RESOURCE & TECHNOLOGY LTD.**

**Consolidated Financial Statements**

**Expressed in Canadian Dollars**

**For the years ended March 31, 2024, 2023 and 2022**

**Corporate Head Office**  
250 – 750 West Pender  
Vancouver, BC  
V6C 2T7

**FOREMOST LITHIUM RESOURCE & TECHNOLOGY LTD.**

(Expressed in Canadian Dollars)

March 31, 2024, 2023 and 2022

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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Foremost Lithium Resource & Technology Ltd.

### **Opinion on the Consolidated Financial Statements**

We have audited the accompanying consolidated statement of financial position of Foremost Lithium Resource & Technology Ltd. (the Company) as of March 31, 2024, and the related consolidated statements of (loss) income and comprehensive (loss) income, of changes in shareholders' equity, and of cash flows for the year ended March 31, 2024, and the related notes (collectively referred to as the consolidated financial statements).

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of March 31, 2024, and the results of its consolidated operations and its consolidated cash flows for the year ended March 31, 2024, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

### **Material Uncertainty Related to Going Concern**

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company has suffered recurring losses from operations and has a net capital deficiency that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

### **Basis for Opinion**

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

*/s/ MNP LLP*

Chartered Professional Accountants

We have served as the Company's auditor since 2023.

Vancouver, Canada

June 28, 2024

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Directors of  
Foremost Lithium Resource & Technology Ltd.

### *Opinion on the Consolidated Financial Statements*

We have audited the accompanying consolidated statement of financial position of Foremost Lithium Resource & Technology Ltd. (the "Company") as of March 31, 2023, and the related consolidated statements of income (loss) and comprehensive income (loss), cash flows, and changes in equity for the year ended March 31, 2023, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2023, and the results of its operations and its cash flows for the year ended March 31, 2023, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The consolidated financial statements of the Company as of March 31, 2022 were audited by another auditor. As described in Note 1, the Company adjusted all shares and per share data in the periods presented for the July 2023 share consolidation. We audited the adjustments to retrospectively apply the effects of the share consolidation in the March 31, 2022 consolidated financial statements. However, we were not engaged to audit, review, or apply any procedures to the March 31, 2022 consolidated financial statements of the Company other than with respect to such adjustments and, accordingly, we do not express an opinion or any other form of assurance on the March 31, 2022 consolidated financial statements taken as a whole.

### *Going Concern*

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company has a deficit at March 31, 2023 of \$17,869,111 and has suffered recurring losses from operations and has a net working capital deficiency in the amount of \$2,117,473. These conditions cast significant doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

### *Basis for Opinion*

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we express no such opinion.



Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

We have served as the Company's auditor since 2023.

**/s/ DAVIDSON & COMPANY LLP**

Vancouver, Canada

Chartered Professional Accountants

July 25, 2023 (July 31, 2023 as to respect of the share consolidation described in Note 1)

## **Report of Independent Registered Public Accounting Firm (Withdrawal Pending)**

To the Shareholders and the Board of Directors of Foremost Lithium Resources & Technologies Ltd.  
(Formerly Far Resources Ltd.)

### **Opinion on the Consolidated Financial Statements**

We have audited the accompanying consolidated statements of financial position of Foremost Lithium Resource & Technology Ltd. and subsidiaries (Formerly Far Resources Ltd.) (the “Company”) as of March 31, 2022, the related consolidated statements of loss and comprehensive loss and cash flows and shareholders’ equity for the year then ended, and the related notes (collectively referred to as the “Consolidated Financial Statements”).

In our opinion, the Consolidated Financial Statements present fairly, in all material respects, the consolidated financial position of the Company as of March 31, 2022, and the results of its operations and its cash flows for the year then ended, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

### **Emphasis of Matter Regarding Going Uncertainty**

We draw attention to Note 1 to the Consolidated Financial Statements which describes the material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### **Basis for Opinion**

These Consolidated Financial Statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) (Withdrawal Pending) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

**Basis of Opinion (continued)**

Our audits included performing procedures to assess the risks of material misstatement of the Consolidated Financial Statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the Consolidated Financial Statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Consolidated Financial Statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Crowe MacKay LLP

**Chartered Professional Accountants**

**Vancouver, Canada**

August 2, 2022

We have served as the Company's auditor since 2011.

**FOREMOST LITHIUM RESOURCE & TECHNOLOGY LTD.**

Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

As at March 31, 2024, 2023 and 2022

	March 31, 2024	March 31, 2023	March 31, 2022
<b>ASSETS</b>			
<b>Current</b>			
Cash	\$ 998,262	\$ 574,587	\$ 235,455
Receivables	146,209	132,515	85,891
Prepaid expenses and deposits	340,742	56,710	55,948
Net investment in sublease	-	31,537	56,823
	1,485,213	795,349	434,117
<b>Non-Current</b>			
Prepaid expenses and deposits	19,231	24,404	253,302
Long-term investment	-	2,900	8,000
Exploration and evaluation assets (Note 4)	15,094,413	12,477,791	7,191,122
Net investment in sublease	-	-	31,537
	-	-	31,537
<b>Total Assets</b>	<b>\$ 16,598,857</b>	<b>\$ 13,300,444</b>	<b>\$ 7,918,078</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current</b>			
Accounts payable and accrued liabilities (Notes 4, 5 and 9)	\$ 1,582,188	\$ 1,621,721	\$ 1,032,492
Term loans payable (Note 6)	1,138,520	1,216,715	7,500
Lease obligation	-	34,386	61,954
Loans payable (Note 7)	-	40,000	-
Flow-through premium liability (Note 8)	11,666	-	-
	2,732,374	2,912,822	1,101,946
<b>Non-Current</b>			
Loans payable (Note 7)	-	-	40,000
Derivative liability (Note 8)	656,946	-	-
Lease obligation – long-term	-	-	34,386
<b>Total Liabilities</b>	<b>3,389,320</b>	<b>2,912,822</b>	<b>1,176,332</b>
<b>Shareholders' Equity</b>			
Capital stock (Note 8)	32,123,613	26,449,839	24,164,441
Subscriptions received (Note 14)	105,000	-	-
Reserves (Notes 8)	2,462,047	1,806,894	2,294,394
Deficit	(21,481,123)	(17,869,111)	(19,717,089)
<b>Total Shareholders' Equity</b>	<b>13,209,537</b>	<b>10,387,622</b>	<b>6,741,746</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 16,598,857</b>	<b>\$ 13,300,444</b>	<b>\$ 7,918,078</b>

Nature and continuance of operations and going concern (Note 1)

Subsequent event (Note 14)

**Approved and authorized on behalf of the Board on June 20, 2024:**

(Signed) "Jason Barnard"  
 Jason Barnard, Director

(Signed) "Andrew Lyons"  
 Andrew Lyons, Director

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



**FOREMOST LITHIUM RESOURCE & TECHNOLOGY LTD.**

Consolidated Statements of (Loss) Income and Comprehensive (Loss) Income

(Expressed in Canadian Dollars, except for share and per share amounts)

For the years ended March 31, 2024, 2023 and 2022

	March 31, 2024	March 31, 2023	March 31, 2022
<b>Expenses</b>			
Consulting (Note 9)	\$ 120,801	\$ 405,138	\$ 219,743
Investor relations and promotion (Note 9)	851,614	157,983	267,376
Listing fee	54,184	-	-
Management and director fees (Note 9)	754,542	381,819	375,264
Office and miscellaneous	267,690	87,866	33,681
Property investigation costs	-	4,399	-
Professional fees	1,178,691	1,576,974	443,264
Share-based payments (Notes 8 and 9)	910,700	815,428	2,482,219
Transfer agent and filing fees	290,042	75,446	85,914
Travel	70,379	31,466	53,806
<b>Loss before other items</b>	<b>(4,498,643)</b>	<b>(3,536,519)</b>	<b>(3,961,267)</b>
Finance income on sublease	1,314	8,879	16,290
Foreign exchange loss	(35,996)	(29,423)	(5,734)
Change in fair value of derivatives (Note 8)	166,651	-	-
Gain on forgiveness of debt (Notes 5 and 7)	10,000	184,813	(93,658)
Gain on sublease	2,962	5,925	5,925
Gain on sale of property (Note 4)	-	3,500,000	-
Gain (loss) on long-term investment	671	(5,100)	-
Interest expense (Note 6)	(126,606)	(104,031)	(112,478)
Recovery of flow-through premium liability (Note 8)	8,477	977,534	-
Write-off of prepaid expenses	(1,000)	(48,000)	-
Write-off of short-term loans payable (Note 8)	-	2,500	-
<b>Net (Loss) Income and Comprehensive (Loss) Income for the Year</b>	<b>\$(4,472,170)</b>	<b>\$ 956,578</b>	<b>\$ (4,150,922)</b>
<b>Basic (loss) earnings per common share</b>	<b>\$ (0.99)</b>	<b>\$ 0.25</b>	<b>\$ (1.27)</b>
<b>Diluted (loss) earnings per common share</b>	<b>\$ (0.99)</b>	<b>\$ 0.24</b>	<b>\$ (1.27)</b>
<b>Weighted average number of common shares outstanding - Basic</b>	<b>4,518,348</b>	<b>3,836,323</b>	<b>3,276,627</b>
Dilutive effect - options	-	85,182	-
Dilutive effect - warrants	-	11,181	-
<b>Weighted average number of common shares outstanding - Diluted</b>	<b>4,518,348</b>	<b>3,932,686</b>	<b>3,276,627</b>

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

**FOREMOST LITHIUM RESOURCE & TECHNOLOGY LTD.**

Consolidated Statements of Changes in Shareholders' Equity  
(Expressed in Canadian Dollars)

For the years ended March 31, 2024, 2023 and 2022

	Number of Shares	Capital Stock	Subscriptions received in advance	Reserves	Deficit	Total Shareholders' Equity
<b>Balance, March 31, 2021</b>	<b>3,104,347</b>	<b>\$ 20,169,728</b>	<b>\$ 40,000</b>	<b>\$ 1,140,567</b>	<b>\$ (15,600,786)</b>	<b>\$ 5,749,509</b>
Shares issued – exploration and evaluation assets (Notes 4 and 8)	16,194	94,963	-	-	-	94,963
Shares issued – private placement (Note 8)	87,966	592,365	-	-	-	592,365
Share issue costs – paid in cash (Note 8)	-	(1,785)	-	-	-	(1,785)
Shares issued – options exercised (Note 8)	186,700	1,611,848	-	(761,273)	-	850,575
Shares issued – warrants exercised (Note 8)	155,134	741,889	(40,000)	-	-	701,889
Shares issued – PSU redeemed (Note 8)	30,000	532,500	-	(532,500)	-	-
Shares issued – for debt	20,000	380,000	-	-	-	380,000
Shares issued – for services	8,178	42,933	-	-	-	42,933
Share-based payments (Note 9)	-	-	-	2,482,219	-	2,482,219
Transfer of cancelled/forfeited options	-	-	-	(34,619)	34,619	-
Loss for the year	-	-	-	-	(4,150,922)	(4,150,922)
<b>Balance, March 31, 2022</b>	<b>3,608,519</b>	<b>24,164,441</b>	<b>-</b>	<b>2,294,394</b>	<b>(19,717,089)</b>	<b>6,741,746</b>
Shares issued – exploration and evaluation assets (Notes 4 and 8)	17,595	152,454	-	-	-	152,454
Shares issued – private placement (Note 8)	97,753	1,661,807	-	-	-	1,661,807
Flow-through premium (Note 8)	-	(977,534)	-	-	-	(977,534)
Share issue costs – paid in cash (Note 8)	-	(99,624)	-	-	-	(99,624)
Share issue costs – agents warrants (Note 8)	-	(22,000)	-	22,000	-	-
Shares issued – options exercised (Note 8)	13,000	156,278	-	(78,528)	-	77,750
Shares issued – warrants exercised (Note 8)	212,750	1,059,017	-	-	-	1,059,017
Shares issued – PSU redeemed (Note 8)	20,000	355,000	-	(355,000)	-	-
Share-based payments (Note 9)	-	-	-	815,428	-	815,428
Transfer of cancelled/forfeited options	-	-	-	(891,400)	891,400	-
Income for the year	-	-	-	-	956,578	956,578
<b>Balance, March 31, 2023</b>	<b>3,969,617</b>	<b>26,449,839</b>	<b>-</b>	<b>1,806,894</b>	<b>(17,869,111)</b>	<b>10,387,622</b>
Shares issued – exploration and evaluation assets (Notes 4 and 8)	29,900	235,600	-	-	-	235,600
Shares issued – private placements (Note 8)	1,141,592	7,047,668	-	-	-	7,047,668
Warrant premium – on private placements (Note 8)	-	(377,911)	-	377,911	-	-
Flow-through premium – on private placements (Note 8)	-	(20,143)	-	-	-	(20,143)
Share issue costs – paid in cash (Note 8)	-	(480,415)	-	-	-	(480,415)
Finder fee warrants – on private placements (Note 8)	-	(280,100)	-	280,100	-	-
Derivative liability (Note 8)	-	(823,597)	-	-	-	(823,597)
Subscriptions received in advance (Note 14)	-	-	105,000	-	-	105,000
Shares issued – options exercised (Note 8)	36,000	184,800	-	(53,400)	-	131,400
Shares issued – for services (Note 8)	30,900	187,872	-	-	-	187,872
Share-based payments (Note 9)	-	-	-	910,700	-	910,700
Transfer of cancelled/forfeited options	-	-	-	(860,158)	860,158	-
Loss for the year	-	-	-	-	(4,472,170)	(4,472,170)
<b>Balance, March 31, 2024</b>	<b>5,208,009</b>	<b>\$ 32,123,613</b>	<b>\$ 105,000</b>	<b>\$ 2,462,047</b>	<b>\$ (21,481,123)</b>	<b>\$ 13,209,537</b>

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

## FOREMOST LITHIUM RESOURCE & TECHNOLOGY LTD.

Consolidated Statements of Cash Flows

For the years ended March 31, 2024, 2023 and 2022

(Expressed in Canadian Dollars)

	March 31, 2024	March 31, 2023	March 31, 2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
(Loss) Income and comprehensive (loss) income for the year	\$ (4,472,170)	\$ 956,578	\$ (4,150,922)
Item not affecting cash:			
Share-based payments	910,700	815,428	2,482,219
Interest expense	128,033	8,151	17,749
Gain on derivative liability	(166,651)	-	-
Gain on sale of property	-	(3,500,000)	-
Recovery of flow-through premium liability	(8,477)	(977,534)	-
Finance income on sublease	(1,314)	(8,879)	(16,290)
Gain on forgiveness of debt	(10,000)	(184,813)	93,658
Shares for services	-	-	42,933
(Gain) loss on long-term investment	(671)	5,100	-
Write-off of prepaid expenses	-	48,000	-
Write-off of short-term loans payable	-	(2,500)	-
Changes in non-cash working capital items:			
Receivables	(13,694)	(46,624)	(42,982)
Prepaid expenses and deposits	(278,859)	(762)	(229,222)
Accounts payable and accrued liabilities	148,339	411,746	400,388
Loan repayments	(30,000)	-	-
Net cash used in operating activities	(3,794,764)	(2,476,109)	(1,402,469)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Exploration and evaluation acquisition costs	(198,829)	(294,962)	(220,029)
Exploration and evaluation expenditures	(2,382,193)	(4,368,564)	(871,379)
Exploration and evaluation recoveries	200,000	300,000	200,000
Receipt of sublease payments	32,851	65,702	65,702
Proceeds on sale of investment	3,571	-	-
Sale of property	-	3,500,000	-
Net cash used in investing activities	(2,344,600)	(797,824)	(825,706)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Private placements	7,047,668	1,661,807	592,365
Share issue costs	(480,415)	(99,624)	(1,785)
Exercise of warrants	-	1,059,017	701,889
Exercise of options	131,400	77,750	850,575
Short-term loan received (repaid)	(204,801)	985,742	-
Repayment of lease obligations	(35,813)	(71,627)	(71,627)
Share subscriptions received in advance	105,000	-	-
Net cash provided by financing activities	6,563,039	3,613,065	2,071,417
<b>Change in cash for the year</b>	423,675	339,132	(156,758)
<b>Cash, beginning of year</b>	574,587	235,455	392,213
<b>Cash, end of year</b>	\$ 998,262	\$ 574,587	\$ 235,455
Cash paid for interest	\$ 102,090	\$ 88,800	\$ -
Cash paid for tax	\$ -	\$ -	\$ -

SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS (Note 13)

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

## **FOREMOST LITHIUM RESOURCE & TECHNOLOGY LTD.**

Notes to the Consolidated Financial Statements

March 31, 2024, 2023 and 2022

(Expressed in Canadian Dollars)

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### **1. NATURE OF OPERATIONS AND GOING CONCERN**

Foremost Lithium Resource & Technology Ltd. (the "Company") which was incorporated under the laws of the Province of British Columbia, is a public company listed on the Canadian Securities Exchange (the "CSE") and trades under the symbol FAT and on the NASDAQ Capital Market ("NASDAQ") under the symbols MFST and FMSTW. The Company's head office is located at 250 – 750 West Pender Street, Vancouver, BC, V6C 2T7.

On July 5, 2023, the Company consolidated its common shares on the basis of fifty (50) pre-consolidation common shares for one (1) post-consolidation common share. All shares, warrants and stock options in these consolidated financial statements are on post consolidated basis.

The Company is an exploration company focused on the identification and development of high potential mineral opportunities in stable jurisdictions.

#### Going concern of operations

These consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at March 31, 2024, the Company has had significant losses resulting in a deficit of \$21,481,123 (March 31, 2023 - \$17,869,111; March 31, 2022 \$19,717,089). As at March 31, 2023, the Company also had a working capital deficiency of \$1,247,161 (March 31, 2023 - \$2,117,473; March 31, 2022 \$667,829). In addition, the Company has not generated revenues from operations. The Company has financed its operations primarily through the issuance of common shares and short-term loans. The Company continues to seek capital through various means including the issuance of equity and/or debt. These material uncertainties cast substantial doubt as to the ability of the Company to meet its obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern. These consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Any such adjustments may be material.

In order to continue as a going concern and to meet its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

#### **Statement of compliance**

These consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The financial statements are presented in Canadian dollars, which is also the Company's functional currency.

## FOREMOST LITHIUM RESOURCE & TECHNOLOGY LTD.

Notes to the Consolidated Financial Statements

March 31, 2024, 2023 and 2022

(Expressed in Canadian Dollars)

### 2. BASIS OF PRESENTATION

#### a) Basis of measurement

They have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss or fair value through other comprehensive loss, which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The policies applied in these consolidated financial statements are based on IFRS issued and effective as of March 31, 2024. The Board of Directors approved these consolidated financial statements for issue on June 20, 2024.

#### b) Principles of consolidation

These consolidated financial statements include the financial statements of the Company and the entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant intercompany transactions and balances have been eliminated.

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries listed in the following table:

	Country of Incorporation	Principal Activity
Sierra Gold & Silver Ltd	USA	Holding Company
Sequoia Gold & Silver Ltd. (i)	Canada	Holding Company

- i) Due to Sequoia having no value as a Holding Company with no assets, liabilities or equity, the Company decided to dissolve Sequoia which occurred on June 26, 2023.

### 3. MATERIAL ACCOUNTING POLICIES

#### Use of estimates and judgments

The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting periods. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates.

#### Material accounting judgments and critical accounting estimates

Material accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements include, but are not limited to, the following:

#### *Exploration and evaluation assets*

The Company makes certain estimates and assumptions regarding the recoverability of the carrying values of exploration and evaluation assets. These assumptions are changed when conditions exist that indicate the carrying value may be impaired, at which time an impairment loss is recorded.

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Notes to the Consolidated Financial Statements

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### 3. MATERIAL ACCOUNTING POLICIES (Continued)

#### *Decommissioning liabilities*

The Company recognizes the liability for statutory, contractual, constructive or legal obligations, including those associated with the reclamation of mineral properties, when those obligations result from the exploration or development of its properties. The Company assesses its provision for site reclamation on an ongoing basis. Significant estimates and assumptions are made in determining the provision for site reclamation, as there are numerous factors that will affect the ultimate liability payable. These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases as compared to inflation rates, and discount rates. Those uncertainties may result in future actual expenditures differing from the amounts currently provided.

#### *Contingencies*

Contingencies by their nature, will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

#### *Going concern*

The assumption that the Company will be able to continue as a going concern is subject to critical judgments of management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investing and financing activities, and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumption could be inappropriate.

#### *Share-based payments*

Share-based payments are subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Because the Company's stock options have characteristics significantly different from those of traded options and because the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

#### *Income taxes*

The determination of income tax is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for income taxes. Management reassesses at reporting periods the likelihood of taxable income in future periods in order to determine whether to recognize any deferred tax assets.

#### **Foreign currency translation**

The functional currency for the Company and its subsidiaries is the currency of the primary economic environment in which the entity operates. Transactions in foreign currencies are translated to the functional currency of the entity at the exchange rate in existence at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated at the period end date exchange rates.

The functional currency of the parent entity and its subsidiaries is the Canadian dollar, which is also the presentation currency of the consolidated financial statements.

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### 3. MATERIAL ACCOUNTING POLICIES (Continued)

#### Financial instruments

IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments and the contractual cash flow characteristics of the financial asset.

The classification of debt instruments is driven by the business model for managing the financial assets, liabilities and their contractual cash flow characteristics. Debt instruments are measured at amortized cost if the business model is to hold the instrument for collection of contractual cash flows and those cash flows are solely principal and interest.

If the business model is not to hold the debt instrument, it is classified as fair value through profit or loss ("FVTPL"). Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

The Company classifies its financial assets into one of the categories described below, depending on the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition.

Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL, and on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at fair value through other comprehensive income ("FVTOCI").

FVTPL - Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of income (loss) and comprehensive income (loss). Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the statement of income (loss) and comprehensive income (loss) in the period in which they arise. Derivatives are also categorized as FVTPL unless they are designated as hedges.

FVTOCI - Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets at amortized cost - A financial asset is measured at amortized cost using the effective interest method if the objective of the business model is to hold the financial asset for the collection of contractual cash flows and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or noncurrent assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

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### 3. MATERIAL ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

The following table shows the classification and measurement of the Company's financial instruments under IFRS 9:

Financial assets/liabilities	Classification and measurement
Cash	at amortized cost
Long-term investment	at FVTPL
Net investment in sublease	at amortized cost
Accounts payable and accrued liabilities	at amortized cost
Lease obligation	at amortized cost
Short-term loans payable	at amortized cost
Long-term loans payable	at amortized cost
Derivative liability	at FVTPL

Financial liabilities other than derivative liabilities are recognized initially at fair value and are subsequently stated at amortized cost. Transaction costs on financial assets and liabilities other than those classified at FVTPL are treated as part of the carrying value of the asset or liability. Transaction costs for assets and liabilities at FVTPL are expensed as incurred.

A financial asset is derecognized when the contractual right to the asset's cash flows expire or if the Company transfers the financial asset and substantially all risks and rewards of ownership to another entity.

The Company derecognizes a financial liability when its obligations are discharged, cancelled or expired.

#### Impairment of financial assets at amortized cost

The Company recognizes the expected credit losses ("ECL") model on a forward-looking basis on financial assets that are measured at amortized cost, contract assets and debt instruments carried at FVTOCI.

At each reporting date, the Company measures the ECL for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the ECL for the financial asset at an amount equal to twelve month expected credit losses. The Company applies the simplified method and measures a loss allowance equal to the lifetime expected credit losses for trade receivables.

The Company recognizes in profit and loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized. The loss allowance was \$Nil as at March 31, 2024.

#### Government grants

Government grants are recognized when there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the period the expense costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the cost of the asset is reduced by the amount of the grant and the grant is recognized as a reduced depreciation expense over the expected useful life of the asset.



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### 3. MATERIAL ACCOUNTING POLICIES (Continued)

#### **Mineral properties - exploration and evaluation assets**

##### *Pre-exploration costs*

Pre-exploration costs are expensed in the year in which they are incurred.

##### *Exploration and evaluation expenditures*

Once the legal right to explore a property has been acquired, all costs related to the acquisition, exploration and evaluation of the property are capitalized. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors, and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to profit or loss.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

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

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

Exploration and evaluation assets are classified as intangible assets.

The Company enters into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transferee to meet certain exploration and evaluation expenditures which would have otherwise been undertaken by the Company. The Company does not record any expenditures made by the farmee on its behalf. Any cash or other consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess consideration accounted for as a gain on disposal.

The Company accounts for mining tax credits as a reduction to capitalized exploration costs when there is reasonable assurance of receipt.

#### **Provision for environmental rehabilitation**

The Company recognizes liabilities for legal or constructive obligations associated with the retirement of exploration and evaluation assets and equipment. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision.

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### 3. MATERIAL ACCOUNTING POLICIES (Continued)

#### Mineral properties - exploration and evaluation assets (Continued)

Decommissioning obligations:

The Company's activities may give rise to dismantling, decommissioning and site disturbance re-mediation activities. A provision is made for the estimated cost of site restoration and capitalized in the relevant asset category.

Decommissioning obligations are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. Subsequent to the initial measurement, the obligation is adjusted at the end of each period to reflect the passage of time and changes in the estimated future cash flows underlying the obligation. The increase in the provision due to the passage of time is recognized as finance costs whereas increases due to changes in the estimated future cash flows are capitalized. Actual costs incurred upon settlement of the decommissioning obligations are charged against the provision to the extent the provision was established.

#### Impairment of non-financial assets

At the end of each reporting period the carrying amounts of the Company's long-lived assets, including mineral property interests, are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

#### Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affects neither accounting nor taxable loss, or differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

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### **3. MATERIAL ACCOUNTING POLICIES (Continued)**

#### **Earnings (loss) per share**

The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method, the dilutive effect on loss per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the year. For the year ended March 31, 2024, Nil (2023 – 141,118; 2022 – 239,300) stock options & performance stock options, Nil (2023 – 18,584; 2022 – 281,344) warrants and Nil (2023 - Nil; 2022 – 250,000) performance share units were not included in the calculation of dilutive earnings (loss) per share as their inclusion was anti-dilutive.

Basic earnings (loss) per share is calculated using the weighted average number of common shares outstanding during the year.

#### **Share-based payments**

The Company grants stock options and Performance Share Units (“PSU’s”) to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized in share-based payment reserve over the vesting period. Consideration paid for the shares along with the fair value recorded in share-based payment reserve on the exercise of stock options is credited to capital stock. When vested options are cancelled, forfeited, or are not exercised by the expiry date, the amount previously recognized in share-based payment reserve is transferred to deficit. The Company estimates a forfeiture rate and adjusts the corresponding expense each period based on an updated forfeiture estimate.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received. Where the terms and conditions of options are modified, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

For performance share units and stock options with vesting containing a market condition, the grant date fair value is measured using the Monte Carlo model to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The expense recognized for performance-based stock-based compensation instruments is based on an estimation of the probability of achieving the market condition and the timing of the achieving of the market condition, which involves significant judgement. The fair value is recognized straight line over the life of the performance share units or stock options which vest based on a market condition. Upon achieving a market condition, the awards shall vest and any unvested fair value related to the vested awards will be accelerated and recognized.

#### **Share issue costs**

Share issue costs are deferred and charged directly to capital stock on completion of the related financing. If the financing is not completed, share issue costs are charged to operations. Costs directly identifiable with the raising of capital will be charged against the related capital stock.

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### **3. MATERIAL ACCOUNTING POLICIES (Continued)**

#### **Valuation of equity units issued in private placements**

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. Any fair value attributed to the warrants is recorded as reserves.

#### **Flow-through shares**

Canadian Income Tax legislation permits an enterprise to issue securities referred to as flow-through shares, whereby the investor can claim the tax deductions arising from the renunciation of the related resource expenditures. The Company accounts for flow-through shares whereby the premium paid for the flow-through shares in excess of the market value of the shares without flow-through features at the time of issue is credited to other liabilities and included in profit or loss at the same time the qualifying expenditures are made.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period under the regular method. Under the “Look-back” rule, the proceeds that were received in the year and not spent by December 31 of the same year were renounced under the “Look-back” rule and need to be spent by December 31 of the following year.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the “Look-back” Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

#### **New accounting standards issued and effective**

A number of new standards, and amendments to standards and interpretations, are not effective and have not been early adopted in preparing these condensed interim consolidated financial statements. The following accounting standards and amendments are effective for reporting periods beginning on or after January 1, 2024:

Classification of Liabilities as Current or Non-current (Amendments to IAS 1) - The amendments to IAS 1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date.

The adoption of this new accounting standard is not expected to have a material impact on the Company’s condensed interim consolidated financial statements.

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### 4. EXPLORATION AND EVALUATION ASSETS

During the years ended March 31, 2024 and 2023, the following expenditures were incurred on the exploration and evaluation of the Company's assets:

	Zoro Property	Grass River Property	Peg North Property	Winston Property	Jean Lake Property	Jol Lithium Property	Lac Simard Property	Total
<b>Acquisition costs</b>								
<b>Balance, March 31, 2023</b>	\$ 1,909,407	\$ 43,500	\$ 200,000	\$ 1,334,548	\$ 150,000	\$ 10,454	\$ -	\$ 3,647,909
Cash	-	1,755	100,000	4,245	50,000	1,276	41,553	198,829
Shares	-	-	100,000	-	50,000	-	85,600	235,600
<b>Balance, March 31, 2024</b>	<b>1,909,407</b>	<b>45,255</b>	<b>400,000</b>	<b>1,338,793</b>	<b>250,000</b>	<b>11,730</b>	<b>127,153</b>	<b>4,082,338</b>
<b>Exploration costs</b>								
<b>Balance, March 31, 2023</b>	4,653,559	596,124	660,472	371,909	2,509,453	38,365	-	8,829,882
Assay	-	-	15,188	-	2,669	-	-	17,857
Geological, consulting, and Other	1,898,973	83,892	173,746	47,324	152,901	7,500	-	2,364,336
Exploration cost recovery	-	-	-	-	(200,000)	-	-	(200,000)
<b>Balance, March 31, 2024</b>	<b>6,552,532</b>	<b>680,016</b>	<b>849,406</b>	<b>419,233</b>	<b>2,465,023</b>	<b>45,865</b>	<b>-</b>	<b>11,012,075</b>
<b>Total Balance – March 31, 2024</b>	<b>\$ 8,461,939</b>	<b>\$ 725,271</b>	<b>\$ 1,249,406</b>	<b>\$ 1,758,026</b>	<b>\$ 2,715,023</b>	<b>\$ 57,595</b>	<b>\$ 127,153</b>	<b>\$ 15,094,413</b>

	Zoro Property	Grass River Property	Peg North Property	Winston Property	Jean Lake Property	Jol Lithium Property	Lac Simard Property	Total
<b>Acquisition costs</b>								
<b>Balance, March 31, 2022</b>	\$ 1,909,407	\$ 40,500	\$ -	\$ 1,200,586	\$ 50,000	\$ -	\$ -	\$ 3,200,493
Cash	-	3,000	100,000	133,962	50,000	8,000	-	294,962
Shares	-	-	100,000	-	50,000	2,454	-	152,454
<b>Balance, March 31, 2023</b>	<b>1,909,407</b>	<b>43,500</b>	<b>200,000</b>	<b>1,334,548</b>	<b>150,000</b>	<b>10,454</b>	<b>-</b>	<b>3,647,909</b>
<b>Exploration costs</b>								
<b>Balance, March 31, 2022</b>	3,402,511	-	-	244,216	343,902	-	-	3,990,629
Assay	805	-	-	-	496	-	-	1,301
Drilling	29,084	-	-	-	-	-	-	29,084
Geological, consulting, and Other	780,155	412,874	498,213	127,693	1,397,541	38,365	-	3,254,841
Helicopter	441,004	183,250	162,259	-	1,067,514	-	-	1,854,027
Exploration cost recovery	-	-	-	-	(300,000)	-	-	(300,000)
<b>Balance, March 31, 2023</b>	<b>4,653,559</b>	<b>596,124</b>	<b>660,472</b>	<b>371,909</b>	<b>2,509,453</b>	<b>38,365</b>	<b>-</b>	<b>8,829,882</b>
<b>Total Balance – March 31, 2023</b>	<b>\$ 6,562,966</b>	<b>\$ 639,624</b>	<b>\$ 860,472</b>	<b>\$ 1,706,457</b>	<b>\$ 2,659,453</b>	<b>\$ 48,819</b>	<b>\$ -</b>	<b>\$ 12,477,791</b>

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### 4. EXPLORATION AND EVALUATION ASSETS (Continued)

	Zoro Property	Grass River Property	Peg North Property	Winston Property	Jean Lake Property	Jol Lithium Property	Lac Simard Property	Total
<b>Acquisition costs</b>								
<b>Balance, March 31, 2021</b>	\$ 1,764,444	\$ -	\$ -	\$ 1,121,057	\$ -	\$ -	\$ -	\$ 2,885,501
Cash	75,000	40,500	-	79,529	25,000	-	-	220,029
Shares	69,963	-	-	-	25,000	-	-	94,963
<b>Balance, March 31, 2022</b>	<b>1,909,407</b>	<b>40,500</b>	<b>-</b>	<b>1,200,586</b>	<b>50,000</b>	<b>-</b>	<b>-</b>	<b>3,200,493</b>
<b>Exploration costs</b>								
<b>Balance, March 31, 2021</b>	<b>3,203,419</b>	-	-	<b>174,732</b>	-	-	-	3,378,151
Assay	1,216	-	-	4,712	-	-	-	5,928
Drilling	150,633	-	-	-	-	-	-	150,633
Geological, consulting, and Other	47,243	-	-	64,772	268,512	-	-	380,527
Helicopter	-	-	-	-	275,390	-	-	275,390
Exploration cost recovery	-	-	-	-	(200,000)	-	-	(200,000)
<b>Balance, March 31, 2022</b>	<b>3,402,511</b>	<b>-</b>	<b>-</b>	<b>244,216</b>	<b>343,902</b>	<b>-</b>	<b>-</b>	<b>3,990,629</b>
<b>Total Balance – March 31, 2022</b>	<b>\$ 5,311,918</b>	<b>\$ 40,500</b>	<b>\$ -</b>	<b>\$ 1,444,802</b>	<b>\$ 393,902</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,191,122</b>

#### Zoro Property

##### Zoro I Agreement

On April 28, 2017, the Company earned a 100% interest in the Zoro I Claim in the Snow Lake area in Manitoba by paying a total of \$150,000 in cash and by issuing \$635,000 in shares (140,000 shares issued).

In addition, during the year ended March 31, 2017, the Company issued 20,000 common shares to an arm's length party at a fair value of \$135,000 as a finder's fee on the Zoro I Claim option agreement.

##### Strider Agreement

On August 19, 2019 the Company earned a 100% interest in and to all lithium-bearing pegmatites and lithium related minerals in the Zoro North property located near Snow Lake, Manitoba, subject to a 2% net smelter return royalty ("NSR"), by paying a total of \$250,000 in cash, by issuing \$250,000 in shares (52,656 shares issued) and by incurring \$1,000,000 in exploration expenditures.

The Company can acquire an undivided 50% interest in the NSR, being one-half of the NSR or a 1% NSR, by making a \$1,000,000 cash payment, together with all accrued but unpaid NSR at the time, prior to the commencement of commercial production on this property.

During the option period, the Company will be solely responsible for carrying out and administering all exploration, development and mining work on the property and for maintaining the property in good standing.

##### Green Bay Agreement

On September 13, 2019, the Company earned a 100% interest in and to all lithium-bearing pegmatites and lithium related minerals in the Green Bay Claims in Manitoba by paying \$250,000 in cash and by issuing \$250,000 in shares (54,494 shares issued).

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### 4. EXPLORATION AND EVALUATION ASSETS (Continued)

#### Green Bay Agreement (Continued)

The property is subject to a 2% NSR. The Company can acquire an undivided 50% interest in the NSR, being one-half of the NSR or a 1% NSR, from Strider Resources Limited (“Strider”), by making a \$1,000,000 cash payment to Strider, together with all accrued but unpaid NSR at the time, prior to the commencement of commercial production on the property.

During the option period, the Company is responsible for carrying out and administering all exploration, development and mining work on the property and for maintaining the property in good standing.

#### **Grass River Property**

During the year ended March 31, 2022, the Company staked claims on the Grass River Property in the Snow Lake area of Manitoba for \$40,500. During the year ended March 31, 2023, the Company staked additional claims on the Grass River Property for \$3,000. During the year ended March 31, 2024, the Company staked additional claims on the Grass River Property for \$1,755.

#### **Peg North Property**

During the year ended March 31, 2023, the Company entered into an option agreement to acquire a 100% interest in the Peg North claims located in the Snow Lake mining district in Manitoba upon completion of the following:

- a) cash payments of \$750,000 as follows:
  - i) a cash payment of \$100,000 on or before June 23, 2022 (paid);
  - ii) a cash payment of \$100,000 on or before June 28, 2023 (paid);
  - iii) a cash payment of \$100,000 on or before June 28, 2024 (paid on June 11, 2024);
  - iv) a cash payment of \$150,000 on or before June 28, 2025;
  - v) a cash payment of \$150,000 on or before June 28, 2026;
  - vi) a cash payment of \$150,000 on or before June 28, 2027; and
  
- b) the issuance of \$750,000 in shares of the Company as follows:
  - ii) the issuance of \$100,000 in common shares on or before June 23, 2022 (issued 10,526 shares);
  - iii) the issuance of \$100,000 in common shares on or before June 9, 2023 (issued 13,072 shares);
  - iv) the issuance of \$100,000 in common shares on or before June 28, 2024 (issued 28,818 shares June 12, 2024);
  - v) the issuance of \$150,000 in common shares on or before June 28, 2025;
  - vi) the issuance of \$150,000 in common shares on or before June 28, 2026;
  - vii) the issuance of \$150,000 in common shares on or before June 28, 2027; and
  
- c) Incurring exploration expenditures totaling \$3,000,000 (incurred \$849,406 as at March 31, 2024; incurring \$660,427 as at March 31, 2023) due on or before June 9, 2027.

The property is subject to a 2% NSR. Pursuant to a second agreement entered into during the year ended March 31, 2023, the Company can make a one-time \$1,500,000 payment to repurchase 1% of the NSR once the 100% interest has been earned.

#### **Hidden Lake Property**

During the year ended March 31, 2023, the Company sold its 60% interest in the Hidden Lake Project in Yellowknife, NWT for \$3,500,000, which was previously written off resulting in a gain on sale of property of \$3,500,000.

## FOREMOST LITHIUM RESOURCE & TECHNOLOGY LTD.

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### 4. EXPLORATION AND EVALUATION ASSETS (Continued)

#### Winston Property

In October 2014, the Company entered into an option agreement with Redline Minerals Inc. and its US subsidiaries (collectively, the “Optionors”) to acquire up to an 80% interest in 102 unpatented lode mining claims in the Winston Property, in addition to the four Little Granite Gold Claims (“Little Granite”) and Ivanhoe and Emporia claims (“Ivanhoe/Emporia”). In April 2017, the Company, through its US subsidiary Sierra Gold & Silver Ltd., entered into a definitive purchase agreement with the Optionors to acquire all of the Optionors’ rights, title and interest in and to the Winston Property. The terms of this agreement closed on May 17, 2017, thereby extinguishing any remaining obligations to Redline Minerals Inc. and its US subsidiaries. For total consideration of the Little Granite and Ivanhoe/Emporia, the Company paid the Optionors \$240,000 CAD and issued 88,000 Common Shares valued at \$341,500.

#### Ivanhoe/Emporia claims

In accordance with the terms and conditions of the underlying Ivanhoe/Emporia purchase agreement, the Optionors agreed to sell and convey Ivanhoe/Emporia Claims for the purchase price of \$500,000 USD of which US\$361,375 remained due owing to the Robert Howe Educational Trust (“RHET”) upon closing on May 17, 2017. The Buyer agreed to pay RHET a monthly a royalty equal to the greater of the Minimum Monthly Royalty or Production Royalty determined in accordance with the following table:

<b>Ivanhoe / Emporia - Royalty Schedule</b>		
<b>Monthly Average Silver Price/oz</b>	<b>Minimum Monthly Royalty</b>	<b>Production Royalty %</b>
Less than \$5.00	\$125	3%
\$5.00 ~ \$6.99	\$250	4%
\$7.00 ~ \$8.99	\$500	5%
\$9.00 ~ \$10.99	\$1,000	6%
\$11.00 ~ \$14.99	\$1,500	7%
\$15 or greater	\$2,000	8%

All royalty payments made to RHET under the Minimum Monthly Royalty or Production Royalty of the agreement will be credited upon the purchase price. As of March 31, 2024, past payments totaling \$201,535 USD have been applied against the \$500,000 USD purchase price. The remaining purchase price of \$298,465 USD may be satisfied in the form of ongoing advance royalty payments or lump-sum payment to finalize the property purchase. The accrued minimum monthly royalty payments outstanding as of March 31, 2024, totals US\$222,975 (March 31, 2023 - US\$231,125; March 31, 2022 – US\$207,125). Only the permanent production royalty of 2% of NSR on all ore mined on the Ivanhoe and Emporia lode claims, will remain as an encumbrance after the property has been purchased.

#### Little Granite Claims

In accordance with the terms and conditions of the underlying Little Granite purchase agreement, the Optionors agreed to sell and convey Little Granite for the purchase price of \$500,000 USD of which US\$434,000 remained due owing to the Silver Rose Corporation (“Silver Rose”) upon closing on May 17, 2017. In October 2022, we successfully negotiated the final cash payment required to exercise its option on these Claims down to \$75,000 USD, through the issuance a non-interest-bearing promissory note to the arm’s length vendor during the year ended March 31, 2023. The promissory note was due on October 15, 2023, and was fully paid during the year ended March 31, 2024. The Little Granite Property was acquired for an aggregate consideration of \$186,000 USD, versus aggregate consideration of \$434,000 USD under the original terms. There are no encumbrances on the 4 unpatented Little Granite lode claims.



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### **4. EXPLORATION AND EVALUATION ASSETS (Continued)**

#### **Jean Lake Property**

On July 30, 2021, the Company entered into an option agreement with Mount Morgan Resources Ltd. to acquire a 100% interest in the Jean Lake lithium-gold project located in Manitoba.

The option agreement provides that in order for the Company to earn a 100% interest in the project it is required to make the following cash payments and share issuances to Mount Morgan Resources Ltd. and incur the following project exploration expenditures as follows:

- a) pay \$25,000 in cash (paid) and issue common shares of the Company having a value of \$25,000 (5,000 shares issued) on or before August 1, 2021;
- b) pay \$50,000 in cash (paid), issue \$50,000 in common shares (6,704 shares issued) and incur \$50,000 in exploration expenditures (incurred) on or before July 30, 2022;
- c) pay \$50,000 in cash (paid), issue \$50,000 in common shares (6,128 shares issued) and incur \$100,000 (accumulated) in exploration expenditures (incurred) by July 30, 2023;
- d) pay \$50,000 in cash, issue \$50,000 in common shares and incur \$150,000 (accumulated) in exploration expenditures (incurred) by July 30, 2024; and
- e) pay \$75,000 in cash, issue \$75,000 in common shares and incur \$200,000 (accumulated) in exploration expenditures (incurred) by July 30, 2025.

Once the Company earns the interest, the Company will grant a 2% NSR to Mount Morgan Resources Ltd. The NSR may be reduced to 1% by the Company's payment of \$1,000,000 to the NSR holder.

During the year ended March 31, 2022, the Company entered into an agreement with the Manitoba Government to receive a grant of \$300,000 for exploration work on the Jean Lake and Zoro Lithium properties and received \$200,000 during the year ended March 31, 2022, and \$100,000 during the year ended March 31, 2023.

During the year ended March 31, 2023, the Company entered into an agreement with the Manitoba Government to receive a grant of \$300,000 for exploration work on the Jean Lake and Zoro Lithium properties and received \$200,000 during the year ended March 31, 2023. The remaining \$100,000 was received during the year ended March 31, 2024. During the year ended March 31, 2024, the Company entered into an agreement with the Manitoba Government to receive a grant of \$300,000 for exploration work on the Jean Lake and Zoro Lithium properties and received \$100,000 during the year ended March 31, 2024. The remaining \$200,000 was received subsequent to the year ended March 31, 2024.

#### **Lac Simard Property**

During the year ended March 31, 2024, the Company entered into an agreement, and earned a 100% interest in, the Lac Simard South property located in Quebec by paying \$35,000 (paid) and issuing 10,700 common shares (issued and valued at \$85,600). Additional costs included transfer fees of \$6,553. The Company also has additional mineral claims within the area of this property.

#### **Jol Lithium Property**

During the year ended March 31, 2023, the Company entered into an agreement and acquired a 100% interest in the MB3530 claim located in the Snow Lake area of Manitoba. To earn the interest, the Company paid \$8,000 and issued \$2,454 in shares (364 shares issued). During the year, the Company incurred \$1,276 in filing of claim fees. The property is subject to a 2% NSR.

**FOREMOST LITHIUM RESOURCE & TECHNOLOGY LTD.**

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**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

Accounts payables and accrued liabilities for the Company are broken down as follows:

	March 31, 2024	March 31, 2023	March 31, 2022
Trade payables	\$ 1,101,757	\$ 884,741	\$ 603,002
Advance royalty payable	301,967	313,001	261,685
Accrued liabilities	91,484	311,004	68,778
Due to related parties (Note 9)	86,980	112,975	99,027
Trade payables	\$ 1,582,188	\$ 1,621,721	\$ 1,032,492

During the year ended March 31, 2023, the Company wrote-off \$Nil (2023 - \$184,813; 2022 - \$NIL) of accounts payable resulting in a gain on forgiveness of debt of \$Nil (2023 - \$184,813; 2022 - \$Nil). In addition, during the year ended March 31, 2024, the Company recorded a \$Nil (2023 - \$Nil; 2022 - \$93,658 loss on forgiveness of debt, by issuing 20,000 common shares valued at \$380,000 to settle \$279,644 of debt with a non-related party and recorded \$100,356 as loss on the settlement and a gain on forgiveness of debt in the amount of \$6,668).

**6. TERM LOANS PAYABLE**

	March 31, 2024	March 31, 2023	March 31, 2022
Loan payable on demand, unsecured with no interest and no fixed term	\$ -	\$ -	\$ 2,500
Loan payable on demand, unsecured with 10% interest per annum and no fixed term	5,000	5,000	5,000
Loan payable on May 10, 2024, secured, with 11.35% interest per annum	1,133,520	1,143,998	-
US \$50,000 promissory note, repaid during the current period	-	67,717	-
Total payable	\$ 1,138,520	1,216,715	7,500
Short-term portion	1,138,520	1,216,715	7,500
Long-term portion	\$ -	-	-

During the year ended March 31, 2023, the Company entered into a loan agreement with a related party to borrow \$1,145,520, inclusive of a prior advance of \$145,520 (collectively, the "Loan"), included in short-term loans payable, with Jason Barnard, CEO, and Christina Barnard, COO, of the Company. The Loan accrues interest at a rate of 11.35% (amended on May 1, 2023 from 8.35%), payable monthly, and matures on May 10, 2025 (amended on May 1, 2023 from May 10, 2023 to May 10, 2024, and then further amended on April 26, 2024 from May 10, 2024 to May 10, 2025). The Loan is secured against all of the assets of the Company. The Company incurred and paid an aggregate of \$126,606 (2023 - \$88,000; 2022 - \$NIL) in interest on the Loan during the year ended March 31, 2024. During the year ended March 31, 2023, the Company wrote off a loan of \$2,500.

**7. LOANS PAYABLE**

During the year ended March 31, 2021, the Company received a loan of \$40,000 from the Canada Emergency Business Account to provide emergency support to businesses due to the impact of COVID-19. The loan is non-interest bearing until December 31, 2023, after which it will incur interest at 5% per annum. During the year ended March 31, 2024, the Company repaid \$30,000 and recorded the remaining \$10,000 as gain on forgiveness of debt in the Consolidated Statements of (Loss) Income and Comprehensive (Loss) Income as the balance was forgiven.

## FOREMOST LITHIUM RESOURCE & TECHNOLOGY LTD.

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### 8. CAPITAL STOCK AND RESERVES

#### Authorized capital stock

Unlimited number of common shares without par value

#### Issued capital stock

All issued shares are fully paid.

#### During the year ended March 31, 2024, the Company:

- a) closed an underwritten public offering in the United States (the “Offering”). The Company sold 800,000 units, each consisting of one common share and one warrant to purchase one common share, at a public offering price of \$6.77 (USD \$5.00) per unit. The warrants are exercisable into common shares at a price of USD \$6.25 for five years. As the warrants are denominated in a currency other than the functional currency, the Company recognized a derivative liability valued at \$823,597 associated with the warrants. As at March 31, 2024, the Company revalued the derivative liability at \$656,946 resulting in an unrealized gain on change in fair value of warrants of \$166,651 through profit or loss for the period ended March 31, 2024. It was estimated using a Level 1 fair value measurement. The aggregate gross proceeds to the Company from the Offering were \$5,418,400 (USD \$4,000,000), before deducting underwriting discounts of \$387,416 (USD \$286,000) and offering expenses. The Company also issued 40,000 underwriter’s warrants (valued at \$270,400). All securities issued are free from any resale restrictions under applicable Canadian and United States securities laws. The common shares and unit warrants sold in the Offering began trading on NASDAQ under the symbols FMST and FMSTW, respectively, on August 22, 2023;
- b) closed Tranche 1 of 2 (see Note 14) on a non-brokered private placement issuing 188,651 flow-through units consisting of one flow-through common share and one non-flow-through share purchase warrant at \$5.88 per unit for gross proceeds of \$1,109,268 and 152,941 non-flow-through units consisting of one non-flow-through common share and one non-flow-through share purchase warrant at \$3.40 per unit for gross proceeds of \$520,000. The warrants are exercisable into common shares at a price of \$4.00 until March 13, 2026. The Warrants will be subject to an accelerated expiry, if, at any time following the date of issuance, the volume weighted average trading price of the Shares on the Canadian Securities Exchange is or exceeds \$6.00 for any 14 consecutive trading days, the Company may elect to accelerate the expiry date of the Warrants and NFT Warrants by giving notice to the holders, by way of a news release, that the Warrants and NFT Warrants will expire 30 calendar days following the date of such notice. In connection with the first tranche closing, cash finder’s fees of \$11,134 were paid on the financings and the Company issued 3,274 share purchase finders warrants (valued at \$9,700). Each Finder’s warrant entitles the holder to purchase one common share at a price of \$3.40 for a two-year period. All of the securities issued under the first tranche of the Offering will be subject to a hold period of four months and one day from the date of issuance expiring on July 14, 2024. A value of \$20,143 was attributed to the flow-through premium liability and \$377,911 was allocated to reserves in connection with the financing. The Company is committed to incur a total of \$1,109,268 of qualifying Canadian Exploration Expenses (“CEE”) on or before December 31, 2025. As at March 31, 2024, the Company has spent \$852,045 in qualifying CEE.
- c) issued 10,700 common shares at a value of \$85,600 as part of the acquisition payments for the Lac Simard South option agreement (see Note 4);
- d) issued 13,072 common shares at a value of \$100,000 as part of the acquisition payments for the Peg North option agreement (see Note 4);
- e) issued 6,128 common shares at a value of \$50,000 as part of the acquisition payments for the Jean Lake option agreement (see Note 4);
- f) issued 30,900 common shares at a value of \$187,872 to a non-related consulting firm for services; and

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### 8. CAPITAL STOCK AND RESERVES (Continued)

- g) issued 36,000 common shares upon exercise of options for gross proceeds of \$131,400, resulting in a reallocation of share-based reserves of \$53,400 from reserves to share capital. The weighted average share price on the date of the option exercises was \$4.95.

#### During the year ended March 31, 2023, the Company:

- a) issued 13,000 common shares upon exercise of options for gross proceeds of \$77,750, resulting in a reallocation of share-based reserves of \$78,528 from reserves to share capital.
- b) issued 212,750 common shares upon exercise of warrants for gross proceeds of \$1,059,017.
- c) issued 10,526 common shares at a value of \$100,000 as part of the acquisition payments for the Peg North Option Agreement (see Note 4).
- d) issued 364 common shares at a value of \$2,454 as part of the acquisition payments for the Jol Lithium Option Agreement (see Note 4).
- e) closed a non-brokered private placement of 97,753 flow-through common shares at \$17.00 per common shares for gross proceeds of \$1,661,807. Cash finder's fees of \$99,624 were paid on the financings and the Company issued 5,765 share purchase finders warrants (valued at \$22,000). Each finders warrant entitles the holder to purchase one common share at a price of \$10.00 for a two-year period. A value of \$977,534 was attributed to the flow-through premium liability in connection with the financing. As at March 31, 2023, the Company has fulfilled \$1,661,807 of the flow-through exploration commitments.
- f) issued 6,705 common shares at a value of \$50,000 as part of the acquisition payments for the Jean Lake Option Agreement (see Note 4).
- g) issued 20,000 common shares valued at \$355,000 pursuant to a PSU redemption to a related party.

#### During the year ended March 31, 2022, the Company:

- a) issued 186,700 common shares upon exercise of options for gross proceeds of \$850,575. The weighted average share price on the date of the option exercises was \$12.
- b) issued 155,134 common shares upon exercise of warrants for gross proceeds of \$741,889.
- c) closed a non-brokered private placement of 40,166 units at \$8.50 per unit for gross proceeds of \$341,415. Each unit consists of one common share and one share purchase warrant. The warrant entitles the holder to purchase one additional common share for a period of 18 months at a price of \$12.50 per share.
- d) issued 5,000 common shares at a value of \$25,000 as part of the acquisition payments for the Jean Lake Option Agreement (see Note 6).
- e) issued 11,194 common shares at a value of \$69,963 as part of the acquisition payments for the Zoro North Option Agreement (see Note 6).
- f) closed a non-brokered private placement of 47,800 units at \$5.25 per unit for gross proceeds of \$250,950. Each unit consists of one common share and one share purchase warrant. The warrant entitles the holder to purchase one additional common share for a period of 24 months at a price of \$6.50 per share.
- g) issued 8,178 common shares valued at \$42,933 to settle \$42,933 of services with a non-related party.
- h) issued 20,000 common shares valued at \$380,000 to settle \$279,644 of debt with a non-related party and recorded \$100,356 as loss on the settlement.
- i) issued 30,000 common shares valued at \$532,500 pursuant to a PSU redemption to a related party.

#### Stock options:

The Company's Stock Option plan allows for the Board to grant stock options to Executives Officers, Directors, employees and consultants up to 10% of the issued and outstanding common stock of the Company.

## FOREMOST LITHIUM RESOURCE & TECHNOLOGY LTD.

Notes to the Consolidated Financial Statements

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### 8. CAPITAL STOCK AND RESERVES (Continued)

#### Stock options: (Continued)

##### During the year ended March 31, 2024, the Company:

- a) granted a stock options for 17,500 shares to a consultant of the Company. The option is exercisable at \$5.65 per share for three years with an estimated fair value of \$60,200 and vests immediately;
- b) granted stock options for an aggregate of 40,000 shares to directors and a consultant of the Company. The options are exercisable at \$6.60 per share for three years with an estimated fair value of \$173,500 and vest immediately;
- c) granted stock options for an aggregate of 85,000 shares to officers of the Company. The options are exercisable at \$6.60 per share for five years with an estimated fair value of \$445,500 and vest immediately;
- d) granted a stock option for 36,000 shares to a consultant of the Company. The option is exercisable at \$3.65 per share for one year with an estimated fair value of \$53,400 and vests immediately;
- e) granted a stock option for 20,000 shares to a director of the Company. The option is exercisable at \$5.47 per share for three years with an estimated fair value of \$75,500 and vests immediately;
- f) granted a stock option for 20,000 shares to an officer of the Company. The option is exercisable at \$3.98 per share for five years with an estimated fair value of \$66,600 and vests immediately;
- g) granted a stock option for 20,000 shares to a consultant of the Company. The option is exercisable at \$3.30 per share for two years with an estimated fair value of \$66,600 and vests immediately;
- h) had 36,000 stock options exercised by issuing 36,000 shares for proceeds of \$131,400; and
- i) had 80,300 stock options that expired or were forfeited, resulting in a reallocation of share-based reserves of \$860,158 from reserves to deficit.

##### During the year ended March 31, 2023, the Company:

- a) granted a stock option for 20,000 shares to a consultant of the Company. The option is exercisable at \$12.75 per share for three years with an estimated fair value of \$198,300 and vests immediately;
- b) granted a stock option for 8,000 shares to a consultant of the Company. The option is exercisable at \$13.75 per share for three years with an estimated fair value of \$83,200 and vests immediately;
- c) granted a stock option for 62,000 shares to a consultant of the Company. The option is exercisable at \$9.00 per share for three years with an estimated fair value of \$395,600 and vests immediately;
- d) granted stock options for 31,000 shares to a consultant of the Company. The options are exercisable at \$9.50 per share for two years with an estimated fair value of \$208,600 and vest immediately;
- e) had 13,000 stock options exercised by issuing 13,000 shares for proceeds of \$77,750; and
- f) had 121,000 stock options that expired or were forfeited, resulting in a reallocation of share-based reserves of \$891,400 from reserves to deficit.

##### During the year ended March 31, 2022, the Company:

- a) granted 5,000 stock options to consultants of the Company. The options are exercisable at \$5.25 per option for five years with an estimated fair value of \$21,500 and vest immediately.
- b) granted 10,000 stock options to consultants of the Company. The options are exercisable at \$7.50 per option for five years with an estimated fair value of \$66,100 and vest immediately.
- c) granted 6,000 stock options to consultants of the Company. The options are exercisable at \$12.50 per option for five years with an estimated fair value of \$61,600 and vest immediately.
- d) reinstated 4,000 options previously forfeited.
- e) granted 110,000 stock options to consultants of the Company. The options are exercisable at \$14.25 per option for one year with an estimated fair value of \$666,100 and vest immediately.
- f) granted 10,000 stock options to a consultant of the Company. The options are exercisable at \$20.50 per option for five years with an estimated fair value of \$163,700 and vest immediately.

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### 8. CAPITAL STOCK AND RESERVES (Continued)

#### Stock options: (Continued)

- g) granted 20,000 stock options to a consultant of the Company. The options are exercisable at \$17.50 per option for five years with an estimated fair value of \$285,300 and vest immediately.
- h) granted 15,000 stock options to a consultant of the Company. The options are exercisable at \$16.50 per option for two years with an estimated fair value of \$150,400 and vest immediately.
- i) granted 4,000 stock options to a consultant of the Company. The options are exercisable at \$15.50 per option for three years with an estimated fair value of \$46,600 and will vest 100% on December 8, 2022. For the year ended March 31, 2022, the Company recorded \$3,897 as share-based compensation. For the year ended March 31, 2023, the Company recorded \$42,702 as share-based compensation.

Stock option transactions for the year ended March 31, 2024, are summarized as follows:

Expiry Date	Exercise Price	Balance March 31, 2023	Granted	Exercised	Forfeited / Expired	Balance March 31, 2024	Exercisable
March 1, 2024	\$ 16.50	15,000	-	-	(15,000)	-	-
November 14, 2024	\$ 3.65	-	36,000	(36,000)	-	-	-
March 8, 2025	\$ 15.50	4,000	-	-	-	4,000	4,000
September 2, 2025	\$ 12.75	20,000	-	-	-	20,000	20,000
September 6, 2025	\$ 13.75	8,000	-	-	-	8,000	8,000
November 20, 2025	\$ 4.00	6,000	-	-	-	6,000	6,000
December 2, 2025	\$ 9.00	62,000	-	-	-	62,000	62,000
December 13, 2025	\$ 9.50	31,000	-	-	(10,000)	21,000	21,000
January 15, 2026	\$ 7.25	35,300	-	-	(35,300)	-	-
March 26, 2026	\$ 3.30	-	20,000	-	-	20,000	20,000
August 25, 2026	\$ 5.65	-	17,500	-	-	17,500	17,500
September 6, 2026	\$ 6.60	-	40,000	-	-	40,000	40,000
November 1, 2026	\$ 7.50	10,000	-	-	-	10,000	10,000
December 4, 2026	\$ 5.47	-	20,000	-	-	20,000	20,000
February 16, 2027	\$ 17.50	20,000	-	-	(20,000)	-	-
September 6, 2028	\$ 6.60	-	85,000	-	-	85,000	85,000
February 15, 2029	\$ 3.98	-	20,000	-	-	20,000	20,000
	\$ -	-	-	-	-	-	-
<b>Total</b>		<b>211,300</b>	<b>238,500</b>	<b>(36,000)</b>	<b>(80,300)</b>	<b>333,500</b>	<b>333,500</b>
<b>Weighted average exercise price</b>		\$ 10.81	\$ 5.87	\$ 4.70	\$ 9.95	\$ 7.38	\$ 7.38
<b>Weighted average remaining life (years)</b>		\$ 2.57				2.61	

The average market price of the 36,000 options exercised was \$4.95 per share.

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### 8. CAPITAL STOCK AND RESERVES (Continued)

#### Stock options (Continued):

Stock option transactions for the year ended March 31, 2023, are summarized as follows:

Expiry Date	Exercise Price	Balance March 31, 2022	Granted	Exercised	Forfeited / Expired	Balance March 31, 2023	Exercisable
January 4, 2023	\$ 14.25	105,000	-	-	(105,000)	-	-
March 1, 2024	\$ 16.50	15,000	-	-	-	15,000	15,000
March 8, 2025	\$ 15.50	4,000	-	-	-	4,000	4,000
September 2, 2025	\$ 12.75	-	20,000	-	-	20,000	20,000
September 6, 2025	\$ 13.75	-	8,000	-	-	8,000	8,000
November 20, 2025	\$ 4.00	8,000	-	(2,000)	-	6,000	6,000
December 2, 2025	\$ 9.00	-	62,000	-	-	62,000	62,000
December 13, 2025	\$ 9.50	-	31,000	-	-	31,000	31,000
January 15, 2026	\$ 7.25	41,300	-	(6,000)	-	35,300	35,300
October 21, 2026	\$ 5.25	5,000	-	(5,000)	-	-	-
November 1, 2026	\$ 7.50	10,000	-	-	-	10,000	10,000
December 3, 2026	\$ 12.50	6,000	-	-	(6,000)	-	-
January 17, 2027	\$ 20.50	10,000	-	-	(10,000)	-	-
February 16, 2027	\$ 17.50	20,000	-	-	-	20,000	20,000
<b>Total</b>		<b>224,300</b>	<b>121,000</b>	<b>(13,000)</b>	<b>(121,000)</b>	<b>211,300</b>	<b>211,300</b>
<b>Weighted average exercise price</b>		\$ 12.79	\$ 10.06	\$ 5.98	\$ 14.67	\$ 10.81	\$ 10.81
<b>Weighted average remaining life (years)</b>		2.45				2.57	

Stock option transactions for the year ended March 31, 2022, are summarized as follows:

Expiry Date	Exercise Price	Balance March 31, 2021	Granted	Exercised	Forfeited / Expired	Balance March 31, 2022	Exercisable
June 27, 2021	\$ 5.00	5,000	-	-	(5,000)	-	-
January 4, 2023	\$ 14.25	-	110,000	(5,000)	-	105,000	105,000
January 17, 2024	\$ 6.00	-	4,000	(4,000)	-	-	-
March 1, 2024	\$ 16.50	-	15,000	-	-	15,000	15,000
March 8, 2025	\$ 15.50	-	4,000	-	-	4,000	4,000
June 12, 2025	\$ 3.50	39,000	-	(39,000)	-	-	-
November 20, 2025	\$ 4.00	127,000	-	(119,000)	-	8,000	8,000
January 15, 2026	\$ 7.25	61,000	-	(19,700)	-	41,300	41,300
October 21, 2026	\$ 5.25	-	5,000	-	-	5,000	5,000
November 1, 2026	\$ 7.50	-	10,000	-	-	10,000	10,000
December 3, 2026	\$ 12.50	-	6,000	-	-	6,000	6,000
January 17, 2027	\$ 20.50	-	10,000	-	-	10,000	10,000
February 16, 2027	\$ 17.50	-	20,000	-	-	20,000	20,000
<b>Total</b>		<b>232,000</b>	<b>184,000</b>	<b>(186,700)</b>	<b>(5,000)</b>	<b>224,300</b>	<b>224,300</b>
<b>Weighted average exercise price</b>		\$ 4.79	\$ 14.31	\$ 4.56	\$ 5.00	\$ 12.79	\$ 12.79
<b>Weighted average remaining life (years)</b>						2.45	

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### 8. CAPITAL STOCK AND RESERVES (Continued)

#### Stock options (Continued):

The fair value of stock options was calculated using the Black-Scholes option pricing model with the following weighted average assumptions.

	March 31, 2024	March 31, 2023	March 31, 2022
Fair value per option	\$ 5.42	\$ 6.00	\$ 7.50
Exercise price	\$ 5.49	\$ 11.00	\$ 14.50
Expected life (years)	3.50	3.00	2.26
Interest rate	4.17%	3.49%	1.16%
Annualized volatility (based on historical volatility)	108%	118%	114%
Dividend yield	0.00%	0.00%	0.00%

#### Performance Stock Options:

During the year ended March 31, 2022, the Company granted a performance-based stock option for 15,000 common shares to a consultant of the Company. The option is exercisable at \$14.25 per share for two years with an estimated fair value of \$126,297 and vests 100% when the closing share price is \$25.00 or higher for three consecutive trading days. For the year ended March 31, 2024, the Company recorded \$Nil (2023 - \$63,148; 2022 - \$Nil) as share-based compensation. The 15,000 performance-based stock option expired during the year ended March 31, 2024.

Performance stock option transactions for the year ended March 31, 2024, are summarized as follows:

Expiry Date	Exercise Price	Balance March 31, 2023	Granted	Exercised	Forfeited / Expired	Balance March 31, 2024	Exercisable
March 31, 2024	\$ 14.25	15,000	-	-	(15,000)	-	-
<b>Total</b>		<b>15,000</b>	-	-	<b>(15,000)</b>	-	-
Weighted average exercise price		\$ 14.25	\$ -	\$ -	\$ 14.25	\$ -	\$ -
Weighted average remaining life (years)						-	

Performance stock option transactions for the year ended March 31, 2023, are summarized as follows:

Expiry Date	Exercise Price	Balance March 31, 2022	Granted	Exercised	Forfeited / Expired	Balance March 31, 2023	Exercisable
March 31, 2024	\$ 14.25	15,000	-	-	-	15,000	-
<b>Total</b>		<b>15,000</b>	-	-	-	<b>15,000</b>	-
Weighted average exercise price		\$ 14.25	\$ -	\$ -	\$ 14.25	\$ 14.25	\$ -
Weighted average remaining life (years)						1.25	



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### 8. CAPITAL STOCK AND RESERVES (Continued)

#### Performance Stock Options (Continued):

Performance stock option transactions for the year ended March 31, 2022, are summarized as follows:

Expiry Date	Exercise Price	Balance March 31, 2021	Granted	Exercised	Forfeited / Expired	Balance March 31, 2022	Exercisable
March 31, 2024	\$ 14.25	-	15,000	-	-	15,000	-
<b>Total</b>		-	<b>15,000</b>	-	-	<b>15,000</b>	-
<b>Weighted average exercise price</b>		\$ -	\$ 14.25	\$ -	\$ -	\$ 14.25	\$ -
<b>Weighted average remaining life (years)</b>						2	

#### Performance Share Units: (“PSU”)

Effective January 17, 2022, amended September 7, 2022, the Company’s board of directors adopted a performance-based share unit plan (the “PSU Plan”) which reserved a fixed aggregate of 343,391 common shares (being 10% of the Company’s then issued and outstanding common shares”) for issuance upon the redemption of performance-based share award units (each a “PSU”). Under the terms of the PSU Plan, the Company is required to obtain shareholder approval for the PSU Plan within 3 years after its adoption, and at least every three years thereafter. Any PSUs issued are subject to a four month hold from date of issue.

	Number of PSU’s Outstanding	Number of PSU’s Vested	Weighted Average Grant Date Fair Value	Share-based payment reserve
<b>Balance at March 31, 2021</b>	-	-	\$ -	\$ -
PSU’s granted	280,000	-	14.85	1,063,622
PSU’s vesting through the year	-	50,000	17.75	-
PSU’s redeemed	(30,000)	(30,000)	17.75	(532,500)
<b>Balance at March 31, 2022</b>	250,000	20,000	\$ 14.50	\$ 531,122
PSU’s granted	160,000	-	9.10	-
PSU’s vesting through the year	-	-	14.50	547,374
PSU’s redeemed	(20,000)	(20,000)	17.75	(355,000)
PSU’s cancelled	(390,000)	-	10.66	(723,497)
<b>Balance at March 31, 2023 and 2024</b>	-	-	\$ -	\$ -

During the year ended March 31, 2023, the Company recognized share-based payment expense of \$363,195.

During the year ended March 31, 2024, the Company:

- There were no grants.

## FOREMOST LITHIUM RESOURCE & TECHNOLOGY LTD.

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### 8. CAPITAL STOCK AND RESERVES (Continued)

#### Performance Share Units: (“PSU”) (Continued)

##### During the year ended March 31, 2023, the Company:

- a) granted 40,000 PSU’s with a fair value at \$387,379, to a director under the Company’s PSU Plan. The PSUs will vest and become redeemable only upon the achievement of certain closing price milestones ranging between \$25.00 and \$87.50 which were to expire on April 12, 2025. During the year ended March 31, 2023, the Company recognized share-based payment expense of \$63,679 to the date of modification.
- b) modified 140,000 unvested PSU’s from earlier grants. The modified PSUs have a fair value of \$1,068,398 and will vest and become redeemable upon the occurrence of certain capital market liquidity events, with the balance vesting on the achievement of certain closing price milestones ranging between \$19.50 and \$68.00. During the year ended March 31, 2023, the Company recognized \$64,884 in share-based compensation expense.
- c) granted 120,000 PSU’s with a fair value of \$1,246,463, to directors under the Company’s PSU Plan. The PSUs will vest and become redeemable upon the occurrence of certain capital market liquidity events, with the balance vesting on the achievement of certain closing price milestones ranging between \$19.50 and \$68.00. During the year ended March 31, 2023, the Company recognized \$55,615 in share-based compensation expense.
- d) Cancelled 390,000 unvested PSUs. Upon cancellation \$723,496 of previously recognized share-based compensation expense was reversed from reserves to stock-based compensation.

##### During the year ended March 31, 2022, the Company:

- a) granted 280,000 PSU’s with a fair value of \$4,156,210, to certain directors and officers under the Company’s PSU Plan. Of the 280,000 PSUs granted, 50,000 PSUs vested and became redeemable by the holders, and the remaining 230,000 PSUs were to vest and become redeemable only upon the achievement of certain closing price milestones ranging between \$25.00 and \$87.50 which will expire on January 31, 2025.

Of the 280,000 PSUs granted, 50,000 PSUs vested during the year ended March 31, 2022 and the remaining unvested PSUs were to be expensed straight line over 3 years. During the year ended March 31, 2022, the Company recognized share-based payment expense of \$1,063,622. Of the 50,000 PSUs that vested, 30,000 were converted to common shares during the year-ended March 31, 2022.

#### Warrants:

A continuity of the warrants granted for the year ended March 31, 2024, are summarized as follows:

Expiry Date	Exercise Price	Balance March 31, 2023	Granted	Exercised	Forfeited / Expired	Balance March 31, 2024
December 2, 2023	\$ 6.50	24,000	-	-	(24,000)	-
August 24, 2028	\$ USD 6.25	-	800,000	-	-	800,000
March 13, 2026	\$ 4.00	-	341,592	-	-	341,592
<b>Total</b>		<b>24,000</b>	<b>1,141,592</b>	<b>-</b>	<b>(24,000)</b>	<b>1,141,592</b>
<b>Weighted average exercise price</b>		<b>\$ 6.50</b>	<b>\$ 5.58</b>	<b>\$ -</b>	<b>\$ 6.50</b>	<b>\$ 5.58</b>
<b>Weighted average remaining life (years)</b>		<b>0.67</b>				<b>3.67</b>

The fair value of the 341,592 warrants issued on March 13, 2024, was calculated using the Black-Scholes option pricing model with the following weighted average assumptions, 1) Fair value per warrant \$3.77; 2) Exercise price \$4.00; 3) Expected life 2 years; 4) Interest rate 3.5%; 5) Annualized volatility (based on historical volatility) 110.96%, and 6) Dividend yield of 0.00%.

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### 8. CAPITAL STOCK AND RESERVES (Continued)

#### Warrants (Continued):

A continuity of the warrants granted for the year ended March 31, 2023, are summarized as follows:

Expiry Date	Exercise Price	Balance March 31, 2022	Granted	Exercised	Forfeited / Expired	Balance March 31, 2023
August 28, 2022	\$ 3.75	53,778	-	(53,778)	-	-
August 28, 2022	\$ 5.00	121,600	-	(121,600)	-	-
October 29, 2022	\$ 12.50	36,166	-	(3,572)	(32,594)	-
December 15, 2022	\$ 5.00	22,000	-	(10,000)	(12,000)	-
December 2, 2023	\$ 6.50	47,800	-	(23,800)	-	24,000
<b>Total</b>		<b>281,344</b>	<b>-</b>	<b>(212,750)</b>	<b>(44,594)</b>	<b>24,000</b>
<b>Weighted average exercise price</b>		\$ 5.98	\$ -	\$ 4.98	\$ 10.48	\$ 6.50
<b>Weighted average remaining life (years)</b>						0.67

A continuity of the warrants granted for the year ended March 31, 2022, are summarized as follows:

Expiry Date	Exercise Price	Balance March 31, 2021	Granted	Exercised	Forfeited / Expired	Balance March 31, 2022
August 28, 2022	\$ 3.75	104,800	-	(51,022)	-	53,778
August 28, 2022	\$ 5.00	145,711	-	(24,111)	-	121,600
October 29, 2022	\$ 12.50	-	40,166	(4,000)	-	36,166
December 15, 2022	\$ 5.00	98,000	-	(76,000)	-	22,000
December 2, 2023	\$ 6.50	-	47,800	-	-	47,800
<b>Total</b>		<b>348,511</b>	<b>87,966</b>	<b>(155,133)</b>	<b>-</b>	<b>281,344</b>
<b>Weighted average exercise price</b>		\$ 4.62	\$ 9.24	\$ 4.78	\$ 0.00	\$ 5.98
<b>Weighted average remaining life (years)</b>						0.67

#### Agent warrants:

During the period ended March 31, 2024, the Company issued 40,000 warrants to certain underwriters/agents in connection with private placement financings which are subject to cashless exercise. A continuity of the agent warrants granted is as follows:

Expiry Date	Exercise Price	Balance March 31, 2023	Granted	Exercised	Cancelled / Expired	Balance March 31, 2024
August 19, 2024	\$ 10.00	5,765	-	-	-	5,765
August 21, 2028	\$ USD 6.25	-	40,000	-	-	40,000
March 13, 2026	\$ 3.40	-	3,274	-	-	3,274
<b>Total</b>		<b>5,765</b>	<b>43,274</b>	<b>-</b>	<b>-</b>	<b>49,039</b>
<b>Weighted average exercise price</b>		\$ 10.00	\$ USD 6.25 \$ CAD 3.40	\$ -	\$ -	\$ 6.50
<b>Weighted average remaining life (years)</b>						2.94

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**8. CAPITAL STOCK AND RESERVES (Continued)****Agent warrants (Continued):**

During the period ended March 31, 2023, the Company issued 5,765 warrants to certain underwriters/agents in connection with private placement financings which are subject to cashless exercise. A continuity of the agent warrants granted is as follows:

Expiry Date	Exercise Price	Balance March 31, 2022	Granted	Exercised	Cancelled / Expired	Balance March 31, 2023
August 19, 2024	\$ 10.00	-	5,765	-	-	5,765
<b>Total</b>		-	<b>5,765</b>	-	-	<b>5,765</b>
<b>Weighted average exercise price</b>		\$ -	\$ 10.00	\$ -	\$ -	\$ 10.00
<b>Weighted average remaining life (years)</b>						1.3

During the period ended March 31, 2022, the Company did not grant any agent warrants.

The fair value of agent warrants was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

	March 31, 2024	March 31, 2023	March 31, 2022
Fair value per option	\$ 7.95	\$ 3.81	\$ -
Exercise price	\$ 8.09	\$ 10.00	\$ -
Expected life (years)	4.78	2.00	-
Interest rate	4.09%	3.30%	-
Annualized volatility (based on historical volatility)	113%	120%	-
Dividend yield	0.00%	0.00%	-

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**9. RELATED PARTY TRANSACTIONS**

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers and companies controlled by them. The remuneration of directors and other members of key management personnel during the years ended March 31, 2024, 2023 and 2022 was as follows:

	Management fees	Investor relation fees	Consulting fees	Share-based payments	Total
<b>Year ended March 31, 2024</b>					
Current and former directors, officers and companies controlled by them	\$ 754,542	\$ -	\$ -	\$ 717,725	\$ 1,472,267
<b>Year ended March 31, 2023</b>					
Current and former directors, officers and companies controlled by them	\$ 381,819	\$ 66,530	\$ 65,000	\$ 804,016	\$ 1,317,365
<b>Year ended March 31, 2022</b>					
Current and former directors, officers and companies controlled by them	\$ 375,264	\$ -	\$ -	\$ 1,063,622	\$ 1,438,886

Additionally, please refer to Note 8 on the short-term related party Loan payable.

The amounts due to related parties included in accounts payable and accrued liabilities are unsecured, non-interest bearing, and have no specific terms of repayment, and are as follows:

	March 31, 2024	March 31, 2023	March 31, 2022
Current and former directors, officers and companies controlled by them	\$ 86,980	\$ 112,975	\$ 99,027

**10. SEGMENTED INFORMATION**

The Company primarily operates in one reportable operating segment, being the acquisition and exploration of exploration and evaluation assets. Geographic information is as follows:

	March 31, 2024	March 31, 2023	March 31, 2022
<b>Exploration and evaluation assets:</b>			
Canada	\$ 13,336,387	\$ 10,771,334	\$ 5,746,320
United States	1,758,026	1,706,457	1,444,802
	<b>\$ 15,094,413</b>	<b>\$ 12,477,791</b>	<b>\$ 7,191,122</b>

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### 11. FINANCIAL RISK MANAGEMENT

#### 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 adjusted capital which comprises all components of equity (i.e., capital stock, 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. The Company's overall strategy remains unchanged from the year ended March 31, 2023.

#### Fair value

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

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 asset or liability either directly or indirectly; and

Level 3 - Inputs that are not based on observable market data.

The fair value of the Company's long-term investment and derivative liability were calculated using Level 1 inputs.

The carrying value of cash, accounts payable and accrued liabilities, the current portion of net investment in sublease, lease obligations and short-term loans payable approximate their fair value because of the short-term nature of these instruments.

#### Financial risk factors

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

##### Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to a significant concentration of credit risk consists primarily of cash. The Company limits its exposure to credit loss by placing its cash with major Canadian financial institutions and monitors the incoming sublease monthly payments to ensure they are current.

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### 11. FINANCIAL RISK MANAGEMENT (Continued)

#### Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2024, the Company had a cash balance of \$998,262 (March 31, 2023 - \$574,587) to settle current liabilities of \$2,732,374 (March 31, 2023 - \$2,912,822). All of the Company's financial liabilities, except only certain loans payable, have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company is exposed to liquidity risk and is dependent on obtaining regular financings in order to continue as a going concern. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings.

#### Market risk

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

#### Interest rate risk

The Company has cash balances and no variable interest-bearing debt. The Company's cash does not have significant exposure to interest rate risk.

#### Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash, accounts payable and accrued liabilities, and option agreement payments that are denominated in a foreign currency. There is a risk in the exchange rate of the Canadian dollar relative to the US dollar and a significant change in this rate could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations. The Company does not have material net assets held in a foreign currency.

#### Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and lithium, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. The Company does not currently generate revenue so has limited exposure to price risk.

## FOREMOST LITHIUM RESOURCE & TECHNOLOGY LTD.

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### 12. INCOME TAXES

The actual income tax provisions differ from the expected amounts calculated by applying the Canadian combined federal and provincial corporate income tax rates to the Company's loss before income taxes. The components of these differences are as follows:

	Year Ended March 31, 2024	Year Ended March 31, 2023	Year Ended March 31, 2022
Income (loss) before taxes for the year	\$ (4,472,170)	\$ 956,578	\$ (4,150,992)
Canadian federal and provincial income tax rates	27%	27%	27%
Expected income tax recovery based on above rates	(1,207,000)	258,000	(1,120,749)
Change in statutory, foreign tax, foreign exchange rates and other	(3,000)	2,000	-
Permanent difference	204,000	(29,000)	699,278
Impact of flow through share	124,000	449,000	-
Share issue cost	(129,000)	(27,000)	-
Adjustment to prior years provision versus statutory tax returns and expiry of non-capital losses	(94,000)	(108,000)	-
Change in unrecognized deductible temporary differences	1,105,000	(545,000)	421,471
Deferred income tax recovery	\$ -	\$ -	\$ -

The Canadian income tax rate declined/increased during the year due to changes in the law that reduced/increased corporate income tax rates in Canada/British Columbia.

The significant components of the Company's deferred tax assets and liabilities are as follows:

	Year Ended March 31, 2024	Year Ended March 31, 2023	Year Ended March 31, 2022
Deferred Tax Assets (liabilities)			
Exploration and evaluation assets	\$ (990,000)	\$ (1,381,000)	\$ (209,151)
Non-capital losses	990,000	1,381,000	209,151
	\$ -	\$ -	\$ -

The significant components of the Company's temporary differences and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	Year Ended March 31, 2024	Expiry Date Range Year Ended March 31, 2024	Year Ended March 31, 2023	Year Ended March 31, 2022
Temporary Differences				
Share issue costs	\$ 489,000	2045 to 2048	\$ 83,000	\$ 5,000
Marketable securities	-	No expiry date	2,000	8,000
Lease liability	-	No expiry date	3,000	2,000
Allowable capital losses	3,000	No expiry date	-	-
Net operating losses available for future period	190,434	No expiry date	-	-
Non-capital losses available for future period	11,847,523	2030 to 2044	8,311,000	10,391,000

Tax attributes are subject to review, and potential adjustment, by tax authorities.



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### 13. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

#### During the year ended March 31, 2024, significant non-cash investing and financing transactions included:

- a) included in accounts payable and accrued liabilities was \$341,831 related to exploration and evaluation assets;
- b) issued 29,900 common shares with a fair value of \$235,600 for the acquisition of exploration and evaluation assets;
- c) issued 40,000 underwriter/agent warrants valued at \$270,400 for the public Offering in the United States; and
- d) issued 30,900 common shares at a value of \$187,872 to non-related consulting firm for services.

#### During the year ended March 31, 2023, significant non-cash investing and financing transactions included:

- a) included in accounts payable and accrued liabilities is \$1,037,816 related to exploration and evaluation assets.
- b) included in short-term loans payable is \$67,717 related to exploration and evaluation assets.
- c) issued 17,594 common shares with a fair value of \$152,454 for the acquisition of exploration and evaluation assets.
- d) issuance of 13,000 common shares upon exercise of options resulting in a reallocation of share-based reserves of \$78,528 from reserves to share capital.
- e) issued 20,000 common shares pursuant to PSU redemption resulting in a reallocation of share-based reserves of \$355,000 from reserves to share capital.
- f) issued 5,765 share purchase finders warrants valued at \$22,000.
- g) expired or forfeited 121,000 options resulting in a reallocation of share-based reserves of \$891,400 from reserves to stock-based compensation.
- h) recorded a \$977,532 flow through premium liability in connection with a financing (Note 10b).
- i) included in long-term prepaids is \$24,404 related to exploration and evaluation assets.
- j) included in short-term loans payable is \$159,778 related to settlement of accounts payable.

#### During the year ended March 31, 2022, significant non-cash investing and financing transactions included:

- a) included in accounts payable and accrued liabilities is \$542,221 related to exploration and evaluation assets.
- b) issued 16,194 common shares with a fair value of \$94,963 related to exploration and evaluation assets.
- c) issuance of 186,700 common shares upon exercise of options resulting in a reallocation of share-based reserves of \$761,273 from reserves to share capital.
- d) issued 20,000 common shares with a fair value of \$380,000 to settle \$279,644 of debt with a non-related party.
- e) issued 8,178 common shares with a fair value of \$42,933 for services.
- f) issued 30,000 common shares pursuant to PSU redemption resulting in a reallocation of share-based reserves of \$532,500 from reserves to share capital.
- g) included in long-term prepaids is \$253,302 related to exploration and evaluation assets.

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### 14. SUBSEQUENT EVENT

On February 13, 2024, the Company announced a private placement of up to 637,755 Flow-Through units ("FT Unit") at \$5.88 per unit and up to 441,176 non-Flow-Through units ("NFT Unit") at \$3.40 per unit. Each FT Unit consisted of one Flow-Through ("FT") common share and Non-flow-through common share purchase warrant (a "Warrant"). Each NFT Unit consisted of one Non-Flow-Through ("NFT") common share and non-flow-through common share purchase warrant (a "Warrant"). Each whole Warrant entitles the holder to acquire one additional share of the Company for a period of two years from the date of issuance at a price of \$4.00 per share. On March 13, 2024, closed Tranche 1 of 2 (see Note 8) and on April 29, 2024, closed on Tranche 2 on a non-brokered private placement issuing 247,471 flow-through common shares at \$5.88 per common shares for gross proceeds of \$1,455,129 and 247,471 non-flow-through share purchase warrants. Cash finder's fees of \$175 were paid on the financings and the Company issued 51 share purchase finders warrants. Each finders warrant entitles the holder to purchase one common share at a price of \$4.00 for a two-year period. As at March 31, 2024, the Company had received \$105,000 in subscription in advances relating to the April 29, 2024 closing of Tranche 2.

On April 26, 2024, the loan agreement with a related party (Jason Barnard, CEO, and Christina Barnard, COO) of the Company maturing on May 10, 2024, was amended to mature on May 10, 2025, with no changes in security or interest rate (see Note 6).

On June 6, 2024, the Company paid \$100,000 and issued 28,818 common shares at a value of \$100,000 as part of the acquisition payments for the Peg North option agreement (see Note 4).

During the year ended March 31, 2024, the Company entered into an agreement with the Manitoba Government to receive a grant of \$300,000 for exploration work on the Jean Lake and Zoro Lithium properties and received \$100,000 during the year ended March 31, 2024. The remaining \$200,000 was received subsequent to the year ended March 31, 2024 (\$100,000 received on April 10, 2024, and \$100,000 received on June 10, 2024) (see Note 4).