DEEPROCK MINERALS INC.

Condensed Interim Financial Statements

For the Nine Months Ended Aug 31, 2024 and 2023

(Expressed in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the condensed interim financial statements have not been reviewed by an auditor. The accompanying unaudited condensed interim financial statements have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these condensed interim financial statements

DEEPROCK MINERALS INC.
Condensed Interim Statements of Financial Position
(Expressed in Canadian dollars)

	August 31, 2024	November 30, 2023
	$	$
Assets		
Current		
Cash	5,938	15,637
Sundry taxes receivable	3,213	22,251
Total Current Assets	9,151	37,888
Net profit-sharing investment (Note 3)	122,000	–
Exploration and evaluation assets (Note 4)	366,000	366,000
Total Assets	497,151	403,888
Liabilities		
Current		
Accounts payable and accrued liabilities	240,245	205,178
Loan payable (Note 5)	8,650	8,650
Advances from related parties (Note 9)	238,267	169,503
Total Liabilities	487,162	383,331
Shareholders’ Equity		
Share capital (Note 6)	4,390,255	4,258,805
Share-based payment reserve	762,131	715,381
Share subscriptions receivable (Note 6)	(20,000)	–
Accumulated deficit	(5,122,397)	(4,953,629)
Total Shareholders’ Equity	9,989	20,557
Total Liabilities and Shareholders’ Equity	497,151	478,518

Nature and Continuing Operations (Note 1)
Commitments (Note 4)
Subsequent events (Note 13)

Approved and authorized for issue by the Board of Directors on October 29, 2024:

“Andrew Lee”
Andrew Lee, Director

“Tom Christoff”
Tom Christoff, Director

(The accompanying notes are an integral part of these financial statements)

DEEPROCK MINERALS INC.
Condensed Interim Statements of Operations and Comprehensive Loss
(Expressed in Canadian dollars)

	For the three months ended August 31,		For the nine months ended August 31,	
	2024	2023	2024	2023
	$	$	$	$
Expenses				
Consulting fees	–	–	4,184	–
Exploration expenditures (Note 4)	–	3,300	–	9,594
Investor relations	–	15,000	35,456	45,500
Management fees (Note 9)	27,000	27,000	81,000	81,000
Office and miscellaneous	1,038	379	1,741	1,150
Professional fees	4,000	3,100	18,471	13,177
Rent	3,000	3,000	9,000	9,000
Transfer agent and filing fees	7,193	2,633	18,272	10,706
Travel	–	–	644	–
Total expenses	42,231	54,412	168,768	170,127
Net loss and comprehensive loss	(42,231)	(54,412)	(168,768)	(170,127)
Basic and diluted net loss per common share	(0.00)	(0.00)	(0.00)	(0.00)
Weighted average number of Common shares outstanding	97,369,384	89,340,580	92,026,580	87,112,478

DEEPROCK MINERALS INC.
Condensed Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)

For the Nine Months Ended August 31, 2024 and 2023

	Number of Shares #	Share Capital $	Share - based payment reserve $	Share Subscriptions Received (Receivable) $	Accumulated Deficit $	Total Shareholders' Equity $
Balance, November 30, 2023	89,340,580	4,258,805	715,381	–	(4,953,629)	20,557
Shares issued for cash	8,100,000	121,500	40,500	(20,000)	–	142,000
Shares issued to related party for cash advances	1,250,000	18,750	6,250	–	–	25,000
Cash paid for financing services	–	(8,800)	–	–	–	(8.800)
Net loss for the period	–	–	–	–	(168,768)	(168,768)
Balance, August 31, 2024	98,690,580	4,390,255	762,131	(20,000)	(5,122,397)	9,989
Balance, November 30, 2022	77,130,580	3,855,455	532,231	528,000	(4,765,259)	150,427
Shares issued for cash	12,210,000	427,350	183,150	(528,000)	–	82,500
Cash paid for financing services		(24,000)	–	–	–	(24,000)
Net loss for the period	–	–	–	–	(170,127)	(1710,127)
Balance August 31, 2023	89,340,580	4,258,805	715,381	–	(4,935,386)	38,800

Certain prior year's balances have been adjusted to comply with retroactive changes made effective November 30, 2023

DEEPROCK MINERALS INC.
Condensed Interim Statements of Cash Flows
(Expressed in Canadian dollars)

	For the nine months ended August 31,	
	2024	2023
	$	$
Operating activities		
Net loss	(168,768)	(170,127)
Change in non-cash working capital components:		
Sundry taxes receivable	19,038	(1,668)
Accounts payable and accrued liabilities	26,267	(28,040)
Advances from related parties	68,764	77,636
Net cash used in operating activities	(54,699)	(122,199)
Investing activities:		
Net profit-sharing investment	(122,000)	–
Exploration and evaluation asset costs	–	(30,000)
Net cash used in investing activities	(122,000)	(30,000)
Financing activities		
Proceeds from issuance of shares, net of financing costs	167,000	58,500
Net cash provided by financing activities	167,000	58,500
Change in cash	(9,699)	(93,699)
Cash, beginning of the period	15,637	97,074
Cash, end of the period	5,938	3,375

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Supplemental information

$8,800 in finder's fees were included in accounts payable as at August 31, 2024

(The accompanying notes are an integral part of these financial statements)

1. Nature of Business and Continuing Operations

1020647 B.C. Ltd. (the "Company" or "DeepRock") was incorporated on December 1, 2014, in the province of British Columbia pursuant to the British Columbia Business Corporations Act. On March 6, 2017, the Company changed its name to DeepRock Minerals Inc. On November 14, 2018, the Company completed its initial public offering and commenced trading on the Canadian Securities Exchange (the "Exchange")on November 16, 2018 under the symbol "DEEP". The Company is a mineral exploration and development company. The head office and principal office of the Company is located at Suite 1518, 800 West Pender Street; Vancouver, BC V6C 2V6.

These financial statements have been prepared on the 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. Since inception the Company has not generated any revenues from its primary business and during the period ended August 31, 2024, has incurred negative cash flow of $45,899 from operations. As at August 31, 2024, the Company has a working capital deficit of $478,011 and an accumulated deficit of $5,122,397. The Company's ability to continue as a going concern is dependent upon its ability to generate and maintain future profitable operations or obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These factors indicate the existence of a material uncertainty that may cast significant doubt on the ability of the Company to continue as a going concern. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

2. Significant Accounting Policies

(a) Statement of compliance and basis of presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") applicable to the preparation of interim financial statements, including the International Accounting Standard ("IAS") 34 – Interim Financial Reporting. The financial statements have been prepared on a historical cost basis. The financial statements are presented in Canadian dollars, which is the Company's functional. These financial statements were approved and authorized for issuance by the Company's Board of Directors on October 29, 2024.

(b) Use of estimates and judgments

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

Significant areas requiring the use of estimates include the recoverability of exploration and evaluation assets, fair value of share-based payments, and unrecognized deferred income tax assets.

2. Significant Accounting Policies (continued)

(b) Use of estimates and judgments (continued)

The Company's assessment of whether the going concern assumption is appropriate requires management to evaluate all available information about the future, which is at least, but not limited to 12 months from the end of the reporting period. The Company is aware that material uncertainties related to events or conditions may cast significant doubt upon the Company's ability to continue as a going concern.

The application of the Company's accounting policy for exploration and evaluation assets requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available.

(c) Exploration and evaluation expenditures

The Company records its interests in mineral properties and areas of geological interest at cost. All direct and indirect costs related to the acquisition of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold, or management has determined there to be an impairment in value. These costs will be depleted using the unit-of-production method based on the estimated proven and probable reserves available on the related property following commencement of production.

The amounts shown for mineral properties represent costs, net of write-offs, option proceeds and recoveries, and do not necessarily reflect present or future value. Recoverability of these amounts will depend upon the existence of economically recoverable reserves, the ability of the Company to obtain financing necessary to complete development, and future profitable production. The Company reviews the carrying values of mineral properties when there are any events or change in circumstances that may indicate impairment. Where estimates of future cash flows are available, an impairment charge is recorded if the estimated undiscounted future net cash flows expected to be generated by the property is less than the carrying amount. An impairment charge is recognized by the amount by which the carrying amount of the property exceeds the fair value of the property exceeds the fair value of the property.

(d) Mineral exploration and development costs

Exploration costs are charged to operations as incurred. When it has been established that a mineral deposit is commercially mineable and a decision has been made to formulate a mining plan (which occurs upon completion of a positive economic analysis of the mineral deposit), the costs subsequently incurred to develop the mine on the property prior to the start of the mining operations are capitalized.

(e) Other Material Accounting Policy Disclosure Information

Other material accounting policies for the periods are consistent with those disclosed in the audited annual financial statements of the Company for the year ended November 30, 2023. The accompanying unaudited financial statements should be read in conjunction with the Company's audited annual financial statements for the year ended November 30, 2023.

(f) Recent Accounting Pronouncements

The Company has reviewed the impact of new and amended standards that are effective for annual periods beginning on or after September 1, 2024. It does not expect the impact on the financial statements to be material, although additional disclosure may be required.

(Expressed in Canadian dollars)

3. Net profit-sharing investment

On March 20, 2024, the Company signed an agreement with Allied Critical Metals Corp. (“ACM”) to acquire a 10% net profit stream for ten years from the Vila Verde Tungsten Tin Project (“Vila Verde”) in Portugal, a potential test plant that is to process stockpiled tungsten mineralized material. Under the terms of the agreement, the Company’s revenues from the project be the greater of: (i) 10% of net profits of the project; or (ii) $500,000 per year, commencing when the test plan is operating at an optimal level.

As consideration for the 10% net profit stream, the Company is to pay $1,000,000 to ACM by April 30, 2024, of which $200,000 is due on or before March 31, 2024. As the Company failed to make the payment within the deadline, ACM has a right to convert any of the amounts paid by the Company into common shares of ACM at a conversion price of $0.10 per share. The agreement is subject to applicable securities laws and the policies of the Canadian Stock Exchange.

As at August 31, 2024, the Company had made cash payments of $122,0000 towards the investment and subsequent to the period end, the Company was issued 1,000,000 common shares of ACM at $0.10 and was returned the balance of $22,000.

4. Exploration and Evaluation Assets

	Ralleau Property $	Golden Gate Property $	Lugar Property $	Esperança Property $	Total $
Acquisition costs:					
Balance, November 30, 2022	187,000	129,000	15,000	-	331,000
Additions	-	-	-	55,000	55,000
Impairment	(20,000)	-	-	-	(20,000)
Balance, November 30, 2023 and August 31, 2024	167,000	129,000	15,000	55,000	366,000

Exploration expenditures

	Ralleau Property $	Golden Gate and Lugar Property $	Esperança Property $	Total $
Balance, November 30, 2022	392,399	261,381	-	653,780
Licenses	960	5,334	3,300	9,594
Balance, November 30, 2023 and August 31, 2024	393,359	266,715	3,300	663,374

Ralleau Property

On April 5, 2017 (as amended on March 15, 2018, June 30, 2018, April 20, 2020, and March 12, 2021), the Company entered into an option agreement with Madoro Metals Corp (formerly Megastar Development Corp.) (“Madoro”), whereby Madoro granted the Company the right to acquire a 50% interest in and to the Ralleau Property located in the Quevillon area of Quebec. On April 20, 2020, the agreement was amended to defer the $75,000 payment due on April 5, 2020 to December 31, 2020. As compensation for the extension, the Company issued 300,000 common shares to Madoro.

4. Exploration and Evaluation Assets (continued)

Ralleau Property (continued)

In order to acquire the 50% interest in the Ralleau Property, the Company is required to pay $75,000 and issue 1,700,000 common shares of the Company as follows:

- $5,000 on or before the execution of this agreement (paid);
- $5,000 and issue 600,000 common shares on the earlier of the exchange listing date or August 31, 2018 (paid and issued);
- $5,000 and issue 200,000 common shares on or before April 5, 2018 (paid and issued);
- $10,000 and issue 400,000 common shares on or before April 5, 2019 (paid and issued);
- Issue 500,000 common shares on or before April 23, 2020 (issued); and
- $50,000 on or before March 31, 2021 (paid).

In addition, the Company is required to incur a minimum of $250,000 of exploration expenditures on the Ralleau Property as follows:

- $40,000 on or before May 30, 2017 (incurred);
- $15,000 on or before July 31, 2017 (incurred);
- $25,000 on or before October 31, 2018 (incurred);
- $50,000 on or before April 5, 2019 (incurred);
- and $120,000 on or before April 5, 2020 (incurred).

During the 2023 fiscal year, 6 claims were dropped from the original 59 claims staked. The Company recorded an impairment loss of $20,000 as a result of the decrease in the number of claims and area held by the Company.

Golden Gate Property

On June 24, 2019, the Company entered into an option agreement with George Willett (“Optionor”) to acquire a 100% interest in 13 mineral claims situated in Gloucester County, Bathurst Mining Division, New Brunswick (the “Golden Gate Property”). In order to acquire the 100% interest, the Company is required to pay $170,000, issue 200,000 common shares of the Company, and incur $220,000 in exploration expenditures as follows:

Cash and share payments:

- Issue 200,000 common shares within 15 days of the approval of the agreement (issued);
- Pay $30,000 on or before August 22, 2020 (paid);
- Pay $40,000 on or before August 22, 2021 (paid);
- Pay $50,000 on or before August 22, 2022 (paid); and
- Pay $50,000 on or before August 22, 2023.

At the Company’s discretion, 50% of the cash payments can be paid out in shares based on the average share price of the last 10 trading days prior to the day the payment is made.

Exploration work commitment schedule:

- $40,000 in accumulated exploration expenditure on or before August 22, 2020 (incurred);
- $90,000 in accumulated exploration expenditure on or before August 22, 2021 (incurred);
- $150,000 in accumulated exploration expenditure on or before August 22, 2022; (incurred) and
- $220,000 in accumulated exploration expenditure on or before August 22, 2023.

On December 22, 2020, the Company and the Optionor agreed to restructure the payment originally due on August 22, 2020 for $33,000, of which $11,000 was due prior to December 31, 2020 (paid), $11,000 was due on or before January 31, 2021 (paid), and $11,000 was due on or before March 1, 2021 (paid).

On April 17, 2024, the agreement was amended whereby the Company will achieve full earn-in-status by making a cash payment of $50,000 and issuing 500,000 shares to the optionor. Pursuant to the agreement, on September 27, 2024, the Company issued 500,000 shares.

4. Exploration and Evaluation Assets (continued)

Golden Gate Property (continued)

The option agreement is subject to a 2% net smelter return ("NSR"), of which the Company can purchase 1% of NSR for $500,000.

Lugar Property

On July 22, 2021, the Company entered into an option agreement with Gerard Roy and Rose Hannan to acquire a 100% interest in the Lugar Property, a mineral claim package comprising 112 contiguous claim blocks that adjoin and surround the northern border of the Company's Golden Gate Project.

The Company's option to acquire a 100% right, title and ownership interest in the Property over a 4-year period consist of cash payments of $120,000, and minimum accumulative expenditures of $225,000 in exploration work in accordance with the following schedule:

- Pay $5,000 within 5 days of the agreement's execution date (paid);
- Pay $10,000 (paid) and incur minimum
- incur expenditures of $25,000 by the first anniversary (incurred);
- Pay $25,000 and incur minimum expenditures of $25,000 by the second anniversary;
- Pay $35,000 and incur minimum expenditures of $75,000 by the third anniversary; and
- Pay $45,000 and incur minimum expenditures of $100,000 by the fourth anniversary.

On April 17, 2024, an agreement was reached whereby the Company will acquire 100% interest in the property through a cash payment of $105,000 and the issuance of 1,000,000 shares to the Lugar Optionor ("Lugar Optionor"), with no further exploration expenditure requirements. Pursuant to the agreement, on September 27, 2024, the Company issued 1,000,000 shares.

The Lugar Property is subject to a 1.25% net smelter return royalty and Deeprock has an option to purchase 0.5% of the net smelter royalty return for $1,000,000. and the remaining 0.75% at any time at a price to be agreed upon.

Esperança Property

On February 9, 2023, the Company entered into an option agreement with BHBC Exploraçăo Mineral Ltda. and RTB Geologia E Mineraçăo Ltda to acquire a 100% interest in the Esperança Property, 2,969.15-hectare mineral claim package comprising 1.5 contiguous claim blocks in Brazil's Minas Gerais State, a mining-friendly jurisdiction located approximately 40 kms west of Sigma Lithium's Grota do Cirilo property, the largest lithium hard rock deposit in the Americas.

Under the original agreement, the Company's option to acquire a 100% right, title and ownership interest in the Property over 3 option periods consisted of cash payments of $100,000, issuing 200,000 common shares of the Company, and minimum accumulative expenditures of $200,000 in exploration work in accordance with the following schedule:

- Pay $25,000 within 5 days of the agreement's execution date (paid);
- Issue 100,000 shares within 5 days of the agreement's execution date.,
- Incur $100,000 in exploration expenditures before September 20, 2023,
- Pay $25,000 (paid) and issue 100,000 shares due October 1, 2023,
- Incur $100,000 in additional exploration expenditures before September 20, 2024, and
- Pay $50,000 before September 20, 2025. (Subsequently amended to March 20, 2025).

The agreement was amended subsequent to the period-end whereby the minimum accumulative expenditures were reduced to $100,000 and the Company agreed to issue an additional 1,000,000 shares. On September 27, 2024, the Company issued 1,200,000 shares in satisfaction of the original 200,000 shares and the additional 1,000,000 shares.

The vendor retains a 2% NSR and the Company has an option to purchase 1% of the NSR for $500,000.

A finder's fee of $5,000 was paid was paid to a third party at the outset.

(Expressed in Canadian dollars)

5. Loan Payable

As at August 31, 2023, the Company owes $8,650 (2020 - $8,650) to a non-related party. The loan is non-interest bearing, unsecured, and due on demand.

6. Share Capital

Authorized: 500,000,000 common shares without par value.

On March 20, 2024, the Company announced its intention to complete a non-brokered private placement of up to 25,000,000 units at $0.02 per unit for proceeds of $500,000. Each unit is comprised of one common share and one-half of one share purchase warrant, where each full share purchase warrant is exercisable into an additional common share at $0.06 per share for a period of two years from the date of issuance. Pursuant to the private placement, on June 13, 2024, the Company issued 9,350,000 units for gross proceeds of $187,000 and incurred finder's fees of $8,800. $20,000 in subscriptions was received after August 31, 2024 and is recorded as subscriptions receivable. As part of the unit offering under the residual method, the Company allocated $46,750 to the share purchase warrants, which is recorded in share-based payment reserve,

Shares issued during the nine months ended August 31, 2023:

On January 19, 2023, the Company completed a non-brokered offering for 12,210,000 units at a price of $0.05 per unit for proceeds of $610,500, paying finder's fees pf $24,000 on the transaction. Each unit consisted of one common share of the Company and one transferable share purchase warrant, where each warrant entitles the holder to purchase an additional common share at a price of $0.06 per share expiring on January 19, 2025. Included in the offering was the issuance of 1,600,000 units to officers of the Company for proceeds of $80,000. As part of the unit offering under the residual method, the Company allocated $183,150 to the share purchase warrants, which is recorded in share-based payment reserve.

7. Warrants

Share Purchase Warrants

The following table summarizes the continuity of the Company's share purchase warrants:

	Number of warrants	Weighted average exercise price $
Balance, November 31, 2022	29,385,000	0.06
Issued with private placement units	12,210,000	0.06
Balance, November 30, 2023	41,595,000	0.06
Expired	(29,385,000)	0.06
Issued with private placement units	4,675,000	0.06
Balance, August 31, 2024	16,885,000	0.06

As at August 31, 2024, the share purchase warrants were outstanding:

Number of Warrants	Number of Years Remaining	Exercise Price	Expiry Date
12,210,000	0.39	$0.06	January 19, 2025
4,675,000	1.78	$0.06	June 13, 2026
16,885,000	* 0.77	$0.06	

* Weighted average

8. Stock Options

The Company has adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the applicable stock exchange's requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Pursuant to the Option Plan, the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Options granted under the Option Plan can have a maximum exercise term of 10 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

There were 500,0000 share options outstanding as at November 20, 2022 that expired during the year ended November 30, 2023.

There were no options granted during either the nine months ended August 31, 2024 or the year ended November 30, 2023.

9. Related Party Transactions

(a) During the nine months ended August 31, 2024, the Company incurred $45,000 (2023 - $45,000) of consulting fees and $9,000 (2024 - $9,000) of rent to a company controlled by the Chief Executive Officer ("CEO") of the Company. As at August 31, 2024, the Company owes $135,531 (2023 - $58,667) to a company controlled by the CEO of the Company. Previous cash advances of $25,000 made by the CEO were used to purchase 1,250,000 shares.

(b) During the nine months ended August 31, 2024, the Company incurred $36,000 (2023 - $36,000) of consulting fees to a company controlled by the Chief Financial Officer ("CFO") of the Company. As at August 31, 2024, the Company owes $96,736 (2023 - $47,736) to a company controlled by the CFO of the Company.

(c) As at August 31, 2024, the Company owed $6,000 (2023 - $6,000) to a company controlled by a former director of the Company.

10. Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued share capital and share-based payment reserve.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issuances or by undertaking other activities as deemed appropriate under specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended November 30, 2023.

11. Financial Instruments and Risk Management

Fair Values

Fair value measurements are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities,

(Expressed in Canadian dollars)

11. Financial Instruments and Risk Management (continued)

- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values of financial instruments, which include cash, accounts payable and accrued liabilities, loan payable and advances from related parties, approximate their carrying values due to the relatively short-term maturity of these instruments.

Credit Risk

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits its exposure to credit risk by only investing cash with high-credit quality financial institutions. The carrying amount of these financial assets represents the maximum credit exposure.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising debt or equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

Foreign Exchange Rate Risk

The Company is not currently exposed to foreign exchange rate risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as it does not have any liabilities with variable rates.

Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

12. Segmented Information

The Company operates in the mineral exploration and development industry and has three geographic segments, being Canada, Brazil and Romania.

August 31, 2024 and November 30, 2023

	Canada $	Brazil $	Total $
Exploration and evaluation assets	311,000	55,000	366,000

13. Subsequent events

On September 27,2024, the Company issued 2,700,000 common shares for property options, bringing the total number of common shares issued and outstanding to 101,390,580.

13. Subsequent events (continued)

Subsequent to period end, the Company entered into two agreements with ACM. The agreements are subject to approval by the Company's shareholders and the Canadian Securities Exchange. The following represent the procedures involved and the resulting entities should both proposals be approved.

The arrangement agreement (the "Arrangement Agreement") was signed October 23, 2024 made effective as of September 30, 2024. Under the Arrangement Agreement, the Company will incorporate a wholly owned-subsidiary ("Spinco") and transfer to it all of its assets and liabilities as a spin-out transaction, and it will then transfer all of Spinco's issued and outstanding common shares to its current shareholders in a pro rata proportion to their ownership, (the "Spin-Out").

Amalgamation Agreement

Pursuant to the plan of arrangement (the "Arrangement") under the Arrangement Agreement and subject to completion of the Spin-Out, the Company will, under the amalgamation agreement (the "Amalgamation Agreement") between the Company and ACM signed October 23, 2024 complete a Reverse-Take-Over ("RTO") whereby Allied Critical Metals Corp ("ACM") and Subco (see below) will amalgamate and continue the business of ACM and the securityholders of ACM will become securityholders of the Company as a three-cornered amalgamation. Under the Arrangement the following will occur:

a) The Company will consolidate all of its 101,390,580 common shares issued and outstanding on a 40-to-1 basis, resulting in 2,534,765 post consolidated shares and change its name to "Allied Critical Metals Inc."

b) The Company will consolidate its 16,885,000 warrants issued and outstanding on a 40-to-1 basis, resulting in 422,125 post consolidated warrants.

c) The Company will incorporate a wholly-owned subsidiary ("Subco").

d) ACM will complete a concurrent financing at a price of $0.40 per unit to raise aggregate gross proceeds of a minimum of $1,500,000 to a maximum of $7,500,000.

e) Subco will amalgamate with ACM into an amalgamated subsidiary ("Amalco"), wherein the shareholders of ACM will receive common shares of the Company in exchange for their common shares of ACM on a one-for-one basis.

f) The Company will then vertically amalgamate with Amalco and the amalgamated resulting issuer (the "Resulting Issuer") will then continue its existence to the Cayman Islands.

g) The current shareholders of the Company will own a minimum of 2.7% and a maximum of 3.21% in the Resulting Issuer, which will have its common shares listed and posted for trading on the Canadian Securities Exchange.