



CARLYLE
C O M M O D I T I E S

Condensed Consolidated Interim Financial Statements (Unaudited)
Expressed in Canadian Dollars, unless otherwise noted

For the three and nine months ended November 30, 2023 and 2022

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NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company 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 interim financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

CARLYLE COMMODITIES CORP.

Condensed Consolidated Interim Statements of Financial Position (Unaudited)

As of November 30, 2023 and February 28, 2023

Expressed in Canadian Dollars

As at	Notes	November 30, 2023	February 28, 2023
ASSETS			
Current			
Cash		\$ 138,314	\$ 562,840
Receivables	8	67,189	73,551
Loan receivable	8	50,000	50,000
Prepaid expenses and deposits	4	140,694	329,530
Total current assets		396,197	1,015,921
Non-current assets			
Restricted cash	5	40,000	40,000
Equipment		2,387	2,935
Exploration and evaluation assets	5	5,830,980	5,580,870
TOTAL ASSETS		\$ 6,269,564	\$ 6,639,726
LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	8	326,935	642,273
Total liabilities		\$ 326,935	\$ 642,273
SHAREHOLDERS' EQUITY			
Share capital	6	\$ 18,660,359	\$ 17,394,759
Reserves	7	4,839,802	3,797,026
Accumulated deficit		(17,557,532)	(15,194,332)
Total shareholders' equity		\$ 5,942,629	\$ 5,997,453
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 6,269,564	\$ 6,639,726

Events after reporting period (Note 11)

Approved on behalf of the Board of Directors on January 26, 2024

"Morgan Good"

Director

"Leighton Bocking"

Director

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

CARLYLE COMMODITIES CORP.**Condensed Consolidated Interim Statements of Loss and Comprehensive Loss (Unaudited)****For the Three and Nine months Ended November 30, 2023 and 2022**

Expressed in Canadian Dollars except number of shares

	Notes	Three Months Ended November 30,		Nine Months Ended November 30,	
		2023	2022	2023	2022
General and administrative expenses					
Bank and interest charges		\$ 869	\$ 3,150	\$ 1,957	\$ 4,027
Consulting fees	8	155,803	335,100	450,803	392,600
Depreciation		202	204	548	655
Investor relations		257,058	49,684	770,924	52,785
Management fees	8	100,094	178,031	262,204	311,039
Office costs		21,305	26,307	67,327	78,875
Professional fees		23,518	33,925	86,402	76,693
Share-based payments	7,8	345,896	362,250	597,196	362,250
Transfer agent and filing fees		15,981	46,846	37,586	56,528
Travel and entertainment		1,075	37,919	16,076	57,054
Total general and administrative expenses		\$ (921,801)	\$ (1,073,416)	\$ (2,291,023)	\$ (1,392,506)
Other income (expenses)					
Gain (loss) on debt and trade payables settlement	6	(1,792)	-	(24,021)	52,412
Other income		-	2	-	44
Other expense		-	-	(48,156)	-
Net loss and comprehensive loss		\$ (923,593)	\$ (1,073,414)	\$ (2,363,200)	\$ (1,340,050)
Basic and diluted loss per common share		\$ (0.02)	\$ (0.09)	\$ (0.07)	\$ (0.15)
Weighted average number of common shares outstanding – basic and diluted		41,516,527	12,245,205	31,887,757	8,719,588

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

CARLYLE COMMODITIES CORP.**Condensed Consolidated Interim Statements of Changes in Equity (Unaudited)****For the Nine months Ended November 30, 2023 and 2022**

Expressed in Canadian Dollars except number of shares

	Number of shares	Share capital	Reserves	Accumulated Deficit	Total shareholders' equity
Balance - February 28, 2022	6,774,713	\$ 15,375,237	\$ 2,282,081	\$ (12,830,496)	\$ 4,826,822
Shares issued in private placement	14,674,998	1,520,910	680,340	-	2,201,250
Share issuance costs	-	(142,490)	(63,740)	-	(206,230)
Share issuance costs – finders' warrants	-	-	109,273	-	109,273
Shares issued to settle trade payables	254,650	74,913	-	-	74,913
Share-based payments	-	-	362,250	-	362,250
Loss and comprehensive loss for the period	-	-	-	(1,340,050)	(1,340,050)
Balance - November 30, 2022	21,704,361	\$ 16,828,570	\$ 3,370,204	\$ (14,170,546)	\$ 6,028,228
Balance - February 28, 2023	24,233,683	\$ 17,394,759	\$ 3,797,026	\$ (15,194,332)	\$ 5,997,453
Units issued in private placements	15,305,192	822,665	588,585	-	1,411,250
Finders' warrants issued	-	-	19,302	-	19,302
Share issuance costs	-	(18,489)	(12,971)	-	(31,460)
Warrants exercised	8,480	2,841	(1,569)	-	1,272
Stock options exercised	1,200,000	307,767	(147,767)	-	160,000
Shares issued to settle trade payables	1,309,307	150,816	-	-	150,816
Share-based payments	-	-	597,196	-	597,196
Loss and comprehensive loss	-	-	-	(2,363,200)	(2,363,200)
Balance - August 31, 2023	42,056,662	\$ 18,660,359	\$ 4,839,802	\$ (17,557,532)	\$ 5,942,629

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

CARLYLE COMMODITIES CORP.**Condensed Consolidated Interim Statements of Cash Flows (Unaudited)****For the Nine months Ended November 30, 2023 and 2022**

Expressed in Canadian Dollars

	Nine months Ended November 30,	
	2023	2022
OPERATING ACTIVITIES		
Loss for the period	\$ (2,363,200)	\$ (1,340,050)
<i>Non-cash items:</i>		
Depreciation	548	655
Loss (gain) on settlement of trade payables	24,021	(52,412)
Share-based payments	597,196	362,250
<i>Changes in non-cash working capital items</i>		
Receivables	86,676	16,864
Prepaid expenses and deposits	188,836	(230,098)
Trade payables and accrued liabilities	6,362	56,882
Net cash used in operating activities	\$ (1,459,561)	\$ (1,185,909)
INVESTING ACTIVITIES		
Expenditures on exploration and evaluation assets	\$ (525,329)	\$ (75,375)
Loans issued	-	5,040
Net cash provided by (used in) investing activities	\$ (525,329)	\$ (70,335)
FINANCING ACTIVITIES		
Proceeds from private placement	\$ 1,411,250	\$ 2,119,790
Share issuance costs	(12,158)	(13,474)
Proceeds from warrants exercised	1,272	-
Proceeds from stock options exercised	160,000	-
Advances from related parties	10,000	-
Repayments to related parties	(10,000)	-
Net cash provided by financing activities	\$ 1,560,364	\$ 2,106,316
Net increase (decrease) in cash in the period	\$ (424,526)	\$ 850,072
Cash – beginning of the period	\$ 562,840	\$ 134,535
Cash – end of the period	\$ 138,314	\$ 984,607

Supplemental cash flow information

For the nine months ended:	November 30, 2023	November 30, 2022
Exploration and evaluation asset additions in trade payables	\$ 89,250	\$ 7,198
Settlement of trade payables and debt through share issuance	150,816	74,913
Fair value of finders' warrants	19,302	109,273
Share issuance costs in trade payable and accrued liabilities	-	5,300
Fair value of warrants reclassified from reserves on exercise	1,569	-
Fair value of stock options reclassified from reserves on exercise	147,767	-

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

CARLYLE COMMODITIES CORP.

Notes to Condensed Consolidated Interim Financial Statements (Unaudited)

For the Three and Nine months Ended November 30, 2023 and 2022

Expressed in Canadian Dollars except otherwise noted

NOTE 1 – NATURE OF OPERATIONS AND GOING CONCERN

Carlyle Commodities Corp. (“CCC”, or the “Company”) was incorporated on October 18, 2017 under the Business Corporations Act of British Columbia. The Company’s head office address is 5803 – 1151 West Georgia Street, Vancouver, BC. The registered office address is located at 620 – 1111 Melville Street, Vancouver, BC. The Company’s common shares trade on the Canadian Securities Exchange (the “CSE”) under the stock symbol “CCC”, on the Frankfurt Stock Exchange under the ticker “BJ4” and on the OTCQB Venture Market under the stock symbol “DLRYF”. The Company’s consolidated financial statements include the financial statements of the following subsidiaries:

Company	Place of Incorporation	Effective Interest
BC Vanadium Corp. (“BCVC”)	British Columbia	100%
WEM Western Energy Metals Ltd. (“WEM”)	British Columbia	100%
ISAAC Mining Corp. (“IMC”)	British Columbia	100%
OWL Lake Resources Ltd. (“OWL”)	Ontario	100%

The principal business of the Company is the exploration and evaluation of mineral property interests. The success of the Company will be dependent on obtaining the necessary financing to evaluate and pursue these opportunities.

These condensed consolidated interim financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company’s ability to continue in the normal course of operations is dependent on its ability to raise equity financing or through the sale of its investments at amounts favorable to the Company. This indicates the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. These condensed consolidated interim 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.

NOTE 2 - BASIS OF PREPARATION

Statement of compliance

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

These condensed consolidated interim financial statements have been prepared on a historical cost basis. In addition, equity-classified share-based payment arrangements are measured at fair value at grant date pursuant to IFRS 2, *Share-based Payment*. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

These condensed consolidated interim financial statements do not include all of the information required for full annual consolidated financial statements and therefore should be read in conjunction with the Company’s most recent annual consolidated financial statements as at and for the year ended February 28, 2023. The effects of the adoption of new and amended IFRS pronouncements have been disclosed in the notes to these condensed consolidated interim financial statements.

Use of Estimates and Critical Judgments

The preparation of financial statements in accordance with IFRS requires the Company to use judgment in applying its accounting policies and make estimates and assumptions about reported amounts at the date of the financial statements and in the future. The Company’s management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

CARLYLE COMMODITIES CORP.

Notes to Condensed Consolidated Interim Financial Statements (Unaudited)

For the Three and Nine months Ended November 30, 2023 and 2022

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Estimates and assumption where there is significant risk of material adjustments to assets and liabilities in future accounting period include the recoverability of the carrying value of exploration and evaluation assets, the measurements for financial instrument, the measurement of share-based payments and the recoverability of deferred tax assets.

Basis of Consolidation

These condensed consolidated interim financial statements include the financial statements of the Company and its controlled and wholly owned subsidiaries BCVC, WEM, IMC and OWL. Control is achieved where the Company has power over an entity, has exposure or rights to variable returns from its involvement with the entity and has the ability to use its power over the entity to affect the amount of the investor's returns. Subsidiaries are included in the consolidated financial statements from the date control commences until the date control ceases. All inter-company balances and transactions have been eliminated on consolidation.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES

The Company's accounting policies are the same as those applied to the Company's audited annual consolidated financial statements for the year ended February 28, 2023.

NOTE 4 – PREPAID EXPENSES AND DEPOSITS

	November 30, 2023	February 28, 2022
Consulting fees	\$ 5,250	\$ 73,333
Advertising and marketing	51,800	211,667
Investor relations	25,000	15,989
Management fees	45,274	10,000
Regulatory fees	3,370	18,541
Legal fees	10,000	-
Total prepaid expenses and deposits	\$ 140,694	\$ 329,530

NOTE 5 – EXPLORATION AND EVALUATION ASSETS

Isaac Mining Corp amalgamation agreement, British Columbia

On December 16, 2020, the Company entered into an amalgamation agreement (the "Agreement") with Isaac Mining Corp. ("IMC"), a private British Columbia corporation, and 1269597 B.C. Ltd. ("NewCo"), a wholly-owned subsidiary of the Company.

IMC is a private British Columbia mineral exploration corporation which owns 100% of the Newton Gold Project (the "Newton Gold Project" or the "Project") located in the Clinton Mining Division of the Province of British Columbia.

Under the Agreement, the Company is required to pay an annual advance royalty payment of \$25,000 (paid – December 2022) paid to IMC and AMARC Resources Ltd. relating to the 2% net smelter returns royalty (the "NSR"). The NSR can be purchased by the Company at any time for \$2,000,000.

The Company deposited \$40,000 with the Ministry of Energy, Mines and Low Carbon Innovation during the year ended February 28, 2022 as part of the exploration permit application requirement.

CARLYLE COMMODITIES CORP.

Notes to Condensed Consolidated Interim Financial Statements (Unaudited)

For the Three and Nine months Ended November 30, 2023 and 2022

Expressed in Canadian Dollars except otherwise noted

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

	Newton
Acquisition costs:	
Balance, February 28, 2022	\$ 4,632,993
Additions	25,000
Balance, February 28 and November 30, 2023	\$ 4,657,993
Exploration costs:	
Balance, February 28, 2022	\$ 123,483
Permitting	83,335
Targeting, planning and logistics	48,625
Equipment rental	33,076
Field personnel	150,772
Drilling	292,982
Assaying	45,572
Fuel	3,527
Consumables	37,459
Travel and meals	86,005
Project management	18,041
Balance, February 28, 2023	\$ 922,877
Permitting	20,159
Targeting, planning and logistics	40,677
Equipment rental	14,330
Field personnel	107,357
Fuel	2,760
Consumables	9,542
Travel and meals	46,458
Project management	8,827
Balance, November 30, 2023	\$ 1,172,987
Balance, February 28, 2023	\$ 5,580,870
Balance, November 30, 2023	\$ 5,830,980

NOTE 6 – SHARE CAPITAL

Authorized

Unlimited number of common shares without par value.

Issued Share Capital

During the nine-month period ended November 30, 2023, the Company:

- Closed the second tranche of the non-brokered private placement announced in February 2023 consisting of 140,000 units for gross proceeds of \$35,000.

Each unit consists of one common share of the Company and one-half of a share purchase warrant. Each full share purchase warrant is exercisable for one common share of the Company at a price of \$0.375 for a period of three years following the closing of each tranche of the private placement. Proceeds from the private placement were allocated between warrants and common shares on the relative fair value method and warrants were valued at \$11,410 using the Black Scholes option pricing model with the following range of assumptions: (i) share price of \$0.195, (ii) expected life of three years, (iii) dividend yield of 0%, (iv) risk-free rate of 3.97%, and (v) expected volatility of 175.6%.

CARLYLE COMMODITIES CORP.

Notes to Condensed Consolidated Interim Financial Statements (Unaudited)

For the Three and Nine months Ended November 30, 2023 and 2022

Expressed in Canadian Dollars except otherwise noted

- (b) Closed a non-brokered private placement by issuance of 1,341,664 units at a price of \$0.15 per unit for gross proceeds of \$201,250. Each unit consists of one common share and one-half warrant, with each entitling the holder to purchase one additional share at a price of \$0.375 for a period of three years following the issuance. Proceeds from the private placement were allocated between warrants and common shares on the relative fair value method and warrants were valued at \$69,096 using the Black Scholes option pricing model with the following range of assumptions: (i) share price of \$0.135, (ii) expected life of three years, (iii) dividend yield of 0%, (iv) risk-free rate of 4.02%, and (v) expected volatility of 163.5%.

In connection with the offering, the Company issued 53,333 finders' warrants, exercisable at a price of \$0.15 each into 53,333 units, valued at \$6,080. Each finder unit consists of one share and one-half of one warrant, with each warrant entitling the holder to purchase one share at a price of \$0.375 for a period of three years following the issuance. The finders' warrants were valued using the Black-Scholes pricing model with following assumptions: (i) share price of \$0.135, (ii) expected life of three years, (iii) dividend yield of 0%, (iv) risk-free rate of 4.02%, and (v) expected volatility of 163.5%.

- (c) Closed the first tranche of a non-brokered private placement by issuance of 7,617,823 units at a price of \$0.085 per unit for gross proceeds of \$647,515. Each unit consists of one common share and one warrant, with each entitling the holder to purchase one additional share at a price of \$0.15 for a period of three years following the issuance. Proceeds from the private placement were allocated between warrants and common shares on the relative fair value method and warrants were valued at \$601,808 using the Black Scholes option pricing model with the following range of assumptions: (i) share price of \$0.10, (ii) expected life of three years, (iii) dividend yield of 0%, (iv) risk-free rate of 4.51%, and (v) expected volatility of 152%.

In connection with the offering, the Company issued 84,560 finders' warrants, exercisable at a price of \$0.15 each into 84,560 common shares of the Company, valued at \$6,680. The finders' warrants were valued using the Black-Scholes pricing model with following assumptions: (i) share price of \$0.10, (ii) expected life of three years, (iii) dividend yield of 0%, (iv) risk-free rate of 4.51%, and (v) expected volatility of 152%.

- (d) Closed the second tranche of a non-brokered private placement by issuance of 6,205,705 units at a price of \$0.085 per unit for gross proceeds of \$527,485. Each unit consists of one common share and one warrant, with each entitling the holder to purchase one additional share at a price of \$0.15 for a period of three years following the issuance. Proceeds from the private placement were allocated between warrants and common shares on the relative fair value method and warrants were valued at \$657,805 using the Black Scholes option pricing model with the following range of assumptions: (i) share price of \$0.13, (ii) expected life of three years, (iii) dividend yield of 0%, (iv) risk-free rate of 4.40%, and (v) expected volatility of 152.4%.

In connection with the offering, the Company issued 58,400 finders' warrants, exercisable at a price of \$0.085 each into 58,400 common shares of the Company, valued at \$6,541. The finders' warrants were valued using the Black-Scholes pricing model with following assumptions: (i) share price of \$0.13, (ii) expected life of three years, (iii) dividend yield of 0%, (iv) risk-free rate of 4.40%, and (v) expected volatility of 152.4%.

- (e) Issued an aggregate of 1,200,000 common shares for stock options exercised at an average price of \$0.133 per common share for proceeds of \$160,000. Upon exercise, \$147,767 relating to the fair value of the stock options was reclassified from reserves to share capital.
- (f) Issued an aggregate of 8,480 common shares for warrants exercised at an average price of \$0.15 per common share for proceeds of \$1,272. Upon exercise, \$1,569 relating to the fair value of the stock options was reclassified from reserves to share capital.
- (g) Issued 1,309,309 common shares valued at \$150,816 to consultants to settle trade payables and accrued liabilities valued at \$126,795. The Company recognized a loss on settlement of trade payables and accrued liabilities equal to \$24,021 in the statement of loss.

CARLYLE COMMODITIES CORP.

Notes to Condensed Consolidated Interim Financial Statements (Unaudited)

For the Three and Nine months Ended November 30, 2023 and 2022

Expressed in Canadian Dollars except otherwise noted

During the year ended February 28, 2023, the Company:

(a) Closed a non-brokered private placement by issuing 14,674,998 units at a price of \$0.15 per unit for gross proceeds of \$2,201,250 as follows:

- 6,918,332 units on October 21, 2022
- 2,810,000 units on October 31, 2022
- 4,946,666 units on November 10, 2022

Each unit consists of one common share of the Company and one-half of a share purchase warrant. Each full share purchase warrant is exercisable for one common share of the Company at a price of \$0.30 for a period of three years following the closing of each tranche of the private placement. The warrants are subject to an acceleration provision whereby in the event the common shares have a closing price on the CSE of \$0.50 or greater per common share of the Company for a period of 10 consecutive trading days at any time from the date of issuance, the Company may accelerate the expiry date of warrants.

The Company issued 7,337,499 share purchase warrants in three tranches in relation to the private placement. Proceeds from the private placement were allocated between warrants and common shares on the relative fair value method and warrants were valued at \$1,228,887 using the Black Scholes option pricing model with the following range of assumptions: risk-free rates of 3.78%-4.11%, expected common share price volatilities of 195.6%-196.6%, dividend yield of 0%, and expected life of 3 years.

In connection with the offering, the Company paid an aggregate of \$81,460 in finders' fees and incurred an additional \$16,238 in other closing costs and issued 631,066 finders' warrants valued at \$109,273. The finders' warrants were valued using the Black Scholes option pricing model with the following range of assumptions: risk-free rates of 3.78%-4.11%, expected common share price volatilities of 195.6%-196.6%, dividend yield of 0%, and expected life of 3 years.

(b) Closed a non-brokered private placement by issuing 1,000,000 flow-through units (each, a "FT Unit") at a price of \$0.25 per FT Unit for gross proceeds of \$250,000. Each FT Unit was comprised of one flow-through share and one-half warrant, each entitling the holder to acquire one non-flow-through common share at a price of \$0.375 per common share for a period of 18 months. In connection with the offering, the Company paid an aggregate of finders' fees of \$12,600 and incurred an additional \$6,399 in other closing costs and issued 50,400 finders' warrants, exercisable at \$0.25 for a period of 18 months valued at \$8,014. The finders' warrants were valued using the Black-Scholes pricing model with following assumptions: (i) share price of \$0.23, (ii) expected life of 18 months, (iii) dividend yield of 0%, (iv) risk-free rate of 4.03%, and (v) expected volatility of 174.5%. The Company used the residual method to calculate the fair value of the tax deduction attached with the flow-through common share and recorded a flow-through liability of \$25,000. The Company incurred eligible exploration and evaluation expenditures during the year ended and recognized a flow-through premium recovery of \$25,000.

(c) Closed a first tranche of private placement by issuing 740,000 units at a price of \$0.25 per Unit for gross proceeds of \$185,000.

Each unit consists of one common share of the Company and one-half of a share purchase warrant. Each full share purchase warrant is exercisable for one common share of the Company at a price of \$0.375 for a period of three years following the closing of each tranche of the private placement. The warrants are subject to an acceleration provision whereby in the event the common shares have a closing price on the CSE of \$0.50 or greater per common share of the Company for a period of 10 consecutive trading days at any time from the date of issuance, the Company may accelerate the expiry date of warrants. In connection with the offering, the Company paid an aggregate of \$14,000 in finders' fees and issued 56,000 finders' warrants valued at \$9,968. The finders' warrants were valued using the Black-Scholes pricing model with following assumptions: (i) share price of \$0.205, (ii) expected life of three years, (iii) dividend yield of 0%, (iv) risk-free rate of 4.02%, and (v) expected volatility of 175.6%

(d) Issued 475,000 for stock options exercised at an average price of \$0.24 per common share for proceeds of \$113,500. Upon exercise, \$109,050 relating to the fair value of the stock options was reclassified from reserves to share capital.

(e) Issued 568,992 common shares valued at \$156,364 to Directors of the Company and consultants to settle trade payables and accrued liabilities valued at \$185,758. The Company recognized a gain on settlement of trade payables and accrued liabilities equal to \$29,394 in the statement of loss.

CARLYLE COMMODITIES CORP.

Notes to Condensed Consolidated Interim Financial Statements (Unaudited)

For the Three and Nine months Ended November 30, 2023 and 2022

Expressed in Canadian Dollars except otherwise noted

NOTE 7 – RESERVES**Warrants**

	Number of warrants		Weighted Average Exercise Price
Balance, February 28, 2022	2,887,264	\$	3.34
Issued	8,944,965		0.30
Cancelled	(200,000)		-
Expired	(131,465)		7.24
Balance, February 28, 2023	11,500,764	\$	0.93
Issued	14,760,653		0.16
Exercised	(8,480)		0.15
Expired	(403,100)		5.00
Balance, November 30, 2023	25,849,837	\$	0.12

Warrants outstanding as of November 30, 2023 are as follows:

Expiry Date	Exercise Price, \$	Outstanding warrants	Outstanding and exercisable warrants
December 8, 2023 ¹	5.00	570,000	570,000
June 28, 2024	0.38	400,000	400,000
June 28, 2024	0.25	34,400	34,400
June 30, 2024	0.38	100,000	100,000
March 27, 2025	0.25	16,000	16,000
March 27, 2025	2.00	266,666	266,666
April 29, 2025	2.00	862,833	862,833
May 15, 2025	2.00	453,200	453,200
October 21, 2025	0.30	3,459,166	3,459,166
October 21, 2025	0.15	298,266	298,266
October 31, 2025	0.30	1,405,000	1,405,000
October 31, 2025	0.15	123,520	123,520
November 10, 2025	0.30	2,473,333	2,473,333
November 10, 2025	0.15	200,800	200,800
February 24, 2026	0.38	370,000	370,000
February 24, 2026	0.25	56,000	56,000
March 3, 2026	0.38	70,000	70,000
March 22, 2026	0.38	670,832	670,832
March 22, 2026	0.15	53,333	53,333
August 18, 2026	0.15	7,617,823	7,617,823
August 18, 2026	0.15	84,560	84,560
August 30, 2026	0.15	6,205,705	6,205,705
August 30, 2026	0.15	58,400	58,400
	0.12	25,849,837	25,849,837

¹ Subsequent to November 30, 2023, these warrants expired unexercised.

The weighted average remaining contractual life of warrants, excluding Special Warrants, outstanding as of November 30, 2023 is 2.27 years (February 28, 2023 – 2.33 years).

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For the Three and Nine months Ended November 30, 2023 and 2022

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Stock options

	Number of options	Weighted Average Exercise Price
Balance, February 28, 2022	410,970	\$ 3.00
Granted	3,225,000	0.25
Exercised	(475,000)	0.24
Balance, February 28, 2023	3,160,970	\$ 0.61
Granted	4,750,000	0.14
Cancelled	(141,505)	1.41
Expired	(33,751)	17.50
Exercised	(1,200,000)	0.13
Balance, August 31, 2023	6,535,714	\$ 0.25

The weighted average fair value of incentive stock options granted during the period ended November 30, 2023, was \$0.13 (year ended February 28, 2023 - \$0.24). The weighted average fair value of share price at the time of exercise during period ended November 30, 2023, was \$0.16 (year ended February 28, 2023 - \$0.31). Total share-based payments recognized in the for the period ended November 30, 2023 was \$597,196 (2022 - \$362,250) and classified as expense in the statement of loss and comprehensive loss.

The fair value of incentive stock options at the date of grant was estimated using the Black-Scholes Option Pricing Model using the following weighted average assumptions:

For the nine months ended	November 31, 2023	February 28, 2023
Weighted average exercise price	\$ 0.138	\$ 0.253
Risk-free interest rate	3.50%	3.11%
Expected life (years)	5.00	5.00
Expected volatility	175%	181%
Expected dividends	0%	0%
Forfeiture rate	0%	0%

Stock options outstanding and exercisable as of November 30, 2023 are as follows:

Expiry Date	Exercise Price, \$	Outstanding options	Outstanding and exercisable options
March 21, 2024	17.50	5,714	5,714
May 15, 2025	1.50	102,500	102,500
February 19, 2026	1.40	127,500	127,500
November 14, 2027	0.22	1,600,000	1,600,000
January 11, 2028	0.31	1,000,000	1,000,000
January 27, 2028	0.33	150,000	150,000
March 22, 2028	0.15	1,400,000	1,400,000
March 24, 2028	0.14	50,000	50,000
September 12, 2028	0.13	1,800,000	1,800,000
October 18, 2028	0.17	300,000	300,000
	0.25	6,535,714	6,535,714

The weighted average remaining contractual life of stock options outstanding and exercisable as at November 30, 2023 is 4.26 years (February 28, 2023 – 4.49 years).

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NOTE 8 – RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel compensation

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 defines key management personnel as being the directors and key officers.

The compensation awarded to key management personnel is as follows:

	Nine Months Ended November 30,	
	2023	2022
Management fees	\$ 256,230	\$ 269,031
Consulting fees	22,500	22,500
Share-based payments	191,905	144,900
Total compensation	\$ 470,635	\$ 436,431

Due to related parties

As of November 30, 2023, \$180,000 (February 28, 2023, \$339,098) was included in trade payables and accrued liabilities for fees owed to related parties.

As of November 30, 2023, the Company had the following balances originated from transactions with a legal entity controlled by CEO:

As at	November 30, 2023	February 28, 2023
Receivables	\$ 238	\$ 187
Prepaid expenses and deposits	45,274	-
Loans receivable	50,000	50,000
	\$ 95,512	\$ 50,187

During the period ended November 30, 2023 a legal entity with the officer in common advanced a loan of \$10,000. The loan bears no interest and due on demand. The loan was repaid during the same period.

NOTE 9 – FINANCIAL INSTRUMENTS

Fair values

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs in the valuation techniques as follows:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The carrying values of cash, restricted cash, receivables, loans receivable, trade payables and accrued liabilities approximate their fair values due to the immediate or short-term nature of these instruments. There has been no significant change in credit and market interest rates since the date of its receipt.

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Change in assumptions could significantly affect the estimates.

CARLYLE COMMODITIES CORP.

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For the Three and Nine months Ended November 30, 2023 and 2022

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The following table summarizes the classification of the Company's financial instruments under IFRS 9:

Financial assets	
Cash	Amortized cost
Restricted cash	Amortized cost
Receivables	Amortized cost
Loan receivable	Amortized cost
Financial liabilities	
Trade payables and accrued liabilities	Amortized cost

Capital and Risk Management

The Company's objective and policies for managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company manages its capital structure and makes changes based on economic conditions, risks that impact the operations and future significant capital investment opportunities. In order to maintain or adjust its capital structure, the Company may issue new equity instruments or raise additional debt financing.

The Company is exposed to a variety of financial risks by virtue of its activities: market risk, interest rate risk, liquidity risk and foreign currency risk. The Board of Directors has overall responsibility for the determination of the Company's capital and risk management objectives and policies while retaining ultimate responsibility for them. The Company's overall capital and risk management program has not changed throughout the period. It focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on financial performance. Risk management is carried out by the executive team under policies approved by the Board of Directors. The executive team identifies and evaluates financial risks in close cooperation with the Board of Directors.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest-bearing debt instrument has a fixed interest rate and is not subject to interest rate cash flow risk. As of November 30, 2023, the Company is not exposed to significant interest rate risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company generally relies on external financing or key management to provide sufficient liquidity to meet budgeted operating requirements. The following table sets forth details of the payment profile of financial liabilities based on their undiscounted cash flows:

	Total carrying amount	Contractual cash flows	Less than 1 year	1 to 5 years	More than 5 years
Trade payables and accrued liabilities	\$ 326,935	\$ 326,935	\$ 326,935	\$ -	\$ -
Totals	\$ 326,935	\$ 326,935	\$ 326,935	\$ -	\$ -

Taking into consideration the Company's current cash position, volatile equity markets, global uncertainty in the capital markets and increasing cost pressures, the Company is continuing to review its needs to seek financing opportunities in accordance to its capital risk management strategy.

Foreign currency risk

Foreign currency risk is defined as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The majority of purchases are transacted in the Canadian dollar. Management believes the foreign exchange risk derived from current conversions is not significant and therefore does not hedge its foreign exchange risk.

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Notes to Condensed Consolidated Interim Financial Statements (Unaudited)

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NOTE 10 – SEGMENT REPORTING

All the Company's operations are in the resource sector. The Company's mineral exploration and evaluation operations are based in Canada.

NOTE 11 – EVENTS AFTER REPORTING PERIOD

Subsequent to the period ended November 30, 2023, the Company:

- a) Closed a non-brokered private placement by issuing 4,501,762 flow-through units at a price of \$0.17 per unit for gross proceeds of \$765,299. Each unit consists of one flow-through common share and one-half of a share purchase warrant, with each whole warrant entitling the holder to purchase one non-flow-through common share at a price of \$0.30 per share for a period of two years. In connection with the offering, the Company paid finders' fees of \$57,865 and issued 324,941 finders' warrants, each entitling the holder to purchase one non-flow-through common share at a price of \$0.17 per share for a period of two years.
- b) Issued an aggregate of 62,049 common shares consultants to settle trades payable and accrued liabilities valued at \$5,000.
- c) Granted 1,800,000 stock options to certain officers, directors, and consultants of the Company with an exercise price of \$0.09 and life of five years.