LAFLEUR MINERALS INC.
(formerly, Quebec Pegmatite Holdings Corp.)

Consolidated Financial Statements

For the Year Ended March 31, 2024
and
period from incorporation September 12, 2022 to March 31, 2023

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the shareholders of **Lafleur Minerals Inc. (formerly Quebec Pegmatite Holdings Corp.)**

Opinion

We have audited the consolidated financial statements of Lafleur Minerals Inc. (formerly Quebec Pegmatite Holdings Corp.) (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2024 and 2023, and the consolidated statements of operations and comprehensive loss, changes in equity, and cash flows for the year ended March 31, 2024 and for the period from incorporation on September 12, 2022 to March 31, 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2024 and 2023, and its financial performance and its cash flows for the year ended March 31, 2024 and for the period from incorporation on September 12, 2022 to March 31, 2023 in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated financial statements* section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significate doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in this report.

Assessment of Impairment Indicators of Exploration and Evaluation Assets ("E&E Assets")

As described in Note 6 to the consolidated financial statements, the carrying amount of the Company's E&E Assets was $90,000 as at March 31, 2024. As more fully described in Note 2 to the consolidated financial statements, management assesses E&E Assets for indicators of impairment at each reporting period.

The principal considerations for our determination that the assessment of impairment indicators of the E&E Assets is a key audit matter are that there was judgment made by management when assessing whether there were indicators of impairment for the E&E Assets, specifically relating to the assets' carrying amount which is impacted by the Company's intent and ability to continue to explore and evaluate these assets. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of indicators of impairment that could give rise to the requirement to prepare an estimate of the recoverable amount of the E&E Asset.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. Our audit procedures included, among others:

- Evaluating management’s assessment of impairment indicators;
- Evaluating the intent for the E&E Assets through discussion and communication with management;
- Reviewing the Company’s recent expenditure activity; and
- Obtaining supporting of title to ensure mineral rights underlying the E&E Assets are in good standing.

Other Information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Linda Zhu.

Mao & Ying LLP

Vancouver, Canada
July 29, 2024

Chartered Professional Accountants

LAFLEUR MINERALS INC.
(formerly Quebec Pegmatite Holdings Corp.)
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	March 31, 2024	March 31, 2023
		$	$
ASSETS			
Current assets			
Cash and cash equivalents		732,280	811,339
Cash held in escrow	9	1,000,000	-
Prepaids		76,712	24,000
GST receivable		68,914	17,667
Marketable securities	7	2,502,750	-
		4,380,656	853,006
Exploration and evaluation assets	6	90,000	414,940
		4,470,656	**1,267,946**
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	10	2,236,822	362,366
Flow-through premium liability	9	500,000	-
Short-term advances	8	221,716	-
Income tax liability	14	468,732	-
CTI loan	8	1,134,020	-
RRRF loan	8	468,745	-
		5,030,035	362,366
CTI loan	8	-	1,043,135
		5,030,035	**1,405,501**
SHAREHOLDERS' DEFICIT			
Share capital	9	2,755,905	60,000
Subscriptions received		25,000	92,145
Contributed surplus	9	260,854	146,504
Deficit		(3,601,138)	(436,204)
		(559,379)	(137,555)
		4,470,656	**1,267,946**

Nature of business and going concern (Note 1)
Subsequent Events (Note 16)

Approved on behalf of the Board of Directors on July 29, 2024

/s/ Kal Malhi	*/s/ Michael Kelly*
Kal Malhi	Michael Kelly
Director	Director

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

LAFLEUR MINERALS INC.
(formerly Quebec Pegmatite Holdings Corp.)
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Note	Year ended March 31, 2024	Period from incorporation on September 12, 2022 to March 31, 2023
		$	$
Expenses			
Advertising and promotion		69,050	32,650
Interest expense	8	49,333	-
Exploration expenditures	6	146,784	190,149
Filing and transfer agent		4,171	-
Accretion	8	79,747	4,350
Management fees	10	328,200	160,143
Professional fees	10	309,997	34,389
Meals and entertainment		30,484	7,666
Office and general		20,426	6,857
Share-based compensation		114,350	-
Loss before Other items:		(1,152,542)	(436,204)
Other items:			
Foreign exchange		(893)	-
Gain on sale of exploration and evaluation asset	6	3,140,060	-
Change of fair value of marketable securities	7	(992,250)	-
Listing expense	5	(3,569,777)	-
Write down of mineral property	6	(120,800)	-
		(1,543,660)	-
Loss before taxes		(2,696,202)	(436,204)
Income tax expense	14	(468,732)	-
Net and comprehensive loss for the period		(3,164,934)	(436,204)
Basic and diluted loss per common share		(0.24)	(0.04)
Weighted average number of common shares outstanding		13,429,448	10,945,000

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

LAFLEUR MINERALS INC.
(formerly Quebec Pegmatite Holdings Corp.)
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Number of common shares	Share capital	Contributed surplus	Subscriptions received	Deficit	Total
		$	$	$	$	$
Balance, September 12, 2022 (incorporation)	-	-	-	-	-	-
Shares issued for cash	10,000,000	10,000	-	-	-	10,000
Shares issued for exploration and evaluation assets	1,000,000	50,000	-	-	-	50,000
Subscriptions received	-	-	-	92,145	-	92,145
Capital contribution	-	-	146,504	-	-	146,504
Net loss for the period	-	-	-	-	(436,204)	(436,204)
Balance, March 31, 2023	**11,000,000**	**60,000**	**146,504**	**92,145**	**(436,204)**	**(137,555)**
Flow-through shares issued for cash	3,333,334	1,000,000	-	-	-	1,000,000
Flow-through premium	-	(500,000)	-	-	-	(500,000)
Shares issued	4,499,999	675,000	-	(67,145)	-	607,855
Shares issued to acquire First Responder Technologies Inc.	10,139,366	1,520,905	-	-	-	1,520,905
Share-based compensation	-	-	114,350	-	-	114,350
Net loss for the year	-	-	-	-	(3,164,934)	(3,164,934)
Balance, March 31, 2024	**28,972,699**	**2,755,905**	**260,854**	**25,000**	**(3,601,138)**	**(559,379)**

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

(Expressed in Canadian Dollars)

	Year ended March 31, 2024	Period from incorporation on September 12, 2022 to March 31, 2023
	$	$
Cash flows used in operating activities		
Net loss for the period	(3,164,934)	(436,204)
Non-cash items:		
Interest and accretion	129,080	4,350
Share based payments	114,350	-
Change of fair value of marketable securities	992,250	-
Gain on sale of exploration and evaluation assets	(3,140,060)	-
Write down of mineral property	120,800	-
Listing expense	3,569,777	-
Changes in non-cash working capital:		
Accounts payable and accrued liabilities	271,449	272,366
Income tax liability	468,732	-
Prepaids	(26,595)	(24,000)
GST receivable	(48,922)	(17,667)
	(714,073)	**(201,155)**
Cash flows used in investing activities		
Purchase of marketable securities	(30,000)	-
Purchase of mineral property	(120,800)	(274,940)
Cash acquired on acquisition (Note 5)	112,959	-
	(37,841)	**(274,940)**
Cash flows provided by financing activities		
Share issued for cash	1,607,855	10,000
Loans received	100,000	1,185,289
Loan paid	(35,000)	-
Subscriptions received	-	92,145
	1,672,855	**1,287,434**
Change in cash during the period	920,941	-
Cash and cash equivalents, beginning of period	811,339	811,339
Cash and cash equivalents, end of period	**1,732,280**	**811,339**
Cash and cash equivalents	732,280	811,339
Cash held in escrow	1,000,000	-
Total cash, end of period	**1,732,280**	**811,339**

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

1. NATURE OF BUSINESS AND GOING CONCERN

LaFleur Minerals Inc. (the "Company" or "LaFleur") (formerly "Quebec Pegmatite Holdings Corp" "QPHC" and "First Responder Technologies Inc." "First Responder") was incorporated under the BC Business Corporations Act on January 27, 2017. On January 14, 2020, the Company completed its initial public offering ("IPO") and is now publicly traded on the Canadian Securities Exchange ("CSE") under the ticker LFLR.

On February 21, 2024, First Responder acquired all of the issued and outstanding common shares of Quebec Pegmatite Corp. ("QPC"). As a result of this transaction, the shareholders of QPC acquired more than 50% of First Responder's issued and outstanding common shares and the transaction was accounted for as a reverse takeover ("RTO"). Upon completion of the RTO, the shareholders of QPC obtained control of the consolidated entity. QPC has been identified as the acquirer, and accordingly the entity is considered to be a continuation of QPC with the net assets of First Responder at the date of the RTO deemed to have been acquired by QPC (Note 4). The consolidated financial statements include the results of operations of First Responder from February 21, 2024. The comparative figures are those of QPC. QPC focuses on lithium exploration in Quebec Canada.

On February 21, 2024, the Company completed a name change from First Responder Technologies Inc. to Quebec Pegmatite Holdings Corp. On April 3, 2024, QPHC had resumed trading on the Canadian Securities Exchange.

Subsequent to the year ended, on July 2, 2024, the Company completed a name change from Quebec Pegmatite holdings Corp. to Lafleur Minerals Inc.

The Company's registered, records office, and principal place of business address is 2050 - 1055 West Georgia Street, Vancouver, BC, V6E 3P3.

The Company's consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which presumes that the Company will realize its assets and discharge its liabilities in the normal course of business for at least the next twelve months. The Company has experienced losses and negative cash flow from operations since incorporation. As at March 31, 2024, the Company had not yet generated revenues. These factors indicate the existence of a material uncertainty that casts significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities when due is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts difference from those reflected in the accompanying financial statements.

2. BASIS OF PRESENTATION

Statement of compliance and basis of presentation
These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). They are prepared on a historical cost basis, except for certain financial instruments classified as fair value through profit or loss which have been measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The consolidated financial statements of the Company for the year ended March 31, 2024, were approved and authorized for issuance by the Board of Directors on July 29, 2024.

These consolidated financial statements are presented in Canadian dollars which is the Company's functional currency.

Significant accounting judgments and estimates
The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. In the preparation of these financial statements, management has estimated the fair value of warrants and options issued as part of the related private placements.

Judgements are choices in accounting policies and disclosures which management believes are supported by facts and circumstances existing at the date of the financial statements. The following are critical 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 financial statements:

Impairment assessment of exploration and evaluation assets
The determination of that there have been no events or changes in circumstances that indicate the carrying amount of exploration and evaluation assets may not be recoverable.

All capitalized exploration and evaluation assets are monitored for indications of impairment at each reporting period. The Company considered the following facts and circumstances in determination if it should test exploration and evaluation assets for impairment:

(i) the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
(ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
(iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and
(iv) sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation assets is unlikely to be recovered in full from successful development or by sale.

Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that deferred exploration expenditures are not expected to be recovered, an impairment is charged to profit or loss. Exploration areas where reserves have been discovered, but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway as planned.

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

As at March 31, 2024, the Company has assessed that there are no impairment indicators with respect to its exploration and evaluation assets.

Flow-through shares
The Company finances some exploration and evaluation expenditures through the issuance of flowthrough shares. The resource expenditure deductions for income tax purposes are renounced to investors in accordance with the appropriate income tax legislation. The difference ("premium") between the amount recognized in common shares and the amount the investors pay for the shares is recognized as liabilities on the Company's consolidated statement of financial position, which is reversed to the statement of profit or loss, under other income – premium on flow-through shares, when eligible expenditures have been made.

The Company recognizes a deferred tax liability for flow-through shares and a deferred tax expense at the moment the eligible expenditures are incurred and renounced.

The Company has adopted the residual approach to measure the flow-through share premium whereas the subscription proceeds are firstly allocated to the common shares with the residual amount allocated to the premium. Because the Company's common shares were not traded at in any of stock exchanges when the flow-through shares were issued, the determination of the fair value of the common shares involves considerable judgements. Among other things, management has estimated the per share price by reference to the Company recently completed private placements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Consolidation
These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary QPC (see Note 4).

All significant intercompany accounts and transactions between the Company and its subsidiary have been eliminated upon consolidation.

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.

Cash and cash equivalent
Cash and cash equivalents include cash on hand, demand deposits with financial institutions and a cashable guaranteed investment certificate that are readily convertible into known amounts of cash. As at March 31, 2024, the cash equivalents consist of a $500,000 (March 31, 2023 - $Nil) cashable GIC.

Marketable securities
Marketable securities consist of investment of securities of publicly traded company with shares quoted in an active market, such as on a recognized securities exchange and for which no sales restrictions apply Marketable securities are classified at fair value through profit or loss upon initial acquisition based on quoted closing prices with changes in fair value recognized in the statements of net loss and comprehensive loss.

Financial instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

<u>Financial assets</u>
The Company classifies its financial assets in the following categories:
- Fair value either through Other Comprehensive Income ("OCI"), or through profit or loss; and
- Amortized cost.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. There are three measurement categories under which the Company classifies its debt instruments:

- Fair value through OCI ("FVTOCI"): Equity investments designated as FVTOCI are measured at fair value with changes in fair values recognized in OCI. Dividends from that investment are recorded in profit or loss when the Company's right to receive payment of the dividend is established unless they represent a recovery of part of the cost of the investment.

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest method.

- Fair value through profit or loss ("FVTPL"): Assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the Statement of Loss and Comprehensive Loss in the period in which it arises.

Cash and cash equivalents, cash held in escrow and marketable securities are classified and measured at FVTPL. The Company has not designated any financial assets as amortized cost and FVOCI.

<u>Financial liabilities</u>
The Company classifies its financial liabilities into the following categories:
- FVTPL; and
- Amortized cost.

A financial liability is classified as at FVTPL are measured at fair value with gains and losses recognized in profit or loss.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

The Company does not have any financial liabilities at FVTPL. The Company has classified accounts payable and accrued liabilities, short-term advances, CTI loans and RRRF loan as amortized cost.

<u>Impairment of financial assets carried at amortized cost</u>
The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance 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 credit risk of the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statement of comprehensive 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.

Derecognition of financial assets and financial liabilities
A financial asset is derecognized when the rights to receive cash flows from the asset have expired; or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third-party under a 'pass- through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. Gains and losses on derecognition of financial assets and liabilities classified as amortized cost are recognized in profit or loss when the instrument is derecognized or impaired, as well as through the amortization process. Gains and losses on derecognition of equity investments designated as FVTOCI (including any related foreign exchange component) are recognized in OCI. Amounts presented in OCI are not subsequently transferred to profit or loss, although the cumulative gain or loss may be transferred within equity.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability. In this case, a new liability is recognized, and the difference in the respective carrying amounts is recognized in the statement of income

Fair value of financial instruments
The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices, without deduction for transaction costs. For financial instruments that are not traded in active markets, the fair value is determined using appropriate valuation techniques, such as using a recent arm's length market transaction between knowledgeable and willing parties, discounted cash flow analysis, reference to the current fair value of another instrument that is substantially the same, or other valuation models.

Functional currency
The majority of transactions are in Canadian dollars and therefore the reporting and functional currency of the Company is the Canadian dollar.

Exploration and evaluation assets
All costs directly related to acquisition are capitalized once the legal rights to explore the exploration and evaluation assets are acquired or obtained. When the technical and commercial viability of a mineral resource has been demonstrated and a development decision has been made, the capitalized costs of the related property are first tested for impairment, then transferred to mining assets and depreciated using the units of production method on commencement of commercial production.

Exploration cost including the general exploration costs in areas of interest in which the Company has not secured rights are expensed as incurred.

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. 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. Subsequent recovery of the resulting carrying value depends on successful development or sale of the undeveloped property. Amounts shown for exploration and evaluation assets, net of write-downs and recoveries, are not intended to represent present or future values.

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of the properties is in good standing.

The Company may enter into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the farmee 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 consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted for as a gain on disposal.

Impairment of long-lived assets
At each reporting date, the Company reviews the carrying amounts of its long-lived assets to determine whether there are any indications of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in profit and loss for the period. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

The recoverable amount is the greater of the asset’s fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. 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.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, as if no impairment loss had been recognized. An impairment loss with respect to goodwill is never reversed.

Decommissioning liabilities
The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities and may from time to time incur decommissioning liabilities and the associated retirement costs related to site reclamation and abandonment. The fair value of the liability for a decommissioning liability is recorded when it is incurred and the corresponding increase to the asset is depreciated over the life of the asset. The liability is increased over time to reflect an accretion element considered in the initial measurement at fair value. As at March 31, 2024, the Company had not incurred material decommissioning liabilities related to the exploration and development of its mineral properties.

Share capital
Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and common share warrants are recognized as a deduction from equity. Common shares issued for non-monetary consideration are measured based on their market value at the date the common shares are issued. The Company has adopted the residual method with respect to the measurement of common shares and warrants issued as equity units.

Share-based payments
The share option plan allows Company employees and consultants to acquire shares of the Company. The fair value of share options granted is recognized as a share-based compensation expense with a corresponding increase in the equity settled share-based payments reserve in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

For employees, the fair value is measured at grant date and each tranche is recognized on a straight-line basis over the period during which the share options vest. The fair value of the share options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the share options were granted.

At the end of each reporting period, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Equity-settled share-based payment transactions with non-employees are measured at the fair value of the goods or services received. However, if the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or the services.

Income (loss) per share

Basic income (loss) per share is computed by dividing the net income (loss) for the period by the weighted average number of common shares outstanding during the period. To compute diluted income (loss) per share, adjustments are made to common shares outstanding, if applicable. The weighted average number of common shares outstanding is adjusted to include the number of additional common shares that would be outstanding if, at the beginning of the period or at the time of issuance, all options and warrants were exercised. The proceeds from exercise are assumed to be used to purchase the Company's common shares at their average market price during the period. If this computation is anti-dilutive, diluted income (loss) per share is the same as basic income (loss) per share. For the periods presented, this calculation proved to be anti-dilutive.

Income taxes

Income tax on the profit or loss for the periods presented 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, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the 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 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. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable loss; and differences relating to investments in subsidiaries to the extent that they are unlikely to 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 the underlying assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position 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. To the extent that the Company does not consider it more likely than not that a deferred tax asset will be recovered, it does not recognize the asset.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

4. NEW ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS

New accounting polices adopted
Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgments— Disclosure of Accounting Policies

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments to IAS 1 are effective for annual periods beginning on or after January 1, 2023, with earlier application permitted and are applied prospectively. This amendment did not have a material impact on the Company's consolidated financial statements.

Accounting standards issued but not yet implemented
A number of amendments to standards and interpretations applicable to the Company are not yet effective for the year ended March 31, 2024 and have not been applied in preparing these consolidated financial statements nor does the Company expect these amendments to have a significant effect on its consolidated financial statements.

(Expressed in Canadian dollars)

5. REVERSE TAKEOVER TRANSACTION

On May 8, 2023, the Company entered into a Share Exchange Agreement (the "Share Exchange Agreement") with First Responder Technologies Inc. ("First Responder"). Pursuant to the Share Exchange Agreement First Responder agreed to acquire all of the issued and outstanding common shares of QPC (the "QPC Shares") on the one for one basis (the "Transaction"), On February 21, 2024, First Responder completed the Transaction by issuance of total 18,833,333 shares to the shareholders of QPC.

Because the former shareholders of QPC owns more than 65% of the issued and outstanding shares of the combined entity. Therefore, QPC has been identified as the accounting acquirer, and First Responder is identified as the accounting acquiree.

As the acquisition of First Responder did not constitute a business combination, the Transaction was accounted for in accordance with IFRS 2 Share-based Payments. Any difference in the fair value of the shares deemed to have been issued by the accounting acquirer and the fair value of the accounting acquiree's identifiable net assets represents listing service received by the accounting acquirer which was expensed on completion of the Transaction.

The consideration paid was the fair value of common shares deemed to be issued by QPC totalling 10,139,366 common shares to acquire First Responder. The fair value of these shares was estimated at $0.15 per share based on the per share price of the financing completed by QPC on February 16, 2024 (Note 8). The net assets acquired and the liabilities assumed is presented as follows:

Net liabilities assumed	**$**
Assets acquired	
Cash	112,959
Prepaid expenses and deposits	10,123
GST recoverable	18,319
Liabilities assumed	
Accounts payable and accrued liabilities	(1,603,007)
Short-term loans	(121,591)
Loans payable	(465,675)
Net liabilities assumed	(2,048,872)
Consideration paid	
Fair value of 10,139,366 common shares deemed to be issued	1,520,905
Listing expense	**3,569,777**

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS

Acquisition cost of exploration and evaluation assets as at March 31, 2024 and 2023 are as follows:

	Vieux Comptoir	Mazerac	Brazil 1 Lithium	Total
	$	$	$	$
Acquisition Costs				
Balance, September 12, 2022	-	-	-	-
Acquisition costs – cash	282,440	90,000	-	372,440
Acquisition costs – shares	50,000	-	-	50,000
Proceed from the option agreement	(7,500)	-	-	(7,500)
Balance, March 31, 2023	**324,940**	**90,000**	**-**	**414,940**
Disposed pursuant to the option agreement	(324,940)	-	-	(324,940)
Acquisition costs – cash	-	-	120,800	120,800
Writedown of mineral property	-	-	(120,800)	(120,800)
Balance, March 31, 2024	**-**	**90,000**	**-**	**90,000**

Exploration expenditures for the year ended March 31, 2024 and for the period from incorporation September 12, 2022 to March 31, 2023 are as follows:

	Brazil 1 Lithium	Mazerac	Property Investigation	Total
	$	$	$	$
Exploration expenditures				
Field costs	-	170,149	20,000	190,149
Balance, March 31, 2023	**-**	**170,149**	**20,000**	**190,149**
Exploration expenditures				
Field costs	-	-	1,580	1,580
Technical reports	-	8,407	-	8,407
Consultants	-	-	71,035	71,035
Mapping	12,589	-	-	12,589
Site travel and accommodation	-	-	49,015	49,015
Supplies and equipment	-	-	4,158	4,158
Balance, March 31, 2024	**12,589**	**8,407**	**125,788**	**146,784**

Vieux Comptoir
During the period from incorporation on September 12, 2022 to March 31, 2023, the Company acquired 323 claims comprising the Vieux Comptoir property for cash of $245,000 (of which 239 claims were acquired from an officer who is also the director of the Company for $145,000) and 1,000,000 shares of the Company valued at $50,000. The Company also incurred an additional $37,440 in fees for claim registration that were capitalized as acquisition costs.

The Vieux Comptoir property is subject to a 3% Net Smelter Returns ("NSR") royalty, the Company can purchase 1.5% of the NSR royalty for $2,000,000.

On December 1, 2022, and subsequently amended on January 16, 2023, the Company entered into an option agreement with Superior Mining International Corporation ("Superior"), whereby Superior could acquire the Vieux Comptoir property on the following basis:

- $7,500 by January 15, 2023 (received);
- Issuing 7,000,000 common shares of Superior within 5 days of Superior receiving approval from the TSX Venture Exchange but not later than March 30, 2023 (received in April 2023);

- 3,500,000 common shares of Superior on December 18, 2023 (received in December 2023); and
- 3,500,000 common shares of Superior on June 1, 2024.(received on June 25, 2024)

Upon exercise of the option, Superior will have the option to acquire a 1.5% NSR royalty from the Company for $3,000,000.

During the year ended March 31, 2024, the Company received 10,500,000 common shares of Superior valued at $3,465,000 based on Superior's stock trading price at the date received and recorded a gain of $3,140,060.

Mazerac

On March 31, 2023, QPC entered into an agreement with Coloured Ties Inc. ("CTI") to acquire certain mineral claims making up the Mazerac Lithium Property (the "Mazerac Property") located in Quebec. In consideration for the Mazerac Property QPC agreed to make a cash payment of $90,000 within 120 days of the Company completing a go public transaction. This amount was accrued as at March 31, 2023, it remains outstanding as at March 31, 2024 (settled subsequent to the year ended March 31, 2024, see Note 15). CTI is a significant shareholder of QPC at the time of this transaction and one of the officers and directors of CTI is also an officer and director of QPC.

The Mazerac Property is subject to a 2% NSR royalty, of which 1% can be repurchased for $1,000,000 at any time in the future.

Brazil-Li 1 Lithium, Brazil

On August 7, 2023 (the "Effective Date"), the Company entered into a property option agreement (the "Assignment Agreement") with Brascan Resources Inc. ("BRAS" or "Assignor") BHBC Exploracao Mineral Ltda ("BHBC") and RTB Geologia Mieraca Ltda ("RTB") (where BHBC and RTB together referred as the "Optionors") to acquire 100% beneficial interest in and to certain lithium prospects located in the state of Minas Gerais, Brazil. Pursuant to the Assignment Agreement, the Company agrees to assume all of the Assignor's responsibilities, liabilities and obligations under the option agreement entered between Brascan and Optionors on the Effective Date, and agreed to make a cash payment with an aggregate amount of $199,100 as follows:

- $3,300 within 2 business days of execution of the Assignment Agreement (paid);
- $15,000 within 2 business days of execution of Agreement (paid);
- $52,500 (in exchange for Assignor issuing 1,500,000 common shares to the Optionors) within 5 business days of confirmation of the Assignor completing the share issuance (paid);
- $25,000 on or before the date that is 45 days from the Effective Date (paid);
- $3,300 to cover mineral rights tax by June 30, 2024;
- $25,000 on or before October 1, 2023 (paid);
- $25,000 on or before October 1, 2024; and
- $50,000 on or before October 1, 2025

The Company was required to incur exploration expenditures of $100,000 on the property on or before September 30, 2023 and subsequently extended to March 31, 2024. The Optionors will retain a 2% NSR with the Company having the option to repurchase 1% of the NSR for a cash payment of $500,000 for a period for two years after the commencement of commercial production.

Upon confirmation of the existence of spodumene from surface sample assays results on Brazil-Li 1 Lithium property, the Company is required to pay $100,000 to the Assignor in cash within 5 business days if the assays result in a grading of a minimum of 1% lithium.

During the year ended March 31, 2024, the Company had paid a total amount of $120,800 cash to BRAS and incurred $12,589 of exploration expenditures, relating to mapping of the Brazil-Li 1 Lithium property.

As at March 31, 2024, the Company decided not to pursue exploration activities on the property. Therefore, the Company recorded a write-down of $120,800 on the Brazil-Li 1 Lithium property.

(Expressed in Canadian dollars)

7. MARKETABLE SECURITIES

On April 14, 2023, the Company received 7,000,000 common shares of Superior as consideration of sale of the Vieux Comptoir property (Note 5). On December 18, 2023, the Company received an additional 3,500,000 shares of Superior (Note 6). Changes in the Company's marketable securities during year ended March 31, 2024, are as follows (also see Note 16):

	$
Balance, September 12, 2022 (incorporation) and March 31, 2023	**-**
Additions, sale of exploration assets	3,465,000
Additions, cash	30,000
Unrealized loss on change of fair value	(992,250)
Balance, March 31, 2024	**2,502,750**

8. LOANS PAYABLE

RRRF Loan

On October 10, 2020, the Company entered into a Regional Relief and Recovery Fund Agreement (the "RRRF Agreement") with Pacific Economic Development Canada ("PacifiCan") (fka Western Economic Diversification Canada). PacifiCan provides assistance to businesses and communities that may require additional support to cope with and recover from the COVID-19 pandemic and is part of Canada's COVID-19 Economic Response Plan.

During the year ended June 30, 2021, the RRRF Agreement provided the Company with an interest-free, repayable contribution from the government of $439,016 (the RRRF Loan") which is to be repaid in monthly instalments of $12,200 commencing January 31, 2023, and ending December 31, 2025. The Company has discounted the RRRF loan using a rate of 8.50% for a period of five years and recognized a gain of $112,903 as a result of the imputed interest benefit received from the interest-free RRRF loan during the period ended June 30, 2021.

During the year ended June 30, 2022, management determined the Company was not in compliance with certain provisions of the loan due to the strategic decision to stop development activity. As a result, the entire balance is classified as current, and the loan was accreted to its face value. On October 7, 2022, the Company received a notice of default (the "Notice of Default") related to the obligation indicating a total amount of $439,016 to be repaid. The management is currently in negotiations with PacifiCan regarding the terms of the repayment.

Pursuant to the RRRF Agreement, the Company is required to pay an interest on the amount due as a result of an event of default, at 3 percent above the minimum rate at which the Bank of Canada is prepared to make loans as at the date of the Notice of Default. During year ended June 30, 2023, the Company repaid $12,200 of the balance. During the year ended June 30, 2024, the Company has recorded default interest in the amount of $21,774 (2023 - $20,154). As at March 31, 2024, the total outstanding RRRF Loan is $468,745 consisting of the principal amount of $426,816 and the related interest of $41,929.

CTI Loan

On March 1, 2023, the Company entered into a loan agreement with CTI and received loan proceeds of $1,150,289. This loan bears simple interest at 4% per annum calculated monthly. Both the principal loan amount and accrued interest is due on December 31, 2024. Kal Malhi is a director of the Company and of CTI.

The Company has determined that a below-market interest rate was provided. The fair value of the loan received was estimated to be $1,003,785 based on a 12% discount rate, which represents the approximate market interest rate. The difference between the initial fair value and the face value of the loan of $146,504 has been treated as a capital contribution to the Company from CTI. The loan will be accreted to its face value over the term of the loan at an effective interest rate of 12%.

During the year ended March 31, 2024, the Company recorded accretion expense of $79,748 (2023 - $2,705) and interest of $46,138 (2023 - $1,645). As at March 31, 2024, this loan balance was $1,134,020 (March 31, 2023 - $1,043,135) (also see Note 16).

Bullrun Advances
On February 28, 2023, the Company received an advance from Bullrun Capital Inc. ("Bullrun"), an entity controlled by the director of the Company who was also the president and secretary of the Company at the time, for $35,000. The amount was non-interest bearing and due on demand. During the year ended March 31, 2024, this amount was fully repaid.

On September 28, 2023, the Company received another advance from Bullrun for $50,000, this amount is due on September 28, 2024 and is non-interest bearing. On October 13, 2023, the Company received an additional advance from Bullrun for $50,000, this amount is due on October 13, 2024 and is non-interest bearing. In December 2023, the Company received an additional advance from Bullrun for $40,000, this amount is due on demand and is non-interest bearing. As at March 31, 2024, $140,000 of non-interest bearing advances from Bullrun remain outstanding.

Included in the short-term advances, the amount of $21,716 (consisting of $10,000 in principal and $11,716 accrued interest) was owing to Bullrun. This advance is due on demand and bears an interest rate of 12% per annual.

Subsequent to March 31, 2024, the Company repaid Bullrun $150,000.

Other Short-Term Advances
Included in the short-term advances, the amount of $60,000 (consisting of $50,000 in principal and $10,000 accrued interest) was owing to an arm's length party. This advance is due on demand and bears an interest rate of 12% per annual. This advance, including the accrued interest, was repaid in May 2024.

9. SHARE CAPITAL

Authorized

The Company's authorized share capital consists of an unlimited number of common shares without par value.

Issued and Outstanding

As at March 31, 2024, there were 28,972,699 (March 31, 2023 – 11,000,000) issued and outstanding common shares.

During the year ended March 31, 2024, the Company had the following transactions:

- On December 27, 2023, the Company issued 3,333,334 Flow-Through ("FT") shares for $0.30 per FT share for gross proceeds of $1,000,000. The amounts are held in escrow until applicable flow-through expenditures are incurred. The Company recorded a flow-through premium liability of $500,000 in connection with the FT share issuance.
- On February 16, 2024, the Company issued 4,499,999 units for at $0.15 per unit for gross proceeds of $675,000. Each unit consists of one common share of the Company and one share purchase warrant enabling the holder to exercise at $0.25 per warrant until February 16, 2026. The Company has allocated entire proceeds to common shares and $Nil to the detached warrants by apply the residual approach.
- On February 22, 2024, the Company issued 18,833,333 shares to the shareholders of QPC pursuant to the Share Exchange Agreement (Note 5).

(Expressed in Canadian dollars)

During the period from incorporation on September 12, 2022 to March 31, 2023, the Company had the following transactions:

- On September 12, 2022, the Company issued 10,000,000 common shares at a price of $0.001 per share for gross proceeds of $10,000.
- On October 4, 2022, the Company issued 1,000,000 pursuant to the acquisition of the Vieux Comptoir property (Note 6). These shares were fair valued at $50,000.

During the period from incorporation on September 12, 2022 to March 31, 2023, the Company received $92,145 in subscriptions for a financing that has not been completed. As at March 31, 2024, the Company had a balance of $25,000 in subscriptions received.

Warrants

The Company's warrant transactions were as follows:

	Number of Warrants	Exercise Price	Remaining Life
		$	
Balance, September 12, 2022 to March 31, 2023	**-**	**-**	**-**
Issued	11,924,999	0.16	**2.44**
Balance, March 31, 2024	**11,924,999**	**0.16**	**2.44**

7,425,000 warrants are exercisable at $0.11 per share and will expire on March 15, 2025 and 4,499,999 warrants are exercisable at $0.25 and will expire on February 16, 2029.

Options

On July 11, 2019, the Company implemented an Incentive Stock Option Plan (the "Stock Option Plan"). Pursuant to the Stock Option Plan, the Company will grant stock options to directors, officers, employees and consultants for services, provided that the number of common shares reserved for issuance shall not exceed 10% of the issued and outstanding common shares exercisable for a period of up to five years. The exercise price and vesting terms of the options granted under the Stock Option Plan will be determined by the Board of Directors.

On February 21, 2024, the Company granted 1,000,000 options to an office of the Company at an exercise price $0.075 per share, these options vest immediately and have a 2 year life from the grant date.

The fair value of the stock option granted is estimated to be $114,350 at the date of grant using the Black-Scholes Option Pricing Model with the following assumptions: grant date per share price - $0.15; volatility – 128%; risk free interest rate - 4.22%; expected life – 2 years and expected dividend yield – Nil. The expected volatilities are based on the historical volatility of the comparable companies as the Company has a limited history of trading. The expected term of share options granted represents the period of time that the granted share options are expected to be outstanding. The risk-free interest rate is based on the Canadian government bond rate.

(Expressed in Canadian dollars)

The Company's stock option transactions were as follows:

	Number of Options	Exercise Price	Remaining Life
		$	
Balance, September 12, 2022 to March 31, 2023	**-**	**-**	**-**
Issued	1,000,000	0.075	**1.91**
Balance, March 31, 2024	**1,000,000**	**0.075**	**1.91**

10. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions have been measured at the exchange amount of consideration agreed between the related parties. The related party transactions not disclosed elsewhere in these financial statements are presented below:

As at March 31, 2024, included in accounts payable and accrue liabilities, the Company had $1,649,532 (March 31, 2023 - $268,676) owing to related parties (consisting of directors, officers and individuals related to the directors of the Company and the entities controlled by them). These amounts are non-interest bearing and due on demand.

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.

Key management compensation is presented as follows:

	Year ended March 31, 2024	Period from incorporation September 12, 2022 to March 31, 2023
	$	$
Management fees	328,200	160,143
Professional fees	57,996	3,000
Share based compensation	114,350	-
	500,546	**163,143**

Key management personnel were not paid post-employment benefit, termination fees or other long-term benefits during the year ended March 31, 2024 and for the period from incorporation on September 12, 2022 to March 31, 2023.

During the period from incorporation on September 12, 2022 to March 31, 2023, the Company received loan proceeds from related parties totalling $1,185,289, of which $1,134,020 (March 31, 2023 - $1,185,289) are outstanding as at March 31, 2024 (Note 8).

During the year ended March 31, 2024, the Company received $140,000 in advances from Bullrun. (Note 8).

The Company has a consulting agreement with Bullrun,,pursuant to which the Company agreed to pay $20,000 per month to Bullrun for the management consulting service.

(Expressed in Canadian dollars)

The Company entered a consulting agreement on February 10, 2023, amended on May 1, 2023, with Ambe Holdings Corp., a company controlled by Mike Stier, whereby Mike Stier would act as chief executive officer ("CEO") of the Company. Pursuant to the agreement the Company agreed to pay $12,000 per month, in management consulting fees. The fee was reduced to $6,000 per month in September 2023 and then $3,000 per month effective November 1, 2023.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash, marketable securities, accounts payable and accrued liabilities, short-term advances, CTI loan and RRRF loan. The carrying value of these financial instrument approximates its fair value due to its immediate or short-term maturity.

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

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Cash is classified under Level 1.

Level 2 – Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e.as prices) or indirectly (derived from prices). The Company does not have any financial instruments classified under Level 2.

Level 3 – Valuations in the level are those with inputs for the asset or liability that are not based on observable market data. The Company does not have any financial instruments classified under Level 3.

Assets measured at fair value on a recurring basis were presented on the Company's statement of financial position as follows:

	Fair Value Measurements Using			
	Level 1 $	Level 2 $	Level 3 $	March 31, 2024 $
Cash and cash held in escrow	1,732,280	-	-	1,732,280
Marketable securities	2,502,750	-	-	2,502,750

The Company's financial instruments are exposed to the following risks:

<u>Credit Risk</u>

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash is held at a large Canadian financial institution in interest bearing accounts. The carrying amount of financial assets represents the maximum credit exposure.

<u>Liquidity Risk</u>

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through its capital management and ensuring that sufficient financial resources to meet liabilities as they come due. As at March 31, 2024, the Company had a cash balance of $1,732,280 to settle current liabilities of $5,030,035.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity and equity prices and foreign exchange rates. The Company does not have any financial assets exposed to market rate risk.

Foreign Exchange rate risk

Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company's operations are carried out entirely in Canada and the Company's exposure to foreign exchange risk is considered low.

Interest Rate Risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities and it does not believe it is currently subject to any significant interest rate risk.

12. CAPITAL MANAGEMENT

The Company's capital structure consists of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity financing. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. There were no changes to the Company's approach to capital management during the year ended March 31, 2024. The Company is not subject to externally imposed capital requirements. The Company may raise additional debt or equity financing in the near future to meet its obligations.

13. LEGAL CLAIM

On August 19, 2022, a claim was filed in the Provincial Court of British Columbia (Small Claims Court) by Alfred & Company Advisors Inc. (the "Claimant"). The Company was named as one of the defendants (the "Defendants"). The Claimant demanded for unpaid fees for the months of March to July 2022 pursuant to the service contract with First Responder, as well as payments in the event of termination without just cause for $35,000, plus an extra $266 for filing and service fees, for a total amount of $35,266. The Defendants has filed a counter claim dated September 6, 2022, alleging the Claimant has breached and misrepresented the service contracts with Defendants and demanding the repayment of the excess compensation received by the Claimant for approximately $31,000. The Company considered the claim filed by the Claimant has no merit and will defend it vigorously.

On May 1, 2024, the Company was ordered to pay its remaining balance of $3,938 to the Claimant and the Claimant to return any amounts received in excess. It was deemed that the Claimant was not terminated and therefore not entitled to trigger the termination policy of being paid three times the Claimant's base salary.

14. INCOME TAX

In assessing deferred income tax assets, management considers whether it is probable that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment and concluding the deferred tax assets were not realized.

(Expressed in Canadian dollars)

The following table reconciles the amount income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

	2024	**2023**
Canadian statutory income tax rate	26.5%	26.5%
	$	$
Loss for the period before income taxes	(2,696,202)	(436,204)
Income tax recovery at statutory rate	(714,000)	(116,000)
Other temporary differences	(2,342,000)	40,000
Change in unrecognized temporary differences	3,524,732	76,000
Income tax expense	468,732	-

The nature and effect of the Company's deferred tax assets is as follows:

	2024	**2023**
	$	$
Non-capital losses carried forward	2,603,000	26,000
Exploration and evaluation assets	11,000	50,000
Equipment	843,000	-
Marketable securities	131,000	-
Deferred tax assets not recognized	(3,588,000)	(76,000)
Net deferred tax assets	-	-

As at March 31, 2024, the Company had non-capital losses carried forward of approximately $9,884,000 which may be applied to reduce future years' taxable income, subject to final determination by taxation authorities. The losses expire as follows:

	Total
	$
2040	5,744,000
2041	3,067,000
2042	321,000
2043	494,000
2044	258,000
	9,884,000

The Company also has resource-related amounts available, subject to certain restrictions, of $133,000.

15. SUPPLEMENTAL CASH FLOW INFORMATION

As at March 31, 2024 and 2023, exploration and evaluation asset acquisition costs of $90,000 were included in accounts payable and accrued liabilities.

16. SUBSEQUENT EVENTS

- On May 24, 2024, the Company entered a debt settlement and release agreement with CTI to settle debt in the amount of $1,200,000 owed to it by transferring of 6,666,666 share of Superior held by the Company (Note 8).

- On June 14, 2024, the Company appointed Paul Teniere as the new Chief Executive Officer (“CEO”) and granted 1,000,000 options which are exercisable at $0.25 per Share for a period of five (5) years from the date of grant. Mike Stier resigned as CEO but remains a director of the Company. At the time of his resignation, Mike Stier held 1,000,000 stock options, of which 850,000 were cancelled upon his resignation as CEO.

- On June 14, the Company signed into an arm's length Option Agreement with Abcourt Mines Inc.("ABI") pursuant to which ABI has granted the Company the right to acquire all of ABI's title and interest in and to 141 mineral claims covering approximately 5,579 hectares located in the Province of Quebec, Canada, adjacent to the Swanson gold deposit, for total $2,000,000 in cash payable in four equal installments over 24 months since the effective date of the agreement (of which the 1st installment of $500,000 was paid in May 2024). On July 8, 2024 the Company issued 4,299,211 common shares to satisfy the future cash requirements and acquired 100% interest in the claims.

- On July 2, 2024, the Company had changed its name to Lafleur Minerals Inc.