rain

RAIN CITY RESOURCES INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

D&H Group LLP
Chartered Professional Accountants
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Independent Auditor's Report

To the Shareholders of Rain City Resources Inc.

Opinion
We have audited the financial statements of Rain City Resources Inc. (the "Company"), which comprise the statements of financial position as at September 30, 2024 and September 30, 2023, and the statements of comprehensive loss, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2024 and September 30, 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards.

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 Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the 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.

Key Audit Matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended September 30, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Assessment of Impairment Indicators of Exploration and Evaluation Assets
Description
Management assesses whether there are indicators of impairment to exploration and evaluation assets when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed the recoverable amount. Management applies judgement in assessing whether impairment indicators are present. No impairment indicators were identified by management as of September 30, 2024.

This matter was significant to our audit because the carrying value of the Company's exploration and evaluation assets at September 30, 2024, was $ 600,000 which represents a significant portion of the Company's total assets and management applies significant judgement in assessing whether impairment indicators are present. See Note 2 and Note 5 to the consolidated financial statements.

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How the Key Audit Matter Was Addressed in the Audit
Our approach to addressing the matter included the following procedures, among others:
Evaluated management's assessment as to whether there were any indicators of impairment to exploration and evaluation assets, which included the following:

- Obtained mineral claims and permit listings held by the Company and confirmed the mineral claims held with the related mining authorities.
- Considered the Company's intentions to carry out future exploration and evaluation expenditures which included reading Board of Directors' meeting minutes and enquiring as to the intentions and strategy of the Company.
- Assessed whether there were other changes in circumstances indicating that the exploration and evaluation expenditures may not be recoverable, based on the evidence obtained in other areas of the audit.

Material Uncertainty Related to Going Concern
We draw attention to Note 1 in the financial statements, which indicates that the Company had an accumulated deficit of $ 3,635,383 and a working capital of $ 96,684 as at September 30, 2024. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information
Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the 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 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

"D&H Group LLP"

Vancouver, B.C.
December 19, 2024

Chartered Professional Accountants

RAIN CITY RESOURCES INC.
STATEMENTS OF FINANCIAL POSITION
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in Canadian dollars)

	2024	**2023**
ASSETS		
CURRENT		
Cash	$ 23,879	$ 1,805
Amounts receivable	4,389	29,121
Prepaid expenses	2,500	-
Marketable securities (Note 3)	354,856	76,525
	385,624	107,451
Deposit on investment (Note 4)	815,604	-
Exploration and evaluation assets (Note 5)	600,000	-
	$ 1,801,228	$ 107,451
LIABILITIES		
CURRENT		
Accounts payable (Note 8)	$ 256,536	$ 243,062
Accrued liabilities (Note 8)	32,404	6,000
Loans payable (Note 6)	-	8,000
Due to related party (Note 8)	-	15,880
	288,940	272,942
SHAREHOLDERS' EQUITY		
Share capital (Note 7)	4,813,432	2,746,028
Subscriptions received in advance	49,575	-
Contributed surplus (Note 7)	284,664	58,165
Deficit	(3,635,383)	(2,969,684)
Total equity	1,512,288	(165,491)
	$ 1,801,228	$ 107,451

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)
EXPLORATION AND EVALUATION ASSETS (Note 5 and Note 7)
SUBSEQUENT EVENTS (Note 13)

Approved and authorized for issue on behalf of the Board on December 19, 2024.

"Benjamin Hill" Director *"David Shaw"* Director

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

RAIN CITY RESOURCES INC.
STATEMENTS OF COMPREHENSIVE LOSS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in Canadian dollars)

	2024	2023
EXPENSES		
Accounting fees (Note 8)	$ 86,235	$ 70,183
Advertising	7,513	-
Bank charges	2,605	4,036
Conference fees (Note 8)	2,716	-
Consulting (Note 8)	144,259	-
Legal fees	27,934	-
Management fees (Note 8)	288,751	-
Stock based compensation (Note 7)	195,776	-
Transfer agent and filing fees	29,128	4,933
Travel (Note 8)	5,347	-
	790,264	79,152
LOSS BEFORE OTHER ITEMS	(790,264)	(79,152)
OTHER ITEMS		
Interest income	1,708	-
Impairment of exploration and evaluation assets (Note 5)	-	(10,000)
Unrealized gain on marketable securities (Note 3)	90,002	63,200
Realized loss on sale of marketable securities (Note 3)	32,854	(180,415)
	124,564	(127,215)
NET LOSS AND COMPREHENSIVE LOSS	$ (665,700)	$ (206,367)
LOSS PER COMMON SHARE (basic and diluted)	$ (0.01)	$ (0.01)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	40,070,151	26,031,863

The accompanying notes are an integral part of these financial statements

RAIN CITY RESOURCES INC.
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in Canadian dollars)

	Common Shares					
	Number of Shares	**Amount**	**Subscriptions Received**	**Contributed Surplus**	**Deficit**	**Total**
		$	$	$	$	$
Balance, September 30, 2022	26,031,863	2,746,028	-	58,165	(2,763,317)	40,876
Net loss for the year	-	-	-	-	(206,367)	(206,367)
Balance, September 30, 2023	26,031,863	2,746,028	-	58,165	(2,969,684)	(165,491)

Balance, September 30, 2023	26,031,863	2,746,028	-	58,165	(2,969,684)	(165,491)
Shares issued for exploration and evaluation properties (Note 5)	20,000,000	600,000	-	-	-	600,000
Shares issued for debt (Note 5, 7 and 8)	2,723,500	108,940	-	27,235	-	136,175
Shares issued for private placement (Note 7	18,159,362	1,361,952	-	-	-	1,361,952
Share-based compensation (Note 7 and 8)	-	-	-	195,776	-	195,776
Share issuance costs (Note 7)	41,250	(3,488)	-	3,488	-	-
Subscriptions received in advance	-	-	49,575	-	-	49,575
Net loss for the year	-	-	-	-	(665,700)	(665,700)
Balance, September 30, 2024	66,955,975	4,813,432	49,575	284,664	(3,635,384)	1,512,288

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

RAIN CITY RESOURCES INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in Canadian dollars)

	2024	2023
OPERATING ACTIVITIES		
Net loss for the year	$ (665,700)	$ (206,367)
Items not involving cash:		
Share-based compensation	195,776	-
Unrealized gain (loss) on marketable securities	(90,002)	(63,200)
Realized loss on sale of marketable securities	(32,854)	180,415
Changes in non-cash working capital balances:		
(Increase) Decrease in amounts receivable	24,732	(3,837)
Increase in prepaids	(2,500)	-
Increase in accounts payable	152,177	58,614
Cash used in operating activities	(418,371)	(34,375)
INVESTING ACTIVITIES		
Purchase of marketable securities	(255,000)	(14,170)
Proceeds on the sale of marketable securities	99,523	26,180
Investment in Avonlea	(815,604)	-
Cash used in investing activities	(971,082)	12,010
FINANCING ACTIVITIES		
Proceeds received from private placement	1,361,952	-
Subscriptions receivable	49,575	-
Increase (decrease) in loan payable	-	8,000
Increase (decrease) in due to related party	-	15,880
Cash provided by financing activities	1,411,527	23,880
INCREASE IN CASH	22,074	1,515
CASH, BEGINNING OF YEAR	1,805	290
CASH, END OF YEAR	$ 23,879	$ 1,805

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Rain City Resources Inc. (the "Company") was incorporated on June 23, 2015, under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is Suite 704 – 595 Howe Street, Vancouver, British Columbia, Canada.

The Company's principal business activities to date have included the acquisition and exploration of mineral property assets. As of September 30, 2022, the Company's mineral property assets were considered impaired, and all acquisition and exploration costs were written off. During the year ended September 30, 2024, the Company determined to complete the remaining earn-in requirements to obtain a 100% interest in the Bro Property and currently remains committed to hold this asset for further evaluation. The Company is no longer pursuing the exploration and development of the impaired Northern Champion Project. As part of its strategic realignment, the Company transitioned its focus in June of 2024. The company purchased an interest in an integrated lithium technology and project development company. The Company has been diligent in the advancement of this project. The Company is committed to addressing the environmental, social, and economic challenges associated with extracting lithium from brine.

As at September 30, 2024, the Company had a working capital of $96,684 (2023 – ($165,491)) and a deficit of $3,635,383 (2023 – $2,969,684), which has been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. These factors indicate the existence of a material uncertainty that casts significant doubt about the Company's ability to continue as a going concern.

These 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 different from those reflected in these financial statements.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The Company adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from March 1, 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements. The amendments require the disclosure of "material", rather than "significant", accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand the financial statements.

a) Statement of Compliance to International Financial Reporting Standards

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board("IASB").

These financial statements were authorized for issue in accordance with a resolution from the Board of Directors on December 19, 2024.

b) Basis of presentation

The financial statements have been prepared on an accrual basis except for cash flow information and are based on historical costs modified where applicable. The financial statements are presented in Canadian dollars unless otherwise noted. The policies set out below were consistently applied to all years presented unless otherwise noted.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

c) Significant Judgements

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgements applying to the Company's financial statements include:

- The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

d) Accounting standards issued but not yet effective

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

e) Cash equivalents

Cash equivalents in the statements of financial position is comprised of short-term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

f) Exploration and evaluation assets

All costs related to the acquisition, exploration and development of mineral properties are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units-of-production method over estimated recoverable reserves.

Management annually assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if the property has been abandoned, there are unfavourable changes in the property economics, there are restrictions on development, or when there has been an undue delay in development.

The recoverability of mineral properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

When options are granted on mineral properties or properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

g) Share-based payment

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payments reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payments reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve.

The fair value of warrants issued to agents in connection with private placements (“Agent Warrants”) is recognized on the date of issue as a share issue cost. The Company uses the Black Scholes option pricing model to estimate the fair value of Agent Warrants issued.

h) Flow-through shares

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. On issuance, the premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability. As expenditures are incurred, the liability associated with the renounced tax deductions is recognized through profit and loss with a pro-rata portion of the deferred premium.

To the extent that the Company has deferred tax assets in the form of tax loss carry-forwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

i) Decommissioning, restoration and similar liabilities

An obligation to incur restoration, rehabilitation and environmental costs arises when the environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of the plant and other site preparation work discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the units-of-production or the straight-line method.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

The operations of the Company have been, and may in the future be, affected from time to time in varying degrees by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company is not predictable. The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

j) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

k) Share issuance costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed if the completion of the transaction is considered likely; otherwise, they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are expensed.

l) Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share purchase options are recognized as a deduction from equity, net of any tax effects.

The proceeds from the issuance of units are allocated between common shares and warrants based on the residual value method. Under this method, the proceeds are allocated first to the capital stock based on the fair value of the common shares at the time the units are priced and any residual value is allocated to the warrants reserve. Consideration received for the exercise of warrants is recorded in capital stock and the related residual value is transferred from warrant reserve to capital stock.

m) Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

n) Financial instruments

Financial Assets

i. Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The following table shows the classification of financial instruments under IFRS 9:

Financial assets/liabilities	Classification
Cash	FVTPL
Accounts payable	Amortized cost

ii. Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of net (loss) income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of net (loss) income in the period in which they arise.

iii. Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. Gains and losses on derecognition are recognized in profit or loss.

o) Foreign currency transactions

The functional currency of the Company is the Canadian dollar. The financial statements are presented in Canadian dollars which is the Company's presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transaction or valuation where items are re measured. Foreign exchange gains or losses resulting from the settlement of such transactions and from translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

3. MARKETABLE SECURITIES

The Company holds common shares and warrants in various public companies. The common shares are classified as FVTPL and are recorded at fair value using the quoted market price as at September 30, 2024 and are therefore classified as Level 1 within the fair value hierarchy.

(Expressed in Canadian dollars)

3. MARKETABLE SECURITIES (continued)

Continuity for the years ended September 30, 2024 and 2023 is as follows:

	Balance September 30, 2022	Additions	Proceeds of Disposition	Realized gain (loss) on disposals	Balance September 30, 2023	Unrealized gain (loss) on changes in fair value	FMV Balance September 30, 2023
Common shares	$	$	$	$	$	$	$
Mineral Road Discovery Inc. (formerly Crest Resources Inc)	118,250	-	(26,180)	(180,415)	(88,345)	113,370	25,025
Generation Uranium Inc (formerly Generation Gold Corp)	87,500	-	-	-	87,500	(38,500)	49,000
Origen Resources Inc	-	14,170	-	-	14,170	(11,670)	2,500
Total	205,750	14,170	(26,180)	(180,415)	13,325	63,200	76,525

	Balance September 30, 2023	Additions	Proceeds of Disposition	Realized gain (loss) on disposals	Balance September 30, 2024	Unrealized gain (loss) on changes in fair value	FMV Balance September 30, 2024
Common shares	$	$	$	$	$	$	$
Mineral Road Discovery Inc. (formerly Crest Resources Inc)	25,025	-	-	-	25,025	(1,668)	23,357
Generation Uranium Inc (formerly Generation Gold Corp)	49,000	-	(97,183)	44,683	(3,500)	3,500	-
Golcap Resources Corp	-	255,000	-	-	255,000	76,500	331,500
Origen Resources Inc	2,500	-	(2,340)	(11,830)	(11,670)	11,670	-
Total	76,525	255,000	(99,523)	32,853	264,855	90,002	354,857

On April 26, 2024, the Company entered into a share purchase agreement to sell its ownership of Generation Uranium Inc. to a company controlled by an individual that exerts significant control through share ownership. The Company sold 175,000 shares of Generation Uranium Inc. for an aggregate purchase of $0.26 per shares, totaling $45,500. The proceeds from the sale of these shares will be used to settle fees owing by the Company to a company controlled by an individual that exerts significant control through share ownership (Note 8).

On August 22, 2024, the Company entered into a share purchase agreement to purchase 1,700,000 shares of Golcap Resources Corp. The Seller agreed to sell and the Company agreed to purchase all the rights, title and interest in Golcap Resources Corp. for an estimated fair value of $255,000.

4. INVESTMENT

Avonlea Lithium Corporation

- Pursuant to an option agreement dated June 12, 2024, Avonlea Environmental Technologies Corp. has given the Company the right to acquire up to a 100% interest in Avonlea Lithium Corporation ("Avonlea"), its wholly owned subsidiary. Avonlea is a Canadian company based in Calgary, Alberta, that has developed a new, proprietary and innovative approach to direct lithium extraction called "Advanced Chemical & Cavitation Extraction of Lithium" ("ACCELi").

The earn-in payment terms of this agreement ("Option 1") are as follows:

- The Company is to invest USD$800,000 to earn a 7.5% interest in Avonlea ("Payment 1") on or before 60 days from the date of the earn-in agreement.
- On or before the earlier of (i) the 12-month anniversary of Payment 1 and (ii) the date 60 days after a successful field pilot test program, the Company will invest an additional USD$1,200,000 to earn an additional 11.25% interest in Avonlea ("Payment 2").
- On or before the 12-month anniversary of Payment 2, the Company will invest an additional USD$6,000,000 to earn an additional 24.5% interest in Avonlea ("Payment 3").
- On or before the 12-month anniversary of Payment 3, the Company will invest an additional USD$2,000,000 to earn an additional 8.25% interest in Avonlea for an aggregate 51.5% interest (Payment 4").
- Each interest earned from the above payments shall be transferred to the Company within 30 days of each respective payment.

Additional rights have been granted to the Company to purchase the remaining 48.5% interest in Avonlea after completing Option 1.

As part of the option agreement, the Company is committed to funding operational expenses for a pilot plant. The Company will pay USD $200,000 to Avonlea within 30 days of confirming a mutually agreed upon pilot site, which will comply with Avonlea's specifications and be located in North America. Should the parties fail to agree on a site by December 31, 2024, Avonlea may independently select a North American site under the same terms.

On August 11, 2024, the Company amended the terms on the option agreement of the Avonlea Lithium Corporation dated June 12, 2024, extending Payment 1 from 60 days to 80 days from the Effective Date.

On August 23, 2024, the Company issued a partial payment of USD$600,000 to Avonlea Lithium Corporation as per the terms of the earn-in option agreement dated June 12, 2024.

On August 30, 2024, the Company amended the terms of the option agreement of the Avonlea Lithium Corporation dated June 12, 2024, extending Payment 1 from 80 days to 110 days from the Effective Date.

On September 30, 2024, the Company amended the terms on the option agreement of the Avonlea Lithium Corporation dated June 12, 2024 (as amended by an initial addendum dated August 11 and a second dated August 30, 2024), altering the earn-in payment terms of Payment 1. The Company is to invest USD $600,000 along with the issuance of 3,000,000 shares of the Company to earn a 7.5% interest on or before 120 days from the Effective Date (Note 13).

Lithium Argentina Investments

On September 5, 2024, the Company entered into a Joint-Venture Agreement with Lithium Argentina Investments ("Lithium Argentina"), a private company based in Argentina with lithium-focused exploration licenses in Argentina. The Company will be a 50% owner of the Joint Venture Company.

(Expressed in Canadian dollars)

4. INVESTMENT (continued)

In accordance with the terms of the Agreement, Lithium Argentina will provide access to its exploration licenses representing a portfolio totaling 150,000 hectares. The Company will provide mining exploration and development expertise and the use of its proprietary "ACCELi" direct lithium extraction technology. The Company initially agrees to fund exploration and development expenditure with the intention of moving towards the building of a modular "ACCELi" pilot plant for lithium carbonate production.

5. EXPLORATION AND EVALUATION ASSETS

	Northern Champion Project	Bro Property	Total
	$	$	$
Acquisition costs			
Balance, September 30, 2022	-	-	-
Acquisition	10,000	-	10,000
Impairment	(10,000)	-	(10,000)
Balance, September 30, 2023	-	-	-
Acquisition	-	600,000	600,000
Balance, September 30, 2024	-	600,000	600,000
Exploration and evaluation costs			
Balance, September 30, 2023 and 2024	-	-	-
Balance, September 30, 2023	**-**	**-**	**-**
Balance, September 30, 2024	**-**	**600,000**	**600,000**

Northern Champion Project

Pursuant to an option agreement (the "Agreement") dated October 25, 2016, the Company was granted an option to acquire a 100% undivided interest in the Northern Champion Project (the "Property") located near Champion Creek, south-west of Tulameen, Princeton area of British Columbia.

In accordance with the Agreement, the Company has the option to acquire a 100% undivided interest in the Property by issuing a total of 700,000 common shares of the Company to the Optionors, making cash payments totaling $130,000, and incurring a total of $650,000 in exploration expenditures as follows:

(Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS (continued)

	Number of Common Shares	**Cash**	**Exploration Expenditure**
		$	**$**
Upon execution of the Agreement (paid and incurred)	-	5,000	75,000**
Upon listing of the Company's common shares on a Canadian Stock Exchange (issued and paid)	100,000	5,000	-
On or before the first anniversary of the Listing (issued paid, and incurred)	100,000	10,000	75,000
On or before the second anniversary of the Listing (issued and paid)	100,000	20,000	100,000
On or before the third anniversary of the Listing	*200,000	40,000	200,000
On or before the fourth anniversary of the Listing	200,000	50,000	200,000
Total	700,000	130,000	650,000

** the $75,000 is for the first year from the execution date.
*100,000 shares issued on May 24, 2022; 100,000 shares remain outstanding.

The Optionors will retain a 3% Net Smelter Returns royalty on the Property. The Company has the right to purchase the first 1% of the royalty for $750,000 and the remaining 2% for $1,000,000 at any time prior to the commencement of commercial production. As at September 30, 2021, the Company had incurred some exploration expenditures that were due on or before the second anniversary of the listing on April 25, 2019, but not the entire $100,000.

On January 26, 2021, the Company paid the $10,000 in cash and issued 100,000 common shares that were due on or before the first anniversary of the listing on April 25, 2019.

On May 21, 2021, the Company issued 100,000 common shares that were due on or before the second anniversary of the listing on April 25, 2019.

On May 26, 2021, the Company paid the $20,000 in cash that was due on or before the second anniversary of the listing on April 25, 2019.

On September 21, 2021, the Company received a letter indicating the work commitments were extended until January 25, 2022.

On May 18, 2022, the Company received a further extension to the Agreement until September 30, 2022.

On May 24, 2022, the Company issued 100,000 of the 200,000 common shares that were due on or before the third anniversary of the listing on April 25, 2019. As at September 30, 2022, in accordance with the option agreement, the Company has an outstanding amount of 100,000 common shares due and payable to the optionors.

On September 30, 2022, the Northern Champion Project property was considered impaired and $228,680 in acquisition and explorations costs were written off. The Company is no longer pursuing the exploration and development of the impaired Northern Champion Project property (Note 13).

5. EXPLORATION AND EVALUATION ASSETS (continued)

Bro Property

Pursuant to an agreement dated April 21, 2021 and the amendments dated May 31, 2022 and September 13, 2022, the Company acquired an option to purchase a 100% interest in four mineral claims located in Yukon, collectively known as the Bro Property for an aggregate consideration of $3,000,000 payable over 3 years. The Optionors will retain a 3% Net Smelter Returns (“NSR”) royalty on the Property. The NSR royalty is payable to 1300214 BC Ltd. as to 100% and the royalty can be bought out at a rate of $2,000,000 per 1% at any time. 1300214 B.C. Ltd., is controlled by an individual that exerts significant influence through share ownership.

Payments in shares to comprise a total of $2,500,000 as to the following:

- $500,000 payable in shares on the first anniversary (paid)
- $1,000,000 payable on the second anniversary of the purchase agreement (paid)
- $1,000,000 payable on the third anniversary of the purchase agreement (paid)

Payments in cash to comprise a total of $500,000 as to the following:

- $500,000 payable within 30 days of signing (paid).

During the year ended September 30, 2021, the Company received $19,310 in respect of the BC Mining tax credit (2020: $Nil).

On April 26, 2021, the Company paid the $500,000 in cash that was due within 30 days of the signing of the agreement.

On May 24, 2022, the Company issued 10,000,000 common shares that were due on or before the first anniversary of the property purchase and sale agreement on April 21, 2021.

On September 30, 2022, the Bro Property was considered impaired and $980,690 in acquisition and exploration costs were written off.

On February 5, 2024, the vendor of the Bro Property assigned their associated rights, title, interest and debt to a third party. The Company is indebted to the third party for the amount of $1,000,000 payable in shares of the Company as at April 21, 2023 and $1,000,000 payable in shares of the Company as at April 21, 2024, as per Agreement dated April 21, 2021 and Extension Agreement dated September 13, 2022. The Company remains committed to the exploration and development of the impaired Bro Property.

On February 5, 2024, the Company issued 10,000,000 common shares in satisfaction of the payment that was due on or before the second anniversary as per the property purchase and sale agreement dated April 21, 2021 to 1459988 BC Ltd., a company controlled by an individual that exerts significant influence through share ownership.

On April 24, 2024, the Company issued the final anniversary payment under its Bro Property Purchase Agreement issuing 10,000,000 common shares in satisfaction of the payment that was due on or before the third anniversary and has earned a 100% interest in four mineral claims located in Yukon, collectively known as the Bro Property.

6. LOAN PAYABLE

On January 25, 2023, the Company entered into a loan agreement to borrow $8,000 from Crest Resources Inc. The principal amount of the loan is unsecure, bears no interest, and has no set terms for repayment.

On November 27, 2023, the Company entered into a loan agreement to borrow $10,000 from Crest Resources Inc. This loan is due on or before May 27, 2024, at an interest rate of 7% per annum.

On April 24, 2024, the Company settled its loan indebtedness with Crest Resources Inc. by paying $4,000 and issuing 284,820 shares at a price of $0.05 per common share for a total loan balance owing of $14,241 (2023 - $8,000) which includes interest.

7. SHARE CAPITAL

a) Authorized:

The Company is authorized to issue an unlimited number of common shares without par value.

b) Escrow Shares:

The Company has no shares held in escrow as at September 30, 2024.

c) Issued and Outstanding as at September 30, 2024 – 66,955,975 (2023 – 26,031,863) common shares.

For the year ended September 30, 2024, the Company had the following share capital transactions:

(i) On February 5, 2024, the Company issued 10,000,000 common shares that were due on or before the second anniversary as per the Bro property purchase and sale agreement dated April 21, 2021, to 1459988 BC Ltd., a company controlled by an individual that exerts significant influence through share ownership, for a fair value of $200,000.

(ii) On April 24, 2024, the Company issued the final anniversary payment under the Bro Property Purchase Agreement issuing 10,000,000 common shares at a price of $0.04 per share to 1459988 BC Ltd., a company controlled by an individual that exerts significant influence through share ownership, for a fair value of $400,000.

(iii) On April 24, 2024, the Company settled outstanding indebtedness of $136,175 in exchange for an aggregate of 2,723,500 common shares of the Company at a price of $0.05 per common share. This debt settlement included outstanding indebtedness of $65,550 owing to related parties. These related party amounts paid were $10,750 owing to a company controlled by an individual that exerts significant influence through share ownership, $4,800 owing to a company controlled by the former corporate secretary and $50,000 owing to a company controlled by the CFO of the Company. Since the share price of the Company was $0.04 at the date of the settlement, and the majority of debtors were related parties and/or shareholders, the difference between the share price settlement price of $27,235 was included in contributed surplus.

(iv) On August 22, 2024, the Company closed the first tranche of a non-brokered private placement for total proceeds of $1,361,952 and issuing 18,159,362 common shares at a price of $0.075 per share. The Company issued 41,250 common shares and 41,250 two-year broker warrants exercisable at $0.15 per share as a finder's fee. All shares issued are subject to a four month hold period expiring December 23, 2024. Certain directors and officers participated in this private placement.

(Expressed in Canadian dollars)

7. SHARE CAPITAL (continued)

For the year ended September 30, 2023, the Company had no share capital transactions.

d) Warrants:

(i) On May 6, 2022, the Company consolidated all its issued and outstanding warrants on a three (3) for one (1) basis pursuant to the policies of the Canadian Securities Exchange. The consolidation resulted in the number of warrants to purchase 15,050,000 shares reserved for issuance, equal to 5,016,667 shares on a post Consolidation basis.

(ii) On August 22, 2024, the Company closed the first tranche of its non-brokered private placement and issued 41,250 two-year broker warrants exercisable at $0.15 per share as a finder's fee from the first tranche.

	Number of warrants	Exercise price		Expiry date
Balance, September 30, 2023	5,016,667	$	0.23	May 6, 2027
Issuance	41,250		0.15	Aug 24, 2026
Expired	-		-	
Balance, September 30, 2024	5,057,917	$	0.19	

The fair value of the finder warrants was $3,488 and was estimated using the Black-Scholes Option Pricing Model with the following assumptions:

Share price	$0.15
Risk free interest rate	3.71%
Expected life	2 year
Dividend rate	0%
Annual volatility	279%

The fair value per agent's warrant issued is $0.08. There were no warrants issued during the year ended September 30, 2023.

e) Stock options:

The Company has a Stock Option Plan (the "Plan") for directors, officers, employees and consultants of the Company. Options are exercisable for periods of up to ten years, as determined by the Board of Directors of the Company, to purchase common shares of the Company at a price not less than the discounted market price on the date of the grant. The maximum number of shares which may be issuable under the Plan cannot exceed 10% of the total number of issued and outstanding common shares on a non-diluted basis.

On June 13, 2024, the Company granted 4,000,000 options to directors, officers and consultants of the Company. Each option entitles the holder to purchase one common share of the Company at an exercise price of $0.075 for a period of 3 years from the date of the grant. The options vest 25% on grant date and 25% every six months thereafter until June 13, 2027.

(Expressed in Canadian dollars)

7. SHARE CAPITAL (continued)

The options were fair valued at $0.09 using the Black-Scholes option pricing model with the following assumptions:

Share price	$0.09
Risk free interest rate	3.71%
Expected life	3 years
Dividend rate	0%
Expected volatility	271%

During the year ended September 30, 2024, the Company recognized $195,776 (2023 - $Nil) in share-based payments related to these stock options.

A summary of the Company's stock options at September 30, 2024 and the changes for the period ended is presented below:

	Number of Share Options	Weighted Average Exercise Price
		$
Balance, September 30, 2023	**-**	**-**
Granted	4,000,000	0.075
Unvested	(3,000,000)	0.075
Balance, September 30, 2024 unvested	**1,000,000**	**0.075**

The weighted average remaining contractual life of stock options outstanding at September 30, 2024 was 2.70 years.

8. RELATED PARTY BALANCES AND 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.

On November 28, 2022, the Company entered into a loan agreement with a company controlled by an individual that exerts significant control through share ownership, to borrow $19,897. This loan is due on or before May 28, 2024, at an interest rate of 5% per annum. As at September 30, 2024, an amount of $Nil (2023 - $10,732) included in loans payable was due to a company controlled by an individual that exerts significant influence through share ownership.

On February 27, 2023, the Company entered into a loan agreement with a company controlled by an individual that exerts significant control through share ownership, to borrow $5,000. This loan is due on or before August 4, 2024 at an interest rate of 5% per annum. As at September 30, 2024, an amount of $Nil (2023 - $5,148) included in loans payable was due to a company controlled by an individual that exerts significant influence through share ownership.

On November 3, 2023, the Company entered into a loan agreement with a company controlled by an individual that exerts significant control through share ownership, to borrow $29,925. This loan was due on or before May 3, 2024 at an interest rate of 7% per annum. As at September 30, 2024, an amount of $Nil (2023 - $Nil) included in loans payable was due to a company controlled by an individual that exerts significant influence through share ownership.

8. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

On November 27, 2023, the Company entered into a loan agreement with a company controlled by an individual that exerts significant control through share ownership, to borrow $6,300. This loan was due on or before May 27, 2024 at an interest rate of 7% per annum. As at September 30, 2024, an amount of $Nil (2023 - $Nil) included in loans payable was due to a company controlled by an individual that exerts significant influence through share ownership.

On April 24, 2024, the Company settled outstanding related party indebtedness of $65,550 in exchange for an aggregate of 1,311,000 common shares of the Company at a price of $0.05 per common share. These related party amounts paid were $10,750 owing to a company controlled by an individual that exerts significant influence through share ownership, $4,800 owing to a company controlled by the former corporate secretary and $50,000 owing to a company controlled by the CFO of the Company.

On April 26, 2024, the Company entered into a share purchase agreement to sell its ownership of Generation Uranium Inc. to a company controlled by an individual that exerts significant control through share ownership. The Company sold 175,000 shares of Generation Uranium Inc. for an aggregate purchase of $0.26 per share, totalling $45,500. The proceeds from the sale of these shares will be used to settle fees owing by the Company to a company controlled by an individual that exerts significant control through share ownership.

During the year ended September 30, 2024, the Company incurred $79,000 (2023 - $Nil) in administrative services rendered by a company controlled by an individual that exerts significant control through share ownership. As at September 30, 2024, an amount of $22,795 (2023 - $Nil) included in accounts payable was due to a company controlled by an individual that exerts significant control through share ownership. The amounts due are unsecured, bear no interest and are due on demand. During the year ended September 30, 2024, the Company reimbursed costs incurred on behalf of the Company of $1,170 to a company controlled by an individual that exerts significant control through share ownership.

During the year ended September 30, 2024, the Company incurred share-based compensation of $29,366 to an individual that exerts significant control through share ownership.

On March 31, 2024, the Company incurred $3,000 (2023 - $Nil) in administrative costs rendered by a company controlled by the former corporate secretary of the Company. On April 24, 2024, the Company settled its fees owing to a company controlled by the former corporate secretary of the Company by issuing 96,000 shares at a price of $0.05 per common share for a total loan balance owing of $4,800 (2023 - $4,800). As at September 30, 2024, an amount of $Nil (2023 - $4,800) included in accounts payable was due to a company controlled by the former corporate secretary of the Company.

Key management includes directors and key officers of the Company, including the President, Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”).

During the year ended September 30, 2024, the Company paid or accrued management fees of $31,251 and incurred share-based compensation of $48,944 (2023 - $Nil) to a director and CEO of the Company. As at September 30, 2024, an amount of $10,417 (2023 - $Nil) included in accounts payable was due to a director and CEO of the Company. The amounts due are unsecured, bear no interest and are due on demand. During the year ended September 30, 2024, the Company reimbursed costs incurred on behalf of the Company of $7,166 (2023 - $Nil) to a director and CEO of the Company.

During the year ended September 30, 2024, the Company paid or accrued management fees of $225,000 (2023 - $Nil) and incurred share-based compensation of $48,944 (2023 - $Nil) to a director and Chairperson of the Company.

See also Note 5.

8. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

During the year ended September 30, 2024, the Company paid or accrued management fees of $17,500 (2023 - $Nil) and incurred share-based compensation of $19,578 (2023 - $Nil) to a company controlled by a director and former CEO of the Company.

During the year ended September 30, 2024, the Company incurred share-based compensation of $36,708 (2023 - $Nil) to a director of the Company.

During the year ended September 30, 2024, the Company paid and accrued $54,687 (2023 - $52,136) in accounting fees to a company controlled by the CFO. As at September 30, 2024, an amount of $63,514 (2023 - $89,595) included in accounts payable was due to a company controlled by the CFO of the Company. The amounts due are unsecured, bear no interest and are due on demand.

During the year ended September 30, 2024, the Company paid or accrued management fees of $15,000 (2023 - $Nil) and incurred $12,236 (2023 - $Nil) in share-based compensation to the Head of Corporate Development of the Company. As at September 30, 2024, an amount of $15,750 (2023 - $Nil) included in accounts payable was due to the Head of Corporate Development. The amounts due are unsecured, bear no interest and are due on demand.

As at September 30, 2024, an amount of $32,000 (2023 - $32,000) included in accounts payable was due to a former director and former CEO of the Company. The amounts due are unsecured, bear no interest and are due on demand.

9. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash and marketable securities are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short years of maturity of these instruments.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Assets measured at fair value on a recurring basis were presented on the Company's statement of financial position as at September 30, 2024 are as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	$	$	$	$
Cash	23,879	–	–	23,879
Marketable securities	354,856	–	-	354,856

Financial risk management objectives and policies

The Company's financial instruments include cash, marketable securities, accounts payable, loans payable, and due to related party. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

(iv) *Liquidity risk*

In the management of the liquidity risk of the Company, the Company maintains a balance between continuity of funding and flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

(Expressed in Canadian dollars)

11. INCOME TAXES

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

	2024	2023
Canadian statutory income tax rate	27%	27%
	$	$
Current income tax recovery at statutory rate	(222,176)	(55,719)
Effect of income taxes of:		
Change in rate and others	57,616	(7,082)
Change in deferred tax assets not recognized	164,560	62,801
Deferred income tax recovery	-	-

The temporary differences that give rise to significant portions of the deferred tax assets not recognized are presented below:

	2024	2023
	$	$
Non-capital loss carry forwards	649,957	384,860
Capital loss carry forwards	-	24,356
Shares issuance cost	3,488	-
Marketable securities	55,508	55,508
Mineral properties	142,617	329,530
Deferred tax assets not recognized	(851,570)	(794,254)
	-	-

The Company has losses carried forward of approximately $2,407,247 (2023 - $1,1,425,406) available to reduce income taxes in future years which expire between 2037 and 2044. These losses expire as follows:

	$
2037	39,507
2038	58,081
2039	192,053
2040	196,337
2041	413,604
2042	608,223
2043	202,912
2044	696,530
	2,407,247

The Company has not recognized any deferred income tax assets. The Company recognizes deferred income tax assets based on the extent to which it is probable that sufficient taxable income will be realized during the carry forward periods to utilize all deferred tax assets.

(Expressed in Canadian dollars)

12. SUPPLEMENTAL CASH FLOW INFORMATION

During fiscal year 2024 and 2023 non-cash activities were conducted by the Company as follows:

	2024	2023
	$	$
Operating activities		
Accounts payable and accrued liabilities	(681,572)	-
	(681,572)	-
Investing activities		
Changes to exploration and evaluation assets	600,000	-
	600,000	-
Financing activities		
Shares issued for debt	108,940	-
Decrease in loan payable	(8,000)	-
Decrease in due to related party	(15,880)	-
	81,572	-

13. SUBSEQUENT EVENTS

On October 7, 2024, the Company closed the second tranche of a non-brokered private placement for gross proceeds of $105,825 and issuing 1,411,000 common shares at a price of $0.075 per share. The Company issued an additional 37,500 common shares and 37,500 two-year broker warrants exercisable at $0.15 per share as a finder's fee. All shares issued are subject to a four month hold period expiring December 23, 2024.

On October 7, 2024, the Company granted 1,400,000 options to directors, officers and consultants of the Company. Each option entitles the holder to purchase one common share of the Company at an exercise price of $0.08 for a period of 3 years from the date of the grant. The options vest 25% on grant date and 25% every six months thereafter until October 7, 2027.

On October 7, 2024, the Company declared a sign-on bonus of $225,000 to a director and CEO of the Company. The director and CEO of the Company has used these proceeds to participate in the Company's financing by purchasing 3,000,000 shares at $0.075 per share.

On October 15, 2024, pursuant to the amended terms on the option agreement of the Avonlea Lithium Corporation dated June 12, 2024 (as amended by an initial addendum dated August 11, a second dated August 30, 20224 and a third dated September 30, 2024), the Company issued 3,000,000 shares of the Company thus satisfying in full Payment 1 and immediately earning 7.5% of Avonlea Lithium Corporation. The shares issued will be subject to a four-month hold period expiring February 17, 2025.

On October 18, 2024, the Company has terminated the Northern Champion Property option agreement originally entered with Rich River Exploration Ltd. on October 25, 2016. As consideration for the notice of termination, the Company has agreed to transfer 200,000 common shares of Mineral Road Discovery Inc., issue 200,000 common shares of the Company's common stock, and shall pay an outstanding payable of $7,000. Shares issued to Rich River Exploration Ltd. will be subject to a four-month hold period expiring February 19, 2025.

13. SUBSEQUENT EVENTS (continued)

On October 23, 2024, the Company entered into a Memorandum of Understanding with the Advanced Mining Technology Centre of the University of Chile ("AMTC"). The objective of this partnership is to position the ACCELi technology of the Company to advance environmentally responsible extraction of lithium in Chile.

On October 18, 2024, the Company closed the final tranche of a non-brokered private placement for gross proceeds of $361,842 and issuing 4,824,566 common shares at a price of $0.075 per share. The Company issued an additional 78,750 common shares and 78,750 two-year broker warrants exercisable at $0.15 per share as a finder's fee. All shares issued are subject to a four month hold period expiring February 19, 2024. Certain directors and officers participated in this private placement.

On November 25, 2024, the Company incorporated a new subsidiary in Argentina, Rain City Resources Argentina S.A. This decision was made to facilitate operations in the region pursuant to its agreement with Lithium Argentina.