
METALITE RESOURCES INC.
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED
JUNE 30, 2024 AND 2023
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed interim consolidated financial statements of Metalite Resources Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

Metalite Resources Inc.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

As at,	June 30, 2024	December 31, 2023
ASSETS		
<i>Current</i>		
Cash and cash equivalents	\$ 953	\$ 13,399
Accounts receivables	7,781	13,377
Prepaid expenses	7,351	9,969
Assets related to operations to be wound-up (note 1 and 3(f))	6,993	6,993
Total current assets	23,078	43,738
<i>Non-current</i>		
Site restoration deposits (note 3)	9,001	9,001
Right of use asset (note 4)	57,353	64,523
Total assets	\$ 89,432	\$ 117,262
LIABILITIES		
<i>Current</i>		
Accounts payable and accrued liabilities (note 10)	\$ 314,947	\$ 198,393
Lease liability (note 5)	10,014	9,295
Liabilities related to operations to be wound-up (note 1 and 3(f))	235,887	235,887
Total current liabilities	560,848	443,575
<i>Non-current</i>		
Lease liability (note 5)	40,778	45,971
Total liabilities	601,626	489,546
SHAREHOLDER'S DEFICIENCY		
Share capital (note 6)	15,210,750	15,210,750
Share-based payments reserve	693,674	913,292
Accumulated other comprehensive loss	(11,739)	(11,614)
Deficit	(16,404,879)	(16,484,712)
Total shareholder's deficiency	(512,194)	(372,284)
Total liabilities and shareholder's deficiency	\$ 89,432	\$ 117,262

Nature of operations and going concern (note 1)

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

Metalite Resources Inc.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Operating expenses				
Administration expenses	\$ 6,203	\$ 14,179	\$ 15,268	\$ 74,577
Depreciation (note 4)	3,585	980	7,170	3,935
Exploration expenditures (note 3 and 12)	683	16,086	683	49,182
Management fees (note 10)	38,285	60,779	64,420	173,461
Marketing and shareholder communication	101	102,850	2,099	122,335
Professional fees	26,978	138,213	39,880	303,618
Transfer agent and filing fees	1,021	11,237	10,265	47,652
Gain on settlement of debt	-	(67,242)	-	(67,242)
Share-based compensation (note 7)	-	17,578	38,115	100,894
Foreign exchange (gain) loss	17	12,798	-	16,864
Transaction costs (note 3 and 12)	-	47,553	-	3,917,388
Net loss for the period	76,873	355,011	177,900	4,742,664
Translation difference on foreign operations	(204)	(5,271)	(125)	(5,452)
Comprehensive loss for the period	\$ 76,669	\$ 349,740	\$ 177,775	\$ 4,737,212
Net loss per share				
- basic and diluted (note 9)	\$ 0.00	\$ 0.02	\$ 0.01	\$ 0.38
Weighted average number of common shares outstanding				
- basic and diluted (note 9)	25,285,524	14,505,915	25,285,524	12,423,065

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

Metalite Resources Inc.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

	Six Months Ended June 30,	
	2024	2023
Operating activities		
Net loss for the period	\$ (177,900)	\$ (4,742,664)
<i>Items not affecting cash:</i>		
Transaction costs	-	3,669,242
Share-based compensation	38,115	100,894
Foreign exchange loss (gain)	26	(5,452)
Depreciation	7,170	3,935
Interest paid	4,007	1,314
Gain on settlement of debt	-	(67,242)
<i>Changes in non-cash working capital items:</i>		
Accounts receivables	5,596	(17,909)
Prepaid expenses	2,618	36,253
Accounts payable and accrued liabilities	116,554	516,158
Net cash used in operating activities	(3,814)	(505,471)
Investing activities		
Return of site restoration deposits	-	64,566
Lease obligation expense	(8,481)	(14,025)
Net cash (used in) provided by investing activities	(8,481)	50,541
Financing activities		
Warrants exercised	-	4,000
Net cash provided by financing activities	-	4,000
Decrease in cash and cash equivalents	(12,295)	(450,930)
Cash and cash equivalents, beginning of period	13,399	471,064
Cash and cash equivalents, end of period	\$ 1,104	\$ 20,134
Supplemental information		
Cash and cash equivalents consist of:		
Cash	\$ 953	\$ 20,134
Guaranteed investment certificate	\$ -	\$ -
Non-cash investing and financing activities		
Common shares issued pursuant to Next Generation Resources Inc.(note 3(f))	\$ -	\$ 2,899,968
Fair value of warrants (note 3(f))	\$ -	\$ 769,274

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

Metalite Resources Inc.
Condensed Interim Consolidated Statements of Changes in Shareholder's Deficiency
(Expressed in Canadian Dollars)
(Unaudited)

	Number of shares	Share capital	Shares to be issued	Share-based payments reserve	Accumulated Other Comprehensive Loss	Deficit	Total
Balance, December 31, 2022	7,255,991	\$ 11,974,501	\$ 56,250	\$ 368,347	\$ (11,358)	\$(11,779,023)	\$ 608,717
Amalgamation of Next Generation Resources Inc.	7,249,920	2,899,968	-	769,274	-	-	3,669,242
Fair-value of agent's warrants issued	16,000	9,120	-	(5,120)	-	-	4,000
Share-based compensation	-	-	-	100,894	-	-	100,894
Expired options	-	-	-	(57,993)	-	57,993	-
Cumulative translation adjustment	-	-	-	-	(5,452)	-	(5,452)
Net loss for the period	-	-	-	-	-	(4,742,664)	(4,742,664)
Balance, June 30, 2023	14,521,911	\$ 14,883,589	\$ 56,250	\$ 1,175,402	\$ (16,810)	\$(16,463,694)	\$ (365,263)
Balance, December 31, 2023	25,285,524	\$ 15,210,750	\$ -	\$ 913,292	\$ (11,614)	\$(16,484,712)	\$ (372,284)
Share-based compensation	-	-	-	38,115	-	-	38,115
Expired options	-	-	-	(110,316)	-	110,316	-
Expired warrants	-	-	-	(147,417)	-	147,417	-
Cumulative translation adjustment	-	-	-	-	(125)	-	(125)
Net loss for the period	-	-	-	-	-	(177,900)	(177,900)
Balance, June 30, 2024	25,285,524	\$ 15,210,750	\$ -	\$ 693,674	\$ (11,739)	\$(16,404,879)	\$ (512,194)

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

Metalite Resources Inc.
Notes to Condensed Interim Consolidated Financial Statements
For the Three And Six Months Ended June 30, 2024 and 2023
(In Canadian Dollars, except where noted)
(Unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

On April 1, 2019, Metalite Resources Inc. ("Metalite" or the "Company") was incorporated under the laws of the province of British Columbia. The Company's principal business activity is the exploration for mineral resources in New South Wales, Australia. Metalite is a public company whose common shares trade on the Canadian Securities Exchange ("CSE") under the symbol METL. On October 20, 2023, the Company consolidated its share capital on a 1 new to 10 old shares basis. All share and per share amounts have been retroactively restated for all prior periods to reflect the share consolidation.

The Company's head office address is 82 Richmond Street East, Toronto, Ontario, M5C 1P1.

Going concern of operations

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The unaudited condensed interim consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

As of June 30, 2024, the Company has not generated any revenues and has an accumulated deficit of \$16,404,879 (December 31, 2023 - \$16,484,712) since inception. The Company's continued existence and plans for future growth depend on its ability to obtain additional capital. Next Generation Resources Inc ("NextGen"), a subsidiary of the Company filed for an assignment under Section 49 of the Bankruptcy and Insolvency Act (Canada), effective February 12, 2024. In connection with the above, S. Funtig and Associates Inc. has been appointed as the bankruptcy trustee.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including, relations between NATO and Russian Federation regarding the situation in Ukraine, and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

The above material uncertainties raise significant doubt about the Company's ability to continue as a going concern. Although these unaudited condensed interim consolidated financial statements have been prepared on a going concern basis, the Company's continuing operations are dependent upon its ability to obtain adequate financing through equity or debt issuances.

2. BASIS OF PREPARATION

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

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2. BASIS OF PREPARATION (continued)

Statement of compliance (continued)

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRS, which have been applied consistently to all periods presented. These unaudited condensed interim consolidated financial statements were issued and effective as of August 28, 2024, the date the Board of Directors approved the statements.

The preparation of financial statements in accordance with International Accounting Standards (IAS) 34 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity or areas where assumptions and estimates are significant to these unaudited condensed interim consolidated financial statements were the same as those that applied to the Company's annual consolidated financial statements as at and for the year ended December 31, 2023, except for the below.

Basis of measurement

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

Basis of consolidation

These unaudited condensed interim consolidated financial statements include the accounts of the Company and its 100% owned Canadian, Australian subsidiaries, and Liberia as listed in the table below. All significant inter-company transactions and balances have been eliminated on consolidation. During the year ended December 31, 2023, the Company deregistered Southern Precious Metals Corp. Pty Ltd. and APMC Holdings Pty Ltd. Below is the list of the Company's current subsidiaries as at June 30, 2024.

Name of Subsidiary	Place of Operation	Ownership Interest	Principal Activity
Southern Precious Metals Ltd.	Canada	100%	Holding company
1267248 B.C. Ltd	Canada	100%	Holding company
Aussie Precious Metals Corp.	Canada	100%	Holding company
Next Generation Resources Inc.	Canada	100%	Holding company (note 1)
Great Southern Precious Metals Pty Ltd.	Australia	100%	Australian operating entity
Next Generation Resources Inc Liberia	Liberia	100%	Liberian operating entity (note 1)

Functional currency and presentation currency

These unaudited condensed interim consolidated financial statements are presented in Canadian dollars, which is the Company's presentation currency. The functional currency of each individual entity is measured using the currency of the primary economic environment in which the entity operates. The functional currency is the Canadian Dollar, except for the below entities.

The functional currency of Great Southern Precious Metals Pty Ltd, (2023 - Great Southern Precious Metals Pty Ltd, APMC Holdings Pty Ltd, and Southern Precious Metals Corp. Pty Ltd), is the Australian dollars.

The functional currency of Next Generation Resources Inc Liberia is the Liberian dollar.

Metalite Resources Inc.
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2. BASIS OF PREPARATION (continued)

Adoption of new accounting policies

During the six months ended June 30, 2024, the Company did not adopt any new IFRS standards, interpretations, amendments and improvements of existing standards which had any material impact on the Company's unaudited condensed interim consolidated financial statements.

Accounting standards issued but not yet applied

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for annual periods beginning on or after January 1, 2025 or later periods. The Company is currently evaluating the impact of the adoption of these new standards on its unaudited condensed interim consolidated financial statements.

3 EXPLORATION AND EVALUATION

Exploration and acquisition costs for the three and six months ended June 30, 2024 is as follows:

	Assays	Claim costs	Field costs	Geological	Total
Arthur's Seat (b)	\$ -	\$ 683	\$ -	\$ -	\$ 683
Total	\$ -	\$ 683	\$ -	\$ -	\$ 683

Exploration and acquisition costs for the three months ended June 30, 2023 is as follows:

	Assays	Claim costs	Field costs	Geological	Total
Arthur's Seat (b)	\$ -	\$ 3,005	\$ -	\$ 13,081	\$ 16,086
Total	\$ -	\$ 3,005	\$ -	\$ 13,081	\$ 16,086

Exploration and acquisition costs for the six months ended June 30, 2023 is as follows:

	Assays	Claim costs	Field costs	Geological	Total
Imperial (d)	\$ -	\$ -	\$ 1,337	\$ -	\$ 1,337
Malebo (a)	-	231	-	-	231
Solomons (a)	-	231	-	-	231
Glenrock (e)	-	231	-	-	231
Goodwins Reef (b)	-	231	-	-	231
Arthur's Seat (b)	1,869	3,005	-	18,125	22,999
Castle Rag (b)	-	-	-	2,033	2,033
Silver Creek (b)	-	231	-	-	231
Dingo (b)	-	-	-	10,166	10,166
Gold Star (b)	1,869	-	-	9,161	11,030
Trilby (c)	-	231	-	-	231
Lorne (c)	-	231	-	-	231
Total	\$ 3,738	\$ 4,622	\$ 1,337	\$ 39,485	\$ 49,182

(a) Malebo and Solomons, New South Wales, Australia

During the six months ended June 30, 2023, the Company relinquished the title to Malebo and Solomons.

(b) Gold Belt, Easedowns, Blue Bell, Goodwins Reef, Arthur's Seat, Castle Rag, Silver Creek, Dingo and Gold Star Properties, New South Wales, Australia

During the six months ended June 30, 2023, the Company relinquished the title to Blue Bell, Goodwins Reef, Silver Creek, Goldbelt, Castle Rag, and Dingo. As at June 30, 2024, the Company remaining project is Arthur's Seat.

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3. EXPLORATION AND EVALUATION (continued)

(c) Trilby and Lorne Properties, New South Wales

During the six months ended June 30, 2023, the Company relinquished the title to Trilby and Lorne.

(d) Imperial Property, Nevada

The Company abandoned the project during the year ended December 31, 2021. Costs related to reclamation of roads and drill sites built.

(e) Glenrock

During the six months ended June 30, 2023, the Company relinquished the title to Glenrock.

(f) Liberia

On February 21, 2023, the Company closed the acquisition of NextGen. The transaction was structured as a three-cornered amalgamation completed pursuant to an amalgamation agreement (the "Definitive Agreement") entered into between the Company, a newly incorporated wholly-owned subsidiary of the Company and NextGen. Pursuant to the terms of the Definitive Agreement, in connection with the amalgamation Metalite issued a total of 7,249,920 common shares, 2,990,160 common share purchase warrants and 168,800 agent warrants.

The 215,200 warrants with an exercise price of \$0.25 contain an accelerated expiry provision such that if the closing price of the common shares in the capital of the Company on the CSE is in excess of \$0.25 for a period of 10 consecutive trading days then the expiry date shall be accelerated to the date that is 30 days following the date that is 7 days after the end of the 10 consecutive trading day period referenced above. The 168,800 agent warrants also have an exercise price of \$0.25 and are subject to the same acceleration clause. 2,574,960 of the common share purchase warrants have an exercise price of \$1.00 until February 21, 2024 and an exercise price of \$1.25 from February 22, 2024 until February 21, 2025. The final 200,000 warrants have an exercise price of \$0.625. All of such warrants expire on February 21, 2025. The fair value of these warrants at the date of grant was estimated at \$769,274 using the Black-Scholes option pricing model with the following assumptions: share price - \$0.40; risk free interest rate - 4.23%; expected volatility - 149.1% to 150.9%; expected dividend yield - nil; expected life - 2 to 2.14 years.

The transaction does not constitute a business combination as NextGen and its subsidiary does not meet the definition of a business under IFRS 3 – Business Combinations. As a result, the acquisition of these entities has been accounted for as an asset acquisition, whereby all of the assets acquired and liabilities assumed are assigned a carrying amount based on their relative fair values. Upon closing of the transaction, NextGen and its subsidiary became a subsidiaries of the Company. The net assets acquired pursuant to the acquisition are as follows:

Purchase price allocation of net assets acquired:	Preliminary	Adjustments	Total
Cash	\$ 215,271	\$ -	\$ 215,271
Prepaid expenses	39,468	1,519	40,987
Exploration and evaluation assets	3,746,130	1,453	3,747,583
Accounts payables and accrued liabilities	(331,627)	(2,972)	(334,599)
Total net assets acquired	\$ 3,669,242	\$ -	\$ 3,669,242
Purchase price:	Preliminary	Adjustments	Total
Issuance of shares	\$ 2,899,968	\$ -	\$ 2,899,968
Warrants issued	769,274	-	769,274
Total purchase price	\$ 3,669,242	\$ -	\$ 3,669,242

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3. EXPLORATION AND EVALUATION (continued)

(f) Liberia (continued)

In accordance with the Company's accounting policy all exploration and evaluation assets acquired are expensed.

In July 2023, the Company decided to abandon the property in Liberia. In February 2024, NextGen has filed an assignment under Section 49 of the Bankruptcy and Insolvency Act (Canada) (Note 1). As at March 31, 2024, and December 31, 2023, NextGen is not operational and does not have the financial resources to repay its debts. Further, the Company is in discussions with a trustee in bankruptcy to negotiate a settlement with NextGen's creditors and oversee the liquidation of this subsidiary. Given the above, the Company has presented the assets and liabilities of NextGen as assets and liabilities of operations to be wound-up and has reclassified NextGen's exploration expenditures as transaction costs.

Deposits

As at June 30, 2024, the Company has deposits with the Ministry of New South Wales of \$9,001 (10,000 AUD) (December 31, 2023 - \$9,001 (10,000 AUD)).

4. RIGHT-OF-USE ASSETS

Right-of-use assets consist of mining equipment amortized over 60 months.

	Amount
Balance, December 31, 2022	\$ -
Additions	71,692
Depreciation	(7,169)
Balance, December 31, 2023	64,523
Depreciation	(7,170)
Balance, June 30, 2024	\$ 57,353

5. LEASE LIABILITY

At the commencement date of the leases, the lease liability was measured at the present value of the lease payments that were not paid at that date. The lease payments are discounted using an interest rate of 15% which was the incremental borrowing rate when the lease liability was incurred. The lease liabilities are operating-type leases for office equipment and its premises. The continuity of the lease liabilities is presented in the table below:

	Amount
Balance, December 31, 2022	\$ -
Additions	71,692
Interest expense	4,482
Lease payments	(20,908)
Balance, December 31, 2023	55,266
Interest expense	4,007
Lease payments	(8,481)
Balance, June 30, 2024	\$ 50,792

Maturity analysis - contractual undiscounted cash flows

As at June 30, 2024	
Less than one year	\$ 19,963
Greater than one year	49,475
Total	\$ 69,438

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5. LEASE LIABILITY (continued)

	Amount
As at June 30, 2024	
Current	\$ 10,014
Non-current	40,778
Total	\$ 50,792

6. COMMON SHARES

Authorized

As at June 30, 2024 and 2023, the authorized share capital of the Company is an unlimited number of common shares without par value. On October 20, 2023, the Company consolidated its share capital on a 1 new to 10 old shares basis. The number of shares and per share amounts have been retroactively adjusted to reflect the share consolidation.

Issued share capital

	Number of shares	Share capital
Balance, December 31, 2022	7,255,991	\$ 11,974,501
Acquisition of NextGen (note 3(f))	7,249,920	2,899,968
Warrants exercised (i)	16,000	9,120
Balance, June 30, 2023	14,521,911	\$ 14,883,589
Balance, December 31, 2023 and June 30, 2024	25,285,524	\$ 15,210,750

(i) During the six months ended June 30, 2023, 16,000 share purchase warrants were exercised at \$0.67 for gross proceeds of \$4,000. Upon the exercise of 42,495 Agents' warrants the fair value of \$5,120 was transferred from share-based payments reserve to share capital.

7. STOCK OPTIONS

The Company has implemented a stock option plan ("the Plan") to be administered by the Board of Directors. Pursuant to the Plan the Board of Director's has discretion to grant options for up to a maximum of 10% of the issued and outstanding common shares of the Company at the date the options are granted. The option price under each option shall be not less than the discounted market price on the grant date. The expiry date of an option shall be set by the Board of Directors at the time the option is awarded, and shall not be more than ten years after the grant date. No related persons shall be granted or cumulatively have options in excess of 5% of the total shares issued and outstanding. On October 20, 2023, the Company consolidated its share capital on a 1 new to 10 old shares basis. The number of options and per option amounts have been retroactively adjusted to reflect the share consolidation.

The following table reflects the continuity of stock options for the periods presented:

	Number of stock options	Weighted average exercise price (\$)
Balance, December 31, 2022	724,167	0.920
Forfeited	(41,667)	2.700
Balance, June 30, 2023	682,500	0.810

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7. STOCK OPTIONS (continued)

The following table reflects the continuity of stock options for the periods presented: (continued)

	Number of stock options	Weighted average exercise price (\$)
Balance, December 31, 2023	625,000	0.640
Granted (iii)	1,150,000	0.050
Forfeited	(600,000)	0.500
Balance, June 30, 2024	1,175,000	0.060

(i) On March 17, 2022, the Company granted 35,000 stock options to a Director of which 8,750 stock options vest every six months starting September 17, 2022. The stock options have an exercise price of \$3.00 and are exercisable for a period of five years, expiring March 17, 2027. The fair value of these options at the date of grant was estimated at \$41,380 using the Black-Scholes option pricing model with the following assumptions: share price - \$0.15; risk free interest rate – 1.15%; expected volatility – 116.20%; expected dividend yield - nil; expected life - 5 years. During the three and six months ended June 30, 2024, the Company recognized \$nil (June 30, 2023 - \$5,124), in share-based compensation, in connection with the option grant. The remaining unvested options received accelerated vesting terms due primarily to the departure of the director. The unvested options vested on April 28, 2023, and the stock options expired on April 28, 2024.

(ii) On December 29, 2022, the Company granted 590,000 stock options to Officers and Directors of which 256,250 stock options vest on June 29, 2023, and the remainder vest immediately. The stock options have an exercise price of \$0.50 and are exercisable for a period of five years, expiring December 29, 2027. The fair value of these options at the date of grant was estimated at \$216,090 using the Black-Scholes option pricing model with the following assumptions: share price - \$0.50; risk free interest rate – 3.37%; expected volatility – 116.67%; expected dividend yield - nil; expected life - 5 years. During the three and six months ended June 30, 2024, the Company recognized \$nil, (June 30, 2023 - \$78,192), in share-based compensation, in connection with the option grant. During the three and six months ended June 30, 2023 options totaling 243,750 received accelerated vesting terms due primarily to the departure of certain directors. The unvested options vested on March 15, 2023, and April 28, 2023, and the stock options expired on March 17, 2023, and April 28, 2024.

(iii) On January 26, 2024, the Company granted 1,150,000 stock options to Officers, Directors, and consultants of which vest immediately, of which 900,000 options have been granted to Directors and Officers of the Company. The stock options have an exercise price of \$0.05 and are exercisable for a period of five years, expiring January 26, 2029. The fair value of these options at the date of grant was estimated at \$38,115 using the Black-Scholes option pricing model with the following assumptions: share price - \$0.05; risk free interest rate – 3.63%; expected volatility – 123.37%; expected dividend yield - nil; expected life - 5 years. During the three and six months ended June 30, 2024, the Company recognized \$38,115, in share-based compensation, in connection with the option grant.

The following table reflects the stock options issued and outstanding as of June 30, 2024:

Expiry Date	Exercise Price (\$)	Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)
July 3, 2024 ⁽¹⁾	0.05	0.01	100,000	100,000
July 30, 2024 ⁽¹⁾	0.05	0.08	300,000	300,000
September 24, 2024 ⁽¹⁾	0.05	0.24	400,000	400,000
December 29, 2027	0.50	3.50	25,000	25,000
January 26, 2029 ⁽¹⁾	0.05	4.58	350,000	350,000
	0.06	1.54	1,175,000	1,175,000

⁽¹⁾ Adjusted to reflect departures of officers and directors.

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(Unaudited)

8. WARRANTS

On October 20, 2023, the Company consolidated its share capital on a 1 new to 10 old shares basis. The number of warrants and per warrants amounts have been retroactively adjusted to reflect the share consolidation.

Share Purchase Warrants

The following table reflects the continuity of share purchase warrants for the periods presented:

	Number of share warrants	Weighted average exercise price (\$)
Balance December 31, 2022	2,253,957	1.630
Issued (note 3(f))	2,774,960	1.000
Balance, June 30, 2023	5,028,917	1.270
Balance December 31, 2023	4,502,435	0.945
Expired	(119,975)	4.000
Balance, June 30, 2024	4,382,460	1.009

Share purchase warrants outstanding as at June 30, 2024 are:

Expiry Date	Exercise Price (\$)	Remaining Contractual Life (years)	Number of warrants Outstanding
July 17, 2024	0.670	0.05	1,607,500
February 21, 2025	0.625	0.65	200,000
February 21, 2025	1.250	0.65	2,574,960
Total	1.009	0.43	4,382,460

Agent Warrants

The following table reflects the continuity of agent warrants for the periods presented:

	Number of agent warrants	Weighted average exercise price (\$)
Balance December 31, 2022	73,456	3.200
Exercised (note 6)	(16,000)	0.250
Issued (note 3(f))	384,000	0.250
Balance, June 30, 2023	441,456	0.700
Balance December 31, 2023	6,976	3.200
Cancelled/forfeited	(6,976)	3.200
Balance, June 30, 2024	-	-

As at June 30, 2024, the Company does not have any outstanding agent warrants.

Metalite Resources Inc.
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For the Three And Six Months Ended June 30, 2024 and 2023
(In Canadian Dollars, except where noted)
(Unaudited)

9. LOSS PER SHARE

For the three and six months ended June 30, 2024, basic and diluted loss per share has been calculated based on the loss attributable to common shareholders of \$76,873 and \$177,900, respectively (three and six months ended June 30, 2023 - \$355,011 and 4,742,664, respectively) and the weighted average number of common shares outstanding of 25,285,524 and 25,285,524, respectively (three and six months ended June 30, 2023 - 14,505,915 and 12,423,065, respectively). Diluted loss per share did not include the effect of 1,175,000 options outstanding (June 30, 2023 - 682,500) or the effect of 4,382,460 share purchase warrants outstanding (June 30, 2023 - 5,028,917), nil agent purchase warrants outstanding (June 30, 2023 - 441,456) as they are anti-dilutive.

10. RELATED PARTY TRANSACTIONS

Related parties include Officers, the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions. Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

The Company had the following transactions involving officers and directors for the following periods:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Management and consulting fees paid to directors	\$ 33,347	\$ 136,102	\$ 59,482	\$ 248,784
Share based compensation (note 7)	-	17,578	29,828	100,894
Total	\$ 33,347	\$ 153,680	\$ 89,310	\$ 349,678

Included in accounts payable and accrued liabilities at June 30, 2024 is \$87,266 (December 31, 2023 - \$41,887) owed to related parties. The amounts owed to related parties are unsecured, non-interest bearing and due on demand.

11. SEGMENTED INFORMATION

The Company operates in one industry segment, namely exploration of mineral resources in two geographic regions, Canada, and Australia. All of the Company's site restoration deposits are located in Australia. Geographical segmentation of the Company's assets and liabilities is as follows:

As at, June 30, 2024	Canada	Liberia	Australia	Total
Total non-assets	\$ 57,353	\$ -	\$ 9,001	\$ 66,354
As at, December 31, 2023	Canada	Liberia	Australia	Total
Total non-assets	\$ 64,523	\$ -	\$ 9,001	\$ 73,524

12. Comparative figures

Certain figures for the six-month period ended June 30, 2023 have been reclassified to conform with classifications in the audited consolidated financial statements for the year ended December 31, 2023. These reclassifications had no effect on the reported net loss.