



## **Consolidated Financial Statements**

**For the Years ended December 31, 2023 and 2022**

**(Expressed in Canadian Dollars)**

To the Shareholders of Voltage Metals Corp.:

## Opinion

We have audited the consolidated financial statements of Voltage Metals Corp. and its subsidiary (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2023 and December 31, 2022, and the consolidated statements of net loss and comprehensive loss, changes in equity, and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2023 and December 31, 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

## Basis for Opinion

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

## Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements which indicates that the Company had an accumulated deficit as at December 31, 2023. 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.

## Key Audit Matters

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

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

## Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits 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. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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 consolidated 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.

The engagement partner on the audit resulting in this independent auditor's report is Andrew Kevin Spidle.

Mississauga, Ontario

April 29, 2024

*MNP LLP*

Chartered Professional Accountants

Licensed Public Accountants



**Consolidated Statements of Financial Position**  
(Expressed in Canadian dollars)

As at	December 31, 2023	December 31, 2022
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$117,158	\$93,755
Marketable securities (note 10)	116,000	116,000
Prepaid expenses	27,665	—
HST receivable	345,899	259,360
<b>TOTAL ASSETS</b>	<b>\$606,722</b>	<b>\$469,115</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities (note 9)	\$613,779	\$668,795
Promissory notes (note 7)	381,322	345,322
<b>TOTAL LIABILITIES</b>	<b>\$995,101</b>	<b>\$1,014,117</b>
<b>SHAREHOLDERS' EQUITY (DEFICIT)</b>		
Share capital (note 8)	\$7,259,016	\$6,481,157
Warrants reserve (notes 5, 8)	252,933	252,933
Options reserve (note 8)	76,161	72,627
Shareholders' Equity (Deficit)	(7,976,489)	(7,351,719)
<b>TOTAL EQUITY (DEFICIT)</b>	<b>(388,379)</b>	<b>(545,002)</b>
<b>TOTAL LIABILITIES AND EQUITY (DEFICIT)</b>	<b>\$606,722</b>	<b>\$469,115</b>

**Nature of operations and going concern** (note 1)

**Commitment** (note 12)

**Subsequent events** (note 13)

Approved by the Board

Signed:

"Jay Freeman"

Director

"Layton Croft"

Director

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



**Consolidated Statements of Net Loss and Comprehensive Loss**  
*(Expressed in Canadian dollars)*

For the years ended December 31,	2023	2022
<b>Expenses</b>		
Consulting ( <i>note 9</i> )	\$292,192	\$308,168
Professional fees	156,207	99,730
Exploration and evaluation, net of recoveries ( <i>note 6</i> )	39,472	4,500,035
Regulatory ( <i>note 5</i> )	51,509	1,005,371
Marketing and business development	47,144	151,667
Administrative and office	13,672	34,710
Share-based compensation ( <i>note 8</i> )	3,534	72,627
Fair value adjustments ( <i>note 10</i> )	(14,960)	48,000
Interest expense ( <i>note 7,10</i> )	36,000	36,000
<b>Net loss and comprehensive loss for the year</b>	<b>\$624,770</b>	<b>\$6,256,308</b>
<b>Net loss per share (basic and diluted) (<i>note 8</i>)</b>	<b>\$(0.01)</b>	<b>\$(0.08)</b>
<b>Weighted average number of shares outstanding during the year - basic and diluted</b>	<b>101,161,688</b>	<b>74,203,468</b>

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



## Consolidated Statements of Changes in Equity

(Expressed in Canadian dollars, except for number of shares)

For the years ended December 31, 2023 and 2022	Number of Shares	Share Capital	Reserves			Total
			Warrants	Options	Deficit	
<b>Balance, December 31, 2021</b>	<b>36,000,000</b>	<b>\$700,128</b>	<b>\$—</b>	<b>\$—</b>	<b>\$(1,095,411)</b>	<b>\$(395,283)</b>
Shares issued – reverse takeover transaction ( <i>note 5</i> )	46,046,844	5,597,754	—	—	—	5,597,754
Warrants issued – reverse takeover transaction ( <i>note 5</i> )	—	—	252,933	—	—	252,933
Shares issued – finders fees ( <i>note 5</i> )	750,000	95,025	—	—	—	95,025
Shares issued – Jerry Lake ( <i>note 6,8</i> )	350,000	61,250	—	—	—	61,250
Shares issued – Strachan ( <i>note 6,8</i> )	900,000	27,000	—	—	—	27,000
Share-based compensation ( <i>note 8</i> )	—	—	—	72,627	—	72,627
Net loss for the year	—	—	—	—	(6,256,308)	(6,256,308)
<b>Balance, December 31, 2022</b>	<b>84,046,844</b>	<b>\$6,481,157</b>	<b>\$252,933</b>	<b>\$72,627</b>	<b>\$(7,351,719)</b>	<b>\$(545,002)</b>
Shares issued – private placement ( <i>note 8</i> )	20,174,762	605,243	—	—	—	605,243
Shares issued – private placement ( <i>note 8</i> )	5,173,000	155,190	—	—	—	155,190
Shares issued – settlement of debt ( <i>note 8</i> )	1,250,000	37,500	—	—	—	37,500
Share issue costs ( <i>note 8</i> )	—	(20,074)	—	—	—	(20,074)
Vesting of share-based compensation ( <i>note 8</i> )	—	—	—	3,534	—	3,534
Net loss for the year	—	—	—	—	(624,770)	(624,770)
<b>Balance, December 31, 2023</b>	<b>110,644,606</b>	<b>\$7,259,016</b>	<b>\$252,933</b>	<b>\$76,161</b>	<b>\$(7,976,489)</b>	<b>\$(388,379)</b>

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



# Consolidated Statements of Cash Flows

(Expressed in Canadian dollars)

For the years ended December 31,	2023	2022
<b>Cash flows from operating activities</b>		
Net loss for the year	\$(624,770)	\$(6,256,308)
Items not affecting cash		
Share-based compensation (note 8)	3,534	72,627
Shares issued for property (notes 6,8)	—	88,250
Listing costs on RTO (note 5)	—	900,000
Exploration properties on RTO (note 5)	—	3,267,822
Accrued interest (note 7)	36,000	36,000
Fair value adjustments (note 10)	(14,960)	48,000
Marketable securities received for property (note 6,10)	(116,000)	(80,000)
Changes in non-cash items relating to operating activities		
HST receivable and prepaid expenses	(114,203)	(213,895)
Deferred transaction costs	—	80,491
Accounts payable and accrued liabilities	(17,517)	451,052
	<b>\$(847,916)</b>	<b>\$(1,605,961)</b>
<b>Cash flows from investing activities</b>		
Cash acquired on RTO, net of issue costs (note 5)	—	1,664,625
Proceeds of sale of marketable securities (note 6, 10)	130,960	—
	<b>\$130,960</b>	<b>\$1,664,625</b>
<b>Cash flows from financing activities</b>		
Net proceeds of private placements	740,359	—
Loans payable (note 5)	—	(200,000)
Mansa loan (note 5)	—	200,000
	<b>\$740,359</b>	<b>\$—</b>
<b>Increase (decrease) in cash</b>	<b>23,403</b>	<b>(58,664)</b>
<b>Cash, beginning of the year</b>	<b>93,755</b>	<b>35,091</b>
<b>Cash, end of the year</b>	<b>\$117,158</b>	<b>\$93,755</b>

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





## Notes to the Consolidated Financial Statements For the years ended December 31, 2023 and 2022

### 1. Nature of operations and going concern

#### Nature of operations

Voltage Metals Corp. ("Voltage" or the "Company"), formerly known as Mansa Exploration Inc. ("Mansa"), was incorporated on October 24, 2018 under the *Business Corporations Act* (Ontario). The Company is engaged in the acquisition, exploration, and development of mineral properties.

On March 11, 2022, Voltage Metals Inc. ("VMI") and Mansa completed a reverse takeover transaction ("RTO") pursuant to which Mansa acquired all the issued and outstanding shares of VMI. Under the purchase method of accounting, VMI was identified as the accounting acquirer, and accordingly, the Company's consolidated financial statements reflect a continuation of Voltage Inc. with the net assets of Mansa deemed to have been acquired by VMI (note 5). On March 11, 2022, Mansa, as the Resulting Issuer changed the name of the Company to Voltage Metals Corp. The consolidated financial statements for the year ended December 31, 2022 include the results of operations of Voltage Inc. from January 1, 2022 to December 31, 2022 and of Mansa from March 11, 2022, the date of the RTO.

The Company's corporate office is located at 401 Bay Street, Suite 2704, Toronto, Ontario, M5H 2Y4. The Company's shares are listed on the Canadian Securities Exchange ("CSE") and trade under the symbol "VOLT". These consolidated financial statements were approved by the Board of Directors on April 29, 2024.

#### Going concern

As at December 31, 2023, the Company has an accumulated deficit of \$7,976,489 (2022 - \$7,351,719). To date, Voltage operations have been funded primarily by the issuance of share capital and funds advanced pursuant to promissory note loans.

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize assets and discharge liabilities in the normal course of operations for the foreseeable future and do not reflect the adjustments to the carrying values of assets and liabilities, the reported revenues and expenses, and reclassifications to the consolidated statement of financial position that might be necessary if the Company was unable to continue as a going concern. Such adjustments could be material. These factors represent a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

Mineral exploration projects, even when successful, require large amounts of exploration investment to prove mineable reserves, generally over long periods of time, prior to commencement of production. The ability of the Company to continue as a going concern is dependent upon, among other things, being able to obtain additional financing, the continued support of its existing shareholders, and the outlining and development of commercial deposits of metals at its project(s) to generate positive cash flows from operations. While the Company has been successful in securing financing and identifying suitable properties to date, there is no assurance that the Company will continue to be successful in achieving these objectives.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and development activities and in which it has an interest, in accordance with industry standards for the current stage of exploration and development of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, and non-compliance with regulatory and environmental requirements.



## Notes to the Consolidated Financial Statements

### For the years ended December 31, 2023 and 2022

## 2. Basis of presentation

### Statement of compliance

These consolidated financial statements for the years ended December 31, 2023 and 2022 (the "Consolidated Financial Statements") include the accounts of the Company, and its wholly owned subsidiary VMI. All material intercompany balances and transactions have been eliminated.

These Consolidated Financial Statements, including comparatives, have been prepared in accordance with accounting policies consistent with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"). These Consolidated Financial Statements have been prepared on a historical cost basis except for certain financial instruments that have been measured at fair value and are presented in Canadian dollars, which is also the Company's functional currency.

## 3. Material accounting policies

### Accounting estimates and judgments

The preparation of these Consolidated Financial Statements requires management ("Management") to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. These Consolidated Financial Statements include judgments and estimates which, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the Consolidated Financial Statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and the revision affects both current and future periods.

Significant assumptions about the future and other sources of judgments and estimates that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Estimates and judgments:

- The Company's ability to continue its ongoing and planned exploration activities and continue operations as a going concern, is dependent upon the recoverability of costs incurred to date on mineral properties, the existence of economically recoverable reserves, and the ability to obtain necessary equity financing from time to time. See note 1.
- Accounting for the RTO required Management to determine the accounting acquirer. Factors considered, included, but were not limited to: the relative voting rights in the combined entity after the business combination, the existence of a large minority voting interest in the combined entity if no other owner or organized group of owners has a significant voting interest, the composition of the governing body of the combined entity, the composition of the senior management of the combined entity, the terms of the exchange of equity interests, and which of the combining entities initiated the combination. See note 5.
- The fair value of the shares and warrants issued pursuant to the RTO transaction required significant estimation by Management. See note 5.
- The original fair value of the marketable securities ("Mink") received for the Montcalm project required significant estimation by Management. Subsequent to the receipt of the Mink shares, the securities issuer listed its common shares on the CSE. See note 6.

## Notes to the Consolidated Financial Statements

### For the years ended December 31, 2023 and 2022

#### 3. Material accounting policies

##### Material accounting estimates and judgments, continued

- Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

##### Recent accounting pronouncements

###### Amendments to IAS 12

On May 7, 2021, the IASB issued Deferred Tax related to Assets and Liabilities arising from a Single Transaction. The amendments narrow the scope of the initial recognition exemption ("IRE") so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognize a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision. The adoption of the new standard did not impact the financial statements of the Company.

###### Amendments to IAS 8

In February 2021, the IASB issued Definition of Accounting Estimates, which amended IAS 8. The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events. The amendments to IAS 8 are effective for annual periods beginning on or after January 1, 2023. The adoption of the new standard did not impact the financial statements of the Company.

###### Amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements

In February 2021, the IASB issued amendments to IAS 1, Presentation of Financial Statements, and IFRS Practice Statement 2. The amendments to IAS 1 require an entity to disclose its material accounting policies instead of the entity's significant accounting policies. The amendments include clarification on how an entity can determine material accounting policies by applying a "four-step materiality process" that is described in IFRS Practice Statement 2. The amendments to IAS 1 are effective for annual periods beginning on or after January 1, 2023. The Company adopted the amendments effective January 1, 2023, with no material impact to the Consolidated Financial Statements for 2023.

##### Financial instruments

Financial instruments measured at amortized cost are initially recognized at fair value, plus adjustments for transaction costs, and then subsequently measured at amortized cost using the effective interest rate method, with gains and losses recorded as a charge against earnings.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expired.



## Notes to the Consolidated Financial Statements

### For the years ended December 31, 2023 and 2022

### 3. Material accounting policies, continued

#### Financial instruments, continued

Financial assets and liabilities are offset, and the net amount presented in the statements of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

A financial asset carried at amortized cost is considered impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flow of that asset and that the estimated future cash flow of that asset can be estimated reliably. An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

The following table summarizes the classification of The Company's financial assets and liabilities:

	Classification
<b>Financial assets:</b>	
Cash	Amortized cost
Marketable securities ( <i>note 10</i> )	FVTPL
<b>Financial liabilities:</b>	
Accounts payable and accrued liabilities	Amortized cost
Promissory notes	Amortized cost
Shareholder loan	Amortized cost

#### Cash

Cash comprises cash balances deposited at Canadian chartered banks.

#### Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case the income tax is also recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to offset the amounts and the Company intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the end of the reporting period and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax assets are recognized to the extent future recovery is probable. At each reporting period end, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

## **Notes to the Consolidated Financial Statements**

### **For the years ended December 31, 2023 and 2022**

#### **3. Material accounting policies, continued**

##### **Accounting for flow-through shares**

Expenditure deductions for income tax purposes related to exploratory activities funded by flow-through equity instruments are renounced to investors in accordance with income tax legislation. For accounting purposes, the proceeds from the issuance of these shares are allocated between the offering of shares and the sale of tax benefits. The allocation is made based on the difference between the quoted price of the existing shares and the amount the investor pays for the flow-through shares. A liability is recognized for this difference. The liability is reduced, and the reduction of premium liability is recorded in the statements of net loss and comprehensive loss on a pro-rata basis based on the corresponding eligible expenditures that have been incurred.

##### **Share-based compensation**

Stock options awarded to employees are accounted for using the fair value-based method. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. The fair value of options granted is calculated using the Black-Scholes model and is recorded as stock-based compensation expense over the vesting period of the options. Consideration paid on the exercise of stock options is credited to share capital. The contributed surplus associated with the options is transferred to share capital upon exercise. The fair value of options issued to non-employees is measured based on the fair value of the goods or services exchanged.

##### **Impairment of non-financial assets**

Non-financial assets are reviewed for impairment if there is any indication that the carrying amount may not be recoverable. If any such indication is present, the recoverable amount of the asset is estimated to determine whether impairment exists. Where the asset does not generate cash flows that are independent from other assets, Voltage estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An asset's recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount recognizing an impairment loss in the statement of operations. Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of the recoverable amount but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized.

##### **Mining properties and exploration and evaluation costs**

Exploration and evaluation expenditures include the costs of acquiring licenses and costs associated with exploration and evaluation activity. Exploration and evaluation expenditures are expensed as incurred and are recognized in the statement of net loss and comprehensive loss.



## Notes to the Consolidated Financial Statements

### For the years ended December 31, 2023 and 2022

#### 4. Capital management

The Company's capital comprises shareholders' equity (deficit). 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 development of its mineral properties and to maintain optimal returns to shareholders and benefits for other stakeholders.

The Company manages its 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 its capital structure, the Company may attempt to issue new shares or debt or dispose of assets. There can be no assurance that the Company will be able to obtain debt or equity capital in the case of operating cash deficits (*note 1*).

#### 5. Reverse takeover transaction

As described in note 1, on March 11, 2022, the Company completed a reverse takeover transaction ("RTO") with Voltage Inc., whereby the shareholders of Voltage Inc. become shareholders of the Company. On closing, the Company acquired all the issued and outstanding common shares of Voltage Inc. in exchange for the Company's common shares on the basis of 1.269841 of the Company's common shares for each Voltage Inc. share issued and outstanding. The Company issued a total of 36,000,000 common shares to Voltage Inc.'s shareholders, as a result of which Voltage Inc. became a wholly-owned subsidiary of the Company. To reflect a continuation of Voltage Inc.'s historical financial information, the exchange ratio of 1.269841 is treated as a stock split, presented retrospectively throughout these consolidated financial statements, such that there were 36,000,000 common shares of Voltage Inc. issued and outstanding immediately prior to the RTO.

After evaluating all the facts surrounding this transaction, Management determined that the acquisition was not a business combination as defined under IFRS 3, *Business Combinations*, and was therefore accounted for as an asset acquisition with Voltage Inc. as the acquirer for accounting purposes issuing shares and warrants to the shareholders of Voltage and incurring costs to facilitate the transaction.

The following table summarizes the fair value of the total consideration deemed to be issued to the Voltage (Mansa) shareholders by Voltage Inc. and the fair value of the identified assets acquired, and liabilities assumed, based on estimates of fair value:

46,046,844 shares issued to Voltage (Mansa) shareholders (i)	\$5,597,754
5,529,420 warrants issued to Voltage (Mansa) warrant holders (ii)	252,933
Less: consideration attributed to debt settlement (iii)	(200,000)
Transaction costs	161,441
750,000 finders' shares (i)	95,025
<b>Purchase Price</b>	<b>\$5,907,153</b>
Cash	\$1,826,066
Non-cash working capital	(86,735)
Listing costs (expensed) (iv)	900,000
Exploration properties (expensed)	3,267,822
<b>Total</b>	<b>\$5,907,153</b>





## Notes to the Consolidated Financial Statements For the years ended December 31, 2023 and 2022

### 5. Reverse takeover transaction, continued

(i) The fair value of the 46,046,844 common shares deemed to be issued to the Voltage (Mansa) shareholders and the 750,000 finders' shares was determined using the Black Scholes option pricing model in reference to the private placement financing completed by Voltage (Mansa) immediately prior to the RTO such that the sum of the values of the instruments comprising the unit (one common share and one half of one common share purchase warrant) was equal to the unit subscription price of \$0.15. The following variables were used:

Share price:	\$0.12666	Exercise price	\$0.25
Annualized volatility:	100%	Expected life	2 years
Risk-free rate:	2.35%	Dividend yield:	0.00%

A total of 6,360,000 of the shares deemed to be issued were subject to an escrow restriction. A discount to these shares was valued at \$235,000 using the Black Scholes option pricing model to value a put exercisable at the share price for the duration of the escrow term ranging between 3 months to 12 months. All other variables are the same as noted above.

(ii) The fair value of the warrants deemed to be issued to the Voltage (Mansa) warrant holders was determined using the same variables in (i) above, adjusted for differences in the exercise price (\$0.10 to \$0.25) and the expected useful life (0.77 to 1.94 years).

(iii) In December 2021, Voltage Inc. received a short-term interest-free bridge loan of \$200,000 from a shareholder which was used to pay the final option payment on the Battery Metals Project (note 6). In January 2022, Voltage (Mansa) advanced \$200,000 to Voltage Inc. which was used to repay the bridge loan. The loan was considered to be extinguished with a portion of the RTO consideration.

(iv) The purpose of the RTO was for Voltage Inc. to acquire VMI's (Mansa's) listing status as a public company. The value assigned to the listing costs was determined by reference to several recently completed qualifying transactions of capital pool companies and is included in regulatory expense.

### 6. Mineral properties and exploration expenditures ("E&E")

#### Battery Metals Project

On June 30, 2020, Voltage Inc. and Pancontinental Resources Corporation ("PUC") entered into an option agreement whereby Voltage Inc. would acquire from PUC an 80% interest in four nickel-copper-cobalt exploration projects in northern Ontario: the St. Laurent, Montcalm, Nova, and Gambler projects. On March 1, 2021, Voltage Inc. and PUC modified the payment terms of the option agreement as follows:

- \$100,000 on closing (paid);
- \$100,000 within 3 months (paid);
- 1,269,841 common shares by March 31, 2021 (issued, see note 8);
- \$300,000 by March 31, 2021 (paid);
- \$300,000 by September 30, 2021 (paid);
- \$200,000 by December 31, 2021 (paid, see also note 5).

If the Voltage Inc. acquires the 80% interest and incurs a total of \$2,000,000 or more of exploration expenditures with respect to any of the Projects, PUC's 20% free and carried interest shall automatically be converted into a 1.5% NSR on each of the Projects and Voltage Inc. will have the right to purchase 1% of each NSR by paying \$1,000,000 for each 1% of each of the NSRs.

## Notes to the Consolidated Financial Statements

### For the years ended December 31, 2023 and 2022

#### 6. Mineral properties and exploration expenditures (“E&E”), continued

##### *Mink Option - Montcalm*

On December 23, 2022, the Company entered into an agreement with Mink Ventures Corporation (“Mink”) whereby Mink acquired the exclusive option, for a period of two years, to acquire an 80% interest in the Montcalm project by making the following cash payments and share issuances:

- Pay \$25,000 by December 23, 2022 (received)
- Issue 800,000 Mink common shares (received).
- Pay \$25,000 by December 23, 2023 (received)
- Issue 800,000 Mink common shares on or before December 23, 2023 (received).

Mink is also required to meet minimum work expenditures of \$300,000 before April 12, 2023, and an additional \$300,000 before April 12, 2024. Upon earning the 80% interest, the Company and Mink will form a joint venture (“JV”). If either party’s interest is reduced to 10% or less, then the JV interest shall be automatically extinguished and converted into a 1.5% NSR. The JV shall automatically be terminated upon such automatic conversion, and the surviving party shall become the sole owner of a 100% undivided legal and beneficial interest in and to the property, subject to (i) the above royalty; and (ii) such 1.5% NSR, 0.5% of which may be repurchased by the other party at any time during the 2 year period following declaration of Commercial Production by paying the royalty holder \$1,000,000 of immediately available funds.

On December 23, 2022, Mink issued 800,000 shares to the Company valued at \$80,000. At December 23 and December 31, 2022, the shares of Mink were level 2 financial instruments within the fair value hierarchy as Mink had closed its qualifying transaction on December 23, 2022, and had not yet commenced trading. The fair value of the 800,000 Mink common shares was determined using the Black Scholes option pricing model in reference to the concurrent financing to the qualifying transaction under which Mink issued units for \$0.14 comprising one common share and one common share purchase warrant exercisable at \$0.20 for the first 18 months and at \$0.25 for the second 18 months.

The following variables were used:

Share price:	\$0.098	Exercise price	\$0.25
Annualized volatility:	100%	Expected life	3 years
Risk-free rate:	3.08%	Dividend yield:	0.00%

##### *Plethora Option – St. Laurent*

On October 16, 2023, the Company entered into an option agreement with Plethora Green Energy Corp. (“Plethora”), pursuant to which the option was granted to Plethora to purchase the Company’s 100% interest in the St. Laurent Ni-Cu-Co Project, located 160 km northeast of Timmins, Ontario. If said option is fully exercised by Plethora by October 16, 2026, the Company will transfer its entire ownership interest in the project to Plethora, receive payments in cash totaling \$900,000, and receive a 1.5% net smelter royalty interest in the project, subject to Plethora’s royalty buyback rights.

Scheduled option payments are as follows:

- \$100,000 within five days of signing (received);
- \$200,000 on the first anniversary;
- \$200,000 on the second anniversary; and
- \$400,000 on the third anniversary.





## Notes to the Consolidated Financial Statements For the years ended December 31, 2023 and 2022

### 6. Mineral properties and exploration expenditures (“E&E”), continued

#### Jerry Lake

On April 8, 2022, the Company entered into an option agreement to acquire the Jerry Lake nickel/copper property. The Company has the right to earn a 100% interest in the Jerry Lake Project by making cash payments totaling \$150,000 and issuing 1.7 million shares, over the three-year option period as follows:

- \$15,000 and 350,000 common shares within five days of signing (paid and issued);
- \$25,000 and 400,000 common shares on the first anniversary;
- \$50,000 and 450,000 common shares on the second anniversary; and
- \$60,000 and 500,000 common shares on the third anniversary.

The mining claims are subject to a 2.5% NSR with a buyback of 1% of the NSR for 1 million dollars. As at December 31, 2022, the Company has paid \$15,000 and issued 350,000 common shares.

The Company decided not to maintain this option and the payments due on April 8, 2023 were not made and the option agreement was terminated.

#### Strachan Property

On September 30, 2022, the Company entered into a purchase and sale agreement to acquire the Strachan property in exchange for 900,000 common shares of the Company. The shares were issued on November 28, 2022 and were valued at \$27,000.

The mining claims are subject to 1.5% NSR with a buyback of 1% of the NSR for \$1,000,000.

#### Skyfire Mineral Property

On completion of the RTO (note 5) Voltage Inc., acquired Voltage (Mansa's) rights in an option agreement entered into on October 13, 2013 (the “Skyfire Agreement”). For certain mineral claims located at the Skyfire Mineral Property in central British Columbia, the Skyfire Agreement was amended on January 31, 2020 and November 21, 2021,

To earn its 100% interest, The Company was required to meet certain (amended) minimum exploration expenditures and to issue 1,000,000 common shares upon completion of a positive feasibility study.

The semi-annual expenditure requirements were:

- \$100,000 by June 30, 2021 (met prior to RTO)
- \$150,000 by December 31, 2021 (met prior to RTO)
- \$250,000 by June 30, 2022
- \$750,000 by December 31, 2022

In July 2022, the Company decided not to pursue this optioned property interest. The expenditures required by June 30, 2022, and December 31, 2022, were not made and the option expired.

#### Wheeler Property

On July 7, 2021, Voltage (Mansa) acquired Wheeler Resources Inc., a private company incorporated under the laws of British Columbia, Canada, which owned a 100% interest in 760 claims on the Wheeler Property located in Newfoundland and Labrador, Canada. The original vendor retained a 2.0% NSR on the property, of which 1% may be purchased by the Company for \$1,000,000.



## Notes to the Consolidated Financial Statements For the years ended December 31, 2023 and 2022

### 6. Mineral properties and exploration expenditures ("E&E"), continued

#### Wheeler Property, continued

Upon full exercise of the option, the Company shall assume responsibility for payment of the aggregate 1.25% net smelter returns royalty to the extent of its relative ownership interest in the project. The royalty is subject to a right on the part of Voltage to repurchase 0.5% of the NSR for a price of \$500,000, reducing the royalty payable from 1.25% to 0.75%. On April 23, 2023, the Company sold the Wheeler property for \$1.

#### E&E

The following is a summary of the acquisition and E&E expenses for the years ended December 31, 2023 and 2022:

	December 31, 2023	December 31, 2022
Acquisition costs and option payments expensed	\$—	\$3,356,072
Exploration costs	280,472	1,248,963
Recovery on Battery Metals Project – Mink Option	(141,000)	
Recovery on Battery Metals Project – Plethora Option	(100,000)	(105,000)
Exploration and evaluation, net of recoveries	\$39,472	\$4,500,035

### 7. Promissory notes

In September 2021, VMI received \$300,002 in exchange for promissory notes (the "Notes") payable to companies under the control of shareholders. The Notes bear interest at 12% per year and were due on March 31, 2022. At December 31, 2023 and 2022, these loans remain outstanding. During the year ended December 31, 2023, a total of \$36,000 (2022 - \$36,000) was accrued for interest owing on the Notes. As at December 31, 2023, a total of \$81,320 (December 31, 2022 -\$45,320) interest expense has been accrued.

### 8. Share capital, warrants, and options

#### (a) Common shares

##### Authorized:

Unlimited number of common shares without par value.

##### Escrow

During the year ended December 31, 2023, a total of 10,823,810 escrowed common shares were released pursuant to agreements dated October 29, 2020 and March 11, 2022 (the "Escrow Agreements"). The following table outlines the Company's escrowed common shares scheduled for release pursuant to the Escrow Agreements, in 2024 and 2025:

Release Date	Number
March 18, 2024	2,285,714
September 18, 2024	2,285,714
March 18, 2025	2,285,714
	<b>6,857,142</b>



## Notes to the Consolidated Financial Statements For the years ended December 31, 2023 and 2022

### 8. Share capital, warrants, and options, continued

#### **2022 Activity**

- (i) On March 11, 2022, Voltage completed the RTO resulting in the acquisition of control of Voltage by the shareholders of Voltage Inc. Pursuant to the RTO accounting, the Company issued a total of 46,796,844 common shares (note 5).
- (ii) On April 12, 2022, the Company issued 350,000 common shares valued at \$61,250 in connection with the acquisition of the Jerry Lake property agreement (note 6).
- (iii) On November 28, 2022, the Company issued 900,000 common shares valued at \$27,000 in connection with the acquisition of the Strachan property agreement (note 6).

#### **2023 Activity**

- (iv) On March 30, 2023, the Company closed a \$605,243 financing, issuing 20,174,762 common shares at a price of \$0.03 per share. The Company paid \$16,167 of commissions related to this financing.
- (v) On September 19, 2023, the Company closed a \$155,190 financing, issuing 5,173,333 common shares at a price of \$0.03 per share. The Company paid \$3,907 of cash commissions related to this financing. The Company also settled \$37,500 of debt (the "Settlement") with the issuance of 1,250,000 common shares at a price of \$0.03 per share. There was no gain or loss recognized on the Settlement.

#### **(b) Warrants**

All of the warrants issued and outstanding were deemed issued as part of the RTO transaction (note 5).

- (i) On December 17, 2022, 488,400 warrants with an exercise price of \$0.10 per share expired unexercised.
- (ii) On December 29, 2023, the Company extended the expiry date of an aggregate of 4,149,793 warrants, for six months, to June 29, 2024. These warrants have exercise prices ranging from \$0.15 to \$0.25.

At December 31, 2023, there are 5,041,020 (2022 – 5,041,020) warrants outstanding, with each warrant entitling the holder to acquire one common share of the Company at the prices noted below:

Number	Exercise Price	Remaining Contractual Life In Years	Expiry Date
803,167	\$0.25	0.13	Feb. 17, 2024
79,310	\$0.15	0.13	Feb. 17, 2024
8,750	\$0.20	0.13	Feb. 17, 2024
3,556,333	\$0.25	0.50	June 29, 2024
335,160	\$0.15	0.50	June 29, 2024
258,300	\$0.20	0.50	June 29, 2024
<b>5,041,020</b>	<b>\$0.24</b>	<b>0.43</b>	



## Notes to the Consolidated Financial Statements For the years ended December 31, 2023 and 2022

### 8. Share capital, warrants, and options, continued

#### (c) Stock options

##### SOP

The Company has adopted a stock option plan (the “SOP”), which provides that the Board of Directors of the Company may, from time to time, grant to directors, officers, employees, and technical consultants of the Company, non-transferable options to purchase common shares. The expiry date for each option shall be set by the Board of Directors at the time of issue. A vesting schedule may be imposed at the discretion of the Board of Directors, also at the time of issue. The number of shares that may be reserved for issuance shall not exceed 10% of the total number of issued and outstanding shares of the Company.

- (i) On April 5, 2022, the Company granted 795,000 stock options at an exercise price of \$0.18 per share, expiring two years from the date of grant. Of this total, 265,000 options vested immediately with the remaining 530,000 vesting 25% each quarter over the first 12 months. These stock options had an estimated fair value of \$76,082 using the Black Scholes model with the following inputs:

Share price:	\$0.18	Exercise price	\$0.18
Annualized volatility:	100%	Expected life	2 years
Risk-free rate:	2.35%	Dividend yield:	0.00%

The Company recognized \$3,534 of stock-based compensation expense in relation to the vesting of these options during the year ended December 31, 2023 (2022 – \$72,627).

- (ii) During the year ended December 31, 2023, a total of 280,000 stock options were expired due to the resignations of two directors.

A summary of stock option activity during the year ended December 31, 2023, is as follows:

	Number of stock options outstanding	Weighted average exercise price
<b>Balance, December 31, 2021</b>	<b>—</b>	<b>\$0.00</b>
Granted	795,000	\$0.18
Cancelled	(100,000)	\$0.18
<b>Balance, December 31, 2022</b>	<b>695,000</b>	<b>\$0.18</b>
Expired (ii)	(280,000)	\$(0.18)
<b>Balance, December 31, 2023</b>	<b>415,000</b>	<b>\$0.18</b>

A summary of the issued and outstanding stock options at December 31, 2023, is as follows:

Exercise Price	Number of Options Outstanding	Number of Options Exercisable	Weighted Average Remaining Contractual Life – Years	Expiry Date
\$0.18	415,000	415,000	0.26	April 5, 2024
	<b>415,000</b>	<b>415,000</b>	<b>0.26</b>	



## Notes to the Consolidated Financial Statements For the years ended December 31, 2023 and 2022

### 8. Share capital, warrants, and options, continued

#### (d) Restricted share units

The Company has adopted a restricted share unit plan (the "RSU Plan"), which provides that the Board of Directors of the Company may, from time to time, grant to directors, officers, employees and technical consultants of the Company, non-transferable restricted share units ("RSU"). The expiry date for each RSU shall be set by the Board of Directors at the time of issue. A vesting schedule may be imposed at the discretion of the Board of Directors at the time of issue. The number of shares that may be reserved for issuance shall not exceed 10% of the total number of issued and outstanding shares of the Company. Upon vesting, the Company may choose to either issue one share for each vested RSU or pay a cash amount equal to the fair market value of the vested RSU. To December 31, 2023, no RSUs have been granted.

#### (e) Loss per common share

The options and warrants for the years ended December 31, 2023 and 2022 were excluded from the computation of diluted loss per share as the potential effect was anti-dilutive.

### 9. Related party transactions and management compensation

#### Related party transactions

During the year ended December 31, 2023, the Company accrued \$36,000 (2022 - \$36,000) of interest expense for Notes held by shareholders. See note 7 – Promissory notes.

#### Management compensation

The Company incurred the following expenditures with officers and directors of Voltage, or with companies controlled by those individuals:

Years ended	December 31, 2023	December 31, 2022
Stock-based compensation	\$3,534	\$72,627
Consulting	150,438	204,000
Total management compensation	\$153,972	\$276,627

During the year ended December 31, 2023:

- The former CFO invoiced the Company for a total of \$15,438
- The former President/Director invoiced the Company for a total of \$15,000; and
- The Current management invoiced the Company 120,000.

At December 31, 2023, a total of \$225,645 (2022 - \$90,200) is owed to Key Management for unpaid consulting fees. These unpaid amounts are non-interest-bearing, unsecured and due on demand.

### 10. Financial instruments and risk factors

Voltage's risk exposures and impact on the Company's financial instruments are summarized below:

#### Credit risk

Credit risk is the risk of loss associated with Voltage's inability to collect accounts receivable and safe keep cash. The Company is also exposed to credit risk on its cash, however, it has deposited its cash with reputable Canadian financial institutions, from which Management believes the risk of loss is minimal.



## Notes to the Consolidated Financial Statements For the years ended December 31, 2023 and 2022

### 10. Financial instruments and risk factors, continued

#### Liquidity risk

Voltage manages liquidity risk to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2023, Voltage had cash of \$117,158 to settle current financial liabilities of \$995,101 (December 31, 2022 - \$93,755 to settle current financial liabilities of \$1,014,117). Voltage has no source of recurring operating cash flows and in the absence of additional financing or strategic alternatives, the Company faces substantial liquidity risk (note 1).

#### Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and commodity and equity prices.

- i) Interest rate risk - Voltage is not exposed to significant interest rate risk as it does not have variable interest rates on its debt.
- ii) Commodity price risk - The ability of Voltage to develop its mineral properties and future profitability of the Company is directly related to the market price of the battery metals outlined in note 6.
- iii) Stock price risk – the Company's marketable securities are shares of publicly traded companies. A 10% change in the share price of these companies would result in a change in their fair values by approximately \$11,600 (2022 - \$11,600).

The following table summarizes the Company's marketable securities:

December 31, 2023				December 31, 2022	
Name	Ticker	Quantity	Value	Quantity	Value
December 31, 2022					
Carolina Rush Corporation (formerly Pancontinental Resource Corporation)	RUSH.V	—	\$—	800,000	\$36,000
Mink Ventures Corporation	MINK.V	—	—	800,000	80,000
Mink Ventures Corporation <sup>(1)</sup>	MINK.V	800,000	116,000	—	—
December 31, 2023		800,000	\$116,000	\$116,000	

The following table summarizes the Company's marketable securities activity for the years ended December 31, 2023 and 2022:

	December 31, 2023	December 31, 2022
<b>Balance, beginning of the year</b>	<b>\$116,000</b>	<b>\$84,000</b>
Sale of property (note 6)	<b>116,000</b>	<b>80,000</b>
Fair market value adjustments	<b>14,960</b>	<b>(48,000)</b>
Proceeds of sale of marketable securities	<b>(130,960)</b>	<b>—</b>
<b>Balance, end of the year</b>	<b>\$116,000</b>	<b>\$116,000</b>

- (1) On December 23, 2023, the Company received 800,000 common shares of Mink Ventures Corporation (the "Mink Shares") for option proceeds. See note 6 – *Mineral Properties*. The Mink Shares were valued at \$116,000 based on the trading price on the date the Company received them.

## Notes to the Consolidated Financial Statements

### For the years ended December 31, 2023 and 2022

#### 11. Income tax

The reconciliation of the combined Canadian federal and provincial statutory income tax rate of 26.5% (2022 – 26.5%) to the effective tax rate is as follows:

	December 31, 2023	December 31, 2022
Net Loss before recovery of income taxes	(624,770)	(6,256,308)
Expected income tax (recovery)	(165,560)	(1,657,920)
Effect of RTO	—	656,420
Stock-based compensation and other non-deductible expenses	4,650	19,250
Share issuance costs booked to equity	(5,320)	14,890
Capital items	—	6,360
Renunciation of flow-through expenditures	—	239,560
Non-taxable portion of gain on marketable securities	(5,690)	—
Change in tax benefits not recognized	171,920	721,440
Income tax expense (recovery)	—	—

#### Unrecognized deferred tax assets

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following temporary differences because it is not probable that future taxable profit will be available against which the group can utilize the benefits therefrom:

	2023 \$	2022 \$
Exploration properties	1,987,020	1,996,880
Operating tax losses carried forward	1,842,750	1,195,750
Financing costs	111,210	95,150
Marketable securities	—	7,500
Capital losses carried forward	35,520	---

The Canadian operating tax loss carry forwards expire as noted in the table below.

Share issuance costs will be fully deducted by 2027.

The capital loss carry forward may be carried forward indefinitely but can only be used to reduce capital gains. The remaining deductible temporary differences may be carried forward indefinitely.

Deferred tax assets have not been recognized in these items because it is not probable that future taxable profit will be available against which the group can utilize the benefits therefrom.

The Company's Canadian operating tax losses expire as follows:

	Total \$
2041	404,650
2042	797,300
2043	640,800
	<b>1,842,750</b>



## Notes to the Consolidated Financial Statements

### For the years ended December 31, 2023 and 2022

#### 12. Commitment

Pursuant to the December 31, 2022 and February 17, 2022 FT private placements, the flow-through agreements required the Company to expend and renounce a total of \$904,000 of Canadian Eligible Exploration Expense ("CEE") (the "FT Obligation") incurred on the Company's mineral properties to flow-through subscribers. During the year ended December 31, 2022, the Company satisfied the Flow-through Obligation.

#### 13. Subsequent events

- i) On January 16, 2024, the Company completed a non-brokered private placement through an offering of unsecured convertible promissory notes issued in the aggregate principal amount of \$500,000 (the "**Offering**").

The convertible promissory notes (the "**2024 Notes**") bear interest at a rate of 15% per annum and shall mature on the date that is three (3) months from the date of issuance. The holders of the 2024 Notes have the ability to elect to, in whole or in part, at any time following the date of issuance until maturity, convert the principal amount of the 2024 Notes and any accrued and unpaid interest thereon, into common shares in the capital of the Company at a conversion price of \$0.05 per share.

- ii) In Q1 2024, the Company paid a non-refundable deposit of \$100,000 on an exploration property it is evaluating.
- iii) In Q1 2024, the Company paid \$407,594 of a refundable deposit to consultants to secure future financing.