

**ROCKLAND RESOURCES LTD.**  
**Consolidated Financial Statements**  
**For the years ended September 30, 2023 and 2022**  
**(Expressed in Canadian Dollars)**

## Independent Auditor's Report

To the Shareholders of Rockland Resources Ltd.

### Opinion

We have audited the consolidated financial statements of Rockland Resources Ltd. (the "Group"), which comprise the consolidated statements of financial position as at September 30, 2023 and September 30, 2022 and the consolidated statements of loss and comprehensive loss, shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at September 30, 2023 and September 30, 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 audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the consolidated financial statements which describes the material uncertainty that may cast significant doubt on the Group'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 year ended September 30, 2023. In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be a key audit matter to be communicated in our report. 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.

### Recoverability of Exploration and Evaluation Assets

As disclosed in Note 6 to the consolidated financial statements, the carrying value of Exploration and Evaluation Assets represents a significant asset of the Group. Refer to Note 3 and Note 4 to the consolidated financial statements for a description of the accounting policy and significant judgments applied to Exploration and Evaluation Assets.

At each reporting period end, management applies judgment in assessing whether there are any indicators of impairment relating to mining claims and deferred exploration costs. If there are indicators of impairment, the recoverable amount of the related asset is estimated in order to determine the extent of any impairment. Indicators of impairment may include (i) the period during which the entity has the right to explore in the specific area has expired during the year or will expire in the near future and is not expected to be renewed; (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; (iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and (iv) sufficient data exists to indicate that the carrying amount of the mining claims and deferred exploration costs is unlikely to be recovered in full from successful development or by sale. No impairment indicators were identified by management as at September 30, 2023.

#### **Why the matter was determined to be a key audit matter**

We considered this a key audit matter due to (i) the significance of the mining claims and deferred exploration costs balance and (ii) the judgments made by management in its assessment of indicators of impairment related to mining claims and deferred exploration costs, which have resulted in a high degree of subjectivity in performing audit procedures related to these judgments applied by management.

#### **How the matter was addressed in our audit**

We have evaluated management's assessment of impairment indicators per IFRS 6 Exploration for and Evaluation of Mineral Resources, including but not limited to:

- Obtaining, by reference to government registries, evidence to support (i) the right to explore the area and (ii) claim expiration dates;
- Assessing compliance with option agreements by reviewing agreements, vouching cash payments and share issuances;
- Considering the status of the relevant exploration areas by holding discussions with management, and reviewing the Group's exploration budget;
- Enquiring with management and reviewing its future plans and other documentation as evidence that further exploration and evaluation activities in the area of interest will be continued in the future;
- Assessing whether any data exists to suggest that the carrying value of the Exploration and Evaluation assets is unlikely to be recovered through development or sale; and
- Assessing the adequacy of the related disclosures in Note 3, Note 4 and Note 6 to the consolidated financial statements.

#### **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 audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

### **Responsibilities of Management and Those Charged with Governance for the 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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group'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 Group'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 Group'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 Group 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Diana Huang.

*Crowe Mackay LLP*

**Chartered Professional Accountants  
Vancouver, Canada  
January 26, 2024**

**ROCKLAND RESOURCES LTD.**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
(Expressed in Canadian Dollars)

| AS AT   | September 30,<br>2023 | September 30,<br>2022 |
|---|-----------------------|-----------------------|
| <b>ASSETS</b>                                     |                       |                       |
| <b>Current</b>                                    |                       |                       |
| Cash  | \$ 122,489            | \$ 377,671            |
| Amounts receivable                                | 18,117                | 135,384               |
| Marketable securities (Note 5)                    | 752,292               | 19,000                |
| Prepaid expenses and deposits                     | 130,387               | 54,652                |
| <b>Current assets</b>                             | <b>1,023,285</b>      | <b>586,707</b>        |
| <b>Non-current assets</b>                         |                       |                       |
| Reclamation bond (Note 6)                         | 62,490                | 10,000                |
| Exploration and evaluation assets (Note 6)        | 3,478,526             | 2,614,143             |
| <b>TOTAL ASSETS</b>                               | <b>\$ 4,564,301</b>   | <b>\$ 3,210,850</b>   |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>       |                       |                       |
| <b>Current</b>                                    |                       |                       |
| Accounts payable and accrued liabilities          | \$ 173,304            | \$ 139,703            |
| Due to related parties (Note 8)                   | 10,318                | 19,607                |
| <b>Total Liabilities</b>                          | <b>183,622</b>        | <b>159,310</b>        |
| <b>Shareholders' Equity</b>                       |                       |                       |
| Share capital (Note 7)                            | 6,974,859             | 5,259,318             |
| Reserves (Note 7)                                 | 1,091,698             | 799,498               |
| Deficit   | (3,685,878)           | (3,007,276)           |
| <b>Total shareholders' equity</b>                 | <b>4,380,679</b>      | <b>3,051,540</b>      |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b> | <b>\$ 4,564,301</b>   | <b>\$ 3,210,850</b>   |

Nature and continuance of operations (Note 1)

Subsequent events (Note 12)

Approved and authorized on behalf of the Board on January 26, 2024.

|                       |          |                             |          |
|-----------------------|----------|-----------------------------|----------|
| <u>"Mike England"</u> | Director | <u>"Charles Desjardins"</u> | Director |
| Mike England          |          | Charles Desjardins          |          |

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

**ROCKLAND RESOURCES LTD.**  
**CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**  
(Expressed in Canadian Dollars)  
Years ended September 30,

|   | 2023                | 2022                  |
|---|---------------------|-----------------------|
| <b>EXPENSES</b>   |                     |                       |
| Consulting fees (Note 8)  | \$ 240,633          | \$ 164,685            |
| Filing and transfer agent fees  | 27,509              | 17,840                |
| Management fees (Note 8)  | 144,000             | 144,000               |
| Office and miscellaneous  | 29,949              | 47,591                |
| Professional fees   | 135,123             | 95,218                |
| Property investigation costs  | 20,584              | 110,582               |
| Share-based payments (Notes 7 and 8)  | 292,200             | 208,400               |
| Travel and promotion  | 168,145             | 146,862               |
|   | (1,058,143)         | (935,178)             |
| <b>OTHER INCOME (EXPENSES)</b>  |                     |                       |
| Gain on sale of exploration and evaluation assets (Note 6)                      | 790,417             | -                     |
| Change in fair value of marketable securities (Note 5)                          | (410,876)           | (6,000)               |
| Write-off of exploration and evaluation assets (Note 6)                         | -                   | (1,067,085)           |
| <b>Net loss and comprehensive loss for the year</b>                             | <b>\$ (678,602)</b> | <b>\$ (2,008,263)</b> |
| <b>Basic and diluted loss per common share</b>                                  | <b>\$ (0.01)</b>    | <b>\$ (0.06)</b>      |
| <b>Weighted average number of common shares outstanding (basic and diluted)</b> | <b>56,666,266</b>   | <b>34,900,353</b>     |

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

**ROCKLAND RESOURCES LTD.**  
**CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY**  
(Expressed in Canadian Dollars)  
Years ended September 30,

|  | Share capital |              |              |                |              |
|--|---------------|--------------|--------------|----------------|--------------|
|  | Shares        | Amount       | Reserves     | Deficit        | Total        |
| Balance, September 30, 2021                          | 26,117,198    | \$ 2,869,411 | \$ 603,600   | \$ (999,013)   | \$ 2,473,998 |
| Shares for private placement                         | 6,530,000     | 1,306,000    | -            | -              | 1,306,000    |
| Share issue costs – cash                             | -             | (30,520)     | -            | -              | (30,520)     |
| Share issue costs – broker's warrants                | -             | (19,700)     | 19,700       | -              | -            |
| Shares issued for option exercise                    | 200,000       | 28,200       | (8,200)      | -              | 20,000       |
| Shares issued for warrant exercise                   | 297,250       | 53,727       | (24,002)     | -              | 29,725       |
| Shares issued for exploration and evaluations assets | 5,460,769     | 1,052,200    | -            | -              | 1,052,200    |
| Share-based payments                                 | -             | -            | 208,400      | -              | 208,400      |
| Net loss for the year                                | -             | -            | -            | (2,008,263)    | (2,008,263)  |
| Balance, September 30, 2022                          | 38,605,217    | 5,259,318    | 799,498      | (3,007,276)    | 3,051,540    |
| Units for private placement                          | 15,005,000    | 900,300      | -            | -              | 900,300      |
| Share issue costs – cash                             | -             | (48,600)     | -            | -              | (48,600)     |
| Shares issued for consulting services                | 407,570       | 40,641       | -            | -              | 40,641       |
| Shares issued for exploration and evaluations assets | 13,380,000    | 823,200      | -            | -              | 823,200      |
| Share-based payments                                 | -             | -            | 292,200      | -              | 292,200      |
| Net loss for the year                                | -             | -            | -            | (678,602)      | (678,602)    |
| Balance, September 30, 2023                          | 67,397,787    | \$ 6,974,859 | \$ 1,091,698 | \$ (3,685,878) | \$ 4,380,679 |

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



**ROCKLAND RESOURCES LTD.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Expressed in Canadian Dollars)

| For the years ended September 30,                                    | 2023              | 2022               |
|--|-------------------|--------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                          |                   |                    |
| Net loss for the year  | \$ (678,602)      | \$ (2,008,263)     |
| Items not affecting operating cash:                                  |                   |                    |
| Share-based payment  | 292,200           | 208,400            |
| Gain on sale of exploration and evaluation assets                    | (790,417)         | -                  |
| Change in fair value of marketable securities                        | 410,876           | 6,000              |
| Write-off of exploration and evaluation assets                       | -                 | 1,067,085          |
| Shares issued for consulting services                                | 40,641            | -                  |
| Changes in non-cash working capital items:                           |                   |                    |
| Amounts receivable   | 117,267           | (75,561)           |
| Prepaid expenses and deposits  | (75,735)          | 6,956              |
| Accounts payable and accrued liabilities                             | 112,510           | 7,071              |
| Due to related parties   | (9,342)           | 17,752             |
| <b>Net cash used in operating activities</b>                         | <b>(580,602)</b>  | <b>(770,560)</b>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                          |                   |                    |
| Exploration and evaluation expenditures                              | (1,381,513)       | (1,614,983)        |
| Reclamation bond   | (52,490)          | -                  |
| Proceeds from sale of exploration and evaluation assets              | 750,000           | -                  |
| Proceeds from sale of marketable securities                          | 157,723           | -                  |
| <b>Net cash used in investing activities</b>                         | <b>(526,280)</b>  | <b>(1,614,983)</b> |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                          |                   |                    |
| Proceeds from issuance of shares                                     | 900,300           | 1,306,000          |
| Share issuance costs   | (48,600)          | (30,520)           |
| Exercise of options  | -                 | 20,000             |
| Exercise of warrants   | -                 | 29,725             |
| <b>Net cash provided by financing activities</b>                     | <b>851,700</b>    | <b>1,325,205</b>   |
| <b>Change in cash for the year</b>                                   | <b>(255,182)</b>  | <b>(1,060,338)</b> |
| <b>Cash, beginning of year</b>                                       | <b>377,671</b>    | <b>1,438,009</b>   |
| <b>Cash, end of year</b>   | <b>\$ 122,489</b> | <b>\$ 377,671</b>  |
| <b>Supplementary disclosure with respect to cash flows</b>           |                   |                    |
| Interest and taxes paid  | \$ -              | \$ -               |
| Fair value of brokers warrants issued for finder's fees              | \$ -              | \$ 19,700          |
| Fair value of options exercised                                      | \$ -              | \$ 8,200           |
| Fair value of warrants exercised                                     | \$ -              | \$ 24,002          |
| Accrued exploration and evaluation expenditures in accounts payable  | \$ 42,101         | \$ 120,957         |
| Finder's fees for exploration and evaluation – marketable securities | \$ 65,889         | \$ -               |
| Marketable securities received for exploration and evaluation assets | \$ 1,367,780      | \$ 25,000          |
| Shares issued for exploration and evaluation assets                  | \$ 823,200        | \$ 1,052,200       |

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

## **ROCKLAND RESOURCES LTD.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the years ended September 30, 2023 and 2022

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### **1. Nature and continuance of operations**

Rockland Resources Ltd. (the "Company") was incorporated on April 29, 2020 under the laws of the Province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties in Canada. The Company's corporate office and principal place of business of the Company is 789 West Pender Street, Suite 1240, Vancouver, British Columbia, Canada, V6C 1H2. The Company is traded on the Canadian Securities Exchange (the "CSE") under the symbol "RKL".

The Company is in the business of exploring its mineral exploration assets and has not yet determined whether these properties contain ore reserves that are economically recoverable. As at September 30, 2023, the Company was in the exploration stage and had interests in properties in Canada and United States.

#### Going concern

These consolidated financial statements have been prepared on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The ability of the Company to continue as a going concern and the recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production or proceeds from the disposition thereof. The Company has sustained losses from operations and expects to incur further losses in the development of its business, and has an ongoing requirement for capital investment to explore its exploration and evaluation assets. As at September 30, 2023, the Company had a working capital of \$839,663 (2022 - \$427,397). Based on its current plans, budgeted expenditures, and cash requirements, the Company does not have sufficient cash to finance its current plans. These material uncertainties may cast substantial doubt about the Company's ability to continue as a going concern.

The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due. The Company expects that it will need to raise substantial additional capital to accomplish its business plan over the next several years. The Company expects to seek additional financing through equity financing. There can be no assurance as to the availability or terms upon which such financing might be available.

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 and potential economic global challenges such as the risk of higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported expenses, and the statement of financial position classifications used, that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

## **ROCKLAND RESOURCES LTD.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the years ended September 30, 2023 and 2022

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### **2. Basis of preparation**

The consolidated financial statements were authorized for issue on January 26, 2024 by the directors of the Company.

#### *Basis of preparation*

The consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, except for financial instruments classified as fair value through profit and loss ("FVTPL"), which are stated at their fair value. The consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency, unless otherwise noted.

#### *Statement of compliance*

The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

#### *Basis of consolidation*

These consolidated financial statements include the accounts of the Company and its subsidiary as at September 30, 2023. Where the Company has the power, either directly or indirectly, to govern the financial and operating policies of another entity or business so as to obtain benefits from its activities, it is classified as a subsidiary. The consolidated financial statements present the results of the Company and its subsidiary as if they formed a single entity. All inter-company transactions and balances between the companies are therefore eliminated in full.

The Company incorporated a wholly-owned subsidiary, Rockland Lithium Corp., on September 8, 2022 in the State of Utah. The Company holds a 100% interest in Rockland Lithium Corp during the year ended September 30, 2023 and 2022. These consolidated financial statements include the accounts of Rockland Lithium Corp.

### **3. Significant accounting judgements and estimates**

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue and expenses.

#### Significant accounting judgments

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements are discussed below:

i) Going concern

The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available for its exploration projects and working capital requirements.

ii) Exploration and evaluation assets

The assessment of indications of impairment of the mineral property assets and related determination of the net realizable value and write-down of the mineral property assets where applicable.

## **ROCKLAND RESOURCES LTD.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the years ended September 30, 2023 and 2022

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### **4. Significant accounting policies**

#### Cash

Cash includes cash on hand and deposits held at call with financial institutions.

#### Foreign currency translation

The financial statements are presented in Canadian dollar which is both the Company and subsidiary's functional and presentation currency. Transactions in foreign currencies are translated at rates in effect at the time of the transaction. Monetary assets and liabilities are translated at the exchange rate prevailing at the reporting date. Gains and losses are included in profit or loss.

#### Exploration and evaluation assets

Costs incurred before the Company has obtained the legal rights to explore an area are expensed in the period in which they are incurred.

Costs incurred to acquire the legal right to explore a property are capitalized. Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized on a property-by-property basis. These direct expenditures include such costs as surveying costs, drilling costs, labor and contractor costs, materials used and licensing and permit fees.

Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

Once the technical feasibility and commercial viability of extracting the mineral resource have been determined, the property is considered to be under development and is classified as development properties. The carrying value of exploration and evaluation assets is transferred to development properties after being tested for impairment.

Once commercial production has commenced all capitalized costs related to the property are transferred to producing properties and the costs of acquisition, exploration and development will be amortized over the life of the property based on estimated economic reserves.

Proceeds received from the sale of any interest in a property will be credited against the carrying value of the property, with any excess included in other income for the period.

Currently, all mineral properties of the Company are at the exploration stage.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry norms for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or inadvertent non-compliance with regulatory requirements.

Exploration costs renounced due to flow-through share subscription agreements remain capitalized; however, for corporate income tax purpose the Company has no right to claim these costs as tax deductible expenses.

## ROCKLAND RESOURCES LTD.

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the years ended September 30, 2023 and 2022

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### 4. Significant accounting policies (cont'd)

#### Exploration and evaluation assets (cont'd)

Recorded costs of mineral properties and deferred exploration costs are not intended to reflect present or future values of resource properties. The recorded costs are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge that changes in future conditions could require a material change in the recognized amount.

Payments on mineral property option agreements are made at the discretion of the Company and, accordingly, are recorded as incurred.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to profit or loss.

#### Marketable securities

Purchases and sales of marketable securities are recognized on the settlement date. All transaction costs associated with the acquisition and disposition of marketable securities are expensed to profit or loss as incurred.

The fair value of marketable securities are determined as follows:

- (a) Securities that are traded in an active market and for which no sales restrictions apply, are presented at fair value based on quoted closing trade prices at the reporting date. If there were no trades on the reporting date, these securities are presented at the closing price on the last date the security traded. These investments are included in Level 1 of the fair value hierarchy.
- (b) Securities that are traded in an active market, but which are escrowed or otherwise restricted as to their sale or transfer, are recorded at amounts discounted from the market value. In determining the discount for such investments, the Company considers the nature and length of the restriction. These investments are included in Level 2 of the fair value hierarchy.
- (c) Securities that are not traded in an active market or are valued based on unobservable market inputs are included in the Level 3 of the fair value hierarchy.

## **ROCKLAND RESOURCES LTD.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the years ended September 30, 2023 and 2022

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### **4. Significant accounting policies (cont'd)**

#### Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. 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. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the year. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

#### Decommissioning and restoration provision

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to mining assets along with a corresponding increase in the rehabilitation provision in the year incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as mining assets.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates. Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the year.

The Company does not have any decommissioning or restoration obligations for the periods presented.

## ROCKLAND RESOURCES LTD.

Notes to the Consolidated Financial Statements

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For the years ended September 30, 2023 and 2022

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### 4. Significant accounting policies (cont'd)

#### Share capital

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate resource properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants. Depending on the terms and conditions of each equity financing agreement, the warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement. Warrants that are part of units are valued using residual value method which involves comparing the selling price of the units to the Company's share price on the announcement date of the financing. The market value is then applied to the common share, and any residual amount is assigned to the warrants. Warrants that are issued as payment for agency fee or other transaction costs are accounted for as share-based payments and are recognized in equity. When warrants are forfeited or are not exercised at the expiry dates, the amount previously recognized in equity remains in warrant reserves.

In situations where share capital is issued, or received, as non-monetary consideration and the fair value of the asset received, or given up is not readily determinable, the fair market value (as defined) of the shares is used to record the transaction. The fair market value of the shares issued, or received, is based on the trading price of those shares on the appropriate exchange on the date the shares are issued.

#### Share issuance costs

Share issue costs are deferred and charged directly to share capital on completion of the related equity financing. If the financing is not completed, share issue costs are charged to profit or loss. Costs directly identifiable with the raising of capital will be charged against the related share capital.

#### Earnings (loss) per share

Earnings (loss) per share is calculated on the basis of the weighted average number of common shares outstanding during the period. The Company follows the treasury share method to calculate the dilutive effect of options, warrants and similar instruments. Under this method, the dilutive effect on earnings per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. Existing share options and share purchase warrants have not been included in the computation of diluted loss per share, as it would be anti-dilutive. For the year ended September 30, 2023, 6,700,000 (2022 – 2,350,000) options and 23,642,600 (2022 – 9,178,750) warrants were not included in the calculation of diluted earnings per share as their inclusion was anti-dilutive.

## **ROCKLAND RESOURCES LTD.**

Notes to the Consolidated Financial Statements

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For the years ended September 30, 2023 and 2022

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### **4. Significant accounting policies (cont'd)**

#### Share-based payments

When equity instruments are granted to non-employees, they are recorded at the fair value of the goods and services received, unless the fair value of the goods and services received cannot be reasonably measured, in which case they are measured using the fair value of the equity instruments issued. Expenses are recorded in profit or loss. Amounts related to the cost of issuing shares are recorded as a reduction of share capital. Amounts related to the issuance of shares for exploration and evaluation assets are capitalized in mineral interests on the consolidated statement of financial position.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by using a valuation model.

All equity-settled share-based payments are reflected in share-based payments reserve, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in share-based payment reserve is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense. If the options expire or are forfeited, the corresponding amount previously recorded remains in reserves.

#### Income taxes

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

Deferred income tax is recorded using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.



## ROCKLAND RESOURCES LTD.

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the years ended September 30, 2023 and 2022

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### 4. Significant accounting policies (cont'd)

#### *Financial Instruments*

Under IFRS 9, *Financial Instruments*, financial assets and financial liabilities are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains the primary measurement categories for financial assets: 1) amortized cost, 2) fair value through other comprehensive income (FVTOCI), and 3) fair value through profit or loss (FVTPL).

i) Measurement – initial recognition

All financial assets and financial liabilities are initially recorded on the Company's consolidated statement of financial position when the Company becomes a party to the contractual provisions of the instrument. All financial asset and liabilities are initially recorded at fair value, net of attributable transaction costs, except for those classified as FVTPL. Subsequent measurement of financial assets and financial liabilities depends on the classifications of such assets and liabilities.

ii) Classification – financial assets

*Amortized cost:*

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and that the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequent to initial recognition at amortized cost.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. Interest income is recognized using the effective interest method, and is recognized in interest and other income, in profit or loss.

*FVTOCI:*

Financial assets that are held within a business model whose objective is to hold financial assets in order to both collect contractual cash flows and selling financial assets, and that the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured subsequent to initial recognition at FVTOCI.

Upon initial recognition of equity securities, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate its equity securities that would otherwise be measured at FVTPL to present subsequent changes in fair value in other comprehensive income. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination. Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income or loss. The cumulative gain or loss is not reclassified to profit or loss on disposal of the instrument; instead, it is transferred to retained earnings.

## ROCKLAND RESOURCES LTD.

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the years ended September 30, 2023 and 2022

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### 4. Significant accounting policies (cont'd)

#### *Financial Instruments (cont'd)*

##### ii) Classification - financial assets (cont'd)

###### *FVTPL:*

Assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss.

##### iii) Classification – financial liabilities

Financial liabilities that are not contingent consideration of an acquirer in a business combination, held for trading or designated as FVTPL, are measured at amortized cost using the effective interest method.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Fair value changes on financial liabilities classified as FVTPL are recognized in the consolidated statements of loss and comprehensive loss.

The Company has no hedging arrangements and does not apply hedge accounting.

A summary of the classification and measurement of the Company's financial instruments is set out below.

|  | IFRS 9 classification |
|--|-----------------------|
| <u>Financial Asset</u>                   |                       |
| Cash                                     | FVTPL                 |
| Marketable securities                    | FVTPL                 |
| Reclamation bond                         | Amortized cost        |
| <u>Financial Liabilities</u>             |                       |
| Accounts payable and accrued liabilities | Amortized cost        |
| Due to related parties                   | Amortized cost        |

#### Impairment of financial assets

Financial assets are assessed at each reporting date to determine whether there is objective evidence that they are impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset, which 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. Losses are recognized in profit or loss and reflected in an allowance account against the asset impaired. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

## ROCKLAND RESOURCES LTD.

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the years ended September 30, 2023 and 2022

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### 4. Significant accounting policies (cont'd)

#### *Financial Instruments (cont'd)*

##### Derecognition

##### *Financial assets*

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

##### *Financial liabilities*

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

Gains and losses on derecognition are generally recognized in profit or loss.

##### Adoption of new accounting standards, interpretations and amendments

The Company has performed an assessment of new standards issued by the IASB that are not yet effective.

The Company has not adopted any new standards during the year ended September 30, 2023 that would have a material impact on the Company.

A number of new standards, and amendments to standards and interpretations, are not effective and have not been early adopted in preparing these financial statements. The following accounting standards and amendments are effective for future periods:

- i) Classification of Liabilities as Current or Non-current (Amendments to IAS 1) - The amendments to IAS1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date.
- ii) Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies – These amendments help companies provide useful accounting policy disclosures. The IASB also amended IFRS Practice Statement 2 to include guidance and examples on applying materiality to accounting policy disclosures.

These amendments are effective for reporting periods beginning on or after January 1, 2024.

The Company has assessed that the impact of adopting these accounting standards on its consolidated financial statements would not be significant.

## ROCKLAND RESOURCES LTD.

Notes to the Consolidated Financial Statements

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### 5. Marketable securities

During the year ended September 30, 2022, the Company received 100,000 shares (valued at \$25,000) of Silverfish Resources Inc ("Silverfish") for Summit Old Timer Property and recorded an unrealized loss of \$6,000 from changes in the fair value.

During the year ended September 30, 2023, the Company:

- received 250,000 shares (valued at \$50,000) of Silverfish Resources Inc ("Silverfish") for the Summit Old Timer Property. The Company sold 346,000 common shares for proceeds of \$70,860 and recorded a realized loss of \$3,283, and recorded an unrealized gain of \$6,323 from changes in the fair value for the remaining shares.
- received 5,000,000 shares (valued at \$1,317,780) of Recharge Metals Limited ("Recharge") for Wapistan Property and transferred 250,000 shares (valued at \$65,889) for finder's fees of Wapistan Property. The Company sold 440,000 common shares for proceeds of \$86,863 and recorded a realized loss of \$29,102, and recorded an unrealized loss of \$384,814 from changes in the fair value for the remaining shares.

|  | Silverfish<br>Common shares | Recharge<br>Common shares | Total             |
|--|-----------------------------|---------------------------|-------------------|
| As of September 30, 2021   | -                           | -                         | \$ -              |
| Addition   | 100,000                     | -                         | 25,000            |
| Change in fair value   | -                           | -                         | (6,000)           |
| As of September 30, 2022   | 100,000                     | -                         | 19,000            |
| Addition   | 250,000                     | -                         | 50,000            |
| Addition   | -                           | 5,000,000                 | 1,317,780         |
| Finder's fees on acquisition and sale of exploration and evaluation assets | -                           | (250,000)                 | (65,889)          |
| Proceeds on sale of Silverfish's shares                                    | (346,000)                   | -                         | (70,860)          |
| Proceeds on sale of Recharge's shares                                      | -                           | (440,000)                 | (86,863)          |
| Change in fair value   | -                           | -                         | (410,876)         |
| As of September 30, 2023   | <b>4,000</b>                | <b>4,310,000</b>          | <b>\$ 752,292</b> |

### 6. Exploration and evaluation assets

#### Summit Old Timer (British Columbia)

On May 21, 2020, the Company entered into an option agreement to acquire up to a 75% interest in certain mining claims in the Nelson Mining Division, British Columbia.

To acquire a 51% interest, the Company must issue 100,000 common shares (issued) and make a cash payment of \$5,000 (paid) to the vendor.

To earn the further 24% of the total 75% interest, the Company must pay the Optionor \$10,000 on or before May 21, 2021 (paid), issue 100,000 common shares on or before the first anniversary of the initial listing of the Company's shares on CSE (issued and valued at \$15,000), and incur aggregate exploration expenditures of \$225,000 of which \$75,000 must be incurred before May 21, 2021 (incurred) and \$150,000 on or before the first anniversary of the initial listing of the Company's shares on an exchange (incurred).

## **ROCKLAND RESOURCES LTD.**

Notes to the Consolidated Financial Statements

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### **6. Exploration and evaluation assets (cont'd)**

#### **Summit Old Timer (British Columbia) (cont'd)**

In August 2020, the Company submitted a Notice of Work on the property with the BC government and has posted a \$10,000 reclamation bond.

The property is subject to a NSR of 2% payable to the vendors, of which 1% can be repurchased for a cash payment of \$1,000,000.

On December 16, 2021, and amended on December 12, 2023, the Company executed an option agreement with Silverfish to sell the Company's 75% interest in the Summit Old Timer Property in consideration of the following:

#### Cash payments:

- i) \$7,500 on or before the earlier of the listing of Silverfish's common shares on the Canadian Securities Exchange or June 30, 2022 (received)
- ii) \$15,000 on or before December 15, 2022 (received)
- iii) \$50,000 on or before December 15, 2024

#### Share issuances:

- i) 100,000 common shares on or before the listing of Silverfish's common shares on the Canadian Securities Exchange or June 30, 2022 (received and valued at \$25,000)
- ii) 250,000 common shares on or before December 15, 2022 (received and valued at \$50,000)
- iii) 1,000,000 common shares on or before December 15, 2024

#### Expenditures:

- i) \$100,000 on or before September 30, 2024
- ii) additional \$250,000 on or before September 30, 2025
- iii) additional \$1,000,000 on or before September 30, 2026

In consideration of the Company agreeing to the terms of the amendment, Silverfish will issue an additional 100,000 common shares upon execution of the amendment agreement (received).

As of September 30, 2023, the Company paid reclamation bond of \$10,000 (2022 - \$10,000).

#### **Cole Gold Mines Property (Ontario)**

On March 25, 2021, the Company entered into an option agreement to acquire a 100% interest in 28 mining claims located in Red Lake Mining District, Ontario.

Terms of the agreement include:

#### Cash payments:

- i) \$10,000 upon execution of the agreement (paid)
- ii) \$50,000 on or before April 30, 2021 (paid)
- iii) \$100,000 on or before August 7, 2021 (paid)
- iv) \$150,000 on or before March 25, 2022 (see amended terms below)
- v) \$100,000 on or before August 7, 2022 (paid)

#### Share issuances:

- i) 1,071,428 shares on or before April 30, 2021 (issued and valued at \$257,143)
- ii) \$100,000 worth in common shares on or before August 7, 2021 (480,769 shares issued)
- iii) \$100,000 worth in common shares on or before August 7, 2022 (480,769 shares issued)

## **ROCKLAND RESOURCES LTD.**

Notes to the Consolidated Financial Statements

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### **6. Exploration and evaluation assets (cont'd)**

#### **Cole Gold Mines Property (Ontario) (cont'd)**

Expenditures:

- i) \$100,000 on or before August 7, 2021 (incurred)
- ii) \$200,000 on or before August 7, 2022 (incurred)

The property is subject to a NSR of 2% payable to the vendors, of which 0.5% can be repurchased for a cash payment of \$750,000.

On January 20, 2023, the Company received an extension on the property option payments, the amended terms are as follows:

- i) \$75,000 cash upon the executed of the agreement and the issuance of 1,500,000 common shares (paid, issued and valued at \$105,000)
- ii) \$75,000 on or before April 30, 2023 (paid)

#### **Wapistan Lithium Project (Quebec)**

During the year ended September 30, 2023, the Company acquired a 100% interest in the Wapistan Lithium Project located within the James Bay region of Quebec by paying \$400,000 and issuing 10,800,000 shares valued at \$648,000. The Company also issued 1,080,000 common shares valued at \$70,200 for finder's fees and \$40,000 cash.

The property is subject to a NSR of 2% payable to the vendors, of which 1.0% can be repurchased for a cash payment of \$1,000,000.

The Company also entered into an agreement to option out 100% of its interest to Recharge Metals Limited ("Recharge") for:

- i) \$700,000 cash (received)
- ii) 5,000,000 shares of Recharge (received at a value of \$1,317,780), of which 2,500,000 are subject to 6 months voluntary escrow until December 27, 2023
- iii) \$500,000 on or before September 30, 2024 ("Deferred Payment")

In the event that Recharge fail to make the Deferred Payment, Recharge will have ten business days to rectify the situation. If Recharge fails to do so, the Company may choose to terminate the agreement by giving a formal written notice.

The Company also received \$50,000 cash to tenure the property during the due diligence process. The Company will be granted a 2% NSR which Recharge can repurchase half for \$500,000.

In connection with the sale of the property, the Company paid the following finder's fees:

- i) \$50,000 cash (paid)
- ii) 500,000 shares of Recharge, of which 250,000 shares (valued at \$65,889) were transferred upon receipt of the shares, and the remaining 250,000 shares will be transferred after the 6 months escrow period
- iii) \$50,000 cash upon receipt of the Deferred Payment

## **ROCKLAND RESOURCES LTD.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the years ended September 30, 2023 and 2022

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### **6. Exploration and evaluation assets (cont'd)**

#### **Utah Lithium (USA)**

##### *Lithium Butte*

During the year ended September 30, 2022, the Company acquired 524 lode claims in Juab County, Utah which it has named the Lithium Butte project. The Company owns 100% interest of the 464 claims, and 90% interest of the remaining 60 claims. The remaining 10% interest of the 60 claims is held by an arms-length third party. The Company will bear all exploration costs of the 60 claims in relation to the mineral interests until such time as the Company has incurred USD \$2,500,000 in exploration expenditures, after which all exploration costs will be shared on a pro rata basis between the Company and the arms-length third party.

A 1.5% NSR has been granted by the company to Multiple Metals Resources Ltd. ("MMRL") and Helvellyn Capital Corp. ("Helvellyn") on the Lithium Butte Property. The NSR is subject to a 0.5% buyback right in consideration of USD \$1,000,000. Helvellyn is a private Ontario company of which Dr. Sutcliffe, the former president and director of the Company, is the principal.

As of September 30, 2023, the Company paid reclamation of \$52,490 (USD \$38,880) (2022 - \$Nil).

##### *Fish Spring Property*

During the year ended September 30, 2022, the Company acquired 100% interest of Fish Springs Property staked in Juab County, Utah northeast of Lithium Butte.

A 1.5% NSR has been granted by the Company to MMRL and Helvellyn on the Fish Springs Property. The NSR royalty is subject to a 0.5 % buyback right in consideration of USD \$1,000,000. Helvellyn is a private Ontario company of which Dr. Sutcliffe, the former president and director of the Company, is the principal.

#### **Elektra Project (Mexico)**

On November 14, 2021, the Company entered into an option agreement to acquire 100% interest in the Elektra project located in northern Sonora, Mexico.

To acquire 100% interest, the Company is required to meet the following obligations:

- i) Cash of USD \$1,500,000 over a period of 4 years.
- ii) Share issuance of 10,000,000 common shares over a period of 4 years.

A 2% NSR will be granted to the vendors and the Company will have an option to purchase 50% of the NSR for USD \$1,000,000 at any time.

In connection with the agreement, the Company shall pay a finder fee equal to 7% of the acquisition price over the same 48-month period.

During the year ended September 30, 2022, the Company decided not to pursue this project and wrote off capitalized expenditures of \$960,829.

**ROCKLAND RESOURCES LTD.**

Notes to the Consolidated Financial Statements

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For the years ended September 30, 2023 and 2022

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**6. Exploration and evaluation assets (cont'd)**

**Stetham Uranium Project (Ontario)**

On September 19, 2021, the Company entered into an option agreement to acquire 100% interest in the Stetham Uranium project located near the town of Gogama, Ontario.

To acquire 100% interest, the Company is required to issue 1,200,000 common shares over a period of 1 year.

A 2% NSR will be granted to the vendors and the Company will have an option to purchase 50% of the NSR for \$1,000,000 at any time.

During the year ended September 30, 2022, the Company decided not to pursue this project and wrote off capitalized expenditures of \$106,256.



**ROCKLAND RESOURCES LTD.**

Notes to the Consolidated Financial Statements

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For the years ended September 30, 2023 and 2022

**6. Exploration and evaluation assets (cont'd)**

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

|                                   | <b>Summit Old<br/>Timer,<br/>British<br/>Columbia</b> | <b>Cole Gold<br/>Mines<br/>Property,<br/>Ontario</b> | <b>Lithium Butte<br/>Property,<br/>Utah</b> | <b>Fish Springs<br/>Property,<br/>Utah</b> | <b>Wapistan<br/>Lithium<br/>Property,<br/>Quebec</b> | <b>Total</b> |
|-----------------------------------|---|--|---|--|--|--------------|
| <b>Acquisition costs</b>          |   |  |   |  |  |              |
| Balance, September 30, 2022       | \$ 32,000   | \$ 717,143   | \$ 186,771                                  | \$ 413,308                                 | \$ -   | \$ 1,349,222 |
| Cash                              | -   | 150,000  | 55,633                                      | 187,117                                    | 440,000  | 832,750      |
| Shares                            | -   | 105,000  | -   | -  | 718,200  | 823,200      |
| Balance, September 30, 2023       | 32,000  | 972,143  | 242,404                                     | 600,425                                    | 1,158,200  | 3,005,172    |
| <b>Exploration costs</b>          |   |  |   |  |  |              |
| Balance, September 30, 2022       | 148,375   | 800,442  | 293,604                                     | 22,500                                     | -  | 1,264,921    |
| Assays and testing                | -   | -  | 27,320                                      | -  | -  | 27,320       |
| Geological consulting             | -   | 20,300   | 253,565                                     | 33,750                                     | 3,274  | 310,889      |
| Field supplies                    | -   | -  | 22,940                                      | -  | -  | 22,940       |
| Travel                            | -   | -  | 73,758                                      | -  | -  | 73,758       |
| Cost recovery                     | (65,000)  | -  | -   | -  | -  | (65,000)     |
| Balance, September 30, 2023       | 83,375  | 820,742  | 671,187                                     | 56,250                                     | 3,274  | 1,634,828    |
| Proceeds from sale, net of fees   | -   | -  | -   | -  | (1,951,891)  | (1,951,891)  |
| Gain on sale                      | -   | -  | -   | -  | 790,417  | 790,417      |
| Total balance, September 30, 2023 | \$ 115,375  | \$ 1,792,885   | \$ 913,591                                  | \$ 656,675                                 | \$ -   | \$ 3,478,526 |

**ROCKLAND RESOURCES LTD.**

Notes to the Consolidated Financial Statements

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**6. Exploration and evaluation assets (cont'd)**

|                                   | Summit<br>Old Timer,<br>British<br>Columbia | Cole Gold<br>Mines<br>Property,<br>Ontario | Stetham<br>Uranium,<br>Ontario | Elektra<br>Property,<br>Mexico | Lithium<br>Butte<br>Property,<br>Utah | Fish<br>Springs,<br>Property,<br>Utah | Total        |
|-----------------------------------|---|--|--------------------------------|--------------------------------|---------------------------------------|---------------------------------------|--------------|
| <b>Acquisition costs</b>          |   |  |                                |                                |                                       |                                       |              |
| Balance, September 30, 2021       | \$ 7,000                                    | \$ 517,143                                 | \$ -                           | \$ -                           | \$ -                                  | \$ -                                  | \$ 524,143   |
| Cash                              | 10,000                                      | 100,000                                    | 13,250                         | 54,627                         | 186,771                               | 413,308                               | 777,956      |
| Shares                            | 15,000                                      | 100,000                                    | 90,000                         | 847,200                        | -                                     | -                                     | 1,052,200    |
| Write-off                         | -   | -  | (103,250)                      | (901,827)                      | -                                     | -                                     | (1,005,077)  |
| Balance, September 30, 2022       | 32,000                                      | 717,143                                    | -                              | -                              | 186,771                               | 413,308                               | 1,349,222    |
| <b>Exploration costs</b>          |   |  |                                |                                |                                       |                                       |              |
| Balance, September 30, 2021       | 174,764                                     | 489,026                                    | -                              | -                              | -                                     | -                                     | 663,790      |
| Assays and testing                | -   | 60,468                                     | -                              | -                              | 40,551                                | -                                     | 101,019      |
| Geological consulting             | 5,917                                       | 144,024                                    | 2,200                          | 59,002                         | 138,073                               | 22,500                                | 371,716      |
| Field supplies                    | 194   | 74,935                                     | 806                            | -                              | 69,433                                | -                                     | 145,368      |
| Drilling                          | -   | 31,045                                     | -                              | -                              | -                                     | -                                     | 31,045       |
| Travel                            | -   | 7,781                                      | -                              | -                              | 45,547                                | -                                     | 53,328       |
| Cost recovery                     | (32,500)                                    | (6,837)                                    | -                              | -                              | -                                     | -                                     | (39,337)     |
| Write-off                         | -   | -  | (3,006)                        | (59,002)                       | -                                     | -                                     | (62,008)     |
| Balance, September 30, 2022       | 148,375                                     | 800,442                                    | -                              | -                              | 293,604                               | 22,500                                | 1,264,921    |
| Total balance, September 30, 2022 | \$ 180,375                                  | \$ 1,517,585                               | \$ -                           | \$ -                           | \$ 480,375                            | \$ 435,808                            | \$ 2,614,143 |

## **ROCKLAND RESOURCES LTD.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the years ended September 30, 2023 and 2022

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### **7. Share capital**

#### ***Authorized share capital***

Unlimited number of common shares without par value.

At September 30, 2023, there were 67,397,787 (2022 – 38,605,217) issued and fully paid common shares.

#### ***Shares held in escrow***

2,000,001 common shares issued on January 29, 2021 are subject to escrow provisions. As at September 30, 2023, 300,001 common shares (2022 – 900,001) remain in escrow. The remaining shares held in escrow will be released over a period of 4 months.

#### ***Issuances***

##### ***Year ended September 30, 2023***

On December 8, 2022, the Company issued 15,005,000 units at a price of \$0.06 per unit for gross proceeds of \$900,300. Each unit is comprised of one common share and one transferable share purchase warrant. Each whole warrant will entitle the holder to purchase one share for \$0.10 until December 8, 2024. The Company paid finders' fees of \$48,600 in cash.

On December 13, 2022, the Company issued 407,570 common shares valued at \$40,641 pursuant to the investor and outreach campaign services.

On January 27, 2023, the Company issued 1,500,000 common shares valued at \$105,000 pursuant to the acquisition of the Cole Gold Mines Property.

On April 19, 2023, the Company issued 5,400,000 common shares valued at \$297,000 pursuant to the acquisition of the Wapistan Lithium Property.

On June 2, 2023, the Company issued 5,400,000 common shares valued at \$351,000 pursuant to the acquisition of the Wapistan Lithium Property and 1,080,000 common shares valued at \$70,200 for finder's fees.

##### ***Year ended September 30, 2022***

On October 6, 2021, the Company issued 120,000 common shares pursuant to an exercise of warrants at a price of \$0.10 for total proceeds of \$12,000. The fair value of \$9,689 was transferred from reserves to share capital.

On October 18, 2021, Company issued 600,000 common shares valued at \$90,000 pursuant to the acquisition of Stetham Uranium Project.

On November 9, 2021, Company issued 100,000 common shares valued at \$15,000 pursuant to the acquisition of Old Timers Property.

On November 16, 2021, Company issued 4,000,000 common shares valued at \$780,000 pursuant to the acquisition of Elektra Project.

On November 26, 2021, the Company issued 89,250 common shares pursuant to an exercise of warrants at a price of \$0.10 for total proceeds of \$8,925. The fair value of \$7,207 was transferred from reserve to share capital.

## **ROCKLAND RESOURCES LTD.**

Notes to the Consolidated Financial Statements

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### **7. Share capital (cont'd)**

#### ***Issuances (cont'd)***

On November 29, 2021, Company issued 280,000 common shares valued at \$67,200 as finder's fee for the Elektra Project.

On December 1, 2021, the Company issued 200,000 common shares pursuant to an exercise of options at a price of \$0.10 for total proceeds of \$20,000. The fair value of \$8,200 was transferred from reserves to share capital.

On February 3, 2022, the Company issued 88,000 common shares pursuant to an exercise of warrants at a price of \$0.10 for total proceeds of \$8,800. The fair value of \$7,106 was transferred from reserve to share capital.

On February 23, 2022, the Company issued 6,530,000 units at a price of \$0.20 per unit for gross proceeds of \$1,306,000. Each unit is comprised of one common share and one-half transferable share purchase warrant. Each whole warrant will entitle the holder to purchase one share for \$0.30 until February 23, 2024. Finders' fees of \$30,520 in cash and 152,600 finder's warrants (valued at \$19,700) with terms the same as the private placement warrants.

On August 8, 2022, the Company issued 480,769 common shares valued at \$100,000 pursuant to the acquisition of Cole Gold Mines Property.

#### ***Stock options***

The Company adopted a stock option plan to grant options to individuals exercisable up to 10 years from the date of grant to purchase shares at the market price, less applicable discount, if any. Such grants not to exceed an aggregate of 10% of the issued and outstanding shares and vesting periods will be determined by the Board of Directors.

#### ***Year ended September 30, 2023***

On October 4, 2022, the Company granted 1,200,000 stock options exercisable at a price of \$0.12 until October 4, 2025 to consultants, officers and directors. The estimated fair value of the options was \$99,500 which was determined by the Black-Scholes Option Pricing Model.

On March 30, 2023, the Company granted 50,000 stock options exercisable at a price of \$0.07 until March 30, 2025 to a consultant. The estimated fair value of the options was \$2,900 which was determined by the Black-Scholes Option Pricing Model.

On August 10, 2023, the Company granted 2,600,000 stock options exercisable at price of \$0.07 until August 10, 2026 to directors, officers, and consultants. The estimated fair value of the options was \$141,500 which was determined by the Black-Scholes Option Pricing Model.

On September 11, 2023, the Company granted 2,000,000 stock options exercisable at price of \$0.05 until January 11, 2024 to a consultant. The estimated fair value of the options was \$48,300 which was determined by the Black-Scholes Option Pricing Model.

**ROCKLAND RESOURCES LTD.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the years ended September 30, 2023 and 2022

**7. Share capital (cont'd)****Stock options (cont'd)****Year ended September 30, 2022**

On December 1, 2021, the Company granted 350,000 stock options exercisable at a price of \$0.25 until December 1, 2022 to consultants. The estimated fair value of the options was \$47,600 which was determined by the Black-Scholes Option Pricing Model.

On January 17, 2022, the Company granted 400,000 stock options exercisable at a price of \$0.25 until January 17, 2024 to consultants. The estimated fair value of the options was \$62,900 which was determined by the Black-Scholes Option Pricing Model .

On August 4, 2022, the Company granted 800,000 stock options exercisable at a price of \$0.20 until August 4, 2025 to consultants, senior officers and directors. The estimated fair value of the options was \$97,900 which was determined by the Black-Scholes Option Pricing Model.

|                               | Number of<br>options | Weighted average<br>exercise price |
|-------------------------------|----------------------|------------------------------------|
| Balance at September 30, 2021 | 2,550,000            | \$ 0.25                            |
| Issued                        | 1,550,000            | 0.22                               |
| Exercised                     | (200,000)            | 0.10                               |
| Expired                       | (1,550,000)          | 0.26                               |
| Balance at September 30, 2022 | 2,350,000            | 0.24                               |
| Issued                        | 5,850,000            | 0.07                               |
| Expired/cancelled             | (1,500,000)          | 0.26                               |
| Balance at September 30, 2023 | 6,700,000            | \$ 0.09                            |

The average trading price was \$Nil (2022 - \$0.25) when stock options were exercised.

Details of options outstanding as at September 30, 2023 are as follows:

| Number of Options | Exercise Price | Expiry Date        | Exercisable |
|-------------------|----------------|--------------------|-------------|
| 2,000,000*        | \$0.05         | January 11, 2024   | 2,000,000   |
| 200,000**         | \$0.25         | January 17, 2024** | 200,000     |
| 50,000            | \$0.07         | March 30, 2025     | 50,000      |
| 650,000           | \$0.20         | August 4, 2025     | 650,000     |
| 1,200,000         | \$0.12         | October 4, 2025    | 1,200,000   |
| 2,600,000         | \$0.07         | August 10, 2026    | 2,600,000   |
| 6,700,000         |                |                    | 6,700,000   |

\* subsequently exercised.

\*\* subsequently expired.

As at September 30, 2023 the options outstanding had a weighted average exercise price of \$0.09 (2022 - \$0.24) and a weighted average life of 1.76 years (2022 – 0.97 years).

**ROCKLAND RESOURCES LTD.**

Notes to the Consolidated Financial Statements

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**7. Share capital (cont'd)****Stock options (cont'd)**

The following weighted average assumptions were used for the Black-Scholes valuation of stock options granted:

|                                | September 30,<br>2023 | September 30,<br>2022 |
|--------------------------------|-----------------------|-----------------------|
| Risk-free interest rate        | 4.45%                 | 2.14%                 |
| Exercise price                 | \$0.07                | \$0.22                |
| Expected life of options       | 2.08 years            | 2.29 years            |
| Expected annualized volatility | 168%                  | 157%                  |
| Expected dividend rate         | -                     | -                     |

Volatility is determined based on comparable publicly listed entities.

**Warrants**

On February 23, 2022, the Company granted 152,600 broker's warrants exercisable at a price of \$0.30 until February 23, 2024. The estimated fair value of the options was \$19,700 which was determined by the Black-Scholes Option Pricing Model.

|                               | Number of<br>warrants | Weighted average<br>exercise price |
|-------------------------------|-----------------------|------------------------------------|
| Balance at September 30, 2021 | 6,058,400             | \$ 0.29                            |
| Issued                        | 3,417,600             | 0.30                               |
| Exercised                     | (297,250)             | 0.10                               |
| Balance at September 30, 2022 | 9,178,750             | 0.30                               |
| Issued                        | 15,005,000            | 0.10                               |
| Expired                       | (541,150)             | 0.26                               |
| Balance at September 30, 2023 | 23,642,600            | \$ 0.15                            |

| Number of Warrants | Exercise Price | Expiry Date       |
|--------------------|----------------|-------------------|
| 3,265,000          | \$0.30         | February 23, 2024 |
| 152,600            | \$0.30         | February 23, 2024 |
| 15,005,000         | \$0.10         | December 8, 2024  |
| 5,220,000          | \$0.20*        | April 27, 2025*   |
| 23,642,600         |                |                   |

\* Company extended expiry date from April 27, 2023 to April 27, 2025 and amended the exercise price from \$0.30 to \$0.20.

As at September 30, 2023, the warrants outstanding had a weighted average exercise price of \$0.15 (2022 - \$0.30) and a weighted average life of 1.16 years (2022 - 0.88 years).

## ROCKLAND RESOURCES LTD.

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the years ended September 30, 2023 and 2022

### 7. Share capital (cont'd)

#### *Warrants (cont'd)*

The following weighted average assumptions were used for the Black-Scholes valuation of warrants granted:

|                                | September 30,<br>2023 | September 30,<br>2022 |
|--------------------------------|-----------------------|-----------------------|
| Risk-free interest rate        | -                     | 1.49%                 |
| Exercise price                 | -                     | \$0.30                |
| Expected life of warrants      | -                     | 2.00 years            |
| Expected annualized volatility | -                     | 153%                  |
| Expected dividend rate         | -                     | -                     |

Volatility is determined based on comparable publicly listed entities.

### 8. Related party transactions

#### *Key management compensation*

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers.

The remuneration of directors and key management personnel made during the year are as follows:

|                      | Year ended<br>September 30,<br>2023 | Year ended<br>September 30,<br>2022 |
|----------------------|-------------------------------------|-------------------------------------|
| Consulting fees      | \$ 115,000                          | \$ 14,000                           |
| Exploration services | 75,049                              | 120,296                             |
| Management fees      | 144,000                             | 144,000                             |
| Share-based payments | 72,431                              | 58,566                              |
| <b>Total</b>         | <b>\$ 406,480</b>                   | <b>\$ 336,852</b>                   |

As at September 30, 2023, the Company has \$10,318 (2022 - \$19,607) due to an officer of the Company.

Amounts due to related parties are unsecured, non-interest bearing with no specific terms of repayment.

### 9. Financial instruments and risks

The Company's financial instruments are comprised of cash, marketable securities, reclamation bond, accounts payable and accrued liabilities, and due to related parties. The carrying value of the Company's financial instruments as presented in the consolidated statements of financial position is a reasonable estimate of its fair value.

Financial assets and liabilities measured at fair value on a recurring basis are classified in their entirety based on the lowest level of input that is significant to their fair value measurement. Certain non-financial assets and liabilities may also be measured at fair value on a non-recurring basis. There are three levels of the fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value, with Level 1 inputs having the highest priority. The levels and the valuation techniques used to value financial assets and liabilities are described below.

## ROCKLAND RESOURCES LTD.

Notes to the Consolidated Financial Statements

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For the years ended September 30, 2023 and 2022

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### 9. Financial instruments and risks (cont'd)

#### *Level 1 – Quoted Prices in Active Markets for Identical Assets*

Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Cash and marketable securities are valued using quoted market prices in active markets. Accordingly, it is included in Level 1 of the fair value hierarchy.

#### *Level 2 – Significant Other Observable Inputs*

Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

#### *Level 3 – Significant Unobservable Inputs*

Unobservable (supported by little or no market activity) prices.

#### Financial Instrument Risks

The Company's financial instruments are exposed to certain financial risks, including credit risk, interest rate risk, market risk, liquidity risk and currency risk.

##### a) Credit risk

The Company is exposed to credit concentration risk by holding cash. This risk is minimized by holding the investments in large Canadian and Australian financial institutions. The Company has no accounts receivable exposure.

##### b) Interest rate risk

The Company is exposed to minimal interest rate risk. Fluctuations in market interest rates do not have a significant impact on the Company's operations.

##### c) Price risk

The Company is exposed to equity price risk for fluctuating values of its publicly traded marketable securities. The Company has no control over these fluctuations and does not hedge its investments.

##### d) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. As at September 30, 2023, the Company manages this risk by monitoring its working capital to ensure its expenditures will not exceed available resources. As at September 30, 2023, the Company had cash of \$122,489 (2022 - \$377,671) and a working capital of \$839,663 (2022 - \$427,397). The Company will require financing from lenders, shareholders and other investors to generate sufficient capital to meet its short term business requirements. All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

##### e) Currency risk

Currency risk is the risk from fluctuations in foreign exchange rates and the degree of volatility of these rates. At September 30, 2023, the Company's cash is held in Canadian dollars and Australian dollars. There is minimal foreign exchange risk to the Company as the cash held in Australian dollars is not material, therefore the Company is not exposed to currency risk.



**ROCKLAND RESOURCES LTD.**

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

For the years ended September 30, 2023 and 2022

**9. Financial instruments and risks (cont'd)***Capital management*

The Company considers its capital structure to include net residual equity of all assets, less liabilities. The Company's objectives when managing capital are to (i) maintain financial flexibility in order to preserve its ability to meet financial obligations and continue as a going concern; (ii) maintain a capital structure that allows the Company to pursue the development of its mineral properties; and (iii) optimize the use of its capital to provide an appropriate investment return to its shareholders commensurate with risk. The Company's financial strategy is formulated and adapted according to market conditions in order to maintain a flexible capital structure that is consistent with its objectives and the risk characteristics of its underlying assets. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets, or adjust the amount of cash and receivables. The Company is not subject to any externally imposed capital requirements.

There have been no changes to the Company's approach to capital management during the year ended September 30, 2023.

**10. Income taxes**

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

|  | Year ended<br>September 30,<br>2023 | Year ended<br>September 30,<br>2022 |
|--|-------------------------------------|-------------------------------------|
| Net loss before income taxes for the year  | \$ (678,602)                        | \$ (2,008,263)                      |
| Statutory Canadian corporate tax rate      | 27%                                 | 27%                                 |
| Anticipated tax recovery                   | (183,223)                           | (542,231)                           |
| Non-deductible for tax                     | 137,800                             | 58,998                              |
| Tax benefit not recognized                 | 45,423                              | 483,233                             |
| <b>Total income tax expense (recovery)</b> | <b>\$ -</b>                         | <b>\$ -</b>                         |

The Company has the following unrecognized deductible temporary differences and unused tax losses:

|  | Expiry    | Year ended<br>September 30,<br>2023 | Year ended<br>September 30,<br>2022 |
|--|-----------|-------------------------------------|-------------------------------------|
| Non-capital losses carried forward                   | 2039-2043 | \$ 2,325,000                        | \$ 1,277,000                        |
| Capital loss carried forward                         | None      | 32,000                              | -                                   |
| Marketable securities                                | None      | 384,000                             | -                                   |
| Mineral properties                                   | None      | -                                   | 981,000                             |
| Share issue costs and others                         | 2024-2027 | 140,000                             | 134,000                             |
| <b>Unrecognized deductible temporary differences</b> |           | <b>\$ 2,881,000</b>                 | <b>\$ 2,392,000</b>                 |

Tax attributes are subject to review, and potential adjustment by tax authorities.

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**10. Income taxes (cont'd)**

The following is the analysis of recognized deferred tax liabilities and deferred tax assets:

|  | Year ended<br>September 30,<br>2023 | Year ended<br>September 30,<br>2022 |
|--|-------------------------------------|-------------------------------------|
| Deferred tax liabilities                     |                                     |                                     |
| Mineral properties                           | \$ (33,000)                         | \$ -                                |
| Deferred tax liabilities                     | (33,000)                            | -                                   |
| Deferred tax assets                          |                                     |                                     |
| Non-capital losses                           | 33,000                              | -                                   |
| Deferred tax assets                          | 33,000                              | -                                   |
| <b>Net deferred tax assets (liabilities)</b> | <b>\$ -</b>                         | <b>\$ -</b>                         |

**11. Segmented information**

The Company operates in a single reportable operating segment, being the exploration and development of mineral properties. Summarized financial information for the geographic segments the Company operates in are as follows:

|                                   | Canada       | USA          | Total        |
|-----------------------------------|--------------|--------------|--------------|
| <i>September 30, 2023</i>         |              |              |              |
| Exploration and evaluation assets | \$ 1,908,260 | \$ 1,570,266 | \$ 3,478,526 |
| <i>September 30, 2022</i>         |              |              |              |
| Exploration and evaluation assets | \$ 1,697,960 | \$ 916,183   | \$ 2,614,143 |

**12. Subsequent events**

Subsequent to September 30, 2023, the Company:

- i) granted 200,000 stock options exercisable at a price of \$0.07 until October 17, 2026 to a consultant.
- ii) issued 2,000,000 common shares pursuant to exercise of options for gross proceeds of \$100,000.