NEVADA LITHIUM RESOURCES INC.

Consolidated Financial Statements

For the years ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

Independent Auditor's Report

To the Shareholders of Nevada Lithium Resources Inc.:

Opinion

We have audited the consolidated financial statements of Nevada Lithium Resources Inc. and its subsidiaries (the "Company"), which comprise the consolidated statement of financial position as at April 30, 2024, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at April 30, 2024, and its consolidated financial performance and its consolidated cash flows for the year 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 Company 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 in the consolidated financial statements, which indicates that the Company has no sources of operating cash flow and as at April 30, 2024, the Company had an accumulated deficit. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

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

Accounting for the Acquisition of the Bonnie Claire Project

Key Audit Matter Description

As described in Notes 1, 4, and 5 to the consolidated financial statements, the Company completed the previously announced plan of arrangement under the Business Corporations Act (British Columbia) ("BCBCA") whereby the Company acquired Iconic Minerals Ltd.'s 50% interest in the Bonnie Claire lithium project located in Nye County, Nevada (the "Acquisition"). Following the Acquisition, the Company now holds 100% interest in the Bonnie Claire Project.

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We considered accounting for the acquisition of the Bonnie Claire Project to be a key audit matter due to the significant judgment applied by management in concluding that this transaction did not represent a business under IFRS 3 Business Combinations and the use of significant estimates by management in estimating the fair value of the consideration paid and net assets acquired as part of the transaction. This resulted in an increased extent of audit effort.

Audit Response

We responded to this matter by performing audit procedures relating to accounting for the acquisition of the Bonnie Claire Project. Our audit work in relation to this included, but was not restricted to, the following:

- We obtained and examined the underlying agreements related to the acquisition;
- We evaluated management's assessment on whether the acquisition represents an asset acquisition or a business under IFRS 3 Business Combinations;
- We assessed the methodology and key inputs used to estimate the fair value of the consideration paid as part of the transaction;
- We evaluated the fair value of the net assets of Bonnie Claire Holdings Ltd. and Bonnie Claire Lithium Resources Corp. as at the date of closing, in order to determine the accuracy of the exploration and evaluation assets acquired;
- We assessed the adequacy of the presentation and disclosures relating to the acquisition in the notes to the consolidated financial statements.

Other Matter

The consolidated financial statement for the year ended April 30, 2023 were audited by another auditor who expressed an unmodified opinion on those statements on August 24, 2023.

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

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

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

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

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

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

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the 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 Brock Stroud.

MNP LLP

Toronto, Ontario
August 28, 2024

Chartered Professional Accountants
Licensed Public Accountants

NEVADA LITHIUM RESOURCES INC.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Note	**April 30, 2024**	April 30, 2023
		$	$
ASSETS			
Current			
Cash and cash equivalents		**1,491,963**	8,830
Sales tax receivable		**104,566**	37,657
Prepaid expenses		**44,044**	17,353
Restricted funds held in trust		**-**	4,816,250
Total Current Assets		**1,640,573**	4,880,090
Restricted cash	5	**340,039**	-
Exploration and evaluation assets	5	**38,505,728**	8,675,464
Total assets		**40,486,340**	13,555,554
LIABILITIES			
Current			
Accounts payable and accrued liabilities	6	**598,407**	977,204
Restoration liability		**51,213**	-
Notes payable	7	**-**	390,708
Subscription receipts	9	**-**	4,816,250
Total liabilities		**649,620**	6,184,162
SHAREHOLDERS' EQUITY			
Share capital	8	**40,131,731**	9,389,697
Reserves	8	**5,698,097**	1,569,957
Accumulated other comprehensive income		**(9,697)**	-
Deficit		**(5,983,411)**	(3,588,262)
Total shareholders' equity		**39,836,720**	7,371,392
Total liabilities and shareholders' equity		**40,486,340**	13,555,554

Nature of operations and going concern (Note 1)
Subsequent events (Note 13)

Approved and authorized for issue on behalf of the Board of Directors:

"/s/ "Scott Eldridge"	*"/s/ "Jerry Wang"*
Director	Director

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

NEVADA LITHIUM RESOURCES INC.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Note	**Year ended April 30, 2024**	Year ended April 30, 2023
		$	$
Operating expenses			
Filing fees		**64,638**	61,024
General and administrative		**152,595**	28,386
Interest expense	7	**17,337**	21,208
Conferences and events		**396,379**	-
Investor relations		**173,571**	79,567
Management and consulting fees	6	**900,419**	366,944
Professional fees		**188,841**	581,618
Share-based compensation	6,8	**695,087**	-
Total operating expenses		**2,588,867**	1,138,747
Interest income		**(190,042)**	-
Foreign exchange (gain)/loss		**(3,676)**	13,551
Net loss for the year		**2,395,149**	1,152,298
Foreign exchange translation adjustment		9,697	-
Net loss and comprehensive loss for the year		**2,404,846**	1,152,298
Net loss per share:			
Basic and diluted		**(0.01)**	(0.02)
Weighted average number of common shares:			
Basic and diluted		**183,512,854**	61,814,890

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

NEVADA LITHIUM RESOURCES INC.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Year ended April 30, 2024	Year ended April 30, 2023
	$	$
Operating activities:		
Net loss and comprehensive loss for the year	**(2,395,149)**	(1,152,298)
Items not affecting cash:		
Share-based compensation (Note 8)	**695,087**	-
Interest expense	**14,479**	21,208
Foreign exchange	**3,034**	13,551
Changes in non-cash working capital items:		
Sales tax receivable	**(66,909)**	(35,627)
Prepaid expenses	**(26,691)**	85,017
Accounts payable and accrued liabilities	**(381,831)**	678,650
Restricted Cash	**(340,039)**	-
Cash used in operating activities	**(2,498,019)**	(389,499)
Investing activities:		
Exploration and evaluation assets	**(6,460,876)**	-
Cash assumed on acquisition	**340,039**	-
Cash used in investing activities	**(6,120,837)**	-
Financing activities:		
Proceeds from issuance of units	**10,785,000**	-
Cash share issuance costs	**(875,999)**	-
Proceeds from warrants exercised	**71,875**	-
Proceeds from issuance of notes payable	**231,250**	369,500
Repayment of non-convertible notes payable	**(75,000)**	-
Repayment of interest	**(25,440)**	-
Cash provided by financing activities	**10,111,686**	369,500
Effects of exchange rate changes on cash	**(9,697)**	-
Net change in cash	**1,483,133**	(19,999)
Cash, beginning of year	**8,830**	28,829
Cash, end of year	**1,491,963**	8,830

Supplemental information:		
Exploration and evaluation assets:		
Shares issued to Iconic	**21,746,669**	-
Warrants issued to Iconic	**909,225**	-
Options issued to Iconic	**1,002,320**	-
Additions to restoration liability	**51,213**	-
Shares issued - convertible debt	**535,998**	-
	24,245,425	-

For the years ended April 30, 2024 and 2023 the Company had no cash paid for income taxes.

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

NEVADA LITHIUM RESOURCES INC.
Consolidated Statement of Changes in Shareholders' Equity
(Expressed in Canadian dollars)

	Common shares	Share capital	Reserves	Accumulated other comprehensive income	Deficit	Total shareholders' equity
	#	$	$	$	$	$
Balance, April 30, 2022	**61,814,890**	**9,389,697**	**1,569,957**	**-**	**(2,435,964)**	**8,523,690**
Net loss and comprehensive loss	-	-	-	-	(1,152,298)	(1,152,298)
Balance, April 30, 2023	**61,814,890**	**9,389,697**	**1,569,957**	**-**	**(3,588,262)**	**7,371,392**
Private placements (Note 4,8,9)	78,013,333	10,785,000	-	-	-	10,785,000
Share issuance costs (Note 4,8)	-	(2,406,349)	1,530,350	-	-	(875,999)
Shares issued (Note 5,8)	66,912,827	21,746,669	-	-	-	21,746,669
Shares issued - Convertible debt (Note 7,8,9)	4,287,984	535,998	-	-	-	535,998
Shares issued - Warrants exercised	372,500	80,716	(8,841)	-	-	71,875
Warrants issued (Note 5,8)	-	-	909,225	-	-	909,225
Options granted (Note 5,8)	-	-	1,697,406	-	-	1,697,406
Foreign exchange translation adjustment	-	-	-	(9,697)	-	(9,697)
Net loss for the year	-	-	-	-	(2,395,149)	(2,395,149)
Balance, April 30, 2024	**211,401,534**	**40,131,731**	**5,698,097**	**(9,697)**	**(5,983,411)**	**39,836,720**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Nevada Lithium Resources Inc. (the "Company" or "Nevada Lithium") is in the business of the exploration and evaluation of mineral properties. The Company was incorporated under the Business Corporations Act of British Columbia on December 17, 2020. The registered address of the Company's office and principal place of business is 1500-1055 West Georgia Street, P.O Box 11117, Vancouver, British Columbia, Canada, V6E 4N7. The Company's common shares are listed on the Canadian Securities Exchange in Canada under the ticker symbol "NVLH" and on the OTCQB Market under the symbol "NVLHF" and on the Frankfurt Stock Exchange under the symbol "87K".

On January 29, 2021, the Company acquired Nevada Lithium Corp., based in Nevada, USA. Nevada Lithium Corp. is a 100% owned subsidiary of the Company.

There has been no determination whether properties held contain mineral resources or mineral reserves that are economically recoverable. The recoverability of valuations assigned to mineral properties is dependent upon the discovery of economically recoverable mineral resources and mineral reserves, confirmation of the Company's interest in the properties, the ability to obtain the necessary financing to complete development, and future profitable production or proceeds from disposition.

These consolidated financial statements for the years ended April 30, 2024 and 2023 (the "Financial Statements") have been prepared on a going concern basis, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. At April 30, 2024, the Company had working capital of $990,953 (April 30, 2023 working capital deficit of $1,304,072) and an accumulated deficit of $5,983,411 (April 30, 2023 - $3,588,262). The Company has no sources of operating cash flows, and there is no assurance that sufficient funding (including adequate financing) will be available to conduct the required exploration and development of its mineral property projects. These factors present a material uncertainty that casts significant doubt over the Company's ability to continue as a going concern.

The application of the going concern concept is dependent upon the Company's ability to generate future profitable operations and receive continued financial support from its creditors and shareholders. These Financial Statements do not give effect to any adjustments that might be required should the Company be unable to continue as a going concern.

<u>Arrangement to consolidate 100% ownership interest in Bonnie Claire lithium project</u>

On July 7, 2023, the Company completed the previously announced plan of arrangement (the "**Arrangement**") under the Business Corporations Act (British Columbia) (the "**BCBCA**"), whereby the Company acquired Iconic Minerals Ltd.'s ("**Iconic**") 50% interest in the Bonnie Claire Project.

The Bonnie Claire Project (the "**Projec**t" or the "**Bonnie Claire Project**") is located in Nye County, Nevada which is 201 km (125 miles) northwest of Las Vegas. The town of Beatty is 40 km (25 miles) southeast of Bonnie Claire Project.

Upon completion of the Arrangement, the Company now holds 100% interest in the Bonnie Claire Project (the "**Acquisition**") (Notes 4 & 5).

2. BASIS OF PREPARATION

a) Statement of compliance

These financial statements were approved by the Board of Directors and authorized for issue on August 28, 2024.

These financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

b) Basis of presentation

These financial statements have been prepared on a historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

c) Functional and presentation currency

These financial statements have been prepared in Canadian dollars ("CAD"), which is the Company's presentation currency. As of April 30, 2024 and 2023 the functional currency was determined to be CAD for Nevada Lithium Resources Inc. and subsidiaries, with the exception of Bonnie Claire Lithium Resources Corp. where the functional currency was determined to be United States dollars ("USD") which is the primary economic environment in which the subsidiary operates.

2. BASIS OF PREPARATION (continued)

For the purpose of presenting the consolidated financial statements, the assets and liabilities are presented in CAD using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rate for the period, unless the exchange rate fluctuated significantly during the period, in which case the exchange rates at the date of the transactions are used. Exchange differences arising are recognized as a separate component of equity and as a cumulative translation adjustment in other comprehensive income in the consolidated statements of loss and comprehensive loss.

d) Basis of consolidation

These financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances are eliminated on consolidation. Control exists where the parent entity has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are included in the financial statements from the date control commences until the date control ceases.

A summary of the Company's subsidiaries included in these financial statements as at April 30, 2024 are as follows:

Name of subsidiary	Country of incorporation	Percentage ownership	Principal activity
1426354 B.C. Ltd [(1)]	Canada	100%	Holding company
Bonnie Claire Holdings Corp.[(2)]	Canada	100%	Holding company
Bonnie Claire Lithium Ressources Corp.	USA	100%	Exploration company
Nevada Lithium Corp.	USA	100%	Holding company

[(1)] Entity the result of amalgamation of 1406923 B.C. Ltd. ("Nevada Lithium SubCo") and 1396483 B.C. Ltd. ("Nevada Lithium FinCo")
[(2)] Entity the result of amalgamation of 1406917 B.C. Ltd ("Nevada Lithium MergeCo") and 1259318 B.C. Ltd. ("Iconic MergeCo")

3. MATERIAL ACCOUNTING POLICIES

a) Cash

Cash and cash equivalents include cash and highly liquid investments with a maturity of no more than three months or are cashable within three months at the date of acquisition plus any interest receivable from these instruments. Restricted cash is cash held as a surety bond by the U.S. Department of the Interior, Bureau of Land Management, Nevada State Office (NSO) and is not available for general corporate use. Restricted cash is to be classified as current or long-term based on the underlying instrument or obligation to which it relates. Cash and cash equivalents and restricted cash are classified as and measured at amortized cost.

b) Restricted funds held in trust

Restricted funds held in trust consists of subscription receipts held in a lawyer's trust account.

c) Financial Instruments

<u>Classification</u>

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

3. MATERIAL ACCOUNTING POLICIES (continued)

A summary of the Company's classification of financial instruments under IFRS 9 *Financial Instruments* is as follows:

Financial instrument	Classification
Financial assets	
Cash and cash equivalents	Amortized cost
Restricted cash	Amortized cost
Restricted funds held in trust	Amortized cost
Financial liabilities	
Accounts payable and accrued liabilities	Amortized cost
Notes payable	Amortized cost
Subscription receipts	Amortized cost

<u>Measurement</u>

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss and comprehensive loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

Financial assets and liabilities at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTOCI are recognized in other comprehensive income (loss). The Company does not have any FVTOCI financial assets and liabilities.

Financial assets and liabilities at amortized cost

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

<u>Impairment of financial assets at amortized cost</u>

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses.

The Company shall recognize in profit or loss, as an impairment loss (or reversal), the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

<u>Derecognition</u>

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 the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss.

Financial liabilities

The Company derecognizes financial liabilities when its obligations under the financial liabilities 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. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statements of loss and comprehensive loss.

3. MATERIAL ACCOUNTING POLICIES (continued)

d) Exploration and evaluation assets

All costs related to the acquisition, exploration and development of mineral properties are capitalized by property. If economically recoverable ore reserves are developed, capitalized costs of the related property are reclassified as mining assets and amortized using the unit of production method. When a property is abandoned, all related costs are written off in the statement of operations. Interest on borrowings incurred to finance mining assets is capitalized until the asset is capable of carrying out its intended use.

A mineral property is reviewed for impairment at each financial statement date or whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. If, after management review, it is determined that the carrying amount of a mineral property is impaired, that property is written down to its estimated net realizable value.

From time to time the Company may acquire or dispose of a mineral property pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable have not been recorded. Option payments are capitalized as property costs or recorded as recoveries when the payments are made or received.

The amounts shown for mineral properties do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing and permitting to complete the development and future profitable production or proceeds from the disposition thereof.

e) Impairment of non-financial assets

At each reporting date, the carrying amounts of the Company’s non-financial assets are reviewed to determine whether there is any indication that those assets are impaired. If any 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 (“FVLCS”) and value in use (“VIU”). FVLCS 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 VIU, 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 (or cash-generating unit) is established to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

f) Share capital

The Company records proceeds from share issuances net of issue costs and any tax effects. Common shares issued for consideration other than cash are valued based on their market value of the shares as of the date of issuance.

g) Valuation of equity units issued in private placements

The Company has adopted the residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in private placements to be the more easily measurable component.

h) Share-based compensation

The Company has a stock option plan, which allows grants of options to purchase common shares by the Company’s directors, officers, employees, and consultants. The Company accounts for the stock options at their fair value and recognizes the cost as compensation expense over the vesting period, with the offset recorded to reserve. The amount recognized as share-based compensation expense is adjusted to reflect the number of awards for which the related service conditions are expected to be met such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service conditions at the vesting date.

The fair value of options granted to directors and employees is measured using the Black-Scholes option pricing model on the date of issuance. Share-based compensation to non-employees is measured at the fair value of the goods or services received, or at the fair value of the equity instruments issued if it is determined that the fair value of the goods or services received cannot be reliably measured and are recorded at the date the goods or services are received.

3. MATERIAL ACCOUNTING POLICIES (continued)

Consideration received on the exercise of stock options is recorded as share capital, and the amount previously recognized in stock options and warrants reserves is transferred to share capital. For options that expired and went unexercised, the initial fair value recorded remains in reserve. When awards are forfeited because non-market based vesting conditions are not satisfied, the expense previously recognized is proportionately reversed in the period the forfeiture occurs.

i) Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period-end, adjusted for amendments to tax payable with regard to previous years.

Deferred tax is provided using the asset and liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting or taxable profit and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences; nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the consolidated statement of financial position date. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

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

j) Loss per share

Basic loss per share is calculated using the weighted average number of common shares outstanding during the year. In periods where a net loss is incurred, diluted loss per share is the same as basic loss per share because the effects of potentially dilutive common shares would be anti-dilutive.

k) Restoration, rehabilitation and environmental obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight-line method. The related liability is adjusted each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation.

l) Segment reporting

The Company operates in a single reportable operating segment - the acquisition, exploration and evaluation of mineral properties in Nevada, USA.

m) Significant accounting policy judgements and key sources of estimation uncertainty

The preparation of these financial statements requires management to exercise significant judgments in applying the Company's accounting policies and make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are reviewed on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual future outcomes could differ from present estimates and assumptions, which may require significant adjustments to the Company's financial statements. Revisions to accounting estimates are accounted for prospectively.

3. MATERIAL ACCOUNTING POLICIES (continued)

Significant judgments exercised by management in applying the Company's accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

Going concern presentation

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. Management assesses the Company's ability to continue as a going concern at each reporting date using all quantitative and qualitative information available. This assessment, by its nature, relies on estimates and assumptions of future cash flows and other events whose subsequent changes could materially impact the validity of the assessment.

Determination of functional currency

The functional currency for each of the Company's subsidiaries is the currency of the primary economic environment in which the entity operates. Determination of functional currency involves certain judgements to determine the primary economic environment of an entity. The Company re-evaluates the functional currency of its entities when there is a change in events and conditions which previously determined the primary economic environment of an entity.

Economic recoverability of future economic benefits of exploration and evaluation assets

Management has determined that exploration and evaluation of mineral properties and related costs incurred, which have been recognized on the statements of financial position, are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit including geological data, scoping studies, accessible facilities, and existing and future permits.

Accounting for acquisition

The accounting for acquisitions involves significant judgement in determining if an acquisition is an asset acquisition or a business combination. The Company accounts for an acquisition as a business combination if the assets acquired and liabilities assumed constitute a business and the Company obtains control of the business. When the cost of a business combination exceeds the fair value of the identifiable assets acquired or liabilities assumed, such excess is recognized as goodwill. Transaction related costs are expensed as incurred. If an acquisition does not meet the definition of a business combination, the Company accounts for the acquisition as an asset acquisition. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their fair values, and no goodwill or deferred tax is recognized.

Critical accounting estimates

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the even that actual results differ from the assumptions made, relate to, but are not limited to, the following:

Estimation of decommissioning and restoration costs and the timing of expenditure

Decommissioning restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations, and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

Share-based payments

Management determines costs for share-based payments using market-based validation techniques. The fair value of the market-based and performance-based non-vested share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgement used in applying valuation techniques. These assumptions and judgements include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviours and corporate performance. Such judgements and assumptions are inherently uncertain. Changes in the assumptions affect the fair value estimates.

3. MATERIAL ACCOUNTING POLICIES (continued)

n) Newly adopted accounting policies

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after May 1, 2023. Many are not applicable or do not have a significant impact to the Company and have been excluded. The Company has adopted the following policy effective May 1, 2023

IAS 12, Income taxes

Deferred tax related to assets and liabilities arising from a single transaction, narrowing the scope for exemption when recognizing deferred taxes (January 1, 2023). Pursuant to the IAS 12 amendments effective January 1, 2023, a deferred tax liability is recognized for the exploration and evaluation asset and a deferred tax asset is recognized for the restoration liability obligation in the financial statements.

o) Accounting pronouncements issued but not yet effective

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after May 1, 2024. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IAS 1, Presentation of Financial Statements (“IAS 1”)

IAS 1 was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or non-current based solely on a company’s right to defer settlement at the reporting date. The right needs to be unconditional and have substance. The amendments also clarify that the transfer of a company’s own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning January 1, 2024. Earlier adoption is permitted.

4. SUMMARY OF THE ARRANGEMENT

On July 7, 2023, the Company completed the previously announced plan of arrangement under the BCBCA whereby the Company acquired Iconic Minerals Ltd.’s 50% interest in the Bonnie Claire lithium project located in Nye County, Nevada. Upon completion of the Arrangement and the Acquisition, the original option agreement acquired by the Company on January 29, 2021 via Nevada Lithium Corp. was terminated. The Company entered into a separate agreement dated March 24, 2023 to acquire the remaining 50% and upon completion of the arrangement acquired a 100% interest in the Bonnie Claire Project (Notes 1,5).

Iconic’s interest in the Project, previously held through Iconic’s Nevada subsidiary, Bonaventure Nevada Inc., was transferred to a newly incorporated Nevada company, Bonnie Claire Lithium Resources Corp (“**BCLRC**”). Bonnie Claire Holdings Corp., the Canadian parent holding company of BCLRC, continued as the result of amalgamation of 1406917 B.C. Ltd (“**Nevada Lithium MergeCo**”) and 1259318 B.C. Ltd. (“**Iconic MergeCo**”).

1406923 B.C. Ltd. (“**Nevada Lithium Subco**“) and 1396483 B.C. Ltd. (“**Nevada Lithium FinCo**“) amalgamated and continued as one corporation, 1426354 B.C. Ltd. Upon completion of the Arrangement, each then outstanding Nevada Lithium FinCo common share and Nevada Lithium FinCo common share purchase warrant was exchanged, on a one-for-one basis, respectively, for common shares in the capital of Nevada Lithium and economically equivalent common share purchase warrants of Nevada Lithium.

In connection with the completion of the Arrangement, the Company completed two non-brokered private placements, on February 24, 2023 ("**February Offering**") and on June 20, 2023 ("**June Offering**") together, the ("**Concurrent Offerings**").

(Expressed in Canadian dollars, except where noted)

5. EXPLORATION AND EVALUATION ASSETS

On January 29, 2021, the Company purchased 100% of the issued and outstanding shares of Nevada Lithium Corp. and thereby the Company acquired exploration and evaluation assets of $1,490,064. Nevada Lithium Corp. had previously entered into an option agreement (the "**Option Agreement**"), to earn up to a 50% interest in certain claims (the "**Mineral Rights**") relating to the Bonnie Claire Project (the "**Project**") and is required to pay a 2.0% net smelter return upon commencement of commercial production of the Project. The acquisition was accounted for as the purchase of assets and assumption of liabilities as Nevada Lithium Corp. did not qualify as a business under IFRS 3 *Business Combinations.*

Pursuant to the Option Agreement, the Company made the following payments:

i. On March 8, 2021, the Company made payment of $2,027,680 (US$1,600,000) and achieved 20% interest in the Mineral Rights of the Project.
ii. On December 1, 2021, the Company made payment of $2,573,580 (US$2,000,000) and acquired an additional 15% interest in the Mineral Rights of the Project.
iii. On December 15, 2021, the Company made payment of $2,584,140 (US$2,000,000) and acquired the final 15% interest in the Mineral Rights of the Project, achieving the maximum 50% interest as permitted pursuant to the Option Agreement.

On July 7, 2023 the Company completed the Acquisition (Note 1,4) of the remaining 50% interest in the Project from Iconic through the following:

i. Issuance of 66,912,827 common shares to Iconic and shareholders of Iconic measured at fair value of $0.325 per share for a total of $21,746,669 (Note 8).
ii. Issuance of 4,000,000 common share purchase warrants to Iconic, measured at a fair value of $909,225 (Note 8).
iii. Granted an aggregate of 3,930,000 stock options measured at $1,002,320 to certain eligible persons associated with Iconic (Note 8).
iv. Cash payment to Iconic of 334,044 (US $250,991) to cover contractual obligations with respect to the Bonnie Claire Project prior to the Acquisition.
v. Cash payment to Iconic of $797,282 for fees related to the Acquisition.
vi. Cash payment of legal fees of $148,589 relating to the Acquisition.

The Acquisition cost was reduced by $340,039 (US $247,373) which is recognized as a restricted cash asset representing the value of a surety reclamation bond held by the U.S. Department of the Interior, Bureau of Land Management, Nevada State Office (NSO) with respect to the Project.

The following summarizes the Company's mineral property costs:

Bonnie Claire Project	
Acquisition Costs	$
Balance, April 30, 2023 and April 30, 2022	**8,675,464**
Shares issued	21,746,669
Warrants issued	909,225
Options granted	1,002,320
Cash payment to Iconic to cover contractual obligations	334,044
Cash payment to Iconic for fees relating to the acquisition	797,282
Legal fees	148,589
Reclamation bond	(340,039)
Balance, April 30, 2024	**33,273,554**
Exploration Expenditures	$
Balance, April 30, 2023	-
Exploration	5,012,463
Claims maintenance	215,446
Effect of movement in exchange rates	4,265
Balance, April 30, 2024	**5,232,174**
Total Acquisition and Exploration, April 30 2024	**38,505,728**

(Expressed in Canadian dollars, except where noted)

6. RELATED PARTY TRANSACTIONS

The Company's related parties include subsidiaries, affiliated entities and key management personnel and their close family members. Transactions with and amounts due to or from related parties are unsecured and non-interest bearing and measured at the amount of consideration established and agreed to by the related parties.

Key management personnel include the Board of Directors, CEO, COO and CFO.

As at April 30, 2024, accounts payable and accrued liabilities included $83,516 (April 30, 2023 - $231,651) due to related parties.

A summary of the Company's related party transactions for the years ended April 30, 2024 and 2023 is as follows:

	2024	2023
	$	$
Management and consulting fees	**521,919**	305,118
Share-based compensation	**296,841**	-
Consulting services provided by related parties (USD $66,932)	**91,858**	-
	910,618	305,118

On September 28, 2021, the Company granted 1,200,000 share options to directors and officers of the Company. The options are exercisable into one common share at a price of $0.20 per option. The options vested immediately and expire five years after the grant date on September 28, 2026. As at April 30, 2024, these options are still outstanding.

On September 28, 2021, the Company granted 190,000 restricted share units ("RSUs") to an officer of the Company. The RSUs vested after four months and may be converted into common shares at the discretion of the beneficiary or the Company. The RSUs expire three years after the grant date on September 28, 2024 if not converted into common shares. As at April 30, 2024, these RSUs are still outstanding.

On November 6, 2023 certain officers and directors of the Company were granted 2,750,000 incentive stock options at an exercise price of $0.20, 33% vesting immediately, 33% vesting November 6, 2024 and 34% vesting November 6, 2025.

Effective November 30, 2023 the Company amended 6,128,945 warrants such that the exercise price of the Warrants was revised from $0.75 to $0.25 per common share of the Company (and the expiry date extended from November 30, 2023 to November 30, 2026. Of these warrants, 49,000 are held by a director and officer of the Company.

On March 15, 2024 the Company granted 250,000 incentive stock options to a director of the Company in accordance with the Company's stock option plan at an exercise price of $0.20, 33% vesting immediately, 33% vesting November 6, 2024 and 34% vesting November 6, 2025.

(Expressed in Canadian dollars, except where noted)

7. NOTES PAYABLE

During the year ended April 30, 2023, the Company entered into a number of short-term loan agreements with third parties including convertible promissory notes of $304,748 and non-convertible promissory notes of $75,000, all bearing interest at 12% per annum with a maturity date of one year from their date of agreement.

During the year ended April 30, 2024, the Company entered into additional convertible promissory note agreements with third parties for $231,250, bearing interest at a rate of 12% per annum and maturing after one year.

The total principal amount of $535,998 (April 30, 2023 - $304,748) of the convertible promissory notes automatically converted to units of the Company, for $0.125 per unit and were comprised of a common share each with one-half of one common share purchase warrant, upon completion of the Arrangement (Note 4). The Company recorded accrued interest expense in connection with these notes of $14,479 (April 30, 2023 - $10,960).

The Company repaid the remaining principal and interest in the year ended April 30, 2024.

Notes payable continuity table is as follows:

	$
Balance, April 30, 2022	-
Additions	379,748
Interest expense	10,960
Balance, April 30, 2023	**390,708**
Additions	231,250
Interest expense	14,479
Repayments	(100,439)
Converted to $0.125 units	(535,998)
Balance April 30, 2024	**-**

8. SHARE CAPITAL AND RESERVES

a) Authorized share capital

The Company is authorized to issue an unlimited number of common shares.

During the year ended April 30, 2023, the Company had no share capital transactions.

On July 7, 2023:

i. The February Offering, a non-brokered private placement, for gross proceeds of $4,585,000 February Subscription Receipts converted to 36,680,000 common shares each with one-half of one common share purchase warrant at $0.125 per share (Note 9). Each warrant entitles the holder to acquire one additional common share at an exercise price of $0.20 for a period of two years. The Company paid certain financing, legal and other expenses of $412,482 and issued 2,690,859 warrants valued at $679,750 to the finders. Each finders warrant is exercisable to acquire one common share and one-half of one common share purchase warrant on at an exercise price of $0.125 for a period of two years.

ii. The June offering, a non-brokered private placement, for gross proceeds of $6,200,000 June Subscription Receipts converted to 41,333,333 common shares each with one common share purchase warrant at $0.15 per share. Each warrant entitles the holder to acquire one additional common share at an exercise price of $0.25 for a period of three years. The Company paid certain financing, legal and other expenses of $463,517 and issued 3,234,666 warrants valued at $850,600 to the finders. Each warrant is exercisable to acquire one common share and one common share purchase warrant at an exercise price of $0.15 for a period of three years.

iii. Promissory notes of $535,998 converted to 4,287,984 common shares each with one-half of one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share at an exercise price of $0.20 for a period of two years (Note 7,9).

iv. Issued an aggregate 66,912,827 common shares to Iconic and shareholders of Iconic measured at fair value of $0.325 per share for a total of $21,746,669.

Additionally, the Company issued an aggregate of 372,500 common shares pursuant to a warrant exercises, resulting in proceeds to the Company of $71,875.

(Expressed in Canadian dollars, except where noted)

8. SHARE CAPITAL AND RESERVES (continued)

b) Reserves

Warrants

On July 7, 2023, upon completion of the Arrangement and in connection with the February Offering (Note 4) the Company issued 18,340,000 purchase warrants, each warrant entitles the holder to acquire one additional common share at an exercise price of $0.20 for a period of two years, the residual value allocated to the warrants is $nil. The company also issued 2,690,859 warrants to the finders valued at $679,750 and allocated to reserves using the Black Scholes Method with inputs noted in the table below. Each finders warrant is exercisable to acquire one common share and one-half of one common share purchase warrant at an exercise price of $0.125 for a period of two years.

On July 7, 2023, upon completion of the Arrangement and in connection with the June Offering (Note 4) the Company issued 41,333,333 purchase warrants, each warrant entitles the holder to acquire one additional common share at an exercise price of $0.25 for a period of three years, the residual value allocated to the warrants is $nil. The company also issued 3,234,666 warrants to the finders valued at $850,600 and allocated to reserves using the Black Scholes Method with inputs noted in the table below. Each finders warrant is exercisable to acquire one common share and one common share purchase warrant at an exercise price of $0.15 for a period of three years.

On July 7, 2023, upon completion of the Arrangement the Company also issues 2,143,992 warrants upon conversion of notes payable (Note 7), each warrant entitles the holder to acquire one additional common share at an exercise price of $0.20 for a period of two years, the residual value allocated to the warrants is $nil.

On July 7, 2023 in connection with the Acquisition (Notes 1,4,5) Company issued to Iconic an aggregate of 4,000,000 warrants each of which entitle the holder thereof to purchase one common share for a period of two years from the closing of the Arrangement at an exercise price of $0.20 per share. The warrants were valued at $909,225 using the Black Scholes Method with the inputs noted in the table below and were recognized as an acquisition cost of the Bonnie Claire Project (Note 5).

Effective November 30, 2023 the Company amended 6,128,945 warrants such that the exercise price of the warrants was revised from $0.75 to $0.25 per common share of the Company and the expiry date extended from November 30, 2023 to November 30, 2026. The terms of the warrants were amended to include a revised mandatory acceleration provision pursuant to which, if for any ten consecutive trading days, the closing price of the Common Shares on the CSE exceeds $0.3125, the expiry date of warrants will be accelerated such that holders will have 30 calendar days to exercise the warrants. Of these warrants, 49,000 are held by a director and officer of the Company. At the time of issuance, $612,895 was allocated to reserves using the residual value method and is unchanged.

A summary of the Company's warrant activity is as follows:

	Number of warrants	Weighted average exercise price
	#	$
Balance, April 30, 2022	7,676,445	0.640
Expired	(1,547,500)	0.200
Balance, April 30, 2023	**6,128,945**	**0.750**
Warrants repriced [1]	(6,128,945)	(0.750)
Warrants repriced [1]	6,128,945	0.250
February Offering warrants [2]	18,340,000	0.200
June Offering warrants [2]	41,333,333	0.250
Debt conversion warrants [2]	2,143,992	0.200
Warrants [3]	4,000,000	0.200
February Offering finders warrants [3]	2,690,859	0.125
June Offering finders warrants [3]	3,234,666	0.150
Underlying finder warrants issued	17,500	0.200
Warrants exercised	(35,000)	0.125
Warrants exercised	(337,500)	0.200
Balance, April 30, 2024	**77,516,795**	0.230

[1] 6,128,945 warrants repriced; $612,895 based on the residual value method was allocated to reserves at the time of issue.
[2] Based on the residual value method, $0 was allocated to reserves for the February Offering, June Offering, and debt conversion warrants.
[3] The fair value of warrants, February Offering finder warrants and June Offering finder warrants were estimated on the date of measurement using the Black Scholes method with the assumptions outlined in the table below.

(Expressed in Canadian dollars, except where noted)

8. SHARE CAPITAL AND RESERVES (continued)

The fair value of the warrants were estimated on the date of measurement. The Black Scholes assumptions are as follows at the measurement date:

Issue	Number of Warrants	Exercise price ($)	Market price ($)	Expected Volatility (%) (1)	Risk-free interest rate (%)	Expected life (years)	Dividend yield (%)	Fair value of warrants
Warrants	4,000,000	0.200	0.325	115.64%	4.79%	2	-	$ 909,225
February Offering finders warrants	2,690,859	0.125	0.325	115.64%	4.79%	2	-	$ 679,750
June Offering finders warrants	3,234,666	0.150	0.325	115.64%	4.45%	3	-	$ 850,600

(1) Expected Volatility is based on the average historical volatility from a sample of exploration companies listed on a Canadian stock exchange.

A summary of the Company's warrants outstanding as at April 30, 2024 is as follows:

Date of expiry	**Warrants outstanding**	**Weighted average exercise price**	**Weighted average remaining life**
	#	$	Years
November 30, 2026	6,128,945	0.250	2.59
July 7, 2025	24,163,992	0.200	1.19
July 7, 2026	41,333,333	0.250	2.19
July 7, 2025	2,655,859	0.125	1.19
July 7, 2026	3,234,666	0.15	2.19
	77,516,795	**0.230**	**1.87**

Special Warrants

During the year ended April 30, 2024, 860,491 special warrants expired without being exercised. $170,971 is included in reserves in the Consolidated Statements of Changes in Shareholders' Equity.

	Number of special warrants	**Weighted average exercise price**
	#	$
Balance April 30, 2023 & April 30, 2022	**860,491**	**0.45**
Special warrants expired	(860,491)	(0.45)
Balance April 30, 2024	**-**	**-**

Options

On July 7, 2023 in connection with the Acquisition (Notes 1,4,5), the Company issued 3,930,000 stock options to certain eligible persons associated with Iconic. 30,000 were issued with exercise price of $0.45 per common share, an expiry date of January 25, 2025 and vested immediately. 3,900,000 of the options were issued with an exercise price of $0.20 per common share with an expiry date of September 29, 2026 and vested immediately and were recognized as an acquisition cost of the Bonnie Claire Project (Note 5).

On November 6, 2023 the Company granted 6,600,000 incentive stock options to certain directors, officers, employees, and consultants of the Company in accordance with the Company's stock option plan (the "**Option Plan**"). Each option grants the holder the right to purchase one common share of the Company at a purchase price of $0.20 per common share for a period of five years from the date of issue unless terminated pursuant to the terms of the Option Plan. Accordingly, the options expire November 6, 2028. The options vest according to the following vesting schedule: 33% vest immediately upon issue; 33% vest upon the date that is one year from the date of issue and the remaining 34% vest upon the date that is two years from the date of issue.

(Expressed in Canadian dollars, except where noted)

8. SHARE CAPITAL AND RESERVES (continued)

On March 15, 2024 the Company granted 250,000 incentive stock options (the "Options") to a director of the Company in accordance with the Company's stock option plan (the "Option Plan"). Each Option grants the holder the right to purchase one common share of the Company (each a "Common Share") at a purchase price of $0.20 per Common Share until expiry on

November 6, 2028 unless terminated pursuant to the terms of the Option Plan. The Options and any Common Shares issued upon exercise thereof are subject to a hold period of four months and one day from the date of grant. The Options vest according to the following vesting schedule: 33% vest immediately upon issue; 33% vest November 6, 2024 and the remaining 34% vest November 6, 2025.

Share-based compensation in the amount of $695,087 (2023 - $nil) was recognized in the Consolidated Statement of Loss and Comprehensive for the year ended April 30, 2024.

A summary of the company's stock option activity is as follows:

	Options outstanding and exercisable	Weighted average exercise price
Balance, April 30, 2023 and April 30, 2022	3,930,000	0.20
Granted	3,900,000	0.20
Granted	30,000	0.45
Granted	6,600,000	0.20
Granted	250,000	0.20
Balance, April 30, 2024	**14,710,000**	**0.20**

A summary of the Company's options outstanding as at April 30, 2024 is as follows:

Date of expiry	Exercisable	Subject to vesting	Outstanding	Weighted average exercise price	Weighted average remaining life
	#	#	#	$	Years
January 25, 2025	60,000	-	60,000	0.45	0.74
September 29, 2026	7,800,000	-	7,800,000	0.20	2.42
November 6, 2028	2,260,500	4,589,500	6,850,000	0.20	4.52
	10,120,500	**4,589,500**	**14,710,000**	**0.20**	**3.39**

The fair value of the options were estimated on the date of measurement. The Black Scholes assumptions are as follows at the measurement date:

Issue	Number of Options	Exercise price ($)	Market price ($)	Expected Volatility (%)(1)	Risk-free interest rate (%)	Expected life (years)	Dividend yield (%)	Fair value of options
July 7, 2023	3,900,000	0.200	0.325	115.64%	4.45%	3.2	-	$ 997,742
July 7, 2023	30,000	0.450	0.325	115.64%	4.79%	1.5	-	$ 4,578
November 6, 2023	6,600,000	0.200	0.215	120.07%	3.840%	5	-	$ 1,196,580
March 15, 2024	250,000	0.200	0.150	118.28%	3.62%	4.6	-	$29,450

(1) Expected Volatility is based on the average historical volatility from a sample of exploration companies listed on a Canadian stock exchange.

Restricted share units

On September 28, 2021, the Company granted 190,000 RSUs to an officer of the Company. The RSUs vested after four months and may be converted into common shares at the discretion of the beneficiary or the Company. The RSUs will expire on September 28, 2024 if not converted into common shares. The fair value of RSUs granted on September 28, 2021 was determined to be $38,000. As at April 30, 2024, these RSUs are still outstanding with average remaining life of 0.41 years.

9. SUBSCRIPTION RECEIPTS

On February 24, 2023, in connection with the Arrangement (Note 4), the Company and its wholly-owned subsidiary, Nevada Lithium FinCo, closed the February Offering through the issuance of an aggregate of 38,530,000 subscription receipts at a price of $0.125 per unit for an aggregate gross proceeds of $5,120,998. During the year ended April 30, 2024, $231,250 (2023 $304,742) was exchanged for convertible promissory notes (Note 7). Upon the closing of the Arrangement on July 7, 2023, subscription receipts net of the amounts exchanged for convertible promissory notes issued pursuant to the February Offering and the convertible promissory notes were automatically converted into units of the Company and the cash was disbursed to the Company in turn.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company provides disclosures that enable users to evaluate (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the date of the consolidated statement of financial position, and how the entity manages these risks.

The Company's financial instruments consist of cash and cash equivalents, restricted cash, restricted funds held in trust, accounts payables and accrued liabilities, subscription receipts and notes payable. The carrying values of these financial instruments approximate their respective fair values due to the short-term nature of these instruments. As at April 30, 2024, the Company had no financial instrument measured at fair value.

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

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty fails to meet an obligation under contract. The Company's cash and cash equivalents is exposed to credit risk. The Company reduces the credit risk on cash and cash equivalents by placing this instrument with financial institutions of high credit worthiness.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with accounts payable and accrued liabilities. As the Company's operations do not generate cash, financial liabilities are discharged using funding through the issuance of common shares or debt as required. As at April 30, 2024, the Company has current liabilities totaling $649,620 (April 30, 2023 - $6,184,162), cash and cash equivalents of $1,491,963 (April 30, 2023 - $8,830), and restricted funds held in trust of $nil (April 30, 2023 - $4,816,250).

c) Market risk

Market risk is risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk, and interest rate risk.

<u>Interest rate risk</u>

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as its notes payable and GICs have a fixed rate of interest.

<u>Currency risk</u>

Currency is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign currency risk from accounts payable and accrued liabilities denominated in USD. Assuming all other variables constant, for the year ended April 30, 2024, a change of 10% of the USD against the Canadian dollar would have had an impact of $23,518 (2023 - $15,182) on the statements of loss and comprehensive loss.

d) Commodity price risk

The ability of the Company to raise funds to explore and develop its exploration and evaluation assets and the future profitability of the Company are directly related to the price of lithium. As the Company is in the exploration stage, it is not directly exposed to commodity risk. However, the Company continues to monitor lithium prices to determine the appropriate course of action to be taken.

(Expressed in Canadian dollars, except where noted)

11. INCOME TAXES

The reconciliation of the combined Canadian federal and provincial statutory income tax rate of 27% (2023 - 27%) to the effective tax rate is as follows:

	April 30, 2024	April 30, 2023
Net Loss before income taxes	**(2,395,149)**	(1,152,298)
Canadian statutory tax rate	**27%**	27%
Expected income tax recovery at statutory rate	**(646,689)**	(311,120)
Tax effect of:		
Difference in foreign tax rates	**731**	-
Permanent differences and others	**188,657**	-
Share issuance costs booked through equity	**(236,520)**	(2,789)
Change in unrecognized deferred income tax assets	**693,821**	313,910
Income tax recovery	**-**	-

The following table summarizes the components of deferred tax:

	2024	2023
Deferred Tax Assets:		
Non-capital losses available for future periods - US	**816,820**	-
	816,820	-
Deferred Tax Liabilities:		
Exploration and evaluation asset - US	**(816,820)**	
	(816,820)	-
Net deferred tax assets (liabilities)	**-**	-

Unrecognized deferred tax assets:

Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	2024	2023
Share issue costs	**1,002,958**	451,852
Non-capital losses available for future periods - US	**13,003**	-
Non-capital losses available for future periods - Canada	**5,315,747**	3,203,704
Total unrecognized deductible temporary differences	**6,331,708**	3,655,556

Deferred tax are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax asset of non-capital losses has been recognized up to the amount of deferred tax liability. Other deferred assets have not been recognized in respect of these temporary differences because it is not probable that future taxable profit will be available against which the Company can utilize the benefits.

The Company has Canadian non-capital losses, of approximately $5,315,747 for which deductions against future taxable income are uncertain, which, if not utilized, will expire over 2041 through 2044.

The Company has US non-capital losses, of approximately $3,902,623 for which deductions against future taxable income are uncertain, which can be carried forward indefinitely.

12. CAPITAL MANAGEMENT

The Company's capital consists of all components of shareholder's equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the current operations including corporate and administrative functions to support operations.

The Company obtains funding through issuance of equity and debt. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future.

There were no changes to the Company's approach to capital management during the year ended April 30, 2024. The Company is not subject to any external covenants.

13. SUBSEQUENT EVENTS

On August 15, 2024 the Company completed a non-brokered private placement consisting of the issuance of a total of 48,000,007 units (each, a “Unit”) at a price of $0.125 per Unit, raising aggregate gross proceeds of $6,000,000.88 (the “Offering”). Each Unit consists of one common share of the Company (each, a “Share”) and one common share purchase warrant (each, a “Warrant”), with each Warrant entitling the holder to purchase one Share at a price of $0.175 per Share for a period of three years from the closing of the Offering (the “Closing”). The Company paid finders a cash finder fee equal to 7% of the gross proceeds realized by the Company in respect of the sale of Units in the Offering (the “Finder Fee”) and finder warrants equal in number to 8% of the total number of Units sold (the “Finder Warrants”). Each Finder Warrant will entitle the holder thereof to acquire one Unit at an exercise price of $0.125 for a period of three years from the Closing.

14. RECLASSIFICATION OF COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation. Such reclassifications did not affect net loss, comprehensive loss or shareholders' equity.