

Blackbird Critical Metals Corp.
(formerly, Gama Explorations Inc.)
(an exploration-stage company)

Condensed Consolidated Interim Financial Statements
For the three and twelve months ended January 31, 2024 and 2023
(Expressed in Canadian dollars)

NOTES TO READER

In March 2024, the changed its fiscal year end from January 31 to April 30. Accordingly, for the 2024 reporting year, the Company will report its audited consolidated financial statements for the fifteen-month period ending April 30, 2024, along with its comparative figures for the twelve-month period ended January 31, 2023.

Under National Instrument 51-102, if an auditor has not performed a review of interim financial statements, they must be accompanied by a note indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements have been prepared by and are the responsibility of the management. The Company's independent auditor has not performed a review of these interim financial statements.

Blackbird Critical Metals Corp. (formerly, Gama Explorations Inc.)
Condensed Consolidated Interim Statements of Financial Position
(Unaudited - Expressed in Canadian dollars)

As at	January 31, 2024 \$	January 31, 2023 \$
ASSETS		
Current assets		
Cash and cash equivalents (Note 4)	3,182,463	1,749,133
Receivables (Note 5)	304,714	37,772
Prepaid expenses	22,762	337,879
Total current assets	3,509,939	2,124,784
Exploration and evaluation assets (Notes 6 & 7)	6,018,431	4,281,486
TOTAL ASSETS	9,528,370	6,406,270
LIABILITIES		
Current liabilities		
Accounts payable	129,588	18,903
Accrued liabilities (Note 12)	8,400	49,023
Total current liabilities	137,988	67,926
Non-current liabilities		
Flow-through premium (Note 8)	50,744	-
Total liabilities	188,732	67,926
Equity		
Common shares (Note 9)	12,655,304	6,660,698
Obligation to issue shares (Note 9)	-	523,407
Reserves (Notes 9 and 12)	1,413,828	489,379
Deficit	(4,729,494)	(1,335,140)
Total equity	9,339,638	6,338,344
TOTAL LIABILITIES AND EQUITY	9,528,370	6,406,270

Nature of operations and going concern (Note 1)

APPROVED BY THE BOARD:

“Allan Larmour”
Director

“Jason Riley”
Director

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

Blackbird Critical Metals Corp. (formerly, Gama Explorations Inc.)
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian dollars)

	For the three months ended January 31,		For the twelve months ended January 31,	
	2024	2023	2024	2023
	\$	\$	\$	\$
Operating expenses				
Consulting fees (Note 12)	182,250	254,524	1,864,516	413,341
Advertising and marketing	55,861	40,030	888,723	103,771
Stock-based compensation (Notes 9 and 12)	56,767	296,473	697,628	426,813
Office and administrative	28,615	31,727	128,657	53,514
Professional fees	27,230	46,181	104,874	174,748
Listing fees	8,379	13,806	44,417	41,072
Bank charges and interest	551	666	4,389	1,646
Exploration expenditures	-	-	-	2,250
Total operating expenses	359,653	683,407	3,733,204	1,217,155
Other expenses				
Foreign exchange loss (gain)	592	-	772	-
Interest income (Note 4)	(32,864)	-	(85,524)	-
Flow through recovery income (Note 8)	(168,790)	-	(254,098)	-
Net loss and comprehensive loss	158,591	683,407	3,394,354	1,217,155
Loss per share – basic and diluted	\$0.00	\$0.02	\$0.06	\$0.04
Weighted average number of common shares outstanding – basic and diluted	59,507,577	36,954,262	58,598,479	34,061,954

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

Blackbird Critical Metals Corp. (formerly, Gama Explorations Inc.)
Condensed Consolidated Interim Statements of Changes in Equity
(Unaudited - Expressed in Canadian dollars)

	Notes	Number of shares	Common shares \$	Reserves \$	Obligation to issue shares \$	Deficit \$	Total \$
Balance January 31, 2022		27,470,800	693,450	-	-	(117,985)	575,465
Shares and Warrants issued for cash	9	8,498,366	2,168,748	62,566	-	-	2,231,314
Shares issued for acquisition of Tyee Nickel Corp.	6, 9	9,000,000	3,465,000	-	-	-	3,465,000
Shares issued as Tyee Nickel Corp. finder's fees	6, 9	400,000	154,000	-	-	-	154,000
Shares issued for Saint-Pierre Anorthosite Complex purchase	9	50,000	19,500	-	-	-	19,500
Finder's fee for Muskox Lithium Property	9	200,000	160,000	-	-	-	160,000
Stock-based compensation	9	-	-	426,813	-	-	426,813
Proceeds received for subsequent financing		-	-	-	523,407	-	523,407
Net loss for the year		-	-	-	-	(1,217,155)	(1,217,155)
Balance January 31, 2023		45,619,166	6,660,698	489,379	523,407	(1,335,140)	6,338,344
Non-flow through shares issued in private placement	9	12,010,214	4,896,305	255,381	(523,407)	-	4,628,279
Shares issued pursuant to flow-through financing	9	1,437,747	1,270,917	29,083	-	-	1,300,000
Flow-through premium	8	-	(304,842)	-	-	-	(304,842)
Share issue costs	9	-	(79,752)	-	-	-	(79,752)
Shares issued for acquisition Odin East Mineral Claims	7, 9	60,000	55,200	-	-	-	55,200
Warrants exercised	9	30,450	20,778	(11,643)	-	-	9,135
Shares issued in exchange for services	9	150,000	90,000	-	-	-	90,000
Issuance of shares upon exercise of RSUs	9	200,000	46,000	(46,000)	-	-	-
Share based compensation	9, 12	-	-	697,628	-	-	697,628
Net loss for the twelve-month period ended		-	-	-	-	(3,394,354)	(3,394,354)
Balance January 31, 2024		59,507,577	12,655,304	1,413,828	-	(4,729,494)	9,339,638

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

Blackbird Critical Metals Corp. (formerly, Gama Explorations Inc.)

Condensed Consolidated Interim Statements of Cash Flows

(Unaudited - Expressed in Canadian dollars)

	Notes	January 31, 2024	January 31, 2023
For the twelve months ended		\$	\$
OPERATING ACTIVITIES			
Net loss		(3,394,354)	(1,217,155)
Items not affecting cash:			
Stock-based compensation		697,628	426,813
Accrued interest income		(44,239)	-
Non-cash consulting fees		90,000	-
Flow through premium recovery		(254,098)	-
Changes in non-cash working capital items:			
Prepaid expenses		315,117	(337,879)
Receivables		(222,703)	(26,303)
Accounts payable and accrued liabilities		(6,827)	(37,772)
Cash used in operating activities		(2,819,476)	(1,192,296)
INVESTING ACTIVITIES			
Acquisition of exploration and evaluation assets	5	(400,000)	(162,500)
Cash payment to amend Muskox option agreement	7	(50,000)	-
Transaction costs paid for acquisition of Tyee Nickel Corp.	4	-	(8,163)
Cash assumed on acquisition of Tyee Nickel Corp.	4	-	127,390
Exploration expenditures on exploration and evaluation assets		(1,154,856)	(226,396)
Cash used in investing activities		(1,604,856)	(269,669)
FINANCING ACTIVITIES			
Proceeds from private placement financings		6,181,189	2,292,260
Share issuance costs		(332,662)	(60,946)
Proceeds from common shares issued subsequent to year-end		-	523,407
Proceeds from Warrant exercise		9,135	-
Cash from financing activities		5,857,662	2,754,721
Net change in cash		1,433,330	1,292,756
Cash and cash equivalents, beginning of year		1,749,133	456,377
Cash and cash equivalents, end of period		3,182,463	1,749,133

	January 31, 2024	January 31, 2023
Supplemental Cashflow Disclosures	\$	\$
Shares issued for acquisition of Odin East Mineral Claims (Notes 7 and 9)	55,200	-
Shares issued for acquisition of Tyee Nickel Corp. (Notes 6 & 9)	-	3,465,000
Shares issued for Tyee Nickel Corp. acquisition finder's fee	-	154,000
Exploration and evaluation costs in accounts payable and accrued liabilities (Note 7)	9,465	-
Amounts reclassified from reserves to share capital on exercise of Warrants (Note 9)	11,643	-
Restricted share units exercised (Note 9)	46,000	-
Term deposit reinvested (Note 4)	41,285	-
Warrants issued for finders' fees (Note 9)	284,464	33,056

Cash and cash equivalents (Note 4)

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

Blackbird Critical Metals Corp. (formerly, Gama Explorations Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and twelve months ended January 31, 2024

(Unaudited - Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Blackbird Critical Metals Corp. (formerly, Gama Explorations Inc.) (the “Company”, or “Blackbird”) is a mineral exploration company engaged in the identification, acquisition, evaluation, and exploration of mineral properties located in British Columbia, Quebec, and the Northwest Territories in Canada. The head office of the Company is located at 2133 – 1177 West Hastings Street, Vancouver, V6E 2K3. The Company’s common shares (the “Common Shares”) trade on the Canadian Securities Exchange (“CSE”) under the trading symbol “BBRD”.

In March 2024, the Company announced the change in its financial year end from January 31 to April 30. Accordingly, for the 2024 reporting year, the Company will report its audited consolidated financial statements for the fifteen-month period ending April 30, 2024, along with its comparative figures for the twelve-month period ended January 31, 2023.

Going concern

The Company is dependent on raising funds through the issuance of shares and/or attracting joint venture partners in order to undertake further exploration to potentially identify mineral resources and resources requiring development of its mineral properties. Management believes that financing is available for early-stage exploration and may be sourced in time to allow the Company to continue its current planned activities in the normal course.

These unaudited condensed consolidated interim financial statements (the “Interim Financial Statements”) have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business. For the twelve months ended January 31, 2024, the Company incurred a net loss of \$3,394,354 (January 31, 2023 - \$1,217,155) and used \$2,819,476 of cash in operating activities (January 31, 2023 - \$1,192,296). The Company will need to raise additional financing to continue operations.

The Company had cash and cash equivalents of \$3,182,463 at January 31, 2024, but management cannot provide any assurance that the Company will ultimately achieve profitable operations, become cash flow positive or raise additional equity and/or debt capital. If the Company is unable to raise additional capital in the future, management expects that the Company will need to curtail operations, liquidate assets, seek additional capital on less favorable terms and/or pursue other remedial measures. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company’s ability to continue as a going concern. The condensed consolidated interim financial statements do not include any adjustments that might result from the outcome of this uncertainty. The Company is dependent on raising capital through share issuances.

Going concern

On April 27, 2022, the Company completed a forward split of its shares on the basis of 4 new shares for each one share outstanding (the “Forward Split”), with the exception of 900,000 of the pre-Forward Split common shares issued to Blue Lagoon Resources Inc. (“BLG”) in connection with the option of the Big Onion Property (“Big Onion”) (Note 5) from BLG’s subsidiary, Lloyd Minerals Inc. (“LMI”, and together with BLG, “Blue Lagoon”). Except where otherwise indicated, all historical share numbers and per share amounts have been adjusted on a retroactive basis to reflect the Forward Split.

Blackbird Critical Metals Corp. (formerly, Gama Explorations Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and twelve months ended January 31, 2024

(Unaudited - Expressed in Canadian dollars)

2. BASIS OF PREPARATION

The Interim Financial Statements have been prepared in accordance with IAS 34 – *Interim Financial Reporting* as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain disclosures included in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB have been condensed or omitted and the Interim Financial Statements should be read in conjunction with the Company’s audited consolidated financial statements for the year ended January 31, 2023 (the “AFS”).

The Interim Financial Statements were approved by the Board of Directors on March 28, 2024.

Basis of measurement and consolidation

The Interim Financial Statements have been prepared on an accrual basis and are based on historical cost, except for certain financial instruments measured at fair value, as set out in the accounting policies disclosed in the AFS. The condensed consolidated interim financial statements are presented in Canadian dollars which is the functional currency of the Company.

The preparation of consolidated financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the AFS.

The Interim Financial Statements incorporate the accounts of the Company and its controlled subsidiary, Tyee Nickel Corp (“Tyee Nickel”, formerly Miata III Capital Corp), from September 19, 2022, the date of acquisition (Note 6). Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Tyee Nickel was incorporated under the Business Corporations Act of British Columbia on March 1, 2022.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed by the Company are set out in Note 3 to the AFS, and have been consistently followed in the preparation of these condensed interim consolidated financial statements except for those summarized below.

Cash and cash equivalents

Cash and cash equivalents consist of all cash balances and highly liquid investments that are readily convertible to known amounts of cash and have a maturity of twelve months or less.

Warrants issued in equity financing transactions

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 typical unit comprises a certain number of Common Shares and a certain number of common share purchase warrants (“Warrants”). Depending on the terms and conditions of each financing agreement, the Warrants are exercisable into additional Common Shares prior to expiry at a price stipulated by the related agreement. Warrants that are part of units are assigned a residual value if the unit is issued at a price exceeding the market price of underlying share at the time of issuance otherwise the Warrants are assigned no value and included in share capital with the Common Shares that are concurrently issued. Warrants that are issued as payment for an agency fee or other transactions costs are accounted for as share-based payment transaction costs.

Blackbird Critical Metals Corp. (formerly, Gama Explorations Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and twelve months ended January 31, 2024

(Unaudited - Expressed in Canadian dollars)

4. CASH AND CASH EQUIVALENTS

	January 31, 2024	January 31, 2023
Cash held in bank	\$ 1,147,406	\$ 1,749,133
Term deposits	2,035,057	-
	\$ 3,182,463	\$ 1,749,133

As at January 31, 2024, the term deposits consist of two, 90-day redeemable, guaranteed investment certificates ("GICs") of \$1,021,022 and \$1,014,035. The GICs bear interest at 5.15% and 5.45%, are each redeemable at any time, and mature on October 1, 2024 and August 9, 2024, respectively.

5. RECEIVABLES

Receivables are composed of the following amount:

	January 31, 2024	January 31, 2023
GST receivable	\$ 174,068	\$ 37,772
Tax Credit Receivable	71,405	-
Other Receivables	15,000	-
Interest receivable on GICs (Note 4)	44,239	-
	\$ 304,714	\$ 37,772

6. ACQUISITION OF TYEE NICKEL CORP.

On September 19, 2022 (the "Closing Date"), the Company and Tyee Nickel entered into an acquisition agreement (the "Acquisition Agreement"), pursuant to which the Company acquired all of the outstanding common shares of Tyee Nickel (the "Tyee Acquisition"). Tyee Nickel was the beneficial holder of the "Gatineau Ni-Cu claims" (subsequently conveyed to Blackbird).

Pursuant to the Acquisition Agreement:

- The Company issued 9,000,000 Common Shares valued at \$0.385 per share for total value of \$3,465,000 in exchange for all of the issued and outstanding shares of Tyee Nickel immediately prior to the Closing Date. The shares issued as consideration were valued using the closing price per Common Share of the Company on the Closing Date (Note 5).
- The Company issued 400,000 Common Shares as finder's fees in connection with the introduction of the parties and subsequent execution of the Acquisition Agreement. The Common Shares were valued at \$154,000 or \$0.385 per Common Share which was the closing price per Common Share of the Company on the Closing Date.

The Acquisition was determined to be an asset acquisition per IFRS 3 – *Business Combinations*, as no substantive processes were transferred to the Company. In connection with the Acquisition, the Company incurred additional transaction costs of \$8,163 composed of legal fees.

The values ascribed to the Tyee Acquisition are as follows:

Consideration paid:		
Value of Common Shares issued	\$	3,465,000
Value of finder's fee shares issued		154,000
Transaction costs		8,163
	\$	3,627,163
Net identifiable assets acquired:		
Cash and cash equivalents	\$	127,390
Exploration and evaluation asset		3,533,030
Accounts payable and accrued liabilities		(33,257)
	\$	3,627,163

Blackbird Critical Metals Corp. (formerly, Gama Explorations Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and twelve months ended January 31, 2024

(Unaudited - Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS

Exploration and evaluation expenditures are capitalized.

	Tyee Project	Muskox	Big Onion	Total
	\$	\$	\$	\$
Balance at January 31, 2022	-	-	170,595	170,595
Acquisition costs – cash	12,500	150,000	-	162,500
Acquisition costs – shares	19,500	160,000	-	179,500
Acquisition of Tyee Nickel (Note 4)	3,533,030	-	-	3,533,030
Exploration expenditures	75,463	4,861	155,537	235,861
Balance at January 31, 2023	3,640,493	314,861	326,132	4,281,486
Acquisition costs – cash	100,000	300,000	50,000	450,000
Acquisition costs – shares	55,200	-	-	55,200
Exploration expenditures	1,000,583	161,373	141,194	1,303,151
Recovery pursuant to tax incentives	-	(39,258)	(32,147)	(71,405)
Balance at January 31, 2024	4,796,276	736,976	485,179	6,018,431

Tyee Project (“Tyee”)

The Tyee Project consists of mineral property claims expanding across the Gatineau Ni-Cu Property and the Saint-Pierre Anorthosite Complex in south-eastern Quebec, approximately 130 km north of Havre St. Pierre, Quebec, and 12 km north of the Romaine IV Hydroelectric Dam.

On September 19, 2022, the Company closed the Tyee Acquisition (Note 4) for total consideration of \$3,627,163 and became the beneficial owner of the Gatineau Ni-Cu mineral claims.

The Company subsequently made further acquisitions of prospective claims contiguous to the Gatineau Ni-Cu claims, expanding the footprint of the Tyee Project, including:

- On December 16, 2022, the Company closed an asset acquisition agreement with 1380749 BC Ltd. (the “First 1380749 Agreement”) and became the beneficial owner of the Odin East mineral claims. The additional mineral claims acquired span 32.15 km² contiguous to the original Gatineau Ni-Cu claims, and together comprise the Tyee Project. Consideration paid for the acquisition of the property included \$12,500 cash on the execution date of the acquisition agreement and 50,000 Common Shares at a deemed price of \$0.39, for total consideration of \$19,500.
- On February 13, 2023, the Company entered into a further agreement with 1380749 BC Ltd. to acquire an additional 78 mineral claims known as Odin East (the “Second 1380749 Agreement”), increasing the footprint of the Tyee Project by 41.8 km². Upon execution of the agreement, the Company paid cash consideration of \$50,000, and issued 60,000 Common Shares of the Company at a price of \$0.92 per share for a total value of \$55,200 to 1380749 BC Ltd.
- On March 15, 2023, the Company entered into an agreement with 1290480 BC Ltd. to acquire an additional 147 mineral claims, further increasing the footprint of the Tyee Project by 78.8 km². Upon execution of the agreement, the Company paid cash consideration of \$50,000.

Muskox Lithium Property

On January 13, 2023 (the “Signing Date”), Blackbird entered into an option agreement (the “Muskox Option”) with RGV Lithium Explorations Inc. (“RGV Lithium”) that will, upon satisfaction of the requisite payments, allow the Company to become the legal and beneficial owner of 100% undivided interest in the Muskox lithium property located in the Northwest Territories. The Muskox Option became effective on January 19, 2023.

Blackbird Critical Metals Corp. (formerly, Gama Explorations Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and twelve months ended January 31, 2024

(Unaudited - Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS (CONT'D)

Muskox Lithium Property (cont'd)

Muskox is located approximately 40 km east of Yellowknife and spans an area of 50 km². Muskox is subject to a 2.5% NSR, royalties may be reduced to 1.5% for cash consideration of \$2,000,000. On January 14, 2024, the Company and RGV Lithium agreed to amend the Muskox Option, as noted below.

In order to complete the acquisition of Muskox, the Company is required to make cash and share payments to RGV Lithium, and incur property expenditures on Muskox as follows:

On or prior to the execution of the agreement	Cash payment of \$150,000 (paid)
On or prior to the date that is six months following the Signing Date	Cash payment of \$250,000 (paid)
On or prior to the date that is 12 months from the Signing Date (As agreed to in January 2024, extending the first anniversary	Cash payment of \$50,000 (paid)
On or prior to the date that is 18 months from the Signing Date	- Issue 100,000 shares - Incur \$250,000 of expenditures
On or prior to the date that is 24 months from the Signing Date	- Issue 200,000 shares - Incur \$350,000 of expenditures
On or prior to the date that is 36 months from the Signing Date	- Issue 300,000 shares - Incur \$400,000 of expenditures
On or prior to the date that is 48 months from the Signing Date	- Issue 400,000 shares - Incur \$500,000 of expenditures

In addition, the Company issued 200,000 shares with a fair value of \$0.80 per share for a total value of \$160,000 as a finders' fee in connection with the closing of the purchase agreement for Muskox.

Big Onion Property ("Big Onion")

On December 6, 2021, the Company entered into a property option agreement with Blue Lagoon to acquire a 100% ownership and beneficial interest in thirteen mineral claims located in British Columbia that comprise Big Onion, subject to a 3% net smelter return ("NSR"). The NSR may be reduced by 0.25% increments in exchange for payment of \$250,000 per increment.

Big Onion is an exploration stage property that consists of 13 contiguous non-surveyed mineral claims that cover an area of approximately 4,493.18 hectares near Smithers, BC, in the Omineca mining division.

In order to complete the acquisition of Big Onion, the Company is required to make cash and share payments to LMI, and incur property expenditures on Big Onion as follows:

On or prior to the execution of the agreement

- Make a cash payment of \$50,000 (paid)
- Issue 1,000,000 shares (issued pre-split and resulting in 1,300,000 post-split as per agreement with Blue Lagoon)

Blackbird Critical Metals Corp. (formerly, Gama Explorations Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and twelve months ended January 31, 2024

(Unaudited - Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS (CONT'D)

Big Onion (cont'd)

On or prior to the date that is twelve months following April 11, 2022, the date in which the Company is listed on a Canadian stock exchange (the "Listing Date")

- Make a cash payment of \$50,000 (paid)
- Incur \$250,000 of expenditures (fulfilled)

On or prior to the date that is twenty-four months following the Listing Date

- Make a cash payment of \$50,000
- Issue 250,000 shares
- Incur \$250,000 of expenditures

On or prior to the date that is thirty-six months following the Listing Date

- Make a cash payment of \$100,000
- Issue 250,000 shares
- Incur \$250,000 of expenditures

On or prior to the date that is forty-eight months following the Listing Date

- Make a cash payment of \$250,000
- Issue 500,000 shares
- Incur \$750,000 of expenditures

8. FLOW-THROUGH PREMIUM LIABILITY

On April 20, 2023, the Company closed a private placement and issued 568,182 flow-through shares at a price of \$0.88 per share and 543,478 Quebec flow-through shares at a price of 0.92 for aggregate gross proceeds of \$1,000,000 (Note 9). Upon closing of the private placement, the Company recognized flow-through premium liabilities in the statement of financial position of \$73,864 and \$92,391, which reflect the value of income tax benefits the Company will pass on to the flow-through shareholders and Quebec flow-through shareholders, respectively. During the three- and twelve-months ended January 31, 2024, the Company incurred qualifying exploration expenditures resulting in the recognition of flow-through premium recovery in the statement of loss and comprehensive loss of \$168,790 and \$254,098, respectively (January 31, 2023 - \$nil).

On April 28, 2023, the Company closed the second tranche of the private placement and issued 326,087 Quebec flow-through shares at a price of \$0.92 for gross proceeds of \$300,000 (Note 9). Upon closing of the private placement, the Company recognized a flow-through premium in the statement of financial position of \$138,587, which reflects the value of income tax benefits the Company will pass on to the Quebec flow-through shareholders. During the three- and twelve-months ended January 31, 2024, the Company incurred no qualifying exploration expenditures, as a result no flow-through premium recovery was recognized during the period.

As at January 31, 2024, the balance of the flow-through premium liability was \$50,744.

Balance, January 31, 2023	\$	-
Issuance of flow-through shares		304,842
Flow through recovery income		(254,098)
Balance, January 31, 2024	\$	50,744

Blackbird Critical Metals Corp. (formerly, Gama Explorations Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and twelve months ended January 31, 2024

(Unaudited - Expressed in Canadian dollars)

9. SHARE CAPITAL AND RESERVES

Authorized share capital

The Company has authorized an unlimited number of Common Shares with no par value.

Common Shares

Changes in issued common share capital during the twelve-months ended January 31, 2024

On February 7, 2023, the Company closed the second tranche of a private placement financing issuing 12,010,214 units at a price of \$0.45 for gross proceeds of \$5,404,596 of which \$523,407 had been received prior to January 31, 2023. Each unit consists of one Common Share of the Company and one-half of one Warrant. Each whole Warrant entitles the holder to purchase one Common Share at a price of \$0.80 for a period of 36 months. In connection with the private placement, the Company paid cash finders' fees of \$226,959 and issued 491,442 finder's warrants to certain finders in consideration for their services ("Finder's Warrants") with a fair value of \$255,381, estimated using the Black-Scholes pricing model ("Black-Scholes") and the following assumptions: estimated volatility of 101%, risk-free interest rate of 3.65%, expected life of 3 years, exercise price of \$0.80, a dividend yield of 0%, and a share price of \$0.81. Each Finder's Warrants issued in this private placement is exercisable into one Common Share at an exercise price of \$0.80 per Common Share for a period of 36 months from the closing date. The Company incurred additional cash share issuance costs of \$25,951.

On March 1, 2023, the Company issued 60,000 Common Shares at a price of \$0.92 per share for a total value of \$55,200 pursuant to the Second 1380749 Agreement (Note 7).

On April 11, 2023, the Company issued 30,450 Common Shares upon the exercise of Warrants for proceeds of \$9,135. The fair value of \$11,643 was reclassified from reserves to share capital upon the exercise of the Warrants.

On April 20, 2023, the Company closed a private placement financing issuing 568,182 flow-through shares and 543,478 Quebec flow-through shares at a price of \$0.88 and \$0.92 per flow-through share, respectively. The total aggregate gross proceeds amounted to \$1,000,000 of which \$166,255 were recognized as flow-through premium liability (Note 8). In connection with the private placement, the Company paid cash finder's fees of \$60,000 and issued 66,699 Finder's Warrants with a fair value of \$25,077, estimated using Black-Scholes and the following assumptions: estimated volatility of 100%, risk-free interest rate of 3.79%, expected life of 2 years, exercise price of \$0.88, a dividend yield of 0%, and a share price of \$0.75. The Finder's Warrants issued in this private placement are exercisable into one Common Share at a price of \$0.88 for a period of 24 months.

On April 28, 2023, the Company closed an additional private placement financing issuing 326,087 Quebec flow-through shares at a price of \$0.92 per share for aggregate gross proceeds of \$300,000 of which \$138,587 were recognized as flow-through premium liability (Note 8). In connection with the private placement, the Company paid cash finder's fees of \$18,000 and issued 19,565 Finder's Warrants to an arm's length finder with a fair value of \$4,006, estimated using Black-Scholes and the following assumptions: estimated volatility of 103%, risk-free interest rate of 3.65%, expected life of 2 years, exercise price of \$0.88, a dividend yield of 0%, and a share price of \$0.495. Each Finder's Warrant issued in this private placement is exercisable into one Common Share at a price of \$0.88 for a period of 24 months. The Company incurred additional cash share issuance costs of \$1,752, for legal fees associated with the issuance.

Blackbird Critical Metals Corp. (formerly, Gama Explorations Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and twelve months ended January 31, 2024

(Unaudited - Expressed in Canadian dollars)

9. SHARE CAPITAL AND RESERVES (CONT'D)

Common Shares (cont'd)

Changes in issued common share capital during the twelve-months ended January 31, 2024 (cont'd)

On April 28, 2023, the Company entered into a consulting agreement for capital markets advisory services. Upon execution of the agreement, the Company issued 150,000 Common Shares to the consulting firm as consideration for a value of \$90,000.

On July 5, 2023, the Company issued 200,000 Common Shares upon vesting of 200,000 restricted share units ("RSUs"). Upon issuance, the fair value of \$46,000 was reclassified from reserves to share capital.

Changes in issued common share capital during the twelve-months ended January 31, 2023

On April 27, 2022, the Company completed the Forward Split, with the exception of 900,000 of the pre-Forward Split common shares issued to Blue Lagoon for the acquisition of Big Onion (Note 5). Prior to the Forward Split, the Company had 7,542,700 common shares issued and outstanding. Immediately following the Forward Split, the Company had 27,470,800 Common Shares issued and outstanding. Except where otherwise indicated, all historical share numbers and per share amounts have been adjusted on a retroactive basis to reflect the Forward Split.

On June 10, 2022, the Company closed a private placement offering of 5,145,000 Common Shares at a price of \$0.25 per share for gross proceeds of \$1,286,250. In connection with the private placement, the Company paid cash finder's fees of \$21,612 and issued 86,450 Finder's Warrants. Each Finder's Warrant issued in this private placement may be exercised at a price of \$0.30 per share until June 10, 2024. The fair value of the Finder's Warrants was \$33,056 and was determined using Black-Scholes and the following assumptions: estimated volatility of 133%, risk-free interest rate of 0.44%, expected life of 2 years, exercise price of \$0.25, a dividend yield of 0%, and a share price of \$0.50.

On September 19, 2022, the Company closed the Acquisition Agreement with Tyee Nickel and its shareholders to acquire all of the issued and outstanding shares of Tyee Nickel in exchange for 9,000,000 Common Shares of the Company valued at \$0.385 per share for total value of share consideration of \$3,465,000. In connection with the transaction, the Company also issued a finder's fee of 400,000 Common Shares to an arm's length party valued at \$0.385 per share for total value of share finder's fees of \$154,000.

On November 14, 2022, the Company closed a private placement offering of 3,353,366 Common Shares at a price of \$0.30 per share for gross proceeds of \$1,006,010. In connection with the private placement, the Company paid cash finder's fees of \$39,334 and issued 129,362 Finder's Warrants. Each Finder's Warrant issued in this private placement may be exercised at a price of \$0.30 per share until November 14, 2024. The fair value of the Finder's Warrants was \$29,510 and was determined using Black-Scholes and the following assumptions: estimated volatility of 90%, risk-free interest rate of 3.87 %, expected life of 2 years, exercise price of \$0.30, a dividend yield of 0%, and a share price of \$0.40.

On December 16, 2022, the Company issued 50,000 shares with a fair value of \$0.39 per share for a total value of \$19,500, pursuant to the First 1380749 Agreement.

On January 19, 2023, the Company issued 200,000 shares with a fair value of \$0.80 per share for a total value of \$160,000 as a finders' fee in connection with the MuskoX Option.

Blackbird Critical Metals Corp. (formerly, Gama Explorations Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and twelve months ended January 31, 2024

(Unaudited - Expressed in Canadian dollars)

9. SHARE CAPITAL AND RESERVES (CONT'D)

Stock Options

On March 10, 2021, the Company adopted a Stock Option Plan (the "Plan"). The Plan provides that, subject to the requirements of the CSE, the aggregate number of securities reserved for issuance, set aside, and made available for issuance under the Option Plan may not exceed 10% of the issued and outstanding shares of the Company at the time of granting of Options (including all Options granted by the Company to date). The number of Common Shares which may be reserved in any 12-month period for issuance to any one individual upon exercise of all Options held by that individual may not exceed 5% of the issued and outstanding Common Shares of the Company at the time of the grant.

Stock option activities are summarized in the table below.

	Number of Stock Options Outstanding	Weighted Average Exercise Price (\$)
Balance, January 31, 2023	3,200,000	0.31
Granted	100,000	0.30
Cancelled	(500,000)	(0.30)
Balance, January 31, 2024	2,800,000	0.31

Details of Options outstanding and exercisable as at January 31, 2024 are as follows:

Expiry date	Number of Stock Options Outstanding	Number of Stock Options Vested	Exercise price (\$)
September 19, 2027	2,600,000	1,550,000	0.30
January 9, 2026	100,000	75,000	0.52
August 4, 2028	100,000	100,000	0.30
Total	2,800,000	1,725,000	

As of January 31, 2024, the weighted average remaining life for the outstanding Options was 3.61 years (January 31, 2023 – 4.59 years).

On September 19, 2022, the Company issued 3,100,000 Options to consultants, officers, and directors of the Company. Each Option is exercisable into one Common Share at \$0.30 per share for 5 years. The Options vest over the first two years with 25% vesting every six months. The fair value of the Options was determined using Black-Scholes and the following assumptions: estimated volatility of 97%, risk-free interest rate of 3.39%, expected life of 5 years, exercise price of \$0.30, a dividend yield of 0%, and a share price of \$0.45.

On January 9, 2023, the Company issued 100,000 options to a consulting firm in exchange for services. The options are exercisable at a price of \$0.52 per option and vest quarterly over the following 12 months, with an expiration date of 3 years. The fair value of the options was determined using Black-Scholes and the following assumptions: estimated volatility of 101%, risk-free interest rate of 3.66%, expected life of 3 years, exercise price of \$0.52, a dividend yield of 0%, and a share price of \$0.50.

On August 4, 2023, the Company issued 100,000 incentive stock options to a director of the Company. The options are exercisable at a price of \$0.30 per option and vested immediately on grant, with an expiration date of 5 years. The fair value of the options was determined using Black-Scholes and the following assumptions: estimated volatility of 118%, risk-free interest rate of 3.87%, expected life of 5 years, exercise price of \$0.30, a dividend yield of 0%, and a share price of \$0.18.

Blackbird Critical Metals Corp. (formerly, Gama Explorations Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and twelve months ended January 31, 2024

(Unaudited - Expressed in Canadian dollars)

9. SHARE CAPITAL AND RESERVES (CONT'D)

Stock Options (cont'd)

During the three and twelve months ended January 31, 2024, the Company recognized stock-based compensation expense of \$56,767 and \$697,628 (January 31, 2023 - \$296,473 and \$426,813), respectively, for the vesting of these Options.

On July 31, 2023, the Company cancelled 500,000 Options to a former director of the Company, in accordance with the termination agreement. During the three- and twelve-months ended January 31, 2024, the Company recognized stock-based compensation expense of \$nil and \$89,158, respectively, for the accelerated vesting of these Options.

Restricted Share Units (RSUs)

On July 5, 2023, the Company granted 200,000 RSUs to consultants in exchange for services. The RSUs vested immediately on grant, and were exercised by the holders. During the three- and twelve-months ended January 31, 2024, the Company recognized \$nil and \$46,000, respectively, in stock-based compensation pursuant to the vesting of these RSUs.

Warrants

Warrant activities are summarized below:

	Number of Warrants Outstanding	Weighted Average Exercise Price
Balance, January 31, 2022	-	-
Issued	215,812	0.30
Balance, January 31, 2023	215,812	0.30
Issued	6,582,813	0.80
Exercised	(30,450)	0.30
Balance, January 31, 2024	6,768,175	0.79

Details of Warrants outstanding as at January 31, 2024 are as follows:

	Number of Warrants Outstanding	Exercise price
Expiry date		
June 10, 2024	56,000	0.30
November 14, 2024	129,362	0.30
April 20, 2025	66,699	0.88
April 28, 2025	19,565	0.88
February 7, 2026	6,496,549	0.80
Total	6,768,175	0.79

As of January 31, 2024, the weighted average remaining life for the outstanding warrants was 1.97 years (2023 – 1.62 years).

Blackbird Critical Metals Corp. (formerly, Gama Explorations Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and twelve months ended January 31, 2024

(Unaudited - Expressed in Canadian dollars)

10. CAPITAL MANAGEMENT

The Company manages its capital, consisting of share and working capital, in a manner consistent with the risk characteristic of the assets it holds. All sources of financing are analyzed by management and approved by the board of directors. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

As at January 31, 2024, the Company's capital structure consists of the equity of the Company. The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends.

As at January 31, 2024 the Company's available capital resources consists of cash and cash equivalents of \$3,182,463 to settle total current liabilities of \$137,988.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial assets consist of cash and cash equivalents, interest receivable, GST receivable, and prepaid expenses, and its financial liabilities consist of accounts payable and accrued liabilities. The Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying value, unless otherwise noted due to their short-term nature.

Financial instrument classification

Financial assets included in the statement of financial position are as follows:

	Level in fair value hierarchy	January 31, 2024	January 31, 2023
		\$	\$
FVTPL:			
Cash and cash equivalents	Level 1	3,182,463	1,749,133
Interest receivable	Level 1	44,239	-
		3,226,702	1,749,133

Financial liabilities included in the statement of financial position are as follows:

	January 31, 2024	January 31, 2023
	\$	\$
Amortized cost:		
Accounts payable	129,588	18,903
Accrued liabilities	8,400	49,023
	137,988	67,926

IFRS 13 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets and liabilities;

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

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

Blackbird Critical Metals Corp. (formerly, Gama Explorations Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and twelve months ended January 31, 2024

(Unaudited - Expressed in Canadian dollars)

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONT'D)

Credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents and receivables. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to financial instruments included in receivables is remote.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it has sufficient working capital to meet liabilities when due. As at January 31, 2024, the Company has cash and cash equivalents of \$3,923,118 to settle current liabilities of \$373,661. All of the Company's financial liabilities have contractual maturities of 30 days and are subject to normal trade terms.

12. RELATED PARTY TRANSACTIONS

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.

During the twelve months ended January 31, 2024, a \$50,000 cash payment was made to Blue Lagoon pursuant to the option of Big Onion (Note 5). Blue Lagoon is a related company as a result of common directorship.

During the three- and twelve-months ended January 31, 2024:

- share based compensation included \$27,626 and \$429,806, respectively (January 31, 2023 – \$193,408 and \$279,600), to the Company's directors and corporate officers. The amount recognized in the twelve-month period ended January 31, 2024 is inclusive of a charge for accelerated vesting of the options awarded to the previous CEO upon cancellation.
- consulting fees included \$nil and \$100,000 (comparative periods – \$nil and \$nil), respectively, incurred to an entity controlled by the former Chief Executive Officer of the Company, and
- management fees included \$30,000 and \$60,000 (comparative periods – \$nil and \$nil), paid to an entity controlled by the Chief Executive Officer of the Company.
- management fees included \$4,500 and \$18,000 (comparative periods – \$nil and \$nil), paid to an entity controlled by the Chief Financial Officer of the Company.
- consulting fees included \$15,000 and \$25,000 (comparative periods – \$nil and \$nil), incurred to a director of the Company.

As at January 31, 2024, accrued liabilities include \$nil (January 31, 2023 – \$nil) owing to related parties of the Company.