



**molten
metals**

CSE: MOLT
FSE: Y44

MOLTEN METALS CORP.
(Formerly BATTERY ELEMENTS CORP.)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2024 AND 2023
(UNAUDITED)

(Expressed in Canadian Dollars)

Notice of No Auditor Review of Interim Condensed Consolidated Financial Statements

The accompanying interim condensed consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Professional Chartered Accountants for a review of interim financial statements by an entity's auditor.

August 28, 2024

MOLTEN METALS CORP. (formerly BATTERY METALS CORP.)
Interim Condensed Consolidated Statements of Loss and Comprehensive Loss
(Unaudited – Expressed in Canadian Dollars)

	Note	As at	
		June 30, 2024	December 31, 2023
ASSETS			
Current Assets			
Cash and cash equivalents		\$ 1,850	\$ 12,852
Amounts receivable		6,447	8,909
Prepaid expenses and deposits		5,500	12,062
Total current assets		13,797	33,823
Non-current assets			
Equipment	5	76	137,843
Exploration and evaluation assets	4	699,379	780,470
Total non-current assets		699,455	918,313
Total assets		\$ 713,252	\$ 952,136
LIABILITIES			
Current Liabilities			
Accounts payables and accrued liabilities		\$ 17,499	\$ 32,103
Due to related parties	9	72,961	24,570
Flow through liability	11	17,550	17,550
Total current liabilities		108,010	74,223
Total liabilities		108,010	74,223
SHAREHOLDERS' EQUITY			
Share Capital	8	1,571,551	1,551,551
Contributed surplus	8	123,654	211,174
Deficit		(1,089,963)	(884,812)
Total shareholders' equity		605,242	877,913
Total liabilities and shareholders' equity		\$ 713,252	\$ 952,136

Approved and authorized by the Board on August 28th, 2024.

"Rana Vig"
Rana Vig (Director)

"Lara Smith"
Lara Smith (Director and CEO)

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

MOLTEN METALS CORP. (formerly BATTERY METALS CORP.)
Interim Condensed Consolidated Statements of Loss and Comprehensive Loss
(Unaudited – Expressed in Canadian Dollars)

	Note	Three months ended		Six months ended	
		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Operating expenses:					
Management fees	9	\$ 52,500	\$ 10,500	\$ 52,500	\$ 21,000
Professional fees		28,978	8,039	35,093	40,370
Consulting fees	9	21,235	18,419	28,235	58,450
Transfer agent and filing fees		10,631	9,472	15,919	24,544
General office and administrative		11,845	2,465	13,592	2,104
Shareholder communication and marketing		-	-	625	16,585
Depreciation	5	56	56	112	112
Travel		-	-	-	3,017
Loss before other expenses		\$ (125,245)	\$ (48,951)	\$ (146,076)	\$ (166,182)
Other income (expenses):					
Finance charges	8,9	\$ (23,216)	\$ -	\$ (23,216)	\$ -
Gain on non-refundable deposit		-	-	15,000	-
Unrealized gain (loss) on foreign exchange		9,304	-	8,195	2,738
Derecognition of lease liability	6	-	-	-	4,342
Loss from continuing operations		\$ (139,157)	\$ (48,951)	\$ (146,097)	\$ (159,102)
Loss from discontinued operations	13	(146,574)	-	(146,574)	-
Net loss and comprehensive loss for the period		\$ (285,731)	\$ (48,951)	\$ (292,671)	\$ (159,102)
Loss per share, basic and diluted					
From continuing operation		\$ (0.01)	\$ -	\$ (0.01)	\$ (0.01)
From discontinued operation		\$ (0.01)	\$ -	\$ (0.01)	\$ -
Weighted average number of shares outstanding		17,635,167	16,914,288	17,274,728	16,914,288

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

MOLTEN METALS CORP. (formerly BATTERY METALS CORP.)
Interim Condensed Consolidated Statements of Cashflows
(Unaudited – Expressed in Canadian Dollars)

	Six months ended	
	June 30, 2024	June 30, 2023
Cash Provided By (Used In)		
Operating Activities		
Net loss	\$ (292,671)	\$ (159,102)
Adjustments for non-cash/non-operating items:		
Loss on discontinued operations	146,574	
Finance charges	20,000	-
Depreciation	112	112
Derecognition of lease liability	-	(4,341)
Changes in non-cash working capital:		
Decrease (increase) in amounts receivables	2,462	(4,829)
Decrease in prepaid expense	6,562	16,299
Decrease in accounts payable and accrued liabilities	(7,354)	(15,072)
Decrease (increase) in due to related parties	48,391	(11,600)
Net cash used in operating activities - continued operations	(75,924)	(178,533)
Net cash used in operating activities - discontinued operations	(8,071)	-
Investing activities		
Exploration and evaluation assets	(10,799)	(80,625)
Net cash used in investing activities – continued operations	(10,799)	(80,625)
Net cash used in investing activities – discontinued operations	83,792	-
Financing activities		
Loan received	100,000	-
Loan repaid	(100,000)	-
Net cash provided by financing activities	-	-
Change in cash	(11,002)	(259,158)
Cash, beginning of the period	12,852	483,141
Cash, end of the period	\$ 1,850	\$ 223,983

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

MOLTEN METALS CORP. (formerly BATTERY METALS CORP.)
Interim Condensed Consolidated Statements of Changes in Shareholders' Equity
(Unaudited – Expressed in Canadian Dollars)

	Share Capital (Note 8)		Reserves (Note 8)		Total
	Number of shares	Amount	Contributed surplus	Deficit	
Balance, December 31, 2022	16,914,288	\$ 1,551,551	\$ 211,174	\$ (536,551)	\$ 1,226,174
Net loss for the period	-	-	-	(159,102)	(159,102)
Balance, June 30, 2023	16,914,288	\$ 1,551,551	\$ 211,174	\$ (695,653)	\$ 1,067,072
Balance, December 31, 2023	16,914,288	\$ 1,551,551	\$ 211,174	\$ (884,812)	\$ 877,913
Issuance of bonus shares for promissory note	800,000	20,000	-	-	20,000
Fair value of stock options forfeited	-	-	(87,520)	87,520	-
Net loss for the period	-	-	-	(292,671)	(292,671)
Balance, June 30, 2024	17,714,288	\$ 1,571,551	\$ 123,654	\$ (1,089,963)	\$ 605,242

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

MOLTEN METALS CORP. (formerly BATTERY METALS CORP.)
Interim Condensed Consolidated Statements of Changes in Shareholders' Equity
(Unaudited – Expressed in Canadian Dollars)

1. NATURE OF BUSINESS AND GOING CONCERN

Molten Metals Corp. (the “Company” or “Molten”) was incorporated on September 2, 2020, under the Business Corporations Act of British Columbia. The Company is engaged in the business of exploring precious and base mineral properties in Canada and Slovakia. The Company is considered an exploration stage company. The registered and records office of the Company is Suite 600, 1090 West Georgia Street, Vancouver, BC.

On June 29, 2022, the Company changed its name from Battery Elements Corp. to Molten Metals Corp.

On August 8, 2022, the Company’s common shares commenced trading on the Canadian Securities Exchange (the “Exchange”) under the symbol “MOLT”. The Company also trades on the Frankfurt Stock Exchange under the symbol “Y44”.

These unaudited condensed consolidated financial statements (the “Financial statements”) have been prepared on a going concern basis with the assumption that the Company will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company incurred a net loss of \$292,671 for the six months ended June 30, 2024 (2023 - \$159,102), and had an accumulated deficit of \$1,089,963 at June 30, 2024 (December 31, 2023 - \$884,812) and has not yet determined whether its properties contain mineral reserves that are economically recoverable. The continuation of the Company is dependent upon the continuing financial support of shareholders, obtaining long-term financing to complete exploration and development, the existence of economically recoverable reserves, and upon future profitable production. While the Company is using its best efforts to achieve the above plans, there is uncertainty as to whether support from external funding sources will support a determination of the reserves contained in the Company’s existing property portfolio. Based on its current plans, budgeted expenditures, and cash requirements, the Company does not have sufficient cash to finance its current plans. The Company expects that it may need to raise additional capital to accomplish its business plan over the next several years. The Company may seek additional financing through equity financing. There can be no assurance as to the availability or terms upon which such financing might be available. These material uncertainties may cast significant doubt about the ability of the Company to continue as a going concern.

These Financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts and classification of liabilities that might arise from this uncertainty. Such adjustments could be material.

2. BASIS OF PRESENTATION AND MEASUREMENT

Statement of Compliance

These Financial statements are prepared in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting under International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”). These Financial statements follow the same accounting policies and methods of application as the most recent annual consolidated financial statements of the Company. These Financial statements do not contain all of the information required for full annual financial statements. Accordingly, these Financial statements should be read in conjunction with the Company’s most recent annual consolidated financial statements, which were prepared in accordance with IFRS as issued by the IASB.

Basis of Preparation

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

The Financial statements are presented in Canadian dollars (“CAD”) which is the functional currency of the Company and its subsidiary.

MOLTEN METALS CORP. (formerly BATTERY METALS CORP.)
Interim Condensed Consolidated Statements of Changes in Shareholders' Equity
(Unaudited – Expressed in Canadian Dollars)

2. BASIS OF PRESENTATION AND MEASUREMENT (continued)

Basis of Consolidation

These Financial statements include the accounts of the Company and its wholly owned subsidiary. A Subsidiary is an entity over which the Company has control. The Company controls an entity where the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. A Subsidiary is fully consolidated from the date on which control is transferred to the Company, and deconsolidated from the date that control ceases. All intercompany balances and transactions have been eliminated upon consolidation.

During the year 2022, the Company incorporated a wholly owned subsidiary, Slovak Antimony Corporation s.r.o. ("Slovak Antimony") under the laws of Slovakia.

On April 05, 2024, the Company entered into an agreement to sell its ownership to the Slovak Antimony and reported it as a discontinued operations (See Note 12).

Foreign Currency Translation

The functional and presentation currency of the Company is the Canadian dollar. The individual financial statements of the subsidiary are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The functional currency of the subsidiary is the Canadian dollar. Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange gains and losses on translation are included in profit and loss.

3. MATERIAL ACCOUNTING POLICIES

Critical Accounting Estimates and Judgments

The preparation of these Financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, and expenses. Actual results may differ from these estimates. In preparing these Financial statements, the significant judgements made by management in applying the Company's accounting policies and key sources of estimation uncertainty were the same as those that were applied to the audited annual financial statements for the year ended December 31, 2023.

Discontinued operations

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

The assets and liabilities of a disposal group are presented separately from the other assets in the consolidated statements of financial position. An impairment loss is recognized for any initial or subsequent write down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of derecognition. Assets are not depreciated or amortized while they are classified as part of the disposal group. Interest and other expenses attributable to the liabilities of a disposal group continue to be recognized.

MOLTEN METALS CORP. (formerly BATTERY METALS CORP.)
Interim Condensed Consolidated Statements of Changes in Shareholders' Equity
(Unaudited – Expressed in Canadian Dollars)

3. MATERIAL ACCOUNTING POLICIES (continued)

Accounting Policies

The preparation of these Financial statements are based on accounting principles and practices consistent with those used in the preparation of the audited annual financial statements for the year ended December 31, 2023, unless otherwise indicated.

Accounting Standards Issued But Not Yet Effective

A number of new standards, amendments to standards and interpretations are not yet effective for the nine months ended April 30, 2024, and have not been applied in preparing these financial statements. None of these pronouncements are expected to have a material impact on the financial statements.

4. EXPLORATION AND EVALUATION ASSETS

Following table depicts the changes in the value of mineral properties during the period ended June 30, 2024 and December 31, 2023:

	West Gore, Nova Scotia	Slovakian properties	Total
Balance, December 31, 2022	609,242	38,705	647,947
Option payment	60,000	-	60,000
Permits and license	-	2,024	2,024
Geological consulting	7,338	51,161	58,499
Option extension payment	12,000	-	12,000
Balance, December 31, 2023	688,580	91,890	780,470
Option payment	5,400	-	5,400
Permits and license	-	1,193	1,193
Geological consulting	5,399	-	5,399
Disposed off with Discontinued operations	-	(93,083)	(93,083)
Balance, June 30, 2024	699,379	-	699,379

West Gore Antimony Claims, Nova Scotia

On July 9, 2021, the Company entered into an option purchase and assignment agreement (the "1st Assignment Agreement") with a related party, Consolidated Mineral Estates Ltd. ("Consolidated"), a private company with a common director, whereby Consolidated assigned to the Company all of its right, title and interest in and to the option agreement entered into between Consolidated and an optionor dated April 8, 2021 (the "1st Underlying Agreement") for the acquisition of the West Gore Antimony property situated in Nova Scotia. Consideration paid by the Company under the 1st Assignment Agreement was 5,000,000 common shares issued at a fair value of \$0.10 per share. Consideration payable under the 1st Underlying Agreement to acquire a 100% interest in the claims is as follows:

- \$5,000 for grant of the option (paid);
- An additional \$24,000 on or before August, 31, 2021 (paid);
- An additional \$40,000 on or before April 8, 2022 (paid);
- An additional \$60,000 on or before April 8, 2023 (paid); and
- An additional \$5,000 (plus HST) Royalty Payment (advance) on or before April 8, 2024 (paid), and thereafter annually until the commencement of commercial production.

Upon successful exercise of the option, under the 1st Underlying Agreement the Company shall be required to pay a 3% net smelter return royalty ("NSR"). One-half of the NSR may be purchased by the Company (leaving a 1.5% NSR remaining) for \$500,000.

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Interim Condensed Consolidated Statements of Changes in Shareholders' Equity
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4. EXPLORATION AND EVALUATION ASSETS (continued)

Slovakia Claims

In April 2022, the Company was awarded the exploration license for the Antimony-Gold mine and surrounding areas at Tienesgrund Spisska Bane ("Tienesgrund"), in central Slovakia.

In September 2022, the Company was awarded the exploration license for the Bear Creek ("Medvedi Potok") tin mine in Hnilec, central Slovakia.

In October 2022, the Company was awarded the exploration license for the Trojarova license, covering historic mining works in the ore-district near Pezinok in eastern Slovakia.

The Company is committed to spending at minimum €2,200 (\$3,000 CAD) annually to maintain the Slovakian exploration licenses Tienesgrund, Bear Creek and Trojarova.

Grant from Province of Nova Scotia

During the period ended June 30, 2024, the Company entered into an agreement with the Government of Province of Nova Scotia, whereby, the Company will receive a non-refundable grant of \$30,800 to support its West Gore Drillhole Relogging and Resampling as follows:

- a. 80% of the total grant upon execution of the agreement (received \$24,640 subsequently on July 26, 2024)
- b. 20% of the total grant upon receipt and approval of a final report no later than February 17, 2025

5. EQUIPMENT

Following table depicts the changes in the value of equipment during the period ended June 30, 2024 and December 31, 2023:

	Computer equipment	Mining equipment	Total
Balance, December 31, 2022	413	137,655	138,068
Depreciation	(225)	-	(225)
Balance, December 31, 2023	188	137,655	137,843
Depreciation	(112)	-	(112)
Disposed off with Discontinued operations	-	(137,655)	(137,655)
Balance, June 30, 2024	76	-	76

During the year ended December 31, 2022, the Company purchased equipment in Slovakia for €105,000 (\$137,655 CAD). The equipment was never put to use by the Company; therefore, no depreciation was recorded. During the period ended June 30, 2024, the Company disposed off the mining equipment at the time of sale of Slovakia Antimony.

MOLTEN METALS CORP. (formerly BATTERY METALS CORP.)
Interim Condensed Consolidated Statements of Changes in Shareholders' Equity
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6. RIGHT-OF-USE ASSET AND LEASE LIABILITY

In October 2022, the Company entered into a lease agreement for a processing facility at Svedlar in eastern Slovakia. The lease covers approximately 20% of the Svedlar complex, previously utilized to mine and process quartz. The lease has an initial term of two years.

Upon entering the lease, the Company measured the present value of the lease payments using an incremental borrowing rate of 12.5% per annum and recognized a right-of-use (“ROU”) asset in the amount of \$57,082, and a corresponding lease liability in the same amount.

In January 2023, the Company derecognized its right-of-use asset and lease liability obligation, coinciding with the termination of the lease. There were no penalties for early termination of the lease.

7. SHARE CAPITAL

Common Shares

The Company is authorized to issue an unlimited number of common shares without par value.

As at June 30, 2024, and December 31, 2023, there were 17,714,288 and 16,914,288 common shares issued and outstanding, respectively.

Transactions during the period ended June 30, 2024

During the six months ended June 30, 2024, the Company issued 800,000 common shares to a related party at \$0.025 per shares for a total fair value of \$20,000.

Transactions during the year ended December 31, 2023

There were no transactions during the year.

Stock options

The Company has adopted an incentive stock option plan on January 7, 2022, whereby options may be granted from time to time to directors, officers, employees, and consultants of the Company with common shares to be reserved for issuance as options not to exceed 10% of the issued and outstanding common shares with no one individual being granted options for more than 5% of the issued and outstanding common shares.

	Number of options	Weighted average exercise price (\$)
Balance as at December 31, 2022	1,220,000	0.20
Forfeited	(400,000)	0.20
Balance as at December 31, 2023	820,000	0.20
Forfeited	(170,000)	0.20
Balance as at June 30, 2024	650,000	0.20
Exercisable	650,000	0.20

During the year ended December 31, 2023, pursuant to the resignation of some directors of the Company, 400,000 of the outstanding stock options were forfeited.

MOLTEN METALS CORP. (formerly BATTERY METALS CORP.)
Interim Condensed Consolidated Statements of Changes in Shareholders' Equity
(Unaudited – Expressed in Canadian Dollars)

7. SHARE CAPITAL (continued)

Stock options (continued)

During the period ended June 30, 2024, pursuant to the resignation of some directors of the Company, 170,000 of the outstanding stock options were forfeited.

The weighted average remaining life for the outstanding and exercisable options at June 30, 2024 is 1.19 years.

Warrants

There has been no changes in the warrants during the periods ended June 30, 2024 and December 31, 2024.

As at June 30, 2024, the Company had 96,600 share warrants issued and outstanding with an exercise price of \$0.40 and weighted average life of 0.45 year.

Escrow shares

As at June 30, 2024, the Company had 3,240,000 (December 31, 2023 - 6,480,000) common shares subject to escrow. Under the escrow agreement, 10% of the total common shares to be released upon listing with the Canadian Securities Exchange and 15% of the remaining shares are to be released every six months following listing. The Company was listed on the Canadian Securities Exchange on August 8, 2022.

8. CAPITAL DISCLOSURES

The Company includes cash and equity, comprising issued common shares, contributed surplus and deficit, in the definition of capital.

The Company manages its capital structure and adjusts it based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the period ended June 30, 2024. The Company is not subject to externally imposed capital requirements.

MOLTEN METALS CORP. (formerly BATTERY METALS CORP.)
Interim Condensed Consolidated Statements of Changes in Shareholders' Equity
(Unaudited – Expressed in Canadian Dollars)

9. RELATED PARTY TRANSACTIONS

Related party transactions have been measured at the exchange amount of consideration agreed between the related parties. The related party transactions not disclosed elsewhere in these financial statements are presented below.

As at June 30, 2024, due to related parties amounted to \$72,961 (December 31, 2023 - \$24,570) as below:

	As at	
	June 30, 2024	December 31, 2023
Company controlled by Chief Executive Officer ("CEO")	\$ 22,500	\$ -
Company controlled by Chief Financial Officer ("CFO")	7,000	-
Corporate secretary	-	3,150
Companies controlled by Directors	25,716	-
Company controlled by former Chief Financial Officer	-	3,675
Company controlled by former Directors	17,745	17,745
	\$ 72,961	\$ 24,570

During the six months ended June 30, 2024, and 2023, the Company incurred the following transactions with the directors, senior officers and companies controlled by directors:

	For the six months ended	
	June 30, 2024	June 30, 2023
Expenses paid or accrued to directors of the Company, senior officers and companies with common directors:		
Management fees	\$ 52,500	\$ 21,000
Consulting fees	25,085	18,000
	\$ 77,585	\$ 39,000

Management fee

	For the six months ended	
	June 30, 2024	June 30, 2023
Company controlled by CEO	\$ 31,500	\$ -
Company controlled by CFO	7,000	-
Company controlled by former CFO	14,000	21,000
	\$ 52,500	\$ 21,000

Consulting fee

	For the six months ended	
	June 30, 2024	June 30, 2023
Company controlled by Corporate secretary	\$ 2,585	\$ 18,000
Director	22,500	-
	\$ 25,085	\$ 18,000

MOLTEN METALS CORP. (formerly BATTERY METALS CORP.)
Interim Condensed Consolidated Statements of Changes in Shareholders' Equity
(Unaudited – Expressed in Canadian Dollars)

9. RELATED PARTY TRANSACTIONS (continued)

On March 7, 2024, the Company entered into a loan agreement with a director of the Company pursuant to which the Company borrowed \$100,000. Amounts borrowed bear interest at a rate of 15% per annum and is due and payable on March 7, 2025. In addition, the Company issued to the lender 800,000 bonus shares of the Company at a price of \$0.025 per share. The loan amount was repaid on June 14, 2024. As at June 30, 2024, the interest amount of \$3,216 is outstanding.

10. SUPPLEMENTAL CASH FLOW INFORMATION

Following is the non-cash financing and investing activities incurred by the Company during the periods ended June 30, 2024 and 2023:

	Six months ended	
	June 30, 2024	June 30, 2023
	-\$ -	-\$ -
Non-cash financing activities:		
Bonus shares issued for promissory note	20,000	-
Fair value of stock options forfeited	87,520	-

11. COMMITMENTS

Funds raised through the issuance of flow-through shares are required to be expended on qualified Canadian mineral exploration expenditures, as defined under Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that are allotted for such expenditure but have not yet been spent.

In connection with the flow-through shares issued during the year ended December 31, 2021, the Company had an obligation to incur qualified expenditures of \$50,400 by December 31, 2023. During the year ended December 31, 2023, the Company incurred \$9,336 (2022 - \$13,764) in qualifying expenditures and recognized a flow-through liability recovery of \$6,002 (2022 - \$8,848). Flow-through liability after flow-through liability recovery is \$17,550 as at June 30, 2024 (December 31, 2023 - \$17,550).

12. FINANCIAL INSTRUMENTS

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

Credit risk

The Company is exposed to credit risk by holding cash. The maximum exposure to credit risk is equal to the carrying value of the financial assets. This risk is minimized by holding the majority of investments in large Canadian financial institutions or with Canadian governments. The Company has minimal accounts receivable exposure, and its various refundable credits are due from Canadian governments and accordingly, the Company has minimal credit risk.

Interest rate risk

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

12. FINANCIAL INSTRUMENTS

Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company manages this risk by careful management of its working capital to ensure its expenditures will not exceed available resources. As at June 30, 2024, the Company was holding cash of \$1,850 (December 31, 2023 - \$12,852) to satisfy current liabilities of \$108,010 (2023 - \$74,223). The Company plans to obtain cash inflows from share capital financings. There can be no guarantee that management's efforts to raise additional funds will be successful. The Company's accounts payable and accrued liabilities and amounts due to related parties have contractual maturities of less than 30 days and are subject to normal trade terms.

Commodity price risk

The Company's ability to raise capital to develop its mineral properties is subject to risks associated with fluctuations in the market prices of precious metals, graphite, base metals, and rare earth elements.

Currency rate risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies (Euros). As at June 30, 2024, the Company had exposure to foreign currency risk as cash of \$Nil was denominated in Euros (December 31, 2023 - \$3,151). The Company does not engage in any form of derivative or hedging instruments.

Fair value hierarchy

Financial instruments recorded at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and

Level 3 – Input for assets and liabilities that are not based on observable market data.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

Management considers that due to their short-term nature, the carrying amounts of financial assets and financial liabilities, which include cash, accounts payables and accrued liabilities, and due to related parties are assumed to approximate their fair values (Level 1). There were no transfers between levels of the fair value hierarchy in the period ended June 30, 2024.

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13. SEGMENTED INFORMATION AND DISCONTINUED OPERATIONS

The Company previously operated in two business segments based on its geographical locations. The two business segments included Canada and Slovakia where the Company owned mineral properties. The Slovakian operations discontinued after the Company sold its ownership in its Slovakian subsidiary.

The significant long-term assets categories identifiable with the Company's segments are as follows:

	Canada	Slovakia	Total
June 30, 2024			
Exploration and evaluation assets	\$ 699,379	\$ -	\$ 699,379
Equipment	76	-	76
Total	\$ 699,455	\$ -	\$ 699,455
December 31, 2023			
Exploration and evaluation assets	\$ 694,379	\$ 90,791	\$ 785,170
Equipment	188	137,655	137,843
Total	\$ 694,567	\$ 228,446	\$ 923,013

Discontinued Operations

During the period ended June 30, 2024, the Company sold its subsidiary to an arms-length party and recorded a loss on discontinued operations of \$146,589. The amount of loss was derived as follows:

Description	Amount
Cash and cash equivalents	\$ 836
Property and equipment	137,655
Exploration and evaluation assets	93,083
Fair value of assets given	\$ 231,574
Consideration received	85,000
Net loss on sale of subsidiary	\$ 146,574

14. SUBSEQUENT EVENTS

On July 26, 2024, the Company received \$24,640, being the first installment of the grant from the Government of Province of Nova Scotia (See Note 4).