



**CULLINAN METALS CORP.**

**Condensed Interim Financial Statements**

Three and six months ended December 31, 2023 and 2022  
(In Canadian Dollars)

**NOTICE OF NO AUDITOR REVIEW OF  
UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

In accordance with National instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed interim 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 standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

# CULLINAN METALS CORP.

Condensed Interim Statements of Financial Position

As at December 31, 2023 and June 30, 2023

(Expressed in Canadian dollars)

	Notes	December 31, 2023	June 30, 2023
		\$	\$
Assets			
Current			
Cash and cash equivalents		264,528	711,085
Amounts receivable		53,333	83,190
Prepaid expenses		28,987	74,796
		346,848	869,071
Exploration and evaluation assets	3	236,000	274,000
<b>Total assets</b>		<b>582,848</b>	<b>1,143,071</b>
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		156,974	36,626
Flow-through premium liability	4	12,332	214,920
		169,306	251,546
Shareholders' equity			
Share capital	5	2,401,073	2,001,066
Obligation to issue shares		-	52,000
Reserves	5	399,729	286,841
Deficit		(2,387,260)	(1,448,382)
<b>Total equity</b>		<b>413,542</b>	<b>891,525</b>
<b>Total liabilities and equity</b>		<b>582,848</b>	<b>1,143,071</b>
Nature of operations and going concern	1		
Subsequent event	3(d)		

Approved on behalf of the Board of Directors:

(Signed) "Richard Ko"  
\_\_\_\_\_  
Director

(Signed) "Peter Born"  
\_\_\_\_\_  
Director

## CULLINAN METALS CORP.

Condensed Interim Statements of Loss and Comprehensive Loss  
 Three and Six months ended December 31, 2023 and 2022  
 (In Canadian Dollars)

	Notes	Three months ended December 31,		Six months ended December 31,	
		2023	2022	2023	2022
		\$	\$	\$	\$
<b>Expenses</b>					
Consulting fees		-	27,925	-	27,925
Exploration and evaluation expenditures		578,585	-	881,046	-
General and administration		25,962	25,150	55,568	25,918
Investor relations and shareholder communications		16,002	67,248	33,304	85,248
Management fees	6	31,700	24,700	61,400	51,400
Professional fees	6	1,445	3,104	5,929	11,720
Regulatory and transfer agent fees		16,205	8,441	25,648	21,892
Share-based compensation	5	5,760	68,889	14,076	72,557
Travel		11,717	-	46,817	-
<b>Loss before other items</b>		<b>(687,376)</b>	<b>(225,457)</b>	<b>(1,123,788)</b>	<b>(296,660)</b>
<b>Other income</b>					
Consulting		19,031	-	49,031	-
Flow-through share premium	4	193,326	-	273,879	-
Impairment of exploration and evaluation assets	3(c)	(138,000)	-	(138,000)	-
		74,357	-	184,910	-
<b>Loss for the period</b>		<b>(613,019)</b>	<b>(225,457)</b>	<b>(938,878)</b>	<b>(296,660)</b>
<b>Loss per share - basic and diluted</b>		<b>(0.02)</b>	<b>(0.01)</b>	<b>(0.03)</b>	<b>(0.01)</b>
<b>Weighted average number of common shares outstanding</b>		<b>30,284,883</b>	<b>23,719,242</b>	<b>29,488,472</b>	<b>22,745,021</b>

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

## CULLINAN METALS CORP.

Condensed Interim Statements of Changes in Equity

Six months ended December 31, 2023 and 2022

(In Canadian Dollars)

	Notes	Share capital		Obligation to issue shares	Reserves			Deficit	Total
		Number	Amount		Stock options	Warrants	Total		
		#	\$		\$	\$	\$		
Balance, June 30, 2023		28,637,713	2,001,066	52,000	231,270	55,571	286,841	(1,448,382)	891,525
Shares issued for cash	5(b)	3,254,717	499,000	(52,000)	-	-	-	-	447,000
Share issue costs	5(b)	-	(38,747)	-	-	9,857	9,857	-	(28,890)
Flow-through share premium	4(b)	-	(71,291)	-	-	-	-	-	(71,291)
Flow-through warrants	5(b)	-	(53,955)	-	-	53,955	53,955	-	-
Warrants issued	5(b)	-	(35,000)	-	-	35,000	35,000	-	-
Shares issued for exploration and evaluation assets	3(b), 5(b)	500,000	100,000	-	-	-	-	-	100,000
Share-based compensation	5(e)	-	-	-	14,076	-	14,076	-	14,076
Loss for the period		-	-	-	-	-	-	(938,878)	(938,878)
<b>Balance, December 31, 2023</b>		<b>32,392,430</b>	<b>2,401,073</b>	<b>-</b>	<b>245,346</b>	<b>154,383</b>	<b>399,729</b>	<b>(2,387,260)</b>	<b>413,542</b>
Balance, June 30, 2022		21,590,002	522,473	-	101,939	-	101,939	(377,442)	246,970
Shares issued for cash	5(b)	2,809,333	842,800	-	-	-	-	-	842,800
Share issue costs		-	(42,585)	-	-	18,519	18,519	-	(24,066)
Shares issued for exercise of warrants	5(b)	406,250	20,313	-	-	-	-	-	20,313
Shares issued for exploration and evaluation assets	3, 5(b)	221,154	100,000	-	-	-	-	-	100,000
Share-based compensation	5(e)	-	-	-	72,557	-	72,557	-	72,557
Loss for the period		-	-	-	-	-	-	(296,660)	(296,660)
<b>Balance, December 31, 2022</b>		<b>25,026,739</b>	<b>1,443,001</b>	<b>-</b>	<b>174,496</b>	<b>18,519</b>	<b>193,015</b>	<b>(674,102)</b>	<b>961,914</b>

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

## CULLINAN METALS CORP.

Condensed Interim Statements of Cash Flows  
Six months ended December 31, 2023 and 2022  
(In Canadian dollars)

	Six months ended December 31,	
	2023	2022
	\$	\$
Operating activities		
Loss for the period	(938,878)	(296,660)
Items not affecting cash		
Share-based compensation	14,076	72,557
Flow-through share premium	(273,879)	-
Impairment of exploration and evaluation assets	138,000	-
Changes in non-cash working capital items		
Amounts receivable	29,857	(14,091)
Prepaid expenses	45,809	(226,661)
Accounts payable and accrued liabilities	120,348	(23,874)
	(864,667)	(488,729)
Investing activities		
Acquisition of exploration and evaluation assets	-	(138,000)
Financing activities		
Shares issued for cash, net of share issuance costs	470,110	818,734
Share subscriptions	(52,000)	-
Proceeds from exercise of warrants	-	20,313
	418,110	839,047
Increase in cash and cash equivalents	(446,557)	212,318
Cash and cash equivalents, beginning of period	711,085	173,284
Cash and cash equivalents, end of period	264,528	385,602
Cash and cash equivalents consist of:		
Cash	235,778	385,602
GIC	28,750	-
Non-cash transactions:		
Shares issued for exploration and evaluation assets	100,000	100,000

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

# CULLINAN METALS CORP.

Notes to the Condensed Interim Financial Statements  
Three and Six months ended December 31, 2023 and 2022  
(In Canadian Dollars)

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## 1. Nature of Operations and Going Concern

### (a) Nature of operations

Cullinan Metals Corp. (the "Company") was incorporated pursuant to the provisions of the British Columbia Business Corporations Act on January 29, 2021. The address of the Company's registered office is 2200 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8.

The Company is currently in the exploration stage of developing its exploration and evaluation properties and has not yet determined whether they contain mineral reserves that are economically recoverable.

### (b) Going concern

These financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

For the six months ended December 31, 2023, the Company had not commenced exploration activities, had no profits, had an accumulated deficit of \$2,387,260 (June 30, 2023 - \$1,448,382) and expects to incur further losses until it successfully develops its business. The Company's continuation as a going concern is dependent upon the successful results from its mineral property exploration activities, its ability to attain profitable operations and generate funds therefrom and raise equity capital or borrowings sufficient to meet current and future obligations. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be available on acceptable terms.

The factors above indicate the existence of material uncertainties that may cast significant doubt regarding the Company's ability to continue as a going concern. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast a significant doubt upon the Company's ability to continue as a going concern as described above, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. These financial statements do not include any adjustments to amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

## 2. Basis of Presentation and Measurement

These condensed interim financial statements (the "Financial Statements") have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

## CULLINAN METALS CORP.

Notes to the Condensed Interim Financial Statements  
Three and Six months ended December 31, 2023 and 2022  
(In Canadian Dollars)

### 2. Basis of Presentation and Measurement (continued)

The Financial Statements should be read in conjunction with the Company's annual financial statements as at and for the year ended June 30, 2023 (the "Annual Financial Statements"). The accounting policies and critical estimates applied by the Company in the Financial Statements are the same as those applied in the Annual Financial Statements. The Financial Statements do not include all the information required for full annual financial statements, however, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the most recent Annual Financial Statements.

The Financial Statements were approved and authorized for issue by the Board of Directors of the Company on February 21, 2024.

### 3. Exploration and Evaluation Assets

As at December 31, 2023, the Company had interests in the following exploration and evaluation assets:

	Lac Chavigny (a)	Lac des Iles (b)	Smiley (c)	Wakeman (d)	Total
	\$	\$	\$	\$	\$
Balance, June 30, 2022	70,000	-	-	-	70,000
Acquisition					
Cash	-	50,000	88,000	-	138,000
Common shares	-	50,000	50,000	36,000	136,000
Impairment	(70,000)	-	-	-	(70,000)
Balance, June 30, 2023	-	100,000	138,000	36,000	274,000
Acquisition					
Common shares	-	100,000	-	-	100,000
Impairment	-	-	(138,000)	-	(138,000)
Balance, December 31, 2023	-	200,000	-	36,000	236,000

#### (a) Lac Chavigny Gold Property ("Lac Chavigny")

On February 28, 2021, the Company entered into an option agreement to acquire Lac Chavigny located in Quebec. The Company may acquire a 100% interest in the property by making aggregate cash payments of \$150,000 and issuing an aggregate of 1,400,000 common shares for a period of eighteen months and completing exploration expenditures of \$575,000 over a period of twenty-eight months.

During the year ended June 30, 2023, the Company recorded an impairment loss of \$70,000 on Lac Chavigny as a result of management's decision to not incur any further expenditures on the property. The estimated recoverable amount of Lac Chavigny as at December 31, 2023 was \$Nil (June 30, 2023 - \$Nil).



## CULLINAN METALS CORP.

Notes to the Condensed Interim Financial Statements  
Three and Six months ended December 31, 2023 and 2022  
(In Canadian Dollars)

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### 3. Exploration and Evaluation Assets (Continued)

#### (b) Lac des Iles West Graphite Property ("Lac des Iles")

On September 22, 2022, the Company entered into an option agreement to acquire Lac des Iles located in Quebec. The Company may acquire a 100% interest in Lac des Iles for the following consideration:

- (i) Cash payments of \$150,000:
  - \$50,000 upon Exchange approval (paid);
  - \$50,000 on September 22, 2023 (deferred); and
  - \$50,000 on September 22, 2024.
  
- (ii) Issuance of common shares equivalent to a value of \$350,000:
  - Common shares with a value of \$50,000 upon Exchange approval (subject to a one-year resale restriction) (125,000 shares issued);
  - Common shares with a value of \$100,000 on September 22, 2023 (400,000 shares issued); and
  - Common shares with a value of \$200,000 on September 22, 2024.
  
- (iii) Completion of \$425,000 in exploration expenditures:
  - \$50,000 by September 22, 2023 (completed);
  - \$125,000 by September 22, 2024; and
  - \$250,000 by September 22, 2025.

The agreement is subject to a 2% NSR royalty, of which, 1% can be repurchased by the Company for \$1,000,000.

During the six months ended December 31, 2023, the Company issued 400,000 common shares with a fair value of \$100,000 towards the acquisition of Lac des Iles (Note 5(b)(ii)). The vendor of Lac des Iles agreed to defer the Company's option payment of \$50,000 due September 22, 2023, until the Company's completion of a non-flow-through financing of at least \$500,000.

During the three and six months ended December 31, 2023, the Company incurred exploration costs of \$124,598 and \$166,853, respectively, (2022 - \$Nil) on Lac des Iles. Note 7

#### (c) Smiley Lithium Property ("Smiley")

On October 27, 2022, the Company entered into an option agreement to acquire Smiley located in Ontario. The Company may acquire a 100% interest in Smiley by making aggregate cash payments of \$2,388,000 over a period of three years and issuing aggregate common shares equivalent to a value of \$175,000 within a one-year period.

## CULLINAN METALS CORP.

Notes to the Condensed Interim Financial Statements  
Three and Six months ended December 31, 2023 and 2022  
(In Canadian Dollars)

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### 3. Exploration and Evaluation Assets (Continued)

#### (c) Smiley Lithium Property ("Smiley") (continued)

During the three and six months ended December 31, 2023, the Company recognized an impairment loss of \$138,000 and \$138,000, respectively, on Smiley as a result of management's decision to not incur any further expenditures on the property. The estimated recoverable amount of Smiley as at December 31, 2023 was \$Nil.

#### (d) Wakeman Lake Lithium Property ("Wakeman")

On June 5, 2023, the Company entered into an option agreement to acquire Wakeman located in Ontario. The Company may acquire a 100% interest in Wakeman for the following consideration:

- (i) Cash payments of \$110,000:
  - \$45,000 on February 8, 2024; and
  - \$65,000 on February 8, 2025.
- (ii) Issuance of 210,000 common shares:
  - 120,000 common shares on signing of the agreement (issued);
  - 40,000 common shares on February 8, 2024 (issued subsequent to December 31, 2023); and
  - 50,000 common shares on February 8, 2025.

The agreement is subject to a 1.5% NSR royalty, of which, 0.5% can be repurchased by the Company for \$500,000.

Subsequent to December 31, 2023, the Company issued 40,000 common shares towards the acquisition of Wakeman.

#### (e) Letters of Intent (LOIs)

During the year ended June 30, 2023, the Company entered into LOIs with third parties to acquire interests in several lithium properties located in Ontario and Quebec. Pursuant to the terms of the LOIs, the Company was granted the right to conduct a full due diligence investigation on the properties, including sampling and exploration. Upon the discovery of spodumene mineralization on the properties (the "Discovery"), the parties will enter into either option or property purchase agreements to acquire such properties. The considerations for the acquisitions will be negotiated between the parties after the Discovery.

## CULLINAN METALS CORP.

Notes to the Condensed Interim Financial Statements  
Three and Six months ended December 31, 2023 and 2022  
(In Canadian Dollars)

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### 3. Exploration and Evaluation Assets (Continued)

#### (e) Letters of Intent (LOIs) (continued)

During the three and six months ended December 31, 2023, the Company incurred exploration costs on the Ontario properties of \$62,975 and \$225,742, respectively, and on the Quebec properties of \$391,012 and \$484,283, respectively. Note 7

### 4. Flow-through Premium Liability

The Company issues flow-through ("FT") shares with any resulting FT premium recorded as FT share premium liability. The liability is subsequently reduced when the required qualifying Canadian Exploration Expenditures ("CEE") are incurred, and the recovery of the FT share premium is recorded as income.

As at December 31, 2023, the Company is required to incur \$191,058 of qualifying CEE until December 31, 2024. If the Company is unable to meet this deadline, it will be subject to Part XII.6 taxes in accordance with the Canadian Income Tax Act.

A continuity of the FT premium liability as at December 31, 2023 and June 30, 2023 is as follows:

	December 31, 2023	June 30, 2023
	\$	\$
Balance, beginning of period	214,920	-
FT premium liability on flow-through shares issued	71,291	239,320
CEE incurred and recorded as FT share premium income	(273,879)	(24,400)
Balance, end of period	12,332	214,920

### 5. Share Capital and Reserves

#### (a) Authorized

Unlimited common shares without par value.

#### (b) Issued and outstanding

As at December 31, 2023, the Company's issued and outstanding share capital consisted of 32,392,430 (June 30, 2023 – 28,637,713) issued and fully paid common shares.

## CULLINAN METALS CORP.

Notes to the Condensed Interim Financial Statements  
Three and Six months ended December 31, 2023 and 2022  
(In Canadian Dollars)

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### 5. Share Capital and Reserves (Continued)

#### (b) Issued and outstanding (continued)

Six months ended December 31, 2023

- (i) On September 20, 2023, the Company completed a non-brokered private placement of 100,000 units at a price of \$0.52 per unit for gross proceeds of \$52,000. Each unit consisted of one common share and one warrant exercisable at a price of \$0.70 per share until September 20, 2028. The Company recognized a residual value of \$27,000 for the warrants.
- (ii) On September 20, 2023, the Company issued 400,000 common shares with a fair value of \$100,000 with respect to the Lac des Iles property option agreement. Note 3(b)
- (iii) On October 20, 2023, the Company completed a non-brokered private placement of 754,717 flow-through ("FT") units at a price of \$0.265 per FT unit for gross proceeds of \$200,000. Each FT unit consisted of one FT common share and one-half of one non-flow-through ("NFT") warrant. Each whole NFT warrant is exercisable at \$0.40 per share until October 20, 2025.

A FT premium liability of \$59,320 was recorded representing the difference between the total fair value of the FT Shares of \$120,755 and NFT warrants of \$19,925 on the date of issuance and the cash consideration received for the flow-through units. The fair value of the NFT warrant was estimated using the Black-Scholes option pricing model with the following assumptions: risk free rate of 4.8%; dividend yield of 0%; stock price volatility of 101%; and an expected life of 2 years.

The Company renounced the CEE of \$200,000 to the purchasers of the flow-through common shares with an effective date of December 31, 2023. During the six months ended December 31, 2023, the Company incurred CEE of \$200,000 and as a result, recognized a FT share premium income of \$59,320 (Note 4).

Total share issue costs with respect to the private placement were \$16,026 consisting of \$12,000 cash and 45,283 finder's warrants with a fair value of \$4,026. The finder's warrants are exercisable at \$0.30 per share until October 20, 2026. The fair value of the finder's warrants was estimated using the Black-Scholes option pricing model with the following assumptions: risk free rate of 4.8%; dividend yield of 0%; stock price volatility of 107%; and an expected life of 3 years.

- (iv) On October 20, 2023, the Company completed a non-brokered private placement of 200,000 units at a price of \$0.20 per unit for gross proceeds of \$40,000. Each unit consisted of one common share and one warrant exercisable at \$0.30 per share until October 20, 2026. The Company recognized a residual value of \$8,000 for the warrants.

Total share issue costs with respect to the private placement were \$3,467 which consisted of \$2,400 and 12,000 finder's warrants with a fair value of \$1,067. The finder's warrants are exercisable at \$0.30 per share until October 20, 2026.

## CULLINAN METALS CORP.

Notes to the Condensed Interim Financial Statements  
Three and Six months ended December 31, 2023 and 2022  
(In Canadian Dollars)

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### 5. Share Capital and Reserves (Continued)

#### (b) Issued and outstanding (continued)

- (v) On December 19, 2023, the Company completed a non-brokered private placement of 2,300,000 FT units at a price of \$0.09 per FT unit for gross proceeds of \$207,000. Each FT unit consisted of one FT common share and one-half of one NFT warrant. Each whole NFT warrant is exercisable at \$0.12 per share until December 19, 2025.

A FT premium liability of \$11,970 was recorded representing the difference between the total fair value of the FT Shares of \$161,000 and NFT warrants of \$34,030 on the date of issuance and the cash consideration received for the flow-through units. The fair value of the NFT warrant was estimated using the Black-Scholes option pricing model with the following assumptions: risk free rate of 4%; dividend yield of 0%; stock price volatility of 102%; and an expected life of 2 years.

The Company renounced the CEE of \$207,000 to the purchasers of the FT Shares with an effective date of December 31, 2023. The Company is required to incur the CEE until December 31, 2024. During the six months ended December 31, 2023, the Company incurred CEE of \$36,035 and as a result, recognized a FT share premium income of \$2,084 (Note 4).

Total share issue costs with respect to the private placement were \$19,254 consisting of \$14,490 and 161,000 finder's warrants with a fair value of \$4,764. The finder's warrants are exercisable at \$0.12 per share until December 19, 2025. The fair value of the finder's warrants was estimated using the Black-Scholes option pricing model with the following assumptions: risk free rate of 4%; dividend yield of 0%; stock price volatility of 102%; and an expected life of 2 years.

Six months ended December 31, 2022

- (vi) On September 20, 2022, the Company closed a non-brokered private placement of 1,663,333 units at a price of \$0.30 per unit for gross proceeds of \$499,000. Each unit consisted of one common share and one share purchase warrant exercisable at a price of \$0.40 per share until September 20, 2024.
- (vii) On October 24, 2022, the Company issued 125,000 common shares with a fair value of \$50,000 with respect to the Lac des Iles property option agreement. Note 3(b)
- (viii) On November 14, 2022, the Company issued 96,154 common shares with a fair value of \$50,000 with respect to the Smiley property option agreement. Note 3(c)

## CULLINAN METALS CORP.

Notes to the Condensed Interim Financial Statements  
Three and Six months ended December 31, 2023 and 2022  
(In Canadian Dollars)

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### 5. Share Capital and Reserves (Continued)

#### (b) Issued and outstanding (continued)

- (ix) On December 28, 2022, the Company closed a non-brokered private placement of 1,146,000 units at a price of \$0.30 per unit for gross proceeds of \$343,800. Each unit consisted of one common share and one-half of one share purchase warrant, with each whole warrant exercisable at a price of \$0.60 per share until December 28, 2024.

Total share issuance costs with respect to the private placement were of \$42,585 which consisted of finder's fees of \$24,066 and 80,220 finder's warrants with a fair value of \$18,519. The finder's warrants are exercisable at \$0.60 per share until December 28, 2024.

#### (c) Escrowed securities

In connection with the IPO, 400,002 common shares and 400,000 warrants held by principals of the Company were deposited in escrow. On the listing date of February 17, 2022, 10% of these shares and warrants were released from escrow with 15% of the remaining securities are to be released every 6 months following February 17, 2022. As at December 31, 2023, 180,001 common shares and 180,001 warrants were held in escrow.

#### (d) Warrants

Each warrant entitles the holder to purchase one common share of the Company. A summary of the status of the warrants outstanding follows:

	Warrants	Weighted average exercise price
	#	\$
Balance, June 30, 2022	15,000,000	0.05
Issued	2,666,553	0.47
Exercised	(2,650,000)	0.05
Balance, June 30, 2023	15,016,553	0.12
Issued	2,045,642	0.22
Balance, December 31, 2023	17,062,195	0.13

## CULLINAN METALS CORP.

Notes to the Condensed Interim Financial Statements  
Three and Six months ended December 31, 2023 and 2022  
(In Canadian Dollars)

### 5. Share Capital and Reserves (Continued)

#### (d) Warrants (continued)

The following table summarizes the warrants outstanding as at December 31, 2023:

Exercise Price	Expiry date	Warrants
\$		#
0.05	April 23, 2026	4,081,250
0.05	June 30, 2026	8,268,750
0.12	December 19, 2025	1,311,000
0.30	October 20, 2026	257,283
0.40	September 20, 2024	1,663,333
0.40	October 20, 2025	377,359
0.60	December 28, 2024	653,220
0.60	June 12, 2025	312,500
0.40	June 12, 2025	37,500
0.70	September 20, 2028	100,000
		17,062,195

As at December 31, 2023, the weighted average remaining contractual life of the warrants was 2.06 years.

#### (e) Stock options

The Company has a rolling incentive stock option plan (the "Plan") which provides that the aggregate maximum number of common shares that may be issued upon the exercise of options granted under the Plan shall not exceed 10% of the Company's issued and outstanding shares. The exercise price of any options granted under the Plan is determined by the Board but shall not be less than the exercise price permitted by the Exchange. Options have expiry dates of no later than ten years from the date of grant.

A summary of the status of the options outstanding follows:

	Options	Weighted average exercise price
	#	\$
Balance, June 30, 2022	950,000	0.15
Granted	670,000	0.40
Exercised	(100,000)	0.055
Balance, June 30, 2023 and December 31, 2023	1,520,000	0.27

## CULLINAN METALS CORP.

Notes to the Condensed Interim Financial Statements  
Three and Six months ended December 31, 2023 and 2022  
(In Canadian Dollars)

### 5. Share Capital and Reserves (Continued)

#### (e) Stock options (continued)

The following table summarizes the options outstanding and exercisable as at December 31, 2023:

Exercise Price	Expiry date	Options outstanding	Options exercisable
\$		#	#
0.055	March 1, 2026	600,000	600,000
0.40	June 9, 2027	250,000	250,000
0.40	October 28, 2027	670,000	335,000
		1,520,000	1,185,000

As at December 31, 2023, the weighted average remaining contractual life of the options was 3.15 years.

During three and six months ended December 31, 2023, the Company recorded share-based compensation of \$5,760 and \$14,076, respectively (December 31, 2022 - \$68,889 and \$72,557) for stock options granted vested during the period.

The fair value of the stock options granted during the respective periods below was estimated using the Black-Scholes option pricing with the following weighted average assumptions:

	Three months ended December 31,		Six months ended December 31,	
	2023	2022	2023	2022
Risk-free annual interest rate	-	3.49%	-	3.54%
Expected annual dividend yield	-	0%	-	0%
Expected stock price volatility	-	125.7%	-	126.5%
Expected life of options (years)	-	4	-	4
Forfeiture rate	-	0%	-	0%
Fair value per options	-	\$0.27	-	\$0.29

### 6. Related Party Transactions

The Company's key management personnel have the authority and responsibility for planning, directing and controlling the activities of the Company, and is comprised of the Company's Board of Directors and executive officers. Key management compensation for the three and six months ended December 31, 2023 and 2022 consisted of:

	Three months ended December 31,		Six months ended December 31,	
	2023	2022	2023	2022
	\$	\$	\$	\$
CEO fees	22,500	22,500	45,000	45,000
Former CEO fees	-	1,000	-	4,000
Director's fees	1,200	1,200	2,400	2,400
Share based compensation <sup>(1)</sup>	-	471	-	1,388
	23,700	25,171	47,400	52,788

<sup>(1)</sup> Share-based compensation represents the fair value of options granted and vested to the Company's CFO.



## CULLINAN METALS CORP.

Notes to the Condensed Interim Financial Statements  
Three and Six months ended December 31, 2023 and 2022  
(In Canadian Dollars)

### 7. Exploration and Evaluation Expenditures

Three months ended December 31, 2023:

	Lac des Iles	Smiley	Wakeman	LOI – Ontario	LOI – Quebec	Total
	\$	\$	\$	\$	\$	\$
Geological mapping, prospecting and sampling	124,598	-	-	62,975	369,376	556,949
Equipment rental	-	-	-	-	21,636	21,636
Professional fees	-	-	-	-	-	-
	124,598	-	-	62,975	391,012	578,585

Six months ended December 31, 2023:

	Lac des Iles	Smiley	Wakeman	LOI – Ontario	LOI – Quebec	Total
	\$	\$	\$	\$	\$	\$
Geological mapping, prospecting and sampling	160,351	-	-	186,017	436,387	782,755
Equipment rental	1,812	-	-	32,445	43,276	77,533
Professional fees	4,690	3,800	368	7,280	4,620	20,758
	166,853	3,800	368	225,742	484,283	881,046

### 8. Fair Value of Financial Instruments

As at December 31, 2023, the Company's financial instruments consist of cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities. The carrying amounts of these financial instruments approximate fair value due to their immediate or short-term maturity.