STEADRIGHT CRITICAL MINERALS INC.
(formerly Steadright Capital Development Incorporated)

FINANCIAL STATEMENTS

FOR THE YEARS ENDED MARCH 31, 2023 AND 2022
(In Canadian Dollars)

IN ACCORDANCE WITH SECTION 6 OF NATIONAL INSTRUMENT 13-103 SYSTEM FOR ELECTRONIC DATA ANALYSIS AND RETRIEVAL + (SEDAR+), THIS FINANCIAL STATEMENT IS BEING FILED OR DELIVERED OUTSIDE OF SEDAR+ UNDER A TEMPORARY HARDSHIP EXEMPTION

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A CHAN AND COMPANY LLP
CHARTERED PROFESSIONAL ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of:
Steadright Critical Minerals Inc.
(formerly Steadright Capital Development Incorporated)

Opinion

We have audited the financial statements of Steadright Critical Minerals Inc. (formerly Steadright Capital Development Incorporated) (the "Company"), which comprise the statements of financial position as at March 31, 2023 and March 31, 2022, and the statements of net and comprehensive loss, statement of cash flows and statement of changes in shareholders' equity for the years ended March 31, 2023 and March 31, 2022, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2023 and March 31, 2022, and its financial performance and its cash flow for the years ended March 31, 2023 and March 31, 2022 in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net comprehensive loss of $585,838 during the year ended March 31, 2023 and, as of that date, the Company had not yet achieved profitable operations, had accumulated losses of $936,642 since its inception, and expects to incur further losses in the development of its business. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the years ended March 31, 2023 and 2022. These matters were addressed in the context of our audits of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Except for the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no key audit matters to communicate in our auditor's report.

Other Information

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis.

Our opinion on financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

The engagement practitioner on the audit resulting in this independent auditor's report is Anthony Chan, CPA, CA.

"A Chan & Company LLP"
Chartered Professional Accountant

Unit# 114B (2nd floor) – 8988 Fraserton Court
Burnaby, BC, Canada V5J 5H8

July 28, 2023

STEADRIGHT CRITICAL MINERALS INC.
(formerly Steadright Capital Development Incorporated)
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT

	Notes		**March 31, 2023**		March 31, 2022
ASSETS					
Cash	5	**$**	**218,608**	$	305,552
HST receivable			**60,972**		18,173
Deferred transaction costs			**-**		7,000
Prepaid expenses			**2,000**		-
Total assets		**$**	**281,580**	$	330,725
LIABILITIES					
Accounts payable and accrued liabilities	7,9	**$**	**68,751**	$	171,504
Total liabilities			**68,751**		171,504
SHAREHOLDERS' EQUITY					
Share capital	8		**902,276**		357,225
Shares to be issued			**2,250**		88,800
Reserve for warrants	8(d)		**141,616**		64,000
Contributed surplus	8(c)		**103,329**		-
Accumulated earnings (deficit)			**(936,642)**		(350,804)
Total equity			**212,829**		159,221
Total equity and liabilities		**$**	**281,580**	$	330,725

Nature of operations (Note 1)
Commitments and contingencies (Note 12)
Subsequent events (Note 14)

Approved on Behalf of the Board

'*Mark Urbanski*' Director

'*John Morgan*' Director

See accompanying notes to the financial statements.

STEADRIGHT CRITICAL MINERALS INC.
(formerly Steadright Capital Development Incorporated)
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Notes	Years Ended March 31, 2023	2022
Expenses			
Exploration and evaluation expenditures	6	$ **132,207**	$ 165,521
Consulting fees	9	**122,872**	104,750
Office and general		**68,220**	483
Professional fees		**123,524**	38,509
Promotion and travel		**32,410**	26,003
Share-based payment	8(c)	**103,329**	-
Interest and penalties		**3,000**	-
Part XII.6 tax		**276**	-
Total expenses		**585,838**	335,266
Loss before income taxes		**(585,838)**	(335,266)
Deferred income tax expense (recovery)	10	**-**	(8,600)
Net loss and comprehensive loss for the year		$ **(585,838)**	$ (326,666)
Net loss per share			
Basic and fully diluted loss per share		$ **(0.05)**	$ (0.07)
Weighted average number of shares outstanding basic and fully diluted		**12,713,339**	4,549,658

See accompanying notes to the financial statements.

STEADRIGHT CRITICAL MINERALS INC.
(formerly Steadright Capital Development Incorporated)
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED MARCH 31, 2023 AND 2022

	Share capital						
	Common shares	Amount	Shares to be issued	Reserve for warrants	Contributed surplus	Accumulated Deficit	Total
Balance, March 31, 2021	2,500,000	$ 12,500	$ -	$ -	$ -	$ (24,138)	$ (11,638)
Shares issued for cash (Note 8(b)(vii)(viii)(ix)(x))	4,390,000	362,000	58,550	-	-	-	420,550
Flow through premium(Note 8(b)(xi))	-	(8,600)	-	-	-	-	(8,600)
Warrants issued in private placements(Note 8(b)(vii)(viii)(ix)	-	(64,000)	-	64,000	-	-	-
Shares issued for settlement of debts(Note 8(b)(xiv))	713,000	17,825	30,250	-	-	-	48,075
Shares issued for property(Note 8(b)(xiii))	500,000	37,500	-	-	-	-	37,500
Net loss and comprehensive loss for the year	-	-	-	-		(326,666)	(326,666)
Balance, March 31, 2022	8,103,000	$ 357,225	$ 88,800	$ 64,000	$ -	$ (350,804)	$ 159,221
Shares issued for cash (Note 8(b)(i)(ii))	2,520,560	339,266	(56,300)	-	-	-	282,966
Warrants issued in private placements (Note 8(b)(i)(ii))	-	(77,616)	-	77,616	-	-	-
Exercised of warrants (Note 8(b)(iii))	20,000	3,000	-	-	-	-	3,000
Shares issued for settlement of debts (Note 8(iv))	1,901,974	190,197	(30,250)	-	-	-	159,947
Shares issued for property (Note 8(v)(vi))	1,000,000	100,000	-	-	-	-	100,000
Share-based payment (Note 8(c))	-	-	-	-	103,329	-	103,329
Share issue costs	-	(9,796)	-	-	-	-	(9,796)
Net loss and comprehensive loss for the year	-	-	-	-	-	(585,838)	(585,838)
Balance, March 31, 2023	13,545,534	$ 902,276	$ 2,250	$ 141,616	$ 103,329	$ (936,642)	$ 212,829

See accompanying notes to the financial statements.

STEADRIGHT CRITICAL MINERALS INC.

(formerly Steadright Capital Development Incorporated)

STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars)

	Notes	Years Ended March 31, 2023	2022
OPERATING ACTIVITIES			
Net loss for the year		**$ (585,838)**	$ (326,666)
Share-based payment		**103,329**	-
Shares issued for property	8(b)	**100,000**	37,500
Deferred income tax recovery	10	**-**	(8,600)
		(382,509)	(297,766)
Changes in non-cash working capital			
Prepaid expenses		**(2,000)**	-
Deferred transaction costs		**7,000**	(7,000)
HST receivable		**(42,799)**	(18,173)
Accounts payable and accrued liabilities		**57,194**	203,129
Cash used in operating activities		**(363,114)**	(119,810)
FINANCING ACTIVITIES			
Issuance of share capital, net of issue costs		**332,470**	362,000
Proceeds received for shares to be issued		**(56,300)**	58,550
Cash provided by financing activities		**276,170**	420,550
Net (decrease) increase in cash		**(86,944)**	300,740
Cash, beginning of year		**305,552**	4,812
Cash, end of year		**$ 218,608**	$ 305,552

See accompanying notes to the financial statements.

1. INCORPORATION AND NATURE OF OPERATIONS

Steadright Steadright Critical Minerals Inc. (formerly Steadright Capital Development Incorporated), ("Steadright" or the "Company") was incorporated under the laws of the Province of Ontario on March 6, 2019. The Company is engaged in exploration and evaluation of mineral properties and is currently looking for and evaluating potential property acquisitions. The head office and registered address of the Company is located at 1 Crescent Road, Suite 216, Huntsville, Ontario, P1H 1Z6. On October 6, 2022, the Company began trading on the Canadian Securities Exchange ("CSE") under the symbol SCM.

These financial statements have been prepared on a going concern basis, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company has not yet realized profitable operations and has incurred significant losses to date resulting in a cumulative deficit of $936,642 as at March 31, 2023 (March 31, 2022 - $350,804). Management believes that it has the ability to raise the required additional funding to operate the business. While management has been historically successful in raising the necessary capital, it cannot provide assurance that it will be able to execute on its business strategy or be successful in future financing activities. These events represent material uncertainties which may cast significant doubt on the Company's ability to continue as a going concern. As at March 31, 2023, the Company had assets of $281,580 (March 31, 2022 - $330,725) to cover liabilities of $68,751 (March 31, 2022 - $171,504).

In addition, the Company began operations after the World Health Organization categorized COVID-19 as a pandemic. Financial markets around the world have been extremely volatile due to events and conditions resulting from this pandemic and as a result, the volatility could also impact the Company's ability to continue its operations as a going concern.

In late February 2022, a conflict commenced in Ukraine. In response, various countries, including Canada, issued broad-ranging economic sanctions against Russia. The ramifications of the sanctions may not be limited to Russia and Ukraine and may spill over to and negatively impact other regional and global economic markets, sectors, industries and markets for securities and commodities globally. The current circumstances are dynamic and the duration of the conflict and related impact of imposed sanctions on the business cannot be reasonably estimated at this time. While the company expects any direct impacts of the conflict in Ukraine to the business to be limited, the direct impacts on the economy may negatively affect the business and future operations.

2. BASIS OF PRESENTATION

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The financial statements of the Company for the years ended March 31, 2023 and 2022 were approved and authorized for issue by the Board of Directors on July 28, 2023.

2. BASIS OF PRESENTATION (Cont'd)

Basis of measurement and functional currency

The financial statements are presented in Canadian dollars and have been prepared on the historical cost basis except for financial instruments measured at fair value through profit or loss. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The Company's functional currency is the Canadian dollar.

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of the valuation of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Cash and cash equivalents

Cash and cash equivalents include cash on hand and in banks and short-term investments that are readily convertible to cash and have a maturity date within 90 days of the purchase date.

(b) Mineral properties

Exploration and evaluation expenditures

Exploration and evaluation expenditures relate to the initial costs incurred on the search for, and evaluation of, potential mineral reserves and resources. Exploration includes such costs as exploratory drilling, sampling, mapping and other costs involved in searching for ore. Evaluation includes costs incurred to establish the technical and commercial viability of developing mineral properties acquired or identified through exploration. Exploration and evaluation expenditures in relation to each separate area of interest are expensed in net income or loss. Upon the determination of the technical feasibility and commercial viability of a project, further costs to develop the asset are recognized as mine development expenditures.

(c) Asset retirement obligation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations for environmental rehabilitation in the period in which it is incurred. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is expensed or capitalized to the mining assets along with a corresponding increase in the rehabilitation provision. Discount rates that reflect the time value of money are used to calculate the net present value. The Company's estimates are reviewed at the end of each reporting period for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Accretion expense is charged to profit or loss, while adjustments related to changes in estimated cash flows are recorded as increases or decreases in the carrying value of the asset. The capitalized cost is amortized on the same basis as the related asset. Upon settlement of the liability, a gain or loss is recorded if the actual costs incurred are different from the liability recorded.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(d) Share-based payments

The Company measures share-based payments at fair value and recognizes the expense over the vesting period. The Company uses the Black-Scholes option pricing model to determine the fair value of each stock option on the date of the grant. The value of the stock options is expensed as share-based payments or capitalized to mineral properties and is credited to the share based payments reserve. The value of the stock options issued to agents in exchange for brokerage services is netted against share capital as share issuance costs and credited to the share-based payments reserve.

At the end of each reporting period, the Company reassesses its estimates of the number of awards that are expected to vest and recognizes the impact of the revisions in profit or loss.

(e) Income taxes

The income tax expense for the period comprises current and deferred taxes. Taxes are recognized in the statements of net loss and comprehensive loss, except to the extent that it relates to items recognized directly in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. The Company has established provisions, where appropriate, on the basis of amounts expected to be paid to tax authorities.

Deferred tax is recognized using the liability method, on unused tax losses, unused tax credits, and temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. However, the deferred tax is not recognized if it arises from initial recognition of an asset or liability in a transaction other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates and tax laws that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and current tax assets, and they relate to income taxes levied by the same tax authority on the same taxable entity; or on different tax entities, but they intend to settle current tax liabilities and current tax assets on a net basis; or, their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which unused tax losses, unused tax credits, and the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(f) Income (loss) per share

Basic income (loss) per share is computed by dividing the amount of net income (loss) for the period by the weighted average number of common shares outstanding during the period.

Diluted income (loss) per common share is computed by dividing the net income (loss) applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted. This follows the treasury stock method in which the dilutive effect on loss per share is recognized based on the proceeds that could be obtained from the exercise of options, warrants, and similar instruments. It assumes the proceeds would be used to purchase common shares at the average market price during the year.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(g) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. All financial instruments are initially recorded at fair value, adjusted for directly attributable transaction costs. The Company determines each financial instrument's classification upon initial recognition. Measurement in subsequent periods depends on the financial instrument's classification.

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI"), or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by- instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

Measurement

Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

Financial assets and liabilities at amortized cost

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

Financial assets and liabilities at FVTPL

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

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of net (loss) income, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of income (loss) and comprehensive income (loss). However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statements of net (loss) income.

(h) Provisions

Provisions are liabilities that are uncertain in timing or amount. The Company records a provision when:

(i) It has a present obligation arising as a result of a past event;

(ii) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(iii) A reliable estimate can be made of the amount of the obligation

Provisions are reviewed at the end of each reporting period and adjusted to reflect management's current best estimate of the expense required to settle the present obligation. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

IFRS requires management to make estimates and judgments that affect the amounts reported in the financial statements. By their nature, these estimates and judgments are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

Areas of judgment that have the most significant effect on the amounts recognized in the financial statements include:

- Applicability of the going concern assumption

Critical accounting estimates include:

- Income taxes

(Expressed in Canadian Dollars)

5. CASH

The Company's cash consist of the following:

	March 31, 2023	March 31, 2022
Cash held in banks	**$ 218,608**	$ 305,552

6. EXPLORATION AND EVALUATION EXPENDITURES

The exploration and evaluation expenses for the Company are summarized as follows:

	March 31, 2023	March 31, 2022
RAM Project	**$ 62,207**	$ 150,521
B2 Project	**70,000**	15,000
Exploration and evaluation expenditures	**$ 132,207**	$ 165,521

Contigo Agreement:

On July 31, 2021, the Company entered into an Option Agreement with Contigo Resources Ltd. (“Contigo”) whereby Contigo has agreed to grant the Company an exclusive option to acquire a one hundred percent (100%) undivided right, title, ownership and beneficial interest in and to the property, free and clear of any encumbrance (the "Option"); (the “RAM Project”).

Under the terms of the definitive agreement, the Company will have an option to acquire a 100% undivided interest in the RAM Project by completing the following:

Total cash payments of $165,000 payable as follows:

- $80,000 (paid) due on or prior to 90 days from signing of the agreement (“Effective Date”);
- $35,000 due on or prior to 12 months from the date that the common shares of the Company become listed for trading on a Canadian stock exchange October 6, 2022; and
- $50,000 due on or prior to 24 months from October 6, 2022.

Issuing common shares as follows:

- 500,000 common shares on or before November 1, 2021 (issued);
- 500,000 common shares on or prior to the second day following October 6, 2022 (issued);
- 500,000 common shares on or prior to 12 months following October 6, 2022; and
- 1,000,000 common shares on or prior to 24 months following October 6, 2022.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION EXPENDITURES (Cont'd)

If the Company has not completed the listing of its common shares on a Canadian stock exchange with in twelve months of December 31, 2021, then the Company will make an immediate cash payment of $50,000 to Contigo and the option expiry date will be extended by a period of twelve months.

Issuing to Contigo a 2% net smelter return royalty ("NSR") subject to the Company retaining an option to acquire 1% of the NSR for a cash payment of $1,500,000 for a period of five years after commencement of commercial production.

Bergeron Agreement:

On December 20, 2021, the Company entered into an Option Agreement with Frederic Bergeron ("Bergeron") whereby Bergeron has agreed to grant the Company an exclusive option to acquire a one hundred percent (100%) undivided right, title, ownership and beneficial interest in and to the property, free and clear of any encumbrance (the "Option"); (the "B2 Project").

Under the terms of the definitive agreement, the Company will have an option to acquire a 100% undivided interest in the B2 Project by completing the following:

Total cash payments of $15,000 payable as follows:

- $15,000 (paid) due on or prior to 90 days from signing of the agreement ("Effective Date") (completed)

Issuing common shares as follows:

- Common shares with a value of $50,000 one week following October 6, 2022 (issued);
- Common shares with a value of $100,000 on or prior to 12 months following the Effective Date.
- Common shares with a value of $100,000 on or prior to 24 months following the Effective Date.

If the Company has not completed the listing of its common shares on a Canadian stock exchange within twelve months of December 20, 2021, then the Company will make an immediate cash payment of $250,000 to Bergeron and the Company will no longer obliged to issue the 250,000 common shares mentioned above.

Issuing to Bergeron a 2% net smelter return royalty ("NSR") subject to the Company retaining an option to acquire 1% of the NSR for a cash payment of $1,500,000 for a period of two years after commencement of commercial production.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2023	March 31, 2022
Accounts payable	**$ 54,406**	$ 148,504
Accrued expenses	**12,000**	23,000
Other payables	**2,345**	-
	$ 68,751	$ 171,504

Accounts payable and accrued liabilities are current obligations expected to be settled in the normal course of operations.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL

(a) Authorized:

An unlimited number of common shares

(b) Issued and outstanding

	Number of Shares	Amounts
Balance, March 31, 2020 and 2021	2,500,000	$ 12,500
Issued for cash pursuant to private placements (vii)(viii)(ix)(x)	4,390,000	362,000
Less: Warrants issued as share issuance costs (vii)(viii)(ix)	-	(64,000)
Less: Flow through premium liability (xi)	-	(8,600)
Issued for debt settlement (xiv)	713,000	17,825
Issued for property acquisitions (xiii)	500,000	37,500
Balance, March 31, 2022	8,103,000	$ 357,225
Issued for cash pursuant to private placements (i)(ii)	2,520,560	339,266
Less: Warrants issued as share issuance costs (i)(ii)	-	(77,616)
Issued for exercised of warrants (iii)	20,000	3,000
Issued for debt settlement (iv)	1,901,974	190,197
Issued for property acquisitions (v)(vi)	1,000,000	100,000
Share issue costs	-	(9,796)
Balance, March 31, 2023	**13,545,534**	**$ 902,276**

During the year ended March 31, 2023

Financings:

(i) On May 18, 2022, the Company closed private placements at $0.10 per unit for proceed of $200,756 and issued 2,007,560 units. Each unit consist of 1 common share and ½ common share purchase warrant. Each warrant is exercisable at $0.15 for a period of 24 months from the date of issuance. The fair value of the 1,003,780 warrants resulted in a value ascribed of $43,731 which was estimated using the Black-Scholes option pricing model and based on the following average assumptions: expected life – 2 years, risk-free interest rate – 2.70%, Expected Volatility – 100%.

(ii) On February 1, 2023, the Company closed a private placement at $0.27 per unit for proceed of $138,510 and issued 513,000 units. Each unit consist of 1 common share and ½ common share purchase warrant. Each warrant is exercisable at $0.37 for a period of 24 months from the date of issuance. The fair value of the 256,500 warrants resulted in a value ascribed of $33,885 which was estimated using the Black-Scholes option pricing model and based on the following average assumptions: expected life – 2 years, risk-free interest rate – 3.83%, Expected Volatility – 100%.

Exercise of warrants:

(iii) On January 13, 2023, the Company issued 20,000 common shares pursuant to exercise of warrants for total gross proceeds of $3,000.

Settlement of debt:

(iv) During the year ended March 31, 2023, the Company settled total debts of $190,197 by issuing 1,901,974 shares at $0.10 per share.

8. SHARE CAPITAL (Cont'd)

Property Acquisitions:

(v) In October 2022, the Company issued 500,000 shares to Contigo as part of the Option agreement. The Company issued 500,000 shares with a value of $50,000 in connection with the purchase of its interest in the RAM Project. See note 6 for details.

(vi) In January 2023, the Company issued 500,000 shares to Bergeron as part of the Option agreement. The Company issued 500,000 shares with a value of $50,000 in connection with the purchase of its interest in the B2 Project. See note 6 for details.

During the year ended March 31, 2022

Financings:

(vii) On August 27, 2021, the Company closed a private placement at $0.025 per unit for proceed of $17,500 and issued 700,000 units. Each unit consist of 1 common share and ½ common share purchase warrant at an exercise price of $0.15 per share within two years. The fair value of the 350,000 warrants resulted in a value ascribed of $1,000 which was estimated using the Black-Scholes option pricing model and based on the following average assumptions: expected life – 2 years, risk-free interest rate – 0.44%, Expected Volatility – 100%.

(viii) On November 1, 2021, the Company closed a private placement at $0.075 per unit for total proceeds of $73,500 and issued 980,000 units. Each unit consist of 1 common share and 1/2 common share purchase warrant at an exercise price of $0.15 per share within two years. The fair value of the 490,000 warrants resulted in a value ascribed of $13,000 which was estimated using the Black-Scholes option pricing model and based on the following average assumptions: expected life – 2 years, risk-free interest rate – 1.07%, Expected Volatility – 100%.

(ix) From December 2021 to January 2022, the Company closed private placements at $0.10 per unit for total proceeds of $231,000 and issued 2,310,000 units. Each unit consist of 1 common share and 1/2 common share purchase warrant at an exercise price of $0.15 per share within two years. The fair value of the 1,155,000 warrants resulted in a value ascribed of $50,000 which was estimated using the Black-Scholes option pricing model and based on the following average assumptions: expected life – 2 years, risk-free interest rate – 1.28%, Expected Volatility – 100%.

Flow-through financing and flow-through premium liability:

(x) On December 21, 2021, the Company closed private placements for flow-through shares at $0.10 per share for total proceeds of $40,000 and issued 400,000 flow-through common shares.

For the purposes of calculating the tax effect of any premium related to the issuances of the flow-through shares, the Company reviewed the share price of the Company's common shares and compared it to determine if there was a premium paid on the shares.

(xi) For the year ended March 31, 2022, the Company recognized a $8,600 as a flow-through premium liability on issuance in connection with private placements closed the year. The amount is reduced upon filing of renunciation documents with the Canada Revenue Agency.

(xii) During the year ended March 31, 2022, the Company recognized an amount of $8,600, in relation to flow-through private placements closed in the year and has recorded the gain as income tax recovery upon filing of renunciation documents with the Canada Revenue Agency which occurred during the year ended March 31, 2022.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL (Cont'd)

Property Acquisitions:

(xiii) In November 2021, the Company issued 500,000 shares to Contigo as part of the Option agreement. The Company issued 500,000 shares with a value of $37,500 in connection with the purchase of its interest in the RAM property. See note 6 for details.

Settlement of debt:

(xiv) From July to October 2021, the Company settled total debts of $17,825 by issuing 713,000 shares at $0.025 per share.

(c) Stock options

The Company has an incentive stock option plan for the officers and directors enabling them to purchase common shares. Each option granted under the plan is for a maximum term of 5 years. The exercise price is determined by the Company's board of directors at the time the option is granted, subject to regulatory approval, and may not be less than the most recent closing price of the common shares at the date of grant. Vesting provisions are also determined at the time of grant by the Company's board of directors.

The stock options activity is as follows:

	Number of options	Black-Scholes Value	Weighted average exercise price
Balance, March 31, 2022	-	$ -	$ -
Granted	1,225,000	103,329	0.105
Balance, March 31, 2023	**1,225,000**	**$ 103,329**	**$ 0.105**

During the year ended March 31, 2023, the Company granted 1,225,000 options. The share-based payment expense related to the options for the period ended March 31, 2023 of $103,329 (March 31, 2022 - $Nil) has been estimated using the Black-Scholes option pricing model and based on the following average assumptions: expected life – 5 years, risk-free interest rate – 3.84%, Expected Volatility – 100% and disclosed as a separate component of shareholders' equity (contributed surplus).

The following table summarizes the stock options outstanding as at March 31, 2023:

Number of options outstanding	Exercise price	Weighted Average remaining life in years	Expiry date	Number of options exercisable
1,225,000	$ 0.105	4.56	October 21, 2027	1,225,000

(Expressed in Canadian Dollars)

6. SHARE CAPITAL (Cont'd)

(d) Warrants

The following table summarizes information about warrant reserve:

Balance, March 31, 2021	$ -
Warrants issued on private placement	64,000
Balance, March 31, 2022	64,000
Warrants issued on private placement	77,616
Balance, March 31, 2023	**$ 141,616**

At March 31, 2023, the following warrants were outstanding. The warrants entitle the holders to purchase the stated number of common shares at the exercise price on or before the expiry date:

Number of warrants outstanding	Grant date	Expiry date	Exercise Price
350,000	27-Aug-21	27-Aug-23	$ 0.15
170,000	28-Oct-21	28-Oct-23	$ 0.15
75,000	29-Oct-21	29-Oct-23	$ 0.15
25,000	03-Nov-21	03-Nov-23	$ 0.15
70,000	18-Nov-21	18-Nov-23	$ 0.15
100,000	26-Nov-21	26-Nov-23	$ 0.15
50,000	03-Dec-21	03-Dec-23	$ 0.15
50,000	08-Dec-21	08-Dec-23	$ 0.15
150,000	22-Dec-21	22-Dec-23	$ 0.15
10,000	23-Dec-21	23-Dec-23	$ 0.15
125,000	10-Jan-22	10-Jan-24	$ 0.15
5,000	15-Jan-22	15-Jan-24	$ 0.15
15,000	15-Jan-22	15-Jan-24	$ 0.15
50,000	16-Jan-22	16-Jan-24	$ 0.15
20,000	17-Jan-22	17-Jan-24	$ 0.15
60,000	18-Jan-22	18-Jan-24	$ 0.15
50,000	19-Jan-22	19-Jan-24	$ 0.15
20,000	01-Feb-22	01-Feb-24	$ 0.15
20,000	07-Feb-22	07-Feb-24	$ 0.15
300,000	09-Feb-22	09-Feb-24	$ 0.15
60,000	22-Feb-22	22-Feb-24	$ 0.15
50,000	28-Feb-22	28-Feb-24	$ 0.15
150,000	03-Mar-22	03-Mar-24	$ 0.15
1,003,780	18-May-22	18-May-24	$ 0.15
256,500	01-Feb-23	01-Feb-25	$ 0.37
3,235,280			

(Expressed in Canadian Dollars)

9. RELATED PARTY TRANSACTIONS

Key management personnel, including companies controlled by them, are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and key executives is determined by the compensation committee.

The remuneration of directors and other members of key management personnel during the years ended March 31, 2023 and 2022 as follows:

	March 31, 2023	March 31, 2022
Management and consulting fees	$ 115,660	$ 72,500
Share-based payments	103,329	-
Total	$ 218,989	$ 72,500

As at March 31, 2023, an amount of $20,672 (March 31, 2022 - $77,467) due to key management personnel, was included in accounts payable and accrued liabilities. This amount is unsecured, non-interest bearing and without fixed terms of repayment.

10. INCOME TAXES

(a) Income tax expense

The Company's income tax provision differs from the amount resulting from the application of the Canadian statutory income tax rate. A reconciliation of the combined Canadian federal and provincial income tax rates with the Company's effective tax rates for the years ended March 31, 2023 and 2022 are as follows:

	March 31, 2023	March 31, 2022
Net loss before recovery of income taxes	**$ (585,838)**	$ (335,266)
Expected income tax recovery	**(155,200)**	(88,800)
Share-based payment	**27,400**	-
Other	**36,000**	8,500
Change in tax benefits not recognized	**91,800**	88,900
Deferred income tax expense	**$ -**	$ 8,600

The Canadian statutory income tax rate is at March 31, 2023 is 26.5% (2022 – 26.5%).

(Expressed in Canadian Dollars)

10. INCOME TAXES (Cont'd)

(b) Deferred income taxes

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts for tax purposes. The significant components of the Company's deferred income taxes are as follows:

		March 31, 2023		March 31, 2022
Deferred tax assets				
Non-capital losses carried forward	**$**	**153,700**	$	51,400
Deferred exploration expenditures		**68,300**		43,900
Share issue costs		**2,100**		-
		224,100		95,300
Less: temporary differences not recognized		**(224,100)**		(95,300)
Net deferred tax asset	**$**	**-**	$	-

(c) Tax loss carry-forwards

The Company has Canadian non-capital loss carryforwards of approximately $580,000 as at March 31, 2023 (2022 - $234,000). The non-capital losses can be used to offset future taxable income and expire up to 2043.

11. FINANCIAL INSTRUMENTS

The Company's significant financial instruments comprise of cash and accounts payable and accrued liabilities.

Financial assets and financial liabilities as at March 31, 2023 and March 31, 2022:

As at March 31, 2023

	FVTPL	Amortized costs	Other financial liabilities	Total
Cash	$ -	$ 218,608	$ -	$ 218,608
Accounts payable and accrued liabilities	-	-	68,751	68,751
	$ -	$ 218,608	$ 68,751	$ 287,359

As at March 31, 2022

	FVTPL	Amortized costs	Other financial liabilities	Total
Cash	$ -	$ 305,552	$ -	$ 305,552
Accounts payable and accrued liabilities	-	-	171,504	171,504
	$ -	$ 305,552	$ 171,504	$ 477,056

The Company classifies financial instruments in accordance with a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability;

Level 3 Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Cont'd)

The carrying value of cash, and accounts payable and accrued liabilities approximate fair value because of the limited terms of these instruments.

12. COMMITMENTS AND CONTINGENCIES

The The complex nature of the mining industry, as well as the regulatory environment in which it operates can result in occasional claims, investigatory matters, and legal and tax proceedings that arise from time to time. These matters could subject the Company various uncertainties and may ultimately be resolved with terms unfavorable to the Company. This being the case, certain conditions may exist as of the date the financial statements are issued, which could result in a loss to the Company. In the opinion of management none of these matters are expected to have a material effect on the results of operations, or the financial condition, of the Company. In the event of a change in management's estimate of the future resolution of such matters, the Company will recognize the effects of the change in its financial statements at that time.

13. CAPITAL MANAGEMENT

The Company's capital under management includes equity of $212,829 at March 31, 2023 (March 31, 2022 - $159,221). The Company's objectives when managing capital are to:

(a) safeguard its ability to continue as a going concern,

(b) provide an adequate return to shareholders, and

(c) provide sufficient funding to support on-going exploration and capital development plans.

The Company manages its capital structure and makes adjustments to it to meet the above objectives. The Company monitors capital from time to time using a variety of measures. Monitoring procedures are typically performed as a part of the overall management of the Company's operations. The capital structure of the Company is evaluated by management on an ongoing basis and is adjusted as changes occur in both the economic conditions of the industry in which the Company operates, and the capital markets available to the Company. To maintain or adjust the capital structure, the Company can issue new shares, return shares to shareholders, sell assets, buy back debt or issue new debt and / or any combination thereof.

There were no changes in the Company's approach to capital management during the year ended March 31, 2023. The Company is not subject to any externally imposed capital restrictions.

14. SUBSEQUENT EVENTS

On May 23, 2023, the shareholders of the Company passed special meeting resolutions which allowed the Company to

a) purchase 94 additional claims, which are contiguous to the RAM Property in consideration of a payment to the seller of 2,100,000 common shares of the Company and also the payment to the seller of $11,000 in staking costs;

b) sell its optioned B2 Mineral Claims in Saguenay-Lac-St-Jean Region of Québec, to Critical Foundation Metals Inc., which is a private Ontario company, for compensation of 6.2 million shares of Critical Foundation Metals Inc. and cash payment of $10,000.

On May 31, 2023, the Company issued 20,000 common shares pursuant to exercise of warrants for total gross proceeds of $3,000.