Targa Exploration Corp.

Condensed Interim Consolidated Financial Statements

For the three months ended June 30, 2024 and 2023

(Unaudited - Expressed in Canadian dollars)

Notice of Disclosure of Non-auditor Review of the Condensed Interim Consolidated Financial Statements for the Three Months Ended June 30, 2024 and 2023.

Pursuant to National Instrument 51-102 Continuous Disclosure Obligations, part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of Targa Exploration Corp. for the interim periods ended June 30, 2024 and 2023, have been prepared in accordance with the International Accounting Standard 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board and are the responsibility of management.

The Company's independent auditors have not performed a review of these condensed interim consolidated financial statements.

August 28, 2024

TARGA EXPLORATION CORP.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian dollars)

	Note	**June 30, 2024**	March 31, 2024
		$	$
ASSETS			
Current			
Cash		**1,019,475**	2,220,981
Goods and services tax recoverable		**6,804**	75,233
Prepaid expenses and deposits	5	**1,449,318**	125,490
Total assets		**2,475,597**	2,421,704
LIABILITIES			
Current			
Accounts payable and accrued liabilities	11	**823,844**	922,928
Flow-through premium liability	8	**396,938**	457,058
Total liabilities		**1,220,782**	1,379,986
SHAREHOLDERS' EQUITY			
Share capital	9(b)	**13,014,241**	12,443,799
Reserves		**1,668,674**	1,562,146
Deficit		**(13,428,100)**	(12,964,227)
Total shareholders' equity		**1,254,815**	1,041,718
Total liabilities and shareholders' equity		**2,475,597**	2,421,704

Nature of operations and going concern (Note 1)
Commitments (Note 13)
Subsequent events (Note 14)

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

~~/s/ "Karlene Collier"~~	*~~/s/ "Mahesh Liyanage"~~*
Director	Director

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

TARGA EXPLORATION CORP.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian dollars)

	Note	Three months ended June 30, 2024	2023
		$	$
Operating expenses			
Exploration and evaluation expenditures	7	**286,902**	4,596,774
Filing and transfer agent fees		**13,647**	9,270
General and administrative		**50,302**	17,235
Marketing and investor relations		**69,505**	30,628
Legal and professional fees		**4,100**	37,741
Management and consulting fees	11	**94,096**	27,183
Share-based compensation	11	**5,441**	681,315
		523,993	5,400,146
Other income			
Amortization of flow-through premium liability	8	**60,120**	-
Net loss and comprehensive loss		**(463,873)**	(5,400,146)
Net loss per share:			
Basic and diluted		**(0.01)**	(0.10)
Weighted average number of common shares:			
Basic and diluted		**69,176,852**	51,711,028

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

TARGA EXPLORATION CORP.
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited - Expressed in Canadian dollars)

	Three months ended June 30, 2024	Three months ended June 30, 2023
	$	$
Operating activities:		
Net loss for the period	**(463,873)**	(5,400,146)
Adjustments for:		
Shares issued for acquisition costs included in exploration and evaluation expenditures	**-**	4,039,763
Share-based compensation	**5,441**	681,315
Amortization of flow-through premium liability	**(60,120)**	-
Changes in non-cash working capital items:		
Goods and services tax recoverable	**68,429**	(14,215)
Prepaid expenses and deposits	**(1,323,828)**	(112,571)
Accounts payable and accrued liabilities	**(99,084)**	225,221
Cash used in operating activities	**(1,873,035)**	(580,633)
Investing activities:		
Cash acquired with acquisition of Pan Canadian Lithium Corp.	**-**	234,403
Cash provided by investing activities	**-**	234,403
Financing activities:		
Proceeds from the issuance of units	**670,000**	-
Proceeds received from warrants exercised	**-**	2,000
Issuance costs of private placements	**1,529**	-
Cash provided by financing activities	**671,529**	2,000
Net change in cash	**(1,201,506)**	(344,230)
Cash, beginning of the year	**2,220,981**	604,316
Cash, end of the year	**1,019,475**	260,086
Supplemental cash flow information:		
Cash income tax paid	**-**	-
Cash interest paid	**-**	-

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

TARGA EXPLORATION CORP.
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Unaudited - Expressed in Canadian dollars, except number of shares)

	Common shares	Share capital	Reserves	Deficit	Total shareholders' equity
	#	$	$	$	$
Balance, March 31, 2023	44,780,625	3,656,958	46,800	(3,089,481)	614,277
Shares issued for acquisition of Pan Canadian Lithium Corp.	5,766,666	1,874,166	-	-	1,874,166
Shares issued to purchase MUL Projects	7,500,000	2,400,000	-	-	2,400,000
Shares issued from exercise of warrants	20,000	2,000	-	-	2,000
Share-based compensation	-	-	681,315	-	681,315
Net loss and comprehensive loss for the period	-	-		(5,400,146)	(5,400,146)
Balance, June 30, 2023	58,067,291	7,933,124	728,115	(8,489,627)	171,612
Shares issued to purchase Opinaca Lithium Project	1,761,381	237,227	-	-	237,227
Shares issued to purchase North Lithium - Pegmatite, Harricana and Other Ontario Lithium Projects	7,500,001	862,500	-	-	862,500
Units issued in private placements	10,137,084	1,627,117	151,383	-	1,778,500
Flow-through units issued in private placement	4,234,647	614,024	105,866	-	719,890
Super flow-through units issued in private placements	6,470,000	1,458,933	126,667	-	1,585,600
Charity flow-through units issued in private placement	3,500,000	595,000	17,500	-	612,500
Issuance costs of private placements	-	(272,666)	39,502	-	(233,164)
Flow-through premium liability	-	(611,460)	-	-	(611,460)
Share-based compensation	-	-	393,113	-	393,113
Net loss and comprehensive loss for the period	-	-	-	(4,474,600)	(4,474,600)
Balance, March 31, 2024	91,670,404	12,443,799	1,562,146	(12,964,227)	1,041,718
Units issued in private placements	6,700,000	569,500	100,500	-	670,000
Issuance costs of private placements	-	942	587	-	1,529
Share-based compensation		-	5,441	-	5,441
Net loss and comprehensive loss for the period		-	-	(463,873)	(463,873)
Balance, June 30, 2024	**98,370,404**	**13,014,241**	**1,668,674**	**(13,428,100)**	**1,254,815**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Targa Exploration Corp. (the "Company") was incorporated pursuant to the *Business Corporations Act* of British Columbia on September 26, 2017. The Company's registered office is located at #1723-595 Burrard Street, Vancouver, BC, V7X 1J1. On September 27, 2022, the Company's common shares commenced trading on the Canadian Securities Exchange under the ticker symbol "TEX". On October 7, 2022, the Company's common shares commenced trading on the Frankfurt Stock Exchange under the ticker symbol "V6Y". On May 17, 2023, the Company's common shares commenced trading on the OTCQB Venture Market under the ticker symbol "TRGEF".

The Company is in the business of acquisition, exploration and development of mineral properties. The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of exploration and evaluation expenditures is dependent upon several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of mineral properties.

These unaudited condensed interim consolidated financial statements for the three months ended June 30, 2024 and 2023, (the "financial statements") have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for at least the next twelve months. As at June 30, 2024, the Company has working capital of $1,254,815 (March 31, 2024 - $1,041,718) and an accumulated deficit of $13,428,100 (March 31, 2024 - $12,964,227). For the three months ended June 30, 2024, the Company generated a net loss of $463,873 (2024 - $5,400,146) and used cash in operating activities of $1,873,035 (2024 - $580,633). These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. As a result, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent upon its ability to raise adequate funding through equity or debt financing to discharge its liabilities as they come due. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. Should the Company be unable to continue as a going concern, asset and liability realization values may be substantially different from their carrying values. These financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PREPARATION

a) Statement of compliance

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

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee applicable to the preparation of interim financial statements including International Accounting Standard 34 *Interim Financial Reporting*. These financial statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited financial statements for the years ended March 31, 2024 and 2023 (the "Annual Financial Statements").

b) Basis of presentation

The financial statements have been prepared using the historical cost basis, except for certain financial assets and liabilities which are measured at fair value, as specified by IFRS for each type of asset, liability, income, and expense as set out in the accounting policies below, as well as information presented in the consolidated statement of cash flows.

c) Functional and presentation currency

The functional currency is the currency of the primary economic environment in which an entity operates. These financial statements have been prepared in Canadian dollars, which is the Company's and its subsidiaries functional and presentation currency, except as otherwise noted.

(Unaudited - Expressed in Canadian dollars)

2. BASIS OF PRESENTATION (continued)

d) Basis of consolidation

These financial statements include the accounts of the Company and its wholly owned subsidiaries, 1326091 B.C. Ltd and Pan Canadian Lithium Corp. All intercompany transactions and balances are eliminated on consolidation. Control exists where the parent entity has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. A subsidiary is included in the financial statements from the date control commences until the date control ceases.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The same accounting policies and methods of computation are followed in these financial statements as compared with the Annual Financial Statements.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements under IFRS Accounting Standards requires management to make judgements in applying its accounting policies and estimates that affect the reported amounts of assets and liabilities at the period end date and reported amounts of expenses during the reporting period. Such judgements and estimates are, by their nature, uncertain. Actual outcomes could differ from these estimates.

The impact of such judgements and estimates are pervasive throughout these financial statements and may require accounting adjustments based on future occurrences. These judgements and estimates are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and are accounted for prospectively.

In preparing these financial statements, the Company applied the same significant judgements in applying its accounting policies and is exposed to the same sources of estimation uncertainty as disclosed its Annual Financial Statements.

5. PREPAID EXPENSES AND DEPOSITS

A summary of the Company's prepaid expenses and deposits is as follows:

	June 30, 2024	March 31, 2024
	$	$
Prepaid expenses	**93,742**	125,490
Deposits	**1,355,576**	-
	1,449,318	125,490

During the three months ended June 30, 2024, the Company made a deposit to Kenorland Minerals North America Ltd. This is a prepayment for the exploration work to be done by Kenorland..

(Unaudited - Expressed in Canadian dollars)

6. ACQUISITION

On May 11, 2023, the Company entered into an agreement (the "Pan Canadian Lithium Agreement") to acquire all the issued and outstanding common shares of Pan Canadian Lithium Corp. ("Pan Canadian Lithium"), a privately held lithium company.

On the closing date of the Pan Canadian Lithium Agreement on May 19, 2023, the Company issued 5,766,666 common shares to the former shareholders of Pan Canadian Lithium at a fair value of $0.325 per share for a total fair value of $1,874,166. The acquisition resulted in the Company acquiring a 100% mineral property interest in four lithium exploration projects (Slim Jim and Sky Lake, White Metal Lithium and Prince Albert Lake Lithium) located in the provinces of Saskatchewan and Ontario, Canada (Note 6). In addition, the Company acquired Pan Canadian Lithium's positive cash position of $234,403.

The acquisition of Pan Canadian Lithium has been accounted for by the Company as an asset acquisition. The acquisition did not qualify as a business combination under IFRS 3 *Business Combinations*, as the significant inputs, processes, and outputs, that together constitute a business, did not exist in Pan Canadian Lithium at the time of acquisition. Therefore, the asset acquisition transaction was accounted for in accordance with guidance provided in IFRS 2 *Share-based Payment*. Accordingly, no goodwill was recorded with respect to the acquisition.

A summary of the fair values of the consideration and the assets acquired as at the May 19, 2023, acquisition date is as follows:

	$
Consideration:	
Common shares issued to Pan Canadian Lithium shareholders	1,874,166
	1,874,166
Assets acquired:	
Cash	234,403
Excess consideration over net identifiable assets allocated to exploration and evaluation expenditures	**1,639,763**

7. EXPLORATION AND EVALUATION EXPENDITURES

A summary of the Company's exploration and evaluation expenses for the three months ended June 30, 2024, is as follows:

	Analysis	Claim Fees	Field Work	Geological consulting	Total
	$	$	$	$	$
Administrative	-	-	1,321	5,080	6,401
Opinaca Lithium Projects	1,035	6,401	29,805	93,777	131,018
Superior Lithium Project	-	-	-	28,074	28,074
Sky - Jim Lithium Projects	2,976	-	7,926	32,290	43,192
MUL Projects	-	-	-	9,871	9,871
Prince Albert Lake Lithium Project	-	-	19,145	17,363	36,508
White Metal Lithium Project	-	-	1,250	11,098	12,348
Harricana Lithium Project	-	-	-	1,060	1,060
Other Ontario Lithium Projects	-	-	-	18,430	18,430
	4,011	**6,401**	**59,447**	**217,043**	**286,902**

A summary of the Company's exploration and evaluation expenses for the three months ended June 30, 2023, is as follows:

	Acquisition cost	Analysis	Claim Fees	Geological consulting	Total
	$			$	$
North Lithium - Pegmatite	2,715,000	-	8,465	**-**	2,723,465
Shanghai Property	-	226,835	-	-	226,835
Pan Canadian Lithium Corp	1,639,763	-	-	6711	1,646,474
	4,354,763	226,835	8,465	6,711	4,596,774

7. EXPLORATION AND EVALUATION EXPENDITURES

Opinaca and Superior Lithium Projects

On January 25, 2023, the Company acquired a 100% undivided interest in two lithium exploration projects from Kenorland Minerals North America Ltd. ("Kenorland"), in exchange for 4,377,375 common shares of the Company with a fair value of $1,926,045 (Note 9(b)), a cash payment of $100,000, and a 3% Net Smelter Returns royalty ("NSR"). The project located in the James Bay region of northern Quebec is generally known and described as the "Opinaca Project", and the project located in eastern Manitoba is generally known and described as the "Superior Project".

As additional consideration, the Company is required to issue 9.9% of any future common share issuances subsequent to January 25, 2023, to Kenorland up to a number of common shares with an aggregate fair value of $5,000,000 (Note 13). On October 18, 2023, the Company partially fulfilled its obligation to issue 9.9% of its common shares associated with future financings to Kenorland through issuing 301,463 common shares with a fair value of $69,336. The shares represent 9.9% of the common shares issued in the private placement which closed on August 15, 2023.

On January 10, 2024, the Company partially fulfilled its obligation and issued 1,459,918 common shares with a fair value of $167,891. The shares represent 9.9% of the common shares issued in the private placement which closed on December 22, 2023.

Shanghai Property

The Company entered into the option agreement (the "Agreement") dated October 6, 2021 with Shawn Ryan and Wildwood Exploration Inc. ("Wildwood"), who were the owners of 70% and 30%, respectively, of the mineral claims situated in the Mayo Mining District, Yukon Territory, which are generally known and described as the "Shanghai Property". Pursuant to the Agreement, the Company was granted an option to acquire a 100% right, title, and interest in those mineral claims.

In accordance with the Agreement, the Company had the option to acquire a 100% undivided interest in the Shanghai Property in exchange for transferring the consideration and making the investments below:

i. Pay to Wildwood an aggregate of $750,000, as follows:

- $50,000 ten business days from October 6, 2021, the effective date of the Agreement (paid)
- $100,000 on or before October 6, 2022 (paid)
- $100,000 on or before October 6, 2023 (Not paid; agreement terminated)
- $100,000 on or before October 6, 2024 (Not applicable; agreement terminated)
- $150,000 on or before October 6, 2025 (Not applicable; agreement terminated)
- $250,000 on or before October 6, 2026 (Not applicable; agreement terminated)

ii. Issue and deliver to Shawn Ryan an aggregate of 4,000,000 common shares, as follows:

- 500,000 common shares within ten business days after October 6, 2021 (issued)
- an additional 500,000 common shares on or before October 6, 2022 (issued)
- an additional 600,000 common shares on or before October 6, 2023 (Not paid; agreement terminated)
- an additional 650,000 common shares on or before October 6, 2024 (Not applicable; agreement terminated)
- an additional 750,000 common shares on or before October 6, 2025 (Not applicable; agreement terminated)
- an additional 1,000,000 common shares on or before October 6, 2026 (Not applicable; agreement terminated)

iii. Incur expenditures in the aggregate amount of not less than $2,850,000, as follows:

- $75,000, on or before November 15, 2021 (incurred)
- in the additional amount of $150,000 on or before November 15, 2022 (incurred)
- in the additional amount of $375,000 on or before November 15, 2023 (incurred)
- in the additional amount of $500,000 on or before November 15, 2024 (Not applicable; agreement terminated)
- in the additional amount of $750,000 on or before November 15, 2025 (Not applicable; agreement terminated)
- in the additional amount of $1,000,000 on or before November 15, 2026 (Not applicable; agreement terminated)

Under the Agreement, the Company was required to pay Shawn Ryan and Wildwood in accordance with their respective interests, a NSR equal to 2.5% of net smelter returns. The Company may reduce the NSR by 1.0% for a payment of $2,000,000.

7. EXPLORATION AND EVALUATION EXPENDITURES (continued)

The Company had not issued the consideration due on or before October 6, 2023. On February 2, 2024, Shawn Ryan issued a default notice to the Company and on March 2, 2024, the Agreement was terminated. No further obligations are due in connection with the Shanghai Property.

MUL Projects

On May 11, 2023, the Company completed the acquisition of a 100% interest in the Leaf River Lithium Project, the Raglan South Lithium Project, and the Musquaro Lake Lithium Project (collectively the “MUL Projects”) from a syndicate of sellers consisting of Shawn Ryan, Wildwood, Isaac Fage, Callum Ryan, Simon Cash and Adam Fage (collectively, the “Sellers”).

In accordance with the agreement, the Company acquired a 100% interest in the MUL Projects, in exchange for 7,500,000 common shares of the Company (“Consideration Shares”) with a fair value of $2,400,000 (issued - Note 9(b)), a payment of $315,000 in cash to Wildwood (paid) and another payment of $315,000 in cash upon closing of a financing of a minimum of $1,000,000 in net proceeds (accrued) and a 1% NSR granted to Shawn Ryan. The Sellers have entered into to a voluntary escrow arrangement whereby one-third of the Consideration Shares will be released from escrow every four months after May 1, 2023.

Sky-Jim, Prince Albert Lake and White Metal Lithium Projects

On May 19, 2023, the Company acquired a 100% interest in the Slim Jim and Sky Lake Projects (collectively the “Sky-Jim Lithium Projects”), White Metal Lithium Project and Prince Albert Lake Lithium Project with its acquisition of Pan Canadian Lithium (Note 6).

North Lithium - Pegmatite, Harricana and Other Ontario Lithium Projects

On January 10, 2024, the Company acquired a 100% interest in the Case Lake, Detour West and Lakeshore lithium projects (collectively the “Other Ontario Lithium Projects”), Pegmatite Beach (“North Lithium - Pegmatite Project”) and Harricana Lithium Project in exchange for 7,500,001 common shares of the Company at a price of $0.115 per share for a total fair value of $862,500 (Note 9(b)), a 1.0% NSR granted to 1384025 B.C. LTD., a cash payment of $100,000 (paid), $277,861 (paid), and $377,861 (accrued and subsequently paid in shares - see Note 14).

8. FLOW-THROUGH PREMIUM LIABILITY

Flow-through shares are issued at a premium, calculated as the difference between the price of a flow-through share and the price of a common share on the date of issuance. The tax deductions generated by the eligible expenditures are passed through to the shareholders of the flow-through shares once the eligible expenditures are incurred and renounced.

On August 15, 2023, the Company issued 1,403,333 super flow-through units ("Super FT Units") at $0.48 per Super FT Unit for gross proceeds of $673,600 (Note 9(b)). The FT Units were issued at a premium of $0.08 per Super FT Unit over the fair value of the Company’s common shares on the date of issuance. As a result, a flow-through premium liability of $112,267 was recorded. The Company is obligated to spend $673,600 by December 31, 2024 on eligible exploration expenditures.

On December 22, 2023, the Company issued 4,234,647 flow-through units (“FT Units”) at $0.17 per FT Unit and 5,066,667 Super FT Units at $0.18 per Super FT Unit for gross proceeds of $719,980 and $912,000, respectively (Note 9(b)). The FT Units were issued at a premium of $0.02 per FT Unit over the fair value of the Company’s common shares on the date of issuance and the Super FT Units were issued at a premium of $0.03 per Super FT Unit. As a result, a flow-through premium liability of $236,693 was recorded. The Company is obligated to spend $1,631,890 by December 31, 2024 on eligible exploration expenditures.

On March 28, 2024, the Company issued 3,500,000 charity flow-through units ("CFT Units") at $0.175 per CFT Unit for gross proceeds of $612,500 (Note 9(b)). The CFT Units were issued at a premium of $0.075 per CFT Unit over the fair value of the Company’s common shares on the date of issuance. As a result, a flow-through premium liability of $262,500 was recorded. The Company is obligated to spend $612,500 by December 31, 2025 on eligible exploration expenditures.

During the three months ended June 30, 2024, the Company incurred $286,902 of qualifying exploration expenditures. As a result, an amortization of flow-through premium liability of $60,120 was recorded.

(Unaudited - Expressed in Canadian dollars)

8. FLOW-THROUGH PREMIUM LIABILITY

A summary of the Company's flow-through premium liability and remaining eligible expenditure obligation is as follows:

	Remaining eligible expenditure obligation	Flow-through premium liability
	$	$
Balance, March 31, 2023	-	-
Flow-through funds raised	2,917,990	611,460
Eligible expenditures	(736,831)	(154,402)
Balance, March 31, 2024	2,181,159	457,058
Eligible expenditures	(286,902)	(60,120)
Balance, June 30, 2024	**1,894,257**	**396,938**

9. SHARE CAPITAL

a) Authorized share capital

Unlimited number of common shares without par value.

b) Issued share capital

During the three months ended June 30, 2024, the Company had the following share capital transactions:

- On May 1, 2024, the Company closed a private placement for aggregate gross proceeds of $670,000 by issuing 6,700,000 Units at a price of $0.10 per unit. Each Unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at a price of $0.25 per share for a period of two years until May 1, 2026. The gross proceeds from the Units were allocated using the residual value method, whereby the proceeds were allocated to the common shares based on the fair value at the date of issuance and the remaining proceeds were allocated to the warrants and recognized in reserves. As a result, $569,500 was allocated to share capital and $100,500 was allocated to warrants reserve. Total issuance costs were $1,529 in connection with this private placement, which comprises $942 recovery of cash issuance costs and $587 related to 24,000 warrants issued to finders, which were valued using the Black-Scholes option pricing model and recognized in reserves. Each finders' warrant entitles the holder to purchase one common share at an exercise price of $0.25 per share until May 1, 2026.

During the year ended March 31, 2024, the Company had the following share capital transactions:

- On May 11, 2023, the Company issued 7,500,000 common shares at a share price of $0.32 per share for total fair value of $2,400,000 as payment to acquire the MUL Projects (Note 7).

- On May 19, 2023, pursuant to the closing of the Pan Canadian Lithium Agreement, the Company issued 5,766,666 common shares to the former Pan Canadian Lithium shareholders at a price of $0.325 per share for total fair value of $1,874,166 as payment to acquire Pan Canadian Lithium (Note 6).

- On June 23, 2023, the Company issued 20,000 common shares from the exercise of warrants for gross proceeds of $2,000.

9. SHARE CAPITAL (continued)

- On August 15, 2023, the Company closed a private placement for aggregate gross proceeds of $1,330,300 by issuing 1,641,750 units (the "Units") at a price of $0.40 per unit for gross proceeds of $656,700; and 1,403,333 Super FT Units at a price of $0.48 per unit for gross proceeds of $673,600. Each Unit and Super FT Unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at a price of $0.70 per share until August 15, 2025. The gross proceeds from the Units were allocated using the residual value method, whereby the proceeds were allocated to the common shares based on the fair value at the date of issuance and the remaining proceeds were allocated to the warrants and recognized in reserves. As the fair value of the common shares issued exceeded the remaining proceeds, no proceeds were allocated to the warrants. The gross proceeds from the FT Units were first allocated to the flow-through premium, calculated as the difference between the price of a flow-through unit and the price of a Unit at that date (Note 8). As a result, $112,267 was allocated to the flow-through premium and remaining proceeds of $561,333 were allocated to the common shares and warrants using the residual value method. As the fair value of the common shares issued exceeded the remaining proceeds, no proceeds were allocated to the warrants. Total unit issuance costs were $53,472 in connection with this private placement, which comprises cash issuance costs of $40,370 of and $13,102 related to 63,375 warrants issued to finders, which were valued using the Black-Scholes option pricing model and recognized in reserves. Each finders' warrant entitles the holder to purchase one common share at an exercise price of $0.70 per share until August 15, 2025.

- On October 18, 2023, the Company issued 301,463 common shares at a fair value of $0.23 per share for total fair value of $69,336 to satisfy the requirement as per the purchase and sale agreement on January 25, 2023 which requires the Company to issue shares from future private placements with fair value up to 9.9% of $5,000,000 (Note 7).

- On December 22, 2023, the Company closed a private placement for aggregate gross proceeds of $2,448,690 by issuing 5,445,334 Units at a price of $0.15 per unit for gross proceeds of $816,800, 4,234,647 FT Units at a price of $0.17 per unit for gross proceeds of $719,890; and 5,066,667 Super FT Unit at a price of $0.18 per unit for gross proceeds of $912,000. Each Unit, FT Unit and Super FT Unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at a price of $0.30 per share for a period of two years until December 22, 2025. The gross proceeds from the Units were allocated using the residual value method, whereby the proceeds were allocated to the common shares based on the fair value at the date of issuance and the remaining proceeds were allocated to the warrants and recognized in reserves. As the fair value of the common shares issued exceeded the remaining proceeds, no proceeds were allocated to the warrants. The gross proceeds from the FT Units and Super FT Units were first allocated to the flow-through premium, calculated as the difference between the price of a FT Unit and the price of a Unit at that date (Note 8). As a result, $236,693 was allocated to the flow-through premium and remaining proceeds of $2,211,997 were allocated to the common shares and warrants using the residual value method. As a result, $1,843,331 was allocated to share capital and $368,666 was allocated to warrants reserve. Total issuance costs were $142,043 in connection with this private placement, which comprises $115,642 of cash issuance costs and $26,401 related to 638,020 warrants issued to finders, which were valued using the Black-Scholes option pricing model and recognized in reserves. Each finders' warrant entitles the holder to purchase one common share at an exercise price of $0.30 per share until December 22, 2025.

- On January 10, 2024, the Company issued 7,500,001 common shares at $0.115 per share for total fair value of $862,500 as payment to acquire the North Lithium - Pegmatite, Harricana and Other Ontario Lithium Projects.

- On January 10, 2024, the Company issued an additional 1,459,918 common shares, representing 9.9% of the shares issued in the recently closed financing on December 22, 2023, to Kenorland Minerals pursuant to the original purchase agreement for the Opinaca Lithium Projects at $0.115 per share for total fair value of $167,891.

- On March 28, 2024, the Company closed a private placement for aggregate gross proceeds of $917,500 by issuing 3,050,000 Units at a price of $0.10 per unit for gross proceeds of $305,000 and 3,500,000 CFT Units at a price of $0.175 per CFT Unit for gross proceeds of $612,500. Each Unit and CFT Unit consist of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at a price of $0.25 per share until March 28, 2026. Gross proceeds from the Units were allocated using the residual value method, whereby the proceeds were allocated to the common shares based on the market value at the date of issuance and the remaining proceeds were allocated to the warrants and recognized in reserves. As the fair value of the common shares issued exceeded the remaining proceeds, no proceeds were allocated to the warrants. The gross proceeds from the CFT Units were first allocated to the flow-through premium, calculated as the difference between the price of a CFT Unit and the price of a Unit at that date (Note 8). As a result, $262,500 was allocated to the flow-through premium and remaining proceeds of $655,000 were allocated to the common shares and warrants using the residual value method. As a result, $622,250 was allocated to share capital and $32,750 was allocated to warrants reserve. Total share issuance costs were $40,000 in connection with this private placement.

(Unaudited - Expressed in Canadian dollars)

9. SHARE CAPITAL (continued)

c) Share restrictions

Escrowed securities

On September 15, 2022, an escrow agreement (the “Escrow Agreement”) between the Company and certain shareholders of the Company was completed resulting in 502,500 common shares and 500,000 warrants (the “Escrowed Securities”) being deposited in escrow. Pursuant to the Escrow Agreement, 10% of the Escrowed Securities were released from escrow on the Escrow Agreement date (the “Initial Release”) and an additional 15% to be released every six-month interval thereafter, for a period of 36 months following the Initial Release. These Escrowed Securities, may not be transferred, assigned, or otherwise dealt without the consent of the regulatory authorities. As at June 30, 2024, the remaining balance of Escrowed Securities consists of 226,125 common shares and 225,000 warrants (March 31, 2024 - 226,125 common shares and 225,000 warrants).

MUL Projects acquisition

On May 11, 2023, the Company completed the acquisition of 100% interest in the MUL Projects. Consideration in the acquisition was the issuance of 7,500,000 common shares (the “MUL Consideration Shares”) of the Company. The shares are subject to a voluntary 24-month hold period, and also being deposited in escrow with one-third of the common shares being released from escrow every four months after May 1, 2023 with the first such release date to occur on September 1, 2023. As at June 30, 2024, no MUL Consideration Shares remain in escrow (March 31, 2024 - 2,500,000 MUL Consideration Shares).

d) Warrants

During the three months ended June 30, 2024, the Company completed the following transactions:

- On May 1, 2024, in connection with the private placement of unit issuance, 3.350.000 warrants were issued. As the fair value of the common shares issued exceeded the cash proceeds, there was $nil residual value allocated to the warrants. Each warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of $0.25 until May 1, 2026. In connection with the private placement, 24,000 finders' warrants were issued. Each finders' warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of $0.25 until May 1, 2026. The total fair value of the finders’ warrants issued was $587. A summary of the Company’s inputs used in the Black-Scholes option pricing model for the finders’ warrants granted on May 1, 2024 is as follows:

Share price	$0.09
Exercise price	$0.25
Expected life	2 years
Risk-free interest rate	4.30%
Expected volatility	100.00%
Expected annual dividend yield	0.00%

During the year ended March 31, 2024, the Company completed the following transactions:

- On August 15, 2023, in connection with the private placement unit issuance, 1,522,542 warrants were issued. As the fair value of the common shares issued exceeded the cash proceeds, there was $nil residual value allocated to the warrants. Each warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of $0.70 until August 15, 2025. In connection with the private placement, 63,375 finders' warrants were issued. Each finders' warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of $0.70 until August 15, 2025. The total fair value of the finders’ warrants issued was $13,101. A summary of the Company’s inputs used in the Black-Scholes option pricing model for the finders’ warrants granted on August 15, 2023 is as follows:

Share price	$0.47
Exercise price	$0.70
Expected life	2 years
Risk-free interest rate	4.78%
Expected volatility	100.00%
Expected annual dividend yield	0.00%

(Unaudited - Expressed in Canadian dollars)

9. SHARE CAPITAL (continued)

- On December 22, 2023, in connection with the private placement unit issuance, 7,373,324 warrants were issued. As the cash proceeds exceeded the fair value of the common shares issued, there was $368,666 residual value allocated to the warrants. Each warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of $0.30 until December 22, 2025. In connection with the private placement, 638,020 finders' warrants were issued. Each finders' warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of $0.30 until December 22, 2025. The total fair value of the finders' warrants issued was $26,401. A summary of the Company's inputs used in the Black-Scholes option pricing model for the finders' warrants granted on December 22, 2023 is as follows:

Share price	$0.13
Exercise price	$0.30
Expected life	2 years
Risk-free interest rate	3.99%
Expected volatility	100.00%
Expected annual dividend yield	0.00%

- On March 28, 2024, in connection with the private placement unit issuance, 3,275,000 warrants were issued. As the cash proceeds exceeded the fair value of the common shares issued, there was $32,750 residual value allocated to the warrants. Each warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of $0.25 until March 28, 2026.

The expected life in years represents the period of time the warrants issued are expected to be outstanding. The expected volatility is estimated to be the Company's share price volatility over the expected life of the warrants. The risk-free interest rate is based on Canada government bonds with a remaining term equal to the expected life of the warrants.

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

	Number of warrants	Weighted average exercise price
	#	$
Balance, March 31, 2023	29,085,000	0.12
Issued	12,872,261	0.37
Exercised	(20,000)	0.10
Balance, March 31, 2024	41,937,261	0.19
Issued	3,374,000	0.25
Balance, June 30, 2024	**45,311,261**	**0.19**

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

Date of expiry	Weighted average exercise price	Number of warrants	Weighted average remaining life
	$	#	Years
August 15, 2025	0.70	1,585,917	1.62
December 15, 2025	0.10	3,875,000	1.96
December 22, 2025	0.30	8,011,344	1.98
March 28, 2026	0.25	3,275,000	1.99
June 18, 2026	0.10	11,104,931	2.47
September 28, 2026	0.10	7,485,069	2.75
September 22, 2027	0.20	6,600,000	3.73
May 1, 2026	0.25	3,374,000	1.84
	0.19	**45,311,261**	**2.01**

During the three months ended June 30, 2024, the weighted average share price on the date of exercise of warrants was $nil per share (March 31, 2024 - $0.53).

(Unaudited - Expressed in Canadian dollars)

9. SHARE CAPITAL (continued)

e) Stock options

The Company has a Stock Option Plan (the "Plan") under which directors, employees and consultants are eligible to receive stock option grants. Under the Plan, granted options are exercisable over periods up to 10 years as determined by the Board of Directors. The maximum number of outstanding options under the plan is limited to 10% of the number of issued and outstanding common shares.

	23-Jun-23	18-Oct-23	14-Mar-24
Share price	$0.42	$0.23	$0.12
Exercise price	$0.44	$0.24	$0.12
Expected life	5 years	1 year	5 years
Risk-free interest rate	3.76%	4.90%	4.22%
Expected volatility	100.00%	100.00%	100.00%
Expected annual dividend yield	0.00%	0.00%	0.00%

On June 23, 2023, the Company issued 2,150,000 stock options to directors, officers, employees and consultants with an exercise price of $0.44 and expiry date of June 13, 2028. The options vested immediately and were valued at $681,315 using the Black-Scholes option pricing model with the following inputs:

On October 18, 2023, the Company issued 400,000 stock options to consultants with an exercise price of $0.24 and expiry date of October 18, 2024. The options will vest in four tranches over the course of one year and were valued at $35,395 using the Black-Scholes option pricing model with the following inputs:

On March 14, 2024, the Company issued 3,991,000 stock options to directors, officers, employees and consultants with an exercise price of $0.12 and expiry date of March 14, 2029. The options vested immediately and were valued at $365,491 using the Black-Scholes option pricing model with the following inputs:

The expected life in years represents the period of time the options granted are expected to be outstanding. The expected volatility is estimated to be the Company's share price volatility over the expected life of the options. The risk-free interest rate is based on Canada government bonds with a remaining term equal to the expected life of the options.

A summary of the Company's stock options is as follows:

	Number of stock options	**Weighted average exercise price**
	#	$
Balance, March 31, 2023	1,425,000	0.10
Issued	6,541,000	0.23
Balance, June 30, 2024 and March 31, 2024	**7,966,000**	**0.21**

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

Date of expiry	**Number of stock options outstanding**	**Number of stock options exercisable**	**Weighted average exercise price**	**Weighted average remaining life**
	#	#	$	Years
October 18, 2024	400,000	100,000	0.24	0.30
April 14, 2027	1,425,000	1,425,000	0.10	2.79
June 13, 2028	2,150,000	2,150,000	0.44	3.96
March 14, 2029	3,991,000	3,991,000	0.12	4.71
	7,966,000	**7,666,000**	**0.21**	**3.94**

During the three months ended June 30, 2024, the Company recorded share-based compensation expense of $5,441 (2023 - $681,315) related to the vesting of stock options.

(Unaudited - Expressed in Canadian dollars)

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at June 30, 2024, financial instruments comprising cash, deposits, accounts payable and accrued liabilities are classified and measured at amortized cost. The carrying value of cash, deposits, accounts payable and accrued liabilities approximate the fair value due to the relatively short-term maturity of these instruments.

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to fulfill its contractual obligations. The Company's credit risk relates primarily to cash and deposits. The Company minimizes its credit risk related to cash by placing cash with major financial institutions and deposits with recognized creditworthy third parties and regularly reviews the recoverability of them.

b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company is exposed to liquidity risk through accounts payable and accrued liabilities but controls liquidity risk by ensuring that it has sufficient cash resources to pay for its financial obligations.

As at June 30, 2024, the Company had sufficient cash on hand to discharge its accounts payable and accrued liabilities as they become due. As the Company's operations do not generate cash, financial liabilities are discharged using funding through the issuance of common stock or debt as required, the Company may need to seek a combination of debt and equity to meet the spending requirements to continue its operations.

c) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates. The Company is not exposed to significant interest rate risk on the basis that its financial liabilities bear no interest or interest at fixed rates. The Company does not carry financial assets or liabilities that are denominated in a foreign currency and is therefore not exposed to significant foreign exchange rate risk.

11. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having the authority and responsibility of planning, directing and executing the activities of the Company. The Company has determined that its key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

A summary of the Company's related party transactions with key management for the three months ended June 30, 2024 and 2023, is as follows:

	2024	2023
	$	$
Management and consulting fees - executive director	**33,750**	-
Management and consulting fees - Chief Executive Officer ("CEO")	**36,346**	12,183
Management and consulting fees - former CEO	**6,000**	12,000
Management and consulting fees - Chief Financial Officer ("CFO")	**3,000**	3,000
Share-based compensation	**-**	538,714
	79,096	565,897

As at June 30, 2024, $2,000 and $1,050 of accounts payable and accrued liabilities were owed to the former CEO and CFO, respectively (March 31, 2024 - $nil and $nil, respectively).

12. CAPITAL MANAGEMENT

The Company's capital structure consists of all components of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the current operations comprising the acquisition, exploration and development of its mineral properties. The Company obtains funding primarily through issuing share capital. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future.

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

13. COMMITMENTS

The Company is required to issue to Kenorland 9.9% of any future common share issuances up to a number of common shares with an aggregate fair value of $5,000,000 (Note 7). As at June 30, 2024, the Company had partially fulfilled its obligation and issued 1,761,381 common shares with a fair value of $237,227. Additionally, the Company still needs to issue 648,450 and 300,475 shares for private placements completed on March 28 and May 1, 2024, respectively. These shares were subsequently issued on July 22, 2024 (Note 14).

14. SUBSEQUENT EVENTS

On July 16, 2024, the Company issued 4,099,999 common shares with fair value of $377,861 to settle the final cash payment that was due in connection with the North Lithium - Pegmatite acquisition (Note 7).

On July 22, 2024, the Company issued 948,925 common shares with fair value of $90,148 which was recorded to exploration and evaluation expenditures to satisfy the requirement as per the purchase and sale agreement of Kenorland entered into on January 25, 2023 which requires the Company to issue shares from future private placements with fair value up to 9.9% of $5,000,000 (Note 13).