MOONBOUND MINING LTD.

Consolidated Financial Statements
For the years ended April 30, 2024 and 2023

(*Expressed in Canadian Dollars)*

Link-It Accounting and Financial Services Inc.
2182 Rufus Drive
North Vancouver, BC, V7J 3P9
Canada
Tel: 1-604-786-3630

August 28th, 2024

Independent Auditor's Report

To the Board of Directors of Moonbound Mining Ltd.:

Opinion

I have audited the consolidated financial statements of Moonbound Mining Ltd. (the Company), which comprise the consolidated statement of financial position as at April 30, 2024, and the consolidated statements of loss and comprehensive loss, statement of changes in shareholders' equity and statements of cash flows for the year then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies ("the financial statements").

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

Substantial Doubt about the Company's Ability to Continue as a Going Concern – See also Key Audit Matters Section Below

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company has suffered recurring losses from operations and accumulated deficits as at April 30, 2024, noting that the company is dependent on obtaining continued financial support. These conditions raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated financial statement for the year ended April 30, 2024. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming the auditors' opinion thereon, and I do not provide a separate opinion on these matters.

Going Concern (Note 1) – See Going Concern Uncertainty explanatory paragraph above

As described further in Note 1 to the consolidated financial statements, the Company has suffered recurring losses from operations and expects to incur further losses in the development of its business. The ability of the Company to continue as a going concern is dependent on executing its business plan and ultimately to raising additional capital to meet its exploration and operating obligations. Accordingly, the Company has determined that these factors raise substantial doubt as to the Company's ability to continue as a going concern for a period of one year from the issuance of these financial statements. Management intends to continue to fund its business by way of public or private offerings of the Company's stock, in order for the Company to meets its exploration and operating obligations. However, the Company has not concluded that these plans alleviate the substantial doubt related to its ability to continue as a going concern.

How is this matter addressed in the Audit

It was determined that the Company's ability to continue as a going concern is a key audit matter due to the estimation and uncertainty regarding the Company's available capital and the risk of bias in management's judgments and assumptions in their determination. My audit procedures related to the Company's assertion on its ability to continue as a going concern included the following, among others:

Testing procedures such as analytical procedures to identify conditions and events that indicate that there could be substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time were performed. Management's plans for dealing with adverse effects of these conditions and events were reviewed and evaluated. Inquiries of Company management and the review of company records to assess whether there are additional factors that contribute to the uncertainties disclosed were also performed. An assessment as to whether the Company's determination that there is substantial doubt about its ability to continue as a going concern was adequately disclosed.

Equity Investment in Strathmore Claims (Note 6)

During the year ended April 30, 2024, the Company closed an assignment agreement with Continental Lithium Africa Development Corporation ("Continental Lithium") whereby the Company has taken assignment of all the benefits and obligations of Continental Lithium contained in the MOU dated June 23, 2023. The Company issued 12,000,000 shares and 1,250,000 warrants for a total value of $5,191,337 as at April 30, 2024.

The Company also entered into a joint venture and shareholders agreement with Alfeus Tomas and Paulus Nghifikepunye, whereby the parties wish to establish a joint venture in respect of certain mining claims. An effective date will be set and a joint venture will be formed upon completion of a number of suspensive conditions.

I consider this a key audit matter due to the magnitude of the balance and the valuation of shares and warrants issued, which in turn led to increased audit effort in performing audit procedures.

How is this audit matter addressed in the Audit

The underlying agreements were reviewed and the share and warrant transactions were recalculated. The supporting documents for any additions capitalized were reviewed. Additionally, the asset was evaluated for any potential impairment and the appropriateness of the method of valuation.

Investment in Associate (Note 4)

During the year ended April 30, 2024, the Company acquired all of the issued and outstanding shares of 1442160 B.C. Ltd issuing 38,000,000 common shares and 19,000,000 common share purchase warrants in consideration. 1442160 B.C. Ltd has a wholly owned subsidiary, Norrabees Lithium (SA) Limited (“Norrabees”).

On December 13th, Norrabees signed a Sale of Shares Agreement with Dune Resources Proprietary Limited (“Dune”) and SPH Kundalila Proprietary Limited (“SPH”) for a transaction to be completed in three parts. As of April, 30, 2024, Part A has been completed which constitutes approximately 40% of total issued and outstanding Dune shares.

I consider this a key audit matter due to the magnitude of the balance and the valuation of shares and warrants issued, which in turn led to increased audit effort in performing audit procedures.

How is this audit matter addressed in the Audit

The underlying agreements were reviewed and the share and warrant transactions were recalculated. The supporting documents for any additions capitalized were reviewed.

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

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

In preparing the consolidated 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 Consolidated Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated 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 my 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 consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatements of the consolidated 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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls 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 doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions that may cause the Company to cease continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial

statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

I 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.

Other Matter

The consolidated financial statements for Moonbound Mining Ltd. for the year ended April 30, 2023, were audited by other auditors in accordance with Canadian generally accepted auditing standards, whose report dated July 19th, 2023, expressed an unmodified opinion on these consolidated financial statements.

The engagement partner on the audit resulting in this independent auditor's report is Leigha Nevay.

Link-It Accounting and Financial Services Inc.

Link-It Accounting and Financial Services Inc.
Chartered Professional Accountant
Licensed to Practice Public Accounting in British Columbia by CPABC
Vancouver, BC
August 28th, 2024

Moonbound Mining Ltd.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

As at		**April 30, 2024**		**April 30, 2023**
ASSETS				
Current assets				
Cash	$	734,926	$	550,558
GST receivable		33,073		4,579
Note receivable (Note 7)		500,000		-
		1,267,999		555,137
Non-current assets				
Exploration and evaluation assets (Note 5)		-		70,000
Equity investment in Strathmore Claims (Note 6)		5,259,690		-
Investment in associate (Note 4)		23,007,550		-
TOTAL ASSETS	**$**	**29,535,239**	**$**	**625,137**
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	$	790,866	$	56,024
Short-term loans (Note 8)		1,880,000		-
	$	**2,670,866**	**$**	**56,024**
SHAREHOLDERS' EQUITY				
Share capital (Note 9)		22,359,968		758,154
Subscription receipts		7,503		-
Reserves		6,007,263		-
Deficit		(1,510,361)		(189,041)
TOTAL SHAREHOLDERS' EQUITY		**26,864,373**		**569,113**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$**	**29,535,239**	**$**	**625,137**

Nature and Continuance of Operations (Note 1)
Subsequent Events (Note 16)
Commitments (Note 14)

These consolidated financial statements were approved for issue by the Board of Directors on August 28, 2024 and signed on its behalf by:

"James Lumley" Director

"David Eaton" Director

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

Moonbound Mining Ltd.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	April 30, 2024	April 30, 2023
Operating Expenses		
Accounting and management (Note 12)	$ 71,939	$ 35,713
Advertising and marketing	70,155	-
Auditor fees	109,845	26,700
Consulting fees (Note 12)	266,449	10,375
Exploration and evaluation (Note 5)	364,120	3,700
Filing fees	13,920	22,852
Interest (Note 8)	79,088	2,093
Investor and communications	12,495	-
Legal	99,336	20,297
Office and administration	5,238	-
Transfer agent and related	8,096	4,234
Travelling	24,893	-
	(1,125,574)	(125,964)
Other income (loss)		
Impairment of mineral property	(192,262)	-
Equity share of Dune investment (Note 4)	(3,484)	-
Loss and comprehensive loss for the year	$ (1,321,320)	$ (125,964)
Loss per share - basic and diluted	$ (0.03)	$ (0.01)
Weighted average number of common shares outstanding – basic and diluted	38,139,414	8,860,791

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

Moonbound Mining Ltd.
Consolidated Statements of Changes in Shareholders' Equity
For years ended April 30, 2024 and 2023
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Subscription Receipts	Reserves	Deficit	Total Shareholders' Equity
Balance, April 30, 2022	7,450,000	$ 338,750	$ -	$ -	$ (63,077)	$ 275,673
Private placements	7,330,903	393,660	-	-	-	393,660
Share issuance costs	-	(1,828)	-	-	-	(1,828)
Special warrants	-	-	-	30,200	-	30,200
Special warrants issuance costs	-	-	-	(2,628)	-	(2,628)
Conversion of special and compensation warrants	502,000	27,572	-	(27,572)	-	-
Loss and comprehensive loss for the year	-	-	-	-	(125,964)	(125,964)
Balance, April 30, 2023	15,282,903	$ 758,154	$ -	$ -	$ (189,041)	$ 569,113
Shares issued for the assignment of Memorandum of Understanding	13,250,000	3,047,500	-	-	-	3,047,500
Exercise of warrants	295,000	29,500	-	-	-	29,500
Shares issued for the acquisition of subsidiaries	38,000,000	11,400,000	-	-	-	11,400,000
Issuance of finder's share	2,000,000	600,000	-	-	-	600,000
Private placements	15,144,668	4,543,400	-	-	-	4,543,400
Conversion of subscription receipts	7,000,000	2,100,000	-	-	-	2,100,000
Share issuance costs	-	(118,586)	-	50,116	-	(68,470)
Subscription Receipts	-	-	7,503	-	-	7,503
Warrants issued for the assignment of Memorandum of Understanding	-	-	-	1,941,588	-	1,941,588
Finder's warrants issued for the assignment of Memorandum of Understanding	-	-	-	202,249	-	202,249
Warrants issued for the acquisition of subsidiaries	-	-	-	3,813,310	-	3,813,310
Loss and comprehensive loss for the year	-	-	-	-	(1,321,320)	(1,321,320)
Balance, April 30, 2024	**90,972,571**	**$22,359,968**	**$ 7,503**	**$ 6,007,263**	**$ (1,510,361)**	**$ 26,864,373**

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

Moonbound Mining Ltd.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	April 30, 2024	April 30, 2023
Operating activities		
Net loss for the period	$ (1,321,320)	$ (125,964)
Items not requiring use of cash:		
Equity share of Dune investment (Note 4)	3,484	-
Impairment of mineral property	192,262	-
Changes in operating assets and liabilities:		
GST Receivable	(28,492)	(3,364)
Due to a related party	-	(2,500)
Accounts payable and accrued liabilities	688,161	46,024
Cash used in operating activities	(465,905)	(85,804)
Investing activities		
Exploration and evaluation assets	(190,615)	-
Investment in associate	(4,674,316)	-
Cash, acquired on investment in subsidiaries	272	
Cash used for investing activities	(4,864,659)	-
Financing activities		
Shares issued for cash, net of share issuance costs	6,585,432	391,832
Note receivable (Note 7)	(500,000)	-
Acquired loans repaid (Note 8)	(600,000)	-
Exercise of warrants	29,500	-
Issuance of special warrants, net of issuance cost	-	27,572
Cash provided by financing activities	5,514,932	419,404
Increase in cash	184,368	333,600
Cash, beginning of year	550,558	216,958
Cash, end of year	$ 734,926	$ 550,558

Supplemental cash flow information		
Cash paid for interest during the period	$ 79,088	$ 2,093
Non-cash transactions:		
Fair value of shares issued for acquisition of exploration and evaluation assets	-	35,000
Fair value of shares issued for equity investment in Strathmore Claims	2,760,000	-
Fair value of warrants issued for equity investment in Strathmore Claims	1,941,588	-
Fair value of finder’s shares issued for equity investment in Strathmore Claims	287,500	-
Fair value of finder’s warrants issued for equity investment in Strathmore Claims	202,249	-
Fair value of shares issued for investment in associate	11,400,000	-
Fair value of warrants issued for investment in associate	3,813,310	-
Fair value of finder’s shares issued for investment in associate	600,000	-

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

1. Nature of Operations and Going Concern

Nature of Operations

Moonbound Mining Ltd. (the "Company") was incorporated under the British Columbia *Business Corporations Act* on July 30, 2021 and listed on the Canadian Securities Exchange. The Company is engaged in the acquisition, evaluation and development of mineral properties, principally in the Americas and south African. The Company is listed on the Canadian Securities Exchange under the symbol "MML". The Company's head office address is 2250 – 1055 West Hastings Street, Vancouver, British Columbia V6E 3V7. The registered and records office address is 900 - 885 West Georgia Street. Vancouver, BC, V6C 3H1.

Going Concern

At April 30, 2024, the Company had not yet achieved profitable operations, had an accumulated deficiency of $1,510,361 (2023: $189,041) since its inception and had a working capital deficiency of $1,402,867 (2023 – working capital of $499,133), and expects to incur further losses in the development of its business. The Company is in the process of exploring and evaluating its mineral properties. On the basis of information to date, it has not yet determined whether those properties contain economically recoverable mineral deposits. The business of mining and exploration involves a high degree of risk and there can be no assurances that the Company's exploration programs will result in profitable mining operations. The Company's ability to continue as a going concern is dependent on obtaining continued financial support, completing public equity financing or generating profitable operations in the future. Management is committed to raising additional capital to meet its exploration and operating obligation; however, additional equity financing is subject to the global financial markets and economic conditions, which have recently been disrupted and are volatile, and the debt and equity markets, which are distressed. All of these factors, together with the current unstable economic conditions, indicate the existence of material uncertainties related to events or conditions that cast significant doubt as to whether the Company can continue as a going concern and; therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. These consolidated financial statements do not give effect to any adjustments that would be necessary should the Company be unable to continue as a going concern, and therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these consolidated financial statements. Such adjustments could be material.

2. Basis of Presentation

(a) Statement of compliance

These consolidated financial statements of the Company and its subsidiaries are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

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

(b) Basis of presentation

These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair value, as explained in the material accounting policies (Note 3). In addition, these consolidated financial statements have been prepared under the accrual basis of accounting, except for cash flow information.

(c) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All intercompany transactions, balances, revenue and expenses are eliminated in full upon consolidation.

2. Basis of Presentation (Continued)

The legal subsidiaries of the Company are as follows:

Name of Subsidiary	Place of Incorporation	Beneficial Ownership Interest	
		April 30, 2024	April 30, 2023
1442160 B.C. Ltd.*	British Columbia, Canada	100%	-
Norrabees Lithium (SA) Limited*	Republic of Mauritius	100%	-
Spodueme Kop (SA) Limited*	Republic of Mauritius	100%	-

*The Company acquired the control on January 29, 2024.

(d) Reclassification of prior period figures

In order to maintain consistency with current period expense classification, comparative information on consolidated statements of loss and comprehensive loss were reclassified.

(e) Functional and presentation currency

IFRS requires that the functional currency of each entity in the consolidated group be determined separately in accordance with the indicators as per IAS 21 – Foreign exchange and should be measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The parent and subsidiaries' functional currency is the Canadian dollar for operations in both Republic of Mauritius and Canada. The consolidated financial statements are presented in Canadian dollars, which is the parent and subsidiaries' presentation currency.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Assets and liabilities of an entity that has a functional currency that is different from presentation currency are translated at exchange rate at the reporting date and the income and expenses are translated at the average exchange rate during the reporting period. Gains and losses resulting from translation adjustments are recorded as other comprehensive income (loss) and accumulated in a separate component of shareholders' equity, described as accumulated comprehensive income (loss).

(f) Significant judgments, estimates and assumptions

The preparation of these consolidated financial statements requires management to make judgment, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual outcomes could differ from these estimates.

2. Basis of Presentation (Continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Critical accounting judgments

The critical judgments that the Company's management has made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognized in these consolidated financial statements are as follows:

Going concern: The preparation of the consolidated financial statements requires management to make judgments and estimates regarding the ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon, but not limited to, its ability to generate sufficient cash and working capital to fund its operations and discharge its liabilities as they become due for the next twelve months.

Asset acquisition vs business combination: Management's determination of whether a transaction constitutes a business combination, or an asset acquisition is determined based on whether the investee constitutes a business, as defined by IFRS 3. If the investee constitutes a business then the acquisition is accounted for as a business combination but if the investee does not meet the definition of a business, the acquisition is accounted for as an asset acquisition. To be considered a business, an acquisition of an integrated set of activities and assets would have to include an input and a substantive process that together significantly contribute to the ability to create outputs. Judgement is required to determine if an investee meets the definition of a business.

Business combination: The preparation of the consolidated financial statements requires management to make judgments and estimates regarding the fair value of the acquired assets and liabilities.

Determination of functional currency of the Company: The functional currency for each of the Company and its subsidiary is the currency of the primary economic environment in which each entity operates. The determination of each entity's functional currency requires analyzing facts that are considered primary factors, and if the result is not conclusive, the secondary factors. The analysis requires management to apply significant judgment since primary and secondary factors may be mixed. In determining its functional currency, management analyzed both the primary and secondary factors, including the currency of each entity's operating cash flow, and sources of financing.

Income taxes: Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the out come of these tax related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

3. Material Accounting Policies

(a) Cash

Cash and cash equivalents includes cash on hand, demand deposits with financial institutions and other short-term highly liquid investments that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value. The Company does not currently have any cash equivalents. As at April 30, 2024 the Company had cash of $734,926 (2023: $550,558).

3. Material Accounting Policies (Continued)

(b) Financial instruments

Classification
On initial recognition, the Company determines the financial instruments classification as per the following categories:

- instruments measured at amortized cost;
- instruments measured at fair value through other comprehensive income ("FVOCI") or through net income ("FVTPL").

The financial instruments' classification under IFRS 9 is based on the business model in which a financial asset is managed and on its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a financial instrument in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investments held for trading are classified as FVTPL. For all other equity investments that are not held for trading, the Company, on initial recognition, may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income (OCI). This election is made on an investment-by-investment basis.

Financial liabilities are measured at amortized cost unless they must be measured at FVTPL (such as derivatives) or if the Company elects to measure them at FVTPL.

Measurement
Financial instruments at amortized cost
Financial instruments at amortized cost are initially measured at fair value, and subsequently at amortized cost, using the effective interest method, less any impairment loss. Interest income, foreign exchange gains and losses and impairment are recognized in the consolidated statements of loss and comprehensive loss.

Financial instruments at fair value
Financial instruments are initially and subsequently measured at fair value and transaction costs are accounted for in the consolidated statements of loss and comprehensive loss. When the Company elects to measure a financial liability at FVTPL, gains or losses related to the Company's own credit risk are accounted for in the consolidated statements of loss and comprehensive loss.

3. Material Accounting Policies (Continued)

(b) Financial instruments (Continued)

Fair value hierarchy

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

- level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for assets or liabilities that are not based on observable market data.

Impairment

The Company recognizes loss allowances for expected credit losses (“ECL”) on:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI; and
- contract assets (as defined in IFRS 15).

The Company measures loss allowances on amounts receivable at an amount equal to lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company’s historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Presentation of allowance for ECL in the consolidated statements of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

3. Material Accounting Policies (Continued)

(b) Financial instruments (Continued)

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Derecognition

Financial assets

The Company derecognizes a financial asset when, and only when, the contractual rights to the cash flows from the financial asset have expired or when contractual rights to the cash flows have been transferred.

Financial liabilities

The Company derecognizes a financial liability when, and only when, it is extinguished, meaning when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the extinguished financial liability and the consideration paid or payable, including non-cash assets transferred or liabilities assumed, is recognized in the consolidated statement of loss and comprehensive loss.

(c) Exploration and evaluation asset

Exploration and evaluation expenditures

Pre-exploration costs are expensed in the year in which they are incurred. Upon acquiring the legal right to explore a mineral property (exploration and evaluation assets), all direct costs related to the acquisition of a mineral property are capitalized. Exploration and evaluation expenditures incurred prior to the determination of the feasibility of mining operations and the decision to proceed with development are recognized in profit or loss as incurred, net of recoveries. Costs incurred before the Company has obtained the legal rights to explore an area are charged to profit or loss. Exploration and evaluation assets are assessed for impairment at least annually and if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Mining exploration tax credits for certain exploration expenditures incurred in British Columbia are treated as a reduction of the exploration and development costs of the respective resource property. The amounts are recorded in the year they are received.

Mineral property acquisition costs and exploration and evaluation expenditures are recorded at cost. When shares are issued as part of mineral property acquisition costs, they are valued at the closing share price on the date of issuance. Payments related to a property acquired under an option or joint venture agreement, where payments are made at the sole discretion of the Company, are recorded upon payment.

The Company may occasionally enter into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transferee to meet certain exploration and evaluation expenditures that would have otherwise been undertaken by the Company. The Company does not record any expenditures made

3. Material Accounting Policies (Continued)

(c) Exploration and evaluation asset (Continued)

by the farmee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted for as a gain on disposal.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mines under construction". Exploration and evaluation assets are tested for impairment before the assets are transferred to development properties.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration and evaluation assets.

Exploration and evaluation assets are classified as an intangible asset.

Decommissioning liabilities
An obligation to incur decommissioning and site rehabilitation costs occurs when environmental disturbance is caused by exploration, evaluation, development or ongoing production.

Decommissioning and site rehabilitation costs arising from the installation of plant and other site preparation work, discounted to their net present value, are provided when the obligation to incur such costs arises and are capitalized into the cost of the related asset. These costs are charged against operations through amortization of the asset and unwinding of the discount on the provision.

Amortization is included in operating costs while the unwinding of the discount is included as a financing cost. Changes in the measurement of a liability relating to the decommissioning or site rehabilitation of plant and other site preparation work are added to, or deducted from, the cost of the related asset and charged against operating profit or loss. The discount rate used to measure the net present value of the obligations is the pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation.

The costs for the restoration of site damage, which arises during production, are provided at their net present values and charged against operations as extraction progresses.

(d) Impairment of non-financial assets

Impairment tests on intangible assets with indefinite useful economic lives are undertaken annually at every reporting period. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable and at least annually. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets. The Company has one cash-generating unit for which impairment testing is performed.

3. Material Accounting Policies (Continued)

(d) Impairment of non-financial assets (Continued)

An impairment loss is charged to profit or loss, except to the extent they reverse gains previously recognized in accumulated other comprehensive income or loss.

(e) Acquisition of a business

The acquisition method of accounting is used to account for business combinations. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of the exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Company's share of the net fair value of the identifiable assets, liabilities and contingent liabilities is recorded as goodwill. If the cost of an acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized immediately in earnings.

Transaction costs that are incurred in connection with a business combination, other than those associated with the issuance of debt or equity securities, are recognized in earnings.

There is an option to apply a concentration test that permits a simplified assessment of whether an acquired set of activities and assets is in fact a business. The optional concentration test is met if substantially all of the fair value of the assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. An entity may make such an election separately for each transaction or other event. If the concentration test is met, the set of activities and assets is determined not to be a business and no further assessment is needed.

(f) Interests in joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The results and assets and liabilities of joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5.

Under the equity method, an investment in a joint venture is recognized initially in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Company’s share of the profit or loss and other comprehensive income of the joint venture. When the Company’s share of losses of a joint venture exceeds the Company’s interest in that joint venture (which includes any long-term interests that, in substance, form part of the net investment in joint venture), the Company discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Company’s share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Company’s share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognized immediately

3. Material Accounting Policies (Continued)

(f) Interests in joint ventures (Continued)

in the consolidated statements of loss in the period in which the investment is acquired. The requirements of IAS 36 are applied to determine whether it is necessary to recognize any impairment loss with respect to the Company's investment in a joint venture.

(g) Investment in associates

An associate is an entity over which the Company has significant influence but not control. Investments in associates are based on the Company's ability to exercise significant influence over the operating and financial policies of the investee. Investments in associates are accounted for using the equity method whereby the investment is initially recorded at cost and adjusted thereafter for additional investments made, dividends received and to recognize the Company's proportionate share of the associate's post acquisition income or loss.

The Company's share of the associate's profit or loss is recognized in the consolidated statement of loss, and its share of movements in other comprehensive income is recognized in the consolidated statement of other comprehensive loss with a corresponding adjustment to the carrying amount of the investment. When the Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Company determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in the consolidated statement of loss and comprehensive loss.

(h) Income taxes

Income tax expense consists of current and deferred tax. Income tax is recognized in the statement of comprehensive income (loss), except to the extent that it relates to items recognized directly in equity.

Current income tax
Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year-end, and any adjustment to tax payable with regard to previous years.

Deferred income tax
Deferred tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced. Deferred tax assets and liabilities are offset when there is a legally

3. Material Accounting Policies (Continued)

(h) Income taxes (Continued)

enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(i) Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

The Company may issue units consisting of common shares and common share purchase warrants. The Company estimates the fair value of the common shares based on their market price on the share issuance date. The residual difference, if any, between the unit price and the fair value of each common share represents the fair value attributable to each warrant.

(j) Earning (loss) per share

The Company presents basic and diluted earnings (loss) per share data for its common shares, computed by dividing the net earnings (loss) by the weighted average number of outstanding shares in issue during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss), except that the weighted average number of outstanding shares include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. In a loss reporting period, potentially dilutive common shares are excluded from the loss per share calculation, as the effect would be anti-dilutive.

(k) Changes in accounting policies

There were no changes that had a material effect on the reported net income or net assets of the Company during the periods presented in these audited consolidated financial statements.

4. Acquisitions

<u>Acquisition of 1442160 B.C. Ltd.</u>

On January 29, 2024, the Company closed the acquisition of all of the issued and outstanding common shares of 1442160 B.C. Ltd. from the shareholders of 1442160 B.C. Ltd. Pursuant to the Share Exchange Agreement, the Company issued 38,000,000 common shares in the capital of the Company, at a deemed price of $0.30 per share, and 19,000,000 common share purchase warrants to 1442160 B.C. Ltd.'s shareholders on a pro rata basis as consideration. Each warrant entitles the holder to purchase one common share in the capital of the Company at an exercise price of $0.40 for a period of three years after the date of issuance of the warrants.

In connection with the transaction and under the terms of a finder's fee agreement, an arm's length finder was issued an aggregate of 2,000,000 shares (collectively, the "Finder's Shares") at a deemed price of $0.30 per Finder's Share. The

(Expressed in Canadian Dollars)

4. Acquisitions (Continued)

Finder's Shares are subject to a statutory hold period of four months and a day, in accordance with relevant Canadian securities law.

1442160 B.C. Ltd. is a private British Columbia corporation whose wholly-owned subsidiary, Norrabees Lithium (SA) Limited ("Norrabees"), is a company incorporated under the company laws of the Republic of Mauritius.

The Company opted to apply the optional IFRS 3 concentration test, which resulted in the acquisition being accounted as an asset acquisition. The results of operations are included in these financial statements from the date of closing of the acquisition on January 29, 2024.

The consideration paid on the acquisition of 1442160 B.C. Ltd. was accounted for as an investment in subsidiaries with the fair value of the shares issued valued using the market value of the Company's shares on the date of change of control.

The acquisition of 1442160 B.C. Ltd. was recorded in the accounts of the Company at its fair value determined as follows:

Consideration paid for 100% interest is as follows:	$
Common shares issued	11,400,000
Warrant issued	3,813,310
Finder's shares	600,000
Legal fees	79,871
Total consideration paid	15,893,181
Cash	272
Subscription receivables	3,001
Investment in associate	22,016,588
Accounts payables and accrued liabilities	(46,680)
Loan payables	(6,080,000)
Net assets acquired	15,893,181

On December 13, 2023, 1442160 B.C. Ltd.'s wholly owned subsidiary, Norrabees, signed a Sale of Shares Agreement (the "Sale of Shares Agreement") among Norrabees, Dune Resources Proprietary Limited ("Dune"), and SPH Kundalila Proprietary Limited ("SPH"). Pursuant to Sale of Shares Agreement, Norrabees has the right to acquire all of the issued and outstanding share of Dune from SPH (the "Dune Transaction"). In accordance with the Sale of Shares Agreement, the Dune Transaction is to be completed in three parts:

- Part A to be comprised of the sale of 3,124 Dune's shares in the capital of Dune for the consideration of $4,520,000 USD, which constituting approximately 40% of the total issued and outstanding Dune Shares. As at January 29, 2024, $4,520,000 USD has been fully paid.

- Part B to be comprised of the sale of 3,124 Dune Shares, constituting approximately 40% of the total issued and outstanding Dune Shares. Within nine months of closing part A sale, Norrabees makes payment of the part B consideration of $4,520,000 USD to SPH. As at April 30, 2024, Norrabees has not made any payment for part B sales.

- Part C to be comprised of the sale of 1,562 Dune Shares, constituting approximately 20% of the total issued and outstanding Dune Shares. Within two months of closing of part C sale, Norrabees makes payment of the part C consideration of $2,260,000 USD to SPH.

(Expressed in Canadian Dollars)

4. Acquisitions (Continued)

Norrabees also grants to SPH the option to purchase the part A sales shares for the part A purchase consideration, in the event that the Part B conditions are not fulfilled, waived or extended as the case may be, and any time after the part A sale closing date.

As of the date of Sale of Share Agreement, Dune holds 65% of the issued and outstanding shares of Namli Exploration & Mining Proprietary Limited ("Namli"), a private limited liability company under the laws of the Republic of South Africa, which company holds a mining permit and a prospecting right. In connection with the Dune Transaction, Dune will increase its ownership of Namli from 65% to 100% within 30 days of the part A sale close. As at April 30, 2024, Namli is a wholly-owned subsidiary of Dune.

As at April 30, 2024, the Company classifies its investment in Dune as an investment in associate, as the Company owns 40% of Dune as of April 30, 2024.

A continuity of the investment in Dune as an associate is as follows:

Balance, April 30, 2023	$	-
40% investment in Dunes acquired on acquisition of 1442160 B.C. Ltd. valued at fair value		22,016,588
Additional working capital advances to Dune		994,446
Total investment in 40% of investment in Associate		23,001,034
Less: Equity share of Dune loss for the period from acquisition to year end date		(3,484)
Balance, April 30, 2024	$	23,007,550

5. Exploration and Evaluation Assets

Option Agreement

The Company entered into the Option Agreement dated effective October 13, 2021 with Cloudbreak, pursuant to which Cloudbreak granted to the Company the option to acquire a 100% legal and beneficial interest in the property (the "Yak Property") from Cloudbreak by satisfying the following requirements:

(a) The Company paying an aggregate of $145,000 to Cloudbreak as follows:

- (i) $10,000 on October 13, 2021 (paid);
- (ii) $25,000 on April 13, 2022 (paid);
- (iii) $35,000 on or before the first anniversary (January 9, 2024) of the Company completing a transaction that results in the Company's shareholders holding shares in a "reporting issuer" (as defined under applicable Canadian securities laws) that is listed on a recognized Canadian stock exchange (a "Go Public Transaction") (January 9, 2024) (paid); and
- (iv) $75,000 to Cloudbreak on or before the second anniversary (January 9, 2025) of the Company completing a Go Public Transaction; and

(b) The Company incurring an aggregate of $700,000 in mining work expenditures on the Yak Property (or cash payments to Cloudbreak in lieu of all or any portion of such mining work expenditures) as follows:

(Expressed in Canadian Dollars)

5. Exploration and Evaluation Assets (Continued)

(i) $150,000 on or before the second anniversary (January 9, 2025) of the Company completing a Go Public Transaction; and

(ii) $550,000 on or before the third anniversary (January 9, 2026) of the Company completing a Go Public Transaction; and

(c) The Company issuing an aggregate of 2,700,000 Common Shares to Cloudbreak as follows:

(i) 700,000 Common Shares on October 13, 2021 (issued);

(ii) 750,000 Common Shares on or before the first anniversary (January 9, 2024) of the Company completing a Go Public Transaction (the Company has not issued shares to Cloudbreak and is in discussion with Cloudbreak to renegotiate the agreement); and

(iii) 1,250,000 Common Shares on or before the second anniversary (January 9, 2025) of the Company completing a Go Public Transaction.

The Option Agreement provides that the Company will be the operator of the property during the option period. The Option Agreement also provides for the establishment of an area of mutual interest located up to and within three kilometres of the existing exterior boundaries of the property, such that if a party acquires mineral interests within such area of mutual interest, the other party may elect to include such mineral interests as part of the property for purposes of the Option Agreement.

At the exercise of the option, the Company will grant a 2% net smelter return (the "NSR") royalty to CloudBreak. The Company will have the right to purchase one-half (or 1%) of the NSR for $1,500,000.

During the period from July 30, 2021 to April 30, 2022, the Company issued 700,000 shares with a fair value of $35,000 and made $35,000 cash payments to Cloudbreak. $35,000 payment on the first anniversary from the date the Company became a reporting issuer was made during the year ended April 30, 2024.

Exploration and evaluation asset costs are set out below:

Balance – April 30, 2023 and April 30, 2022	$	70,000
Addition		35,000
Exploration and evaluation expenditures		87,262
Impaired		(192,262)
Balance – April 30, 2024	$	-

During the year, the Company terminated its Option agreement with Cloudbreak, as a result, the Company impaired the property costs as at April 30, 2024.

The following table summarizes the exploration and evaluation expenses incurred during the years ended 2024 and 2023:

(Expressed in Canadian Dollars)

5. Exploration and Evaluation Assets (Continued)

Exploration and evaluation expenditures	Yak Property*	Strathmore Property
	$	$
Geological consultants	3,700	-
Balance, April 30, 2023	3,700	
Analytical and sample related	4,296	-
Geological consultants	42,450	364,120
Mapping and modelling	2,500	-
Project supervision	7,539	-
Supplies & other	10,705	-
Transport, travel and related	25,543	-
Cost recovery: BC METC	(5,771)	-
Balance, April 30, 2024	**87,262**	**364,120**

*The Yak Property exploration and evaluation expenditures were capitalized and impaired as per the table above.

6. Investment in Strathmore Claims

Strathmore Property

On September 7, 2023, the Company closed the assignment agreement (the "Assignment Agreement") with Continental Lithium Africa Development Corporation ("Continental Lithium"), a private arm's length British Columbia company, dated July 31, 2023, whereby the Company has taken assignment (the "Assignment") of all of the benefits and obligations of Continental Lithium contained in the amended Memorandum of Understanding (the "MOU") dated June 23, 2023 among Continental Lithium, Alfeus Tomas and Paulus Nghifikepunye (the "Transaction").

The MOU contemplates a joint venture to be formed in connection with seven mining licenses located in Namibia, referred to as the Strathmore mining claims, which are located in the Cape Cross - Uis area Pegmatite Belt. On December 21, 2023, pursuant to the MOU, the Company entered into a joint venture and shareholder agreement (the "JV Agreement") with Alfeus Tomas and Paulus Nghifikepunye, whereby the parties have agreed to establish a joint venture in respect of certain mining claims, on the terms and conditions set out in the JV Agreement.

Pursuant to the Transaction, the Company issued 12,000,000 shares, at a deemed price of $0.23 per share, and 12,000,000 common share purchase warrants in the capital of the Company, in consideration of the Assignment. Each warrant entitles the holder to acquire one common share of the Company at an exercise price of $0.20 for a period of two years from the date of the closing of the Transaction. The Company paid a finders' fee equal to 1,250,000 shares, at a deemed price of $0.23 per share, and 1,250,000 finder's warrants in the capital of the Company. Each finder's warrant entitles the holder to acquire one share at an exercise price of $0.20 for a period of two years from the date of the closing of the Transaction. The total value of shares and warrants issued were $5,191,337 as at April 30, 2024.

On December 19, 2023, pursuant to the Assignment Agreement, the Company entered into a joint venture and shareholders agreement (the "JV Agreement") with Alfeus Tomas and Paulus Nghifikepunye, whereby the parties wish to establish a joint venture in respect of certain mining claims, on the terms and conditions set out in the JV Agreement as follows, the Company is required to make payments of:

6. Investment in Strathmore claims (Continued)

(i) $250,000 USD upon execution of JV Agreement, arrival of First Effective date, issue of environmental clearance for Strathmore Claims to render Tomas the holder thereof.

(ii) $200,000 USD payable upon completion of written approval from Okombahe Reserve authorities ensuring access to the Mining claims for the purposes of Prospecting operations and Mining Operations and other project activities.

(iii) $75,000 USD payable 12 months from the first effective date under this agreement.

(iv) $75,000 USD payable 18 months from the first effective date under this agreement.

(v) $75,000 USD payable 24 months from the first effective date under this agreement.

(vi) Allotting and issue of 300,000 fully paid common shares in Moonbound within one month of the first effective date under the JV agreement.

(vii) Allotting and issue of 300,000 fully paid common shares in Moonbound within one month of the publication of a NI43-101 compliant resource and reserve report.

An effective date will be set and a joint venture will be formed upon completion of a number of suspensive conditions. As at April 30, 2024, the first effective date has not yet been determined and the Company is not yet required to make the above milestone payments.

7. Note receivable

On March 28, 2024, a note receivable of $500,000 was issued to 1148989 B.C. Ltd. The note receivable is non-interest bearing and repayable within 12 months of receipt. As at April 30, 2024, the outstanding balance of the note receivable is $500,000.

8. Short-term Loans

During the year ended April 30, 2024, Company's subsidiary, 1442160 B.C. Ltd., entered into two loan agreements with an arm's length party pursuant to which the lender agreed to lend a total amount of $1,100,000. The loan is non-interest bearing and repayable at any time or from time to time without penalty. During the year 2024, the Company repaid $720,000 of the loans. As at April 30, 2024, the outstanding balance of the loan is $380,000.

On January 11, 2024, the Company's subsidiary, 1442160 B.C. Ltd., entered into a loan agreement with an arm's length party pursuant to which the lender agreed to lend a total amount of $500,000. The loan will bear interest of $26,000 and matured on February 12, 2024. On the maturity date, the borrower shall repayable the full amount of the loan, along with the 300,000 shares of 1442160 B.C. Ltd. During the fiscal year 2024, the Company paid $26,000 interest expenses. As at April 30, 2024, the principle of the loan has not been repaid and shares have not been issued. Subsequent to the year end, the Company repaid the loan in full; the shares have not been issued due to ongoing discussion.

On January 24, 2024, Company's subsidiary, 1442160 B.C. Ltd., entered into a loan agreement with an arm's length party pursuant to which the lender agreed to lend a total amount of $1,000,000. The loan is non-interest bearing and repayable at any time or from time to time without penalty. As at April 30, 2024, the outstanding balance of the loan is $1,000,000.

8. Short-term Loans (Continued)

On January 15, 2024, the Company entered into a loan agreement with an arm's length party pursuant to which the lender agreed to advance the Company a loan in the principal amount of $1,500,000. The loan matured the earlier of 30 days following the advance date and other date as the lender and the borrower may mutually agree on, with an interest rate of 10% per annum from and including the advance date to the date that the loan is paid in full. As partial consideration of the loan, the Company agreed to pay the lender an arrangement fee of $45,000 and transfer to the lender 400,000 common shares of 1442160 B.C. Ltd. As at April 30, 2024, the Company repaid the loan in full.

9. Share Capital

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and outstanding

As of April 30, 2024, 90,972,571 (April 30, 2023: 15,282,903) common shares were issued and outstanding.

On May 19, 2022, the Company issued 185,000 shares at a price of $0.10 per share for proceeds of $18,500.

On May 19, 2022, the Company completed a private placement of 302,000 special warrants (each, a "Special Warrant) of the Company at a price of $0.10 per Special Warrant for gross proceeds of $30,200. In connection with the offering, the Company paid a total of $2,628 in cash commissions to the broker and issued a total of 200,000 compensation special warrants (each, a "Compensation Special Warrant"). Each Special Warrant and Compensation Special Warrant will be automatically exercised for one common share of the Company without additional consideration: (a) at any time, at the discretion of the Company; (b) upon issuance by a Canadian securities regulatory authority of a receipt for a final prospectus qualifying the issuance of the Common Shares upon conversion of the Special Warrants; or (c) on that date that is 18 months from the date of issuance of the Special Warrants.

The Company completed a non-offering prospectus (the "Prospectus") for the purposes of the Company becoming a reporting issuer pursuant to applicable securities legislation in the province of British Columbia. On December 19, 2022, the Company received receipt for its final Prospectus, which triggered conversion of 302,000 Special Warrants and 200,000 Compensation Special Warrants into 502,000 common shares, without any additional compensation.

On March 3, 2023 and March 13, 2023, the Company closed two non-brokered private placements issuing 7,145,903 units at a price of $0.0525 per unit for gross proceeds of $375,160. Each Unit consists of one common share of the Company (a "Common Share") and one transferable Common Share purchase warrant (a "Warrant"). Each Warrant will entitle the holder to acquire one Common Share of the Company at an exercise price of $0.10 for a period of 24 months.

On September 6, 2023, the Company issued 12,000,000 shares, at a deemed price of $0.23 per share, and 12,000,000 common share purchase warrants in the capital of the Company for the Assignment (Note 6). Each warrant entitles the holder to acquire one share at an exercise price of $0.20 for a period of 24 months. The Company paid a finders' fee equal to 1,250,000 shares, at a deemed price of $0.23 per share, and 1,250,000 common share purchase warrants in the capital of the Company. Each warrant entitles the holder to acquire one share at an exercise price of $0.20 for a period of 24 months.

On January 4, 2024, the Company issued 125,000 shares a price of $0.10 per share for exercise of warrants for proceeds of $12,500.

9. Share Capital (Continued)

(b) Issued and outstanding (Continued)

On January 25, 2024, the Company issued 170,000 shares a price of $0.10 per share for exercise of warrants for proceeds of $17,000.

On January 29, 2024, pursuant to the terms of the Share Exchange Agreement dated January 5, 2024, the Company acquired all of the issued and outstanding 1442160 B.C. Ltd. shares from the 1442160 B.C. Ltd.'s shareholders in consideration for the issuance of an aggregate of 38,000,000 shares in the capital of the Company at a deemed price of $0.30 per shares, and 19,000,000 common share purchase warrants to 1442160 B.C. Ltd.'s shareholders on a pro rata basis. Each warrant entitles the holder to purchase one common share in the capital of the Company at an exercise price of $0.40 for a period of three years after the date of issuance of the warrants. On the same day, the Company issued 2,000,000 common shares of the Company to an eligible finder as a finder's fee in consideration for the finder's services in facilitating the identification of the transaction between the Company and 1442160 B.C. Ltd.

On January 25, 2024, the Company completed the first tranche of its private placement offering, which included an aggregate of 7,000,000 subscription receipts (each a "Subscription Receipt") at a price of $0.30 per Subscription Receipt for gross proceeds of $2,100,000. Each Subscription Receipt was converted into one common share of the Company, at no additional cost, upon completion of the Acquisition (Note 4) on January 29, 2024. The Company paid cash of $6,836 to the escrow agent in connection with the private placement.

On January 29, 2024, the Company completed a private placement offering and issued 7,000,000 common shares at a price of $0.30 per common share for gross proceeds of $2,100,000.

On March 15, 2024, the Company closed a private placement offering and issued 4,493,334 common shares at a price of $0.30 per common share for gross proceeds of $1,348,000. In connection with the closing, the Company also issued 196,700 share purchase warrants to finders fair valued at $48,166 and paid a cash finder's fees totaling $59,010 to certain finders. Each Finders' Warrant will entitle the holder to purchase one common share at a price of $0.30 and has an expiry of two years after the Closing.

On April 19, 2024, the Company closed a private placement offering and issued 1,781,334 common shares at a price of $0.30 per common share for gross proceeds of $534,400. In connection with the closing, the Company also issued 8,750 share purchase warrants to finders fair valued at $1,950 and paid a cash finder's fees totaling $2,625 to certain finders. Each Finders' Warrant will entitle the holder to purchase one common share at a price of $0.30 and has an expiry of two years after the Closing.

On April 30, 2024, the Company closed a private placement offering and issued 1,870,000 common shares at a price of $0.30 per common share for gross proceeds of $561,000.

Upon the Company's shares being listed on the CSE, certain common shares held by the Company's directors were subject to escrow. As at April 30, 2024, the Company had 483,000 common shares remaining in escrow which will be fully released over the next 26 months in semi-annual installments.

(c) Common share purchase warrants

Common share purchase warrant transactions and the number of common share purchase warrants outstanding are summarized below:

(Expressed in Canadian Dollars)

9. Share Capital (Continued)

(c) Common share purchase warrants (Continued)

	Number of Warrants	Weighted Average Exercise Price $
Balance, April 30, 2022	6,000,000	0.10
Issued	7,145,903	0.10
Balance, April 30, 2023	13,145,903	0.10
Issued	32,455,450	0.20
Exercised	(295,000)	0.10
Balance, April 30, 2024	45,306,353	0.26

Common share purchase warrants issued as at April 30, 2024 are as follows:

Date of Expiry	Number of Warrants Outstanding	Exercise Price $
9-Sep-26	5,805,000	0.10
3-Mar-25	4,066,142	0.10
13-Mar-25	2,979,761	0.10
6-Sep-25	13,250,000	0.20
29-Jan-27	19,000,000	0.40
15-Mar-26	196,700	0.30
19-Apr-26	8,750	0.30
	45,306,353	

The weighted average remaining life of the common share purchase warrants as of April 30, 2024, is 1.99 (April 30, 2023 – 2.54) years.

As at	April 30, 2024
Risk-free interest rate	4.62%
Dividend yield	0%
Expected volatility	136.60%
Expected life (years)	2
Forfeiture rate	0%

The expected volatility used for the Finders' warrants is based on the historic volatility of comparable companies.

10. Financial Instruments and financial risk

The Company's activities expose it to a variety of financial risks. The Company's overall business strategies, tolerance of risk and general risk management philosophy are determined by the directors in accordance with prevailing economic and operating conditions.

The Company has the following financial instruments as of April 30, 2024 and April 30, 2023:

(Expressed in Canadian Dollars)

10. Financial Instruments and financial risk (Continued)

	Categories	April 30, 2024	April 30, 2023
Financial assets		$	$
Cash	Amortized cost	734,926	550,558
Note receivable	Amortized cost	500,000	-
Financial liabilities			
Accounts payable and accrued liabilities	Amortized cost	790,865	56,024
Short-term loans	Amortized cost	1,880,000	-

Fair value of financial instruments

IFRS 13 Fair Value Measurement establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 13 prioritizes the inputs into three levels that may be used to measure fair value:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.
- Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e., quoted prices for similar assets or liabilities).
- Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The carrying value of cash, note receivable, accounts payable and accrued liabilities and short-term loans has an approximate fair value due to the short-term nature of the financial instruments.

Financial risk management objectives and policies

The Company is exposed to varying degrees to a variety of financial instrument-related risks*:*

Financial instruments that potentially subject the Company to a significant concentration of credit risk consists primarily of cash. The Company limits its exposure to credit loss by placing its cash with major financial institutions. The Company has minimal credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The Company intends to settle these with funds from its positive working capital position. As at April 30, 2024, the Company had a working capital deficit of $1,402,867 (April 30, 2023 - working capital of $499,113).

The following table summarizes the significant remaining contracted payments of the Company's financial liabilities and capital expenditures as at April 30, 2024:

10. Financial Instruments and financial risk (Continued)

Liquidity risk (Continued)

	Total	Due by period				
		< 1 year	1 - 2 years	2 - 3 years	3 - 4 years	> 5 years
	$	$	$	$	$	$
Accounts payable and accrued liabilities	790,866	790,866	-	-	-	-
Short-term loans	1,880,000	1,880,000	-	-	-	-
	2,670,866	2,670,866	-	-	-	-

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest earned on cash is at nominal interest rates, and therefore, the Company does not consider interest rate risk to be significant. As at April 30, 2024, the Company is not exposed to significant interest rate risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's functional currency, and that of all its subsidiaries, is the Canadian dollar. Some of the operational and other expenses incurred outside of Canada are paid in US dollars, South African Rand or Mauritius Rupee. All assets and liabilities of the Company are recorded in Canadian dollars and as a result, fluctuations in the US dollar, South African Rand or Mauritius Rupee vis-à-vis the Canadian dollar result in foreign exchange gains/losses. The Company currently has no plans for hedging its foreign currency transactions.

The Company has net financial assets of approximately $7,105,000 (2023 - nil) that are denominated in Mauritius Rupee. A 10% change in the Mauritius Rupee to the Canadian dollar exchange rate would impact the Company's profit or loss by $710,000 (2023 - $Nil).

Commodity and equity price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, particularly as they relate to base and precious metals, individual equity movements, and the stock market in general to determine the appropriate course of action to be taken by the Company.

11. Capital Management

Capital is comprised of the Company's shareholders' equity. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital. There were no changes in the Company's approach to capital management during the period, and there were no external restrictions.

(Expressed in Canadian Dollars)

12. Related Party Transactions

The Company's related parties include key management personnel and companies controlled and/or owned by officers and directors of the Company. Key management consists of the officers and directors who are responsible for planning, directing and controlling the activities of the Company. Remuneration of key management personnel is the following:

	2024	2023
	$	$
Consulting Fees - Directors & Officers	90,549	-
Accounting and Management Services	71,939	45,082
	162,488	45,082

As at April 30, 2024, $41,785 (April 30, 2023 - $18,091) is owed to Fehr & Associates, its related company and the director, and is included in accounts payable and accrued liabilities. The amount owing is unsecured, non-interest bearing and have no specific terms of repayments.

These transactions are in the normal course of operations and have been valued in these consolidated financial statements at their estimated fair value amounts.

13. Segmented information

The Company as one reportable operating segment: mineral exploration and development in three geographic locations being Republic of Mauritius, South Africa and Canada.

The Company's consolidated net loss by geographic locations for the periods ended April 30, 2023 and 2022 are as follows:

Net loss		**April 30, 2024**		**April 30, 2023**
Canada	$	(1,316,852)	$	(125,964)
Republic of Mauritius		(984)		-
South Africa		(3,484)		-
Total	$	(1,321,320)	$	(125,964)

The Company's total assets by geographic locations for the years ended April 30, 2024 and 2023 are as follows:

Total assets		**April 30, 2024**		**April 30, 2023**
Canada	$	22,430,076	$	625,137
South Africa		7,105,163		-
Total	$	29,535,239	$	625,137

14. Commitments

Following the acquisition of 1442160 B.C. Ltd. by the Company, 1442160 B.C. Ltd.'s wholly owned subsidiary, Norrabees, entered into a Sale of Shares Agreement. Under this agreement, Norrabees has the right to acquire all issued and outstanding shares of Dune from SPH by completing a three-part payment schedule. For more details, please refer to Note 4.

(Expressed in Canadian Dollars)

14. Commitments (Continued)

Regarding the Yak Property investment (see note 5), the Company has decided to terminate all work and will not pursue further interest in this property. There are no remaining commitments related to the Yak Property.

As per the signed Assignment Agreement, the Company entered into the JV Agreement effective December 19, 2023, concerning the Strathmore Property. Under this agreement, the parties intend to establish a joint venture, and the Company is obligated to make specific payments as outlined in Note 6.

15. Income tax

The reconciliation of the combined Canadian federal and provincial statutory income tax rate of 27% (2023 – 27%) to the effective tax rate is as follows:

	2024	2023
Loss for the year before income taxes	$ (1,321,320)	$ (125,964)
Expected income tax (recovery)	$ (357,000)	$ (34,010)
Change in statutory, foreign tax, foreign exchange rates and other	(1,000)	-
Change in unrecognized deductible temporary differences	358,000	34,010
Total income tax expense (recovery)	**$ -**	**$ -**

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	2024	2023
Temporary Differences		
Share issue costs	$ 67,000	$ 4,000
Non-capital losses	1,637,000	184,000

Share issue and financing costs will be fully amortized in 2028. The remaining deductible temporary differences may be carried forward indefinitely. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilize the benefits therefrom.

As at April 30, 2024, the Company had non-capital losses of approximately $1,637,000 (2023-$184,000) that expire from 2042 to 2044.

16. Subsequent events

Subsequent to year end, the Company closed a fifth tranche of its private placement and issued 2,410,006 common shares in the capital of the Company at a price of $0.30 per common share for gross proceeds of $723,001. In connection with the closing of the fifth tranche, the Company also paid a cash finder's fees totaling $2,355 to an eligible finder.

On May 8, 2024, the Company issued 15,000 shares a price of $0.10 per share for exercise of warrants for proceeds of $1,500.

16. Subsequent events (Continued)

On June 3, 2024, the Company issued 277,778 shares a price of $0.20 per share for exercise of warrants for proceeds of $55,555.

Subsequent to year end, the Company closed a sixth tranche of its private placement and issued 2,622,167 common shares in the capital of the Company at a price of $0.30 per common share for gross proceeds of $786,650. In connection with the closing of the sixth tranche, the Company also paid a cash finder's fees totaling $2,292 to an eligible finder.

Subsequent to year end, the Company granted 7,850,000 options (each, an "Option") to purchase up to 7,850,000 common shares to certain directors, officers, and consultants of the Company under the Company's omnibus equity incentive plan (the "Plan"). The Options are exercisable at the price of $0.40 per common share until May 17, 2029, subject to any earlier termination in accordance with the Plan. All Options vested immediately on the date of grant.

Subsequent to year end, the Company closed a private placement and issued an aggregate of 550 convertible debenture units at a price of $1,000 per debenture unit for gross proceeds of $550,000. Each debenture unit comprised: (i) $1,000 principal amount unsecured convertible debenture; and (ii) 2,500 common share purchase warrants. Each warrant will entitle the holder to acquire one common share in the capital of the company at a price of $0.40 per warrant share for a period of two years following closing. The principal amount of the debenture will have a maturity date six months following the issuance of the debentures and will accrue interest at a rate of 10% per annum. At the sole option of the subscribers, the principal amount and any accrued and unpaid interest thereon may be converted into common shares of the company at a conversion price of $0.40 per common share at any time after the date of issuance but prior to the maturity date.

On July 25, 2024, the Company signed the securities exchange agreement (the "Securities Exchange Agreement") with Continental Lithium Africa Development Corporation ("Continental"), a private arm's length British Columbia company, pursuant to which the Company will acquire all of the issued and outstanding securities of Continental (collectively, the "Continental Securities") from the Continental securityholders (the "Transaction"). Pursuant to the terms of the Securities Exchange Agreement, the Company will acquire all of the issued and outstanding Continental Securities in exchange for the issuance of 40,300,000 common shares (each, a "Share") in the capital of the Company, at a deemed price of $0.37 per Share, and 20,000,000 warrants (each, a "Warrant"), with each Warrant entitling the holder thereof to acquire one additional Share for a period of three years at an exercise price of $0.50 per Share. The Shares to be issued to the Continental securityholders as consideration in the Transaction are subject to a voluntary restriction on resale for a period of four months and one day. Upon Closing, Continental will become a wholly-owned subsidiary of the Company and the Company's business focus will be directed to its consolidated strategic lithium position, which will consist of 52,000 ha in the Cape Cross - Uis area pegmatite belt ("CUPB"). The CUPB stretches 115km from Cape Cross in the West to Uis which can be as wide as 24km. The Company paid a finder's fee of 2,000,000 Shares on the Closing of the Transaction to an arm's-length third-party who assisted in introducing and facilitating the Transaction.