

CAPE LITHIUM CORP. (Formerly Known as Moonbound Mining Ltd.)

Amended and Restated Condensed Interim Consolidated Financial Statements
For the nine months ended January 31, 2024 and 2023

(Unaudited - Expressed in Canadian Dollars)

AMENDMENT AND RESTATEMENT

The condensed interim consolidated financial statements for the nine months ended January 31, 2024, and 2023, originally filed on SEDAR+ on April 2, 2024, have been revised and refiled to correct financial information for the period ended January 31, 2024. Following the period ended January 31, 2024, the Company identified that the valuation of its equity investment in Strathmore Claims was understated and should be reclassified from "Investment in Joint Ventures" to "Equity Investment in Strathmore Claims." This adjustment also led to an increase in reserves for warrants and finder's warrants issued in connection with the assignment of the Memorandum of Understanding. Additionally, the valuation of the investment in an associate was determined to be understated and should be reclassified from "Investment in Subsidiaries." This adjustment also resulted in an increase in accounts payable and accrued liabilities. Further details regarding these changes are provided in Note 15 of the financial statements.

NOTICE OF NO AUDITOR REVIEW
OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the unaudited condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the condensed interim consolidated financial statements have not been reviewed by an auditor.

The accompanying amended and restated unaudited condensed interim consolidated financial statements of Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.) (the "Company") have been prepared by and are the responsibility of the Company's management. These amended and restated unaudited condensed interim consolidated financial statements as at January 31, 2024 and for the nine months then ended are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgment based on information currently available.

The Company's independent auditor has not performed a review of these amended and restated condensed interim consolidated financial statements.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Amended and Restated Condensed Interim Consolidated Statements of Financial Position
(Unaudited – expressed in Canadian Dollars)

As at	(Restated – Note 15) January 31, 2024 (unaudited)	April 30, 2023 (audited)
ASSETS		
Current assets		
Cash	\$ 1,306,333	\$ 550,558
GST receivable	22,749	4,579
	1,329,082	555,137
Non-current assets		
Exploration and evaluation asset (Note 5)	105,000	70,000
Equity investment in Strathmore Claims (Note 6)	5,191,337	-
Investment in associate (Note 4)	22,016,588	-
	27,312,925	70,000
Total assets	\$ 28,642,007	\$ 625,137
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 326,811	\$ 56,024
Short-term loans (Note 7)	3,180,000	-
Total liabilities	3,506,811	56,024
SHAREHOLDERS' EQUITY		
Share capital (Note 8)	20,028,318	758,154
Reserves	5,957,147	-
Deficit	(850,269)	(189,041)
Total shareholders' equity	25,135,196	569,113
Total liabilities and shareholders' equity	\$ 28,642,007	\$ 625,137

Nature and Continuance of Operations (Note 1)
Commitments (Note 13)
Subsequent Events (Note 14)

These amended and restated condensed interim consolidated financial statements were approved for issue by the Board of Directors on October 7, 2024 and signed on its behalf by:

"James Lumley" Director
James Lumley

"David Eaton" Director
Davod Eaton

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

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Condensed Interim Consolidated Statements of Comprehensive Loss
(Unaudited - expressed in Canadian Dollars)

	Three Months Ended January 31, 2024	Three Months Ended January 31, 2023	Nine months ended January 31, 2024	Nine months ended January 31, 2023
Expenses				
Administration and accounting (Note 11)	\$ 125	\$ 16,742	\$ 9,291	\$ 22,242
Auditor fees	8,000	8,400	25,263	15,700
Consulting fees (Note 11)	56,640	-	146,210	3,000
Exploration and evaluation (Note 5)	104,475	3,700	362,262	3,700
Filing fees	2,251	16,402	10,195	20,402
Interest expenses (Note 7)	45,000	1,008	45,000	1,611
Investor and communications	4,217	-	10,525	-
Legal fees	8,043	9,184	46,006	20,297
Office and administration	252	-	1,972	-
Transfer agent and related	2,208	2,792	4,504	2,792
Loss and comprehensive loss for the period	\$ 231,211	\$ 58,228	\$ 661,228	\$ 89,744
Basic and diluted loss per common share	\$ (0.01)	\$ (0.01)	\$ (0.03)	\$ (0.01)
Weighted average number of common shares outstanding – basic and diluted	29,768,013	7,872,209	22,726,158	7,701,385

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

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Amended and Restated Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
For the nine months ended January 31, 2024 and 2023
(Unaudited - expressed in Canadian Dollars)

	Number of Shares	Share Capital	Reserves	Deficit	Total
Balance, April 30, 2022	7,450,000	\$ 338,750	\$ -	\$ (63,077)	\$ 275,673
Private placements	185,000	18,500	-	-	18,500
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 period	-	-	-	(89,744)	(89,744)
Balance, January 31, 2023	8,137,000	384,822	-	(152,821)	232,001
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
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	7,000,000	2,100,000	-	-	2,100,000
Conversion of subscription receipts	7,000,000	2,100,000	-	-	2,100,000
Exercise of warrants	295,000	29,500	-	-	29,500
Share issue costs	-	(6,836)	-	-	(6,836)
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 period	-	-	-	(661,228)	(661,228)
Balance, January 31, 2024 (Restated – Note 15)	82,827,903	\$ 20,028,318	\$ 5,957,147	\$ (850,269)	\$ 25,135,196

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

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited - expressed in Canadian Dollars)

	Nine Months Ended January 31, 2024	Nine Months Ended January 31, 2023
CASH FLOWS PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Loss for the period	\$ (661,228)	\$ (89,744)
Change in non-cash working capital items		
Accounts payable and accrued liabilities	270,787	27,970
Due to a related party	-	(2,500)
Other receivable	(15,170)	(2,220)
Net cash used in operating activities	(405,611)	(66,494)
INVESTING ACTIVITIES		
Acquisition of exploration and evaluation assets	(35,000)	-
Investment in associate	(2,223,550)	-
Cash, acquired on investment in subsidiaries	272	-
Net cash used in investing activities	(2,258,278)	-
FINANCING ACTIVITIES		
Demand Loan	-	80,000
Proceeds from private placements, net of issuance cost	4,190,164	18,500
Exercise of warrants	29,500	-
Issuance of special warrants, net of issuance cost	-	27,572
Loan advanced /payment	(800,000)	-
Net cash provided by financing activities	3,419,664	126,072
Increase in cash for the period	755,775	59,578
Cash, beginning of period	550,558	216,958
Cash, end of period	\$ 1,306,333	\$ 276,536
Supplemental cash flow information		
Cash paid for interest during the period	\$ -	\$ 603
Supplemental cash flow information (Restated – Note 15)		
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 condensed interim consolidated financial statements

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Notes to the Amended and Restated Condensed Interim Consolidated Financial Statements
For the nine months ended January 31, 2024 and 2023
(Unaudited - expressed in Canadian Dollars)

1. Nature of Operation and Going Concern

Nature of Operations

Cape Lithium Corp. (formerly known as 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 2501 - 550 Burrard Street, Vancouver, BC, V6C 2B5.

Going Concern

At January 31, 2024, the Company had not yet achieved profitable operations, had an accumulated deficiency of \$850,269 (April 30, 2023: \$189,041) since its inception and had a working capital deficiency of \$2,177,729 (April 30, 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 condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's audited financial statements for year ended April 30, 2023, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board. These condensed interim consolidated financial statements have been amended and were authorized for refiled in accordance with a resolution from the Board of Directors on October 7, 2024.

(b) Basis of presentation

These condensed interim 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 significant accounting policies (Note 3). In addition, these financial statements have been prepared under the accrual basis of accounting, except for cash flow information.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Notes to the Amended and Restated Condensed Interim Consolidated Financial Statements
For the nine months ended January 31, 2024 and 2023
(Unaudited - expressed in Canadian Dollars)

2. Basis of Presentation (Continued)

(c) Basis of Consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. The financial statements of the subsidiaries are included in the condensed interim 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.

The legal subsidiaries of the Company are as follows:

Name of Subsidiary	Place of Incorporation	Beneficial Ownership Interest	
		January 31, 2024	April 30, 2023
1442160 B.C. Ltd*	British Columbia, Canada	100%	-
Norrabees Lithium (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 condensed consolidated interim 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.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Notes to the Amended and Restated Condensed Interim Consolidated Financial Statements
For the nine months ended January 31, 2024 and 2023
(Unaudited - expressed in Canadian Dollars)

2. Basis of Presentation (Continued)

(f) Significant judgments, estimates and assumptions (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

These condensed interim consolidated financial statements follow the same accounting principles and methods of application as those disclosed in Note 3 of the Company's Annual Financial Statements as at April 30, 2023 and for the year then ended. During the nine months ended January 31, 2024, the Company adopted the following accounting policy:

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Notes to the Amended and Restated Condensed Interim Consolidated Financial Statements
For the nine months ended January 31, 2024 and 2023
(Unaudited - expressed in Canadian Dollars)

3. Material Accounting Policies (Continued)

(a) 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.

(b) 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 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.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Notes to the Amended and Restated Condensed Interim Consolidated Financial Statements
For the nine months ended January 31, 2024 and 2023
(Unaudited - expressed in Canadian Dollars)

3. Material Accounting Policies (Continued)

(c) 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.

4. Acquisitions

Acquisition of 1442160 B.C. Ltd.

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 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.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Notes to the Amended and Restated Condensed Interim Consolidated Financial Statements
For the nine months ended January 31, 2024 and 2023
(Unaudited - expressed in Canadian Dollars)

4. Acquisitions (Continued)

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 January 31, 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.

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 January 31, 2024, Namli is a wholly-owned subsidiary of Dune.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Notes to the Amended and Restated Condensed Interim Consolidated Financial Statements
For the nine months ended January 31, 2024 and 2023
(Unaudited - expressed in Canadian Dollars)

4. Acquisitions (Continued)

As at January 31, 2024, the Company classifies its investment in Dune as an investment in associate, as the Company owns 40% of Dune as of January 31, 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
Balance, January 31, 2024	\$	22,016,588

5. Exploration and Evaluation Asset

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 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); and (paid)
 - (iv) \$75,000 to Cloudbreak on or before the second anniversary (January 9, 2025) of the Company completing a Go Public Transaction;
- (b) The Company incurring an aggregate of \$700,000 in mining work expenditures on the Property (or cash payments to Cloudbreak in lieu of all or any portion of such mining work expenditures) as follows:
- (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; and (the Company has not issued shares to Cloudbreak and is in discussion with Cloudbreak to renegotiate the agreement.)
 - (iii) 1,250,000 Common Shares on or before the second anniversary (January 9, 2025) of the Company completing a Go Public Transaction.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Notes to the Amended and Restated Condensed Interim Consolidated Financial Statements
For the nine months ended January 31, 2024 and 2023
(Unaudited - expressed in Canadian Dollars)

5. Exploration and Evaluation Asset (Continued)

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 was made during the nine months ended January 31, 2024.

Exploration and evaluation asset costs are set out below:

Balance – April 30, 2023 and April 30, 2022	\$	70,000
Addition		35,000
Balance – January 31, 2024		105,000

Exploration and Evaluation Expenses

The following table summarizes the exploration and evaluation expenses incurred during the periods ended:

	Three months ended		Nine months ended	
	January 31, 2024	January 31, 2023	January 31, 2024	January 31, 2023
Analytical and sample related	\$ -	\$ -	\$ 4,296	\$ -
Geological consultants	104,475	3,700	317,450	3,700
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)	-
Total	\$ 104,475	\$ 3,700	\$ 362,262	\$ 3,700

2024	Three months ended			Nine months ended		
	Yak Property	Strathmore Property	Total	Yak Property	Strathmore Property	Total
	\$	\$	\$	\$	\$	\$
Analytical and sample related	-	-	-	4,296	-	4,296
Geological consultants	4,475	100,000	104,475	42,450	275,000	317,450
Mapping and modelling	-	-	-	2,500	-	2,500
Project supervision	-	-	-	7,539	-	7,539
Supplies & other	-	-	-	10,705	-	10,705
Transport, travel and related	-	-	-	25,543	-	25,543
Cost recovery: BC METC	-	-	-	(5,771)	-	(5,771)
	4,475	100,000	104,475	87,262	275,000	362,262

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Notes to the Amended and Restated Condensed Interim Consolidated Financial Statements
For the nine months ended January 31, 2024 and 2023
(Unaudited - expressed in Canadian Dollars)

5. Exploration and Evaluation Asset (Continued)

2023	Three months ended			Six months ended		
	Yak Property	Strathmore Property	Total	Yak Property	Strathmore Property	Total
	\$	\$	\$	\$	\$	\$
Geological consultants	3,700	-	3,700	3,700	-	3,700
	3,700	-	3,700	3,700	-	3,700

6. Investment in Strathmore Claims

Strathmore Property

On September 7, 2023, the Company has 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 (CUPB). The CUPB stretches 115km from Cape Cross in the West to Uis in the East and can be as wide as 24km. 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 January 31, 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:

- (i) US\$250,000 upon execution of JV Agreement, arrival of First Effective date, issue of environmental clearance for Strathmore Claims to render Tomas the holder thereof.
- (ii) US\$200,000 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) US\$75,000 payable 12 months from the first effective date under this agreement.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Notes to the Amended and Restated Condensed Interim Consolidated Financial Statements
For the nine months ended January 31, 2024 and 2023
(Unaudited - expressed in Canadian Dollars)

6. Investment in Strathmore Claims (Continued)

- (iv) US\$75,000 payable 18 months from the first effective date under this agreement.
- (v) US\$75,000 payable 24 months from the first effective date under this agreement.
- (vi) Allotting and issue of 300,000 fully paid common shares of the Company within one month of the first effective date under JV agreement.
- (vii) Allotting and issue of 300,000 fully paid common shares of the Company 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 January 31, 2024, the first effective date has not yet been determined and the Company is not yet required to make the above milestone payments.

7. Short-term Loans

During the period ended January 31, 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 period ended January 31, 2024, the Company repaid \$920,000 of the loans. As at January 31, 2024, the outstanding balance of the loan is \$180,000.

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. As at January 31, 2024, the outstanding balance of the loan is \$500,000. Subsequent to the period ended January 31, 2024, the Company paid \$26,000 interest expenses, the principle of the loan has not been repaid and shares have not been issued.

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 January 31, 2024, the outstanding balance of the loan is \$1,000,000.

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 on the terms and conditions set out in the loan agreement. As partial consideration of the loan, the Company agree to pay the lender an arrangement fee of \$45,000 which was deducted from the principal amount and transfer to the Lender 400,000 common shares of 1442160 B.C. Ltd. As at January 31, 2024, the loan payable was \$1,500,000. Subsequent to January 31, 2024, the Company fully repaid the loan in full.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Notes to the Amended and Restated Condensed Interim Consolidated Financial Statements
For the nine months ended January 31, 2024 and 2023
(Unaudited - expressed in Canadian Dollars)

8. Share Capital

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and outstanding

As of January 31, 2024, 82,827,903 (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 7, 2023, the Company issued 12,000,000 units in the capital of the Company, at a deemed price of \$0.12 per unit for the Assignment (Note 7). Each Unit consists of one common share of the Company and one share purchase warrant with each warrant entitling 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 units in the capital of the Company, at a deemed price of \$0.19 per unit, with each unit consisting of one Share and one share purchase warrant with each warrant entitling the holder to acquire one Share at an exercise price of \$0.25 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.

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.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Notes to the Amended and Restated Condensed Interim Consolidated Financial Statements
For the nine months ended January 31, 2024 and 2023
(Unaudited - expressed in Canadian Dollars)

8. Share Capital (Continued)

(b) Issued and outstanding (Continued)

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.

(c) Common share purchase warrants

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

	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	32,250,000	0.20
Exercised	(295,000)	0.10
Balance, January 31, 2024	45,100,903	0.17

Common share purchase warrants issued as at January 31, 2024 are as follows:

Date of Expiry	Number of Warrants Outstanding	Exercise Price \$
September 9, 2026	5,805,000	0.10
March 3, 2025	4,066,142	0.10
March 13, 2025	2,979,761	0.10
September 6, 2025	13,250,000	0.20
January 29, 2027	19,000,000	0.40
	45,100,903	

The weighted average remaining life of the common share purchase warrants as of January 31, 2024 is 2.26 (April 30, 2023 – 2.54) years.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Notes to the Amended and Restated Condensed Interim Consolidated Financial Statements
For the nine months ended January 31, 2024 and 2023
(Unaudited - expressed in Canadian Dollars)

9. 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 January 31, 2024 and April 30, 2023:

	Categories	January 31, 2024	April 30, 2023
Financial assets		\$	\$
Cash	Amortized cost	1,306,333	550,558
Financial liabilities			
Accounts payable and accrued liabilities	Amortized cost	326,811	56,024
Short-term loans	Amortized cost	3,180,000	-

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, 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.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Notes to the Amended and Restated Condensed Interim Consolidated Financial Statements
For the nine months ended January 31, 2024 and 2023
(Unaudited - expressed in Canadian Dollars)

9. Financial Instruments and financial risk (Continued)

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. At January 31, 2024, the Company had a working capital deficit of \$2,177,729 (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 January 31, 2024:

	Total	Due by period				
		< 1 year	1 - 2 years	2 - 3 years	3 - 4 years	> 5 years
	\$	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	326,811	326,811	-	-	-	-
Short-term loans	3,180,000	3,180,000	-	-	-	-
	3,506,811	3,506,811	-	-	-	-

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 January 31, 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.

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.

10. 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.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Notes to the Amended and Restated Condensed Interim Consolidated Financial Statements
For the nine months ended January 31, 2024 and 2023
(Unaudited - expressed in Canadian Dollars)

11. 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	66,210	-
Administration and accounting	9,921	21,700
	76,131	21,700

As at January 31, 2024, \$21,420 (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.

12. 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	January 31, 2024		January 31, 2023	
Canada	\$	(661,228)	\$	(152,821)
Total	\$	(661,228)	\$	(152,821)

The Company's total assets by geographic locations for the period ended January 31, 2024 and April 30, 2023 are as follows:

Total assets	January 31, 2024		April 30, 2023	
Canada	\$	22,527,807	\$	625,137
South Africa		6,114,200		-
Total	\$	28,642,007	\$	625,137

13. 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.

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.

Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.)
Notes to the Amended and Restated Condensed Interim Consolidated Financial Statements
For the nine months ended January 31, 2024 and 2023
(Unaudited - expressed in Canadian Dollars)

14. Subsequent event

Subsequent to January 31, 2024, the Company completed a private placement and issued 4,493,334 common shares for gross proceeds \$1,348,000. In connection with the financing, the Company paid cash finder's fees of \$59,010 and issued 196,700 finder's warrant with an exercise price of \$0.30 and an expiry of two years.

15. Restatement

Subsequent to issuance of the previously reported financial statements for the nine months ended January 31, 2024 (filed on SEDAR+ on April 2, 2024), the Company has identified the valuation of its equity investment in Strathmore Claims was understated by \$1,952,001 and should be reclassified from investment in Joint Ventures to Equity Investment in Strathmore Claims. The adjustments also resulted in an increase in reserve of \$1,952,001. Additionally, the valuation of the investment in associate was determined to be understated and should be reclassified from Investment in Subsidiaries. This adjustment also resulted in an increase in account payable and accrued liabilities.

The financial statements of the Company as at January 31, 2024 and for the nine months ended have been restated and the following table summarizes the effects of the adjustment described above:

	Previously reported	Adjustment increase (decrease)	Restated
	\$	\$	\$
<u>As at January 31, 2024</u>			
Statement of financial position			
Investment in joint ventures	3,239,336	(3,239,336)	-
Equity investment in Strathmore Claims	-	5,191,337	5,191,337
Investment in subsidiaries	21,976,822	(21,976,822)	-
Investment in associate	-	22,016,588	22,016,588
Accounts payable and accrued liabilities	(287,045)	(39,766)	(326,811)
Reserves	(4,005,146)	(1,952,001)	(5,957,147)
Statement of cash flows			
Net cash used in operating activities	448,377	(42,766)	405,611
Net cash used in investing activities	6,198,512	(3,940,234)	2,258,278
Net cash provided in financing activities	7,402,664	(3,983,000)	3,419,664

Certain notes to the Amended and Restated Condensed Interim Consolidated Financial Statements have been updated to be consistent with the presentation of the annual consolidated financial statements as at April 30, 2024 including basis of presentation, critical accounting judgments and estimates.