NEOTECH METALS CORP.
(FORMERLY CARAVAN ENERGY CORPORATION)

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIODS ENDED DECEMBER 31, 2023 AND 2022

(Expressed in Canadian Dollars)

(Unaudited)

NOTICE OF NO AUDIT OR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, if an auditor has not performed a review of the interim financial statements they must be accompanied by a note indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements have been prepared by and are the responsibility of management. The Corporation's independent auditor has not performed a review of these interim financial statements.

NEOTECH METALS CORP. (FORMERLY CARAVAN ENERGY CORPORATION)
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT

	December 31, 2023 (unaudited)	June 30, 2023 (audited)
ASSETS		
Current assets		
Cash	$ 4,113,826	$ 127,107
Receivables (Note 4)	144,477	13,140
Deferred financing costs	26,755	-
Prepaid expenses (Note 5)	272,617	30,229
Total current assets	4,557,675	170,476
Non-current assets		
Exploration and evaluation assets (Note 6)	3,648,944	230,905
Total assets	$ 8,206,619	$ 401,381
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 8)	$ 205,460	$ 159,278
Flow-through liability (Note 7)	449,464	-
Total current liabilities	654,924	159,278
Equity		
Share capital (Note 7)	12,418,292	613,450
Warrants reserve (Note 7)	457,207	-
Share-based compensation reserve (Note 7)	192,023	-
Obligation to issue shares (Note 7)	52,531	780,000
Deficit	(5,568,358)	(1,151,347)
Total equity	7,551,695	242,103
Total liabilities and equity	$ 8,206,619	$ 401,381

Nature of operations and going concern (Note 1)
Subsequent events (Note 12)

Approved and authorized on behalf of the Board:

"Reagan Glazier", Director *"Charn Deol"*, Director

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

NEOTECH METALS CORP. (FORMERLY CARAVAN ENERGY CORPORATION)
UNAUDITED CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
FOR THE PERIODS ENDED DECEMBER 31,

	Three months ended December 31,		Six months ended December 31,	
	2023	**2022**	**2023**	**2022**
EXPENSES				
Advertising and promotion	$ 1,221,848	$ -	$ 1,228,187	$ -
Consulting fees (Note 8)	68,769	3,000	105,369	6,000
Exploration costs (Note 6)	33,364	-	33,364	-
Insurance	2,405	-	4,810	-
Office and miscellaneous	12,101	2,125	12,581	4,007
Professional fees (Note 8)	121,893	23,695	206,968	29,077
Salaries and benefits (Note 8)	40,888	-	50,074	-
Share-based compensation (Note 7 & 8)	2,800,131	-	2,800,131	-
Transfer agent and regulatory fees	26,692	-	40,350	-
Operating expenses	4,328,091	28,820	4,481,834	39,084
Flow-through premium recovery (Note 7)	30,536	-	30,536	-
Interest income	34,287	-	34,287	-
	64,823	-	64,823	-
Net loss and comprehensive loss for the period	$ (4,263,268)	$ (28,820)	$ (4,417,011)	$ (39,084)
Loss per share				
Basic & diluted	$ (0.11)	$ (0.00)	$ (0.16)	$ (0.00)
Weighted average number of shares				
Basic & diluted	39,737,190	13,008,478	27,493,150	13,021,196

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

NEOTECH METALS CORP. (FORMERLY CARAVAN ENERGY CORPORATION)
UNAUDITED CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
FOR THE PERIODS ENDED DECEMBER 31,

		2023		2022
CASH FLOW FROM OPERATING ACTIVITIES				
Net loss for the period	$	(4,417,011)	$	(39,084)
Adjustments for non-cash items:				
Flow-through premium recovery		(30,536)		-
Shares for services		-		3,000
Share-based compensation		2,800,131		-
Changes in non-cash working capital:				
Prepaid expenses		(242,388)		-
Receivables		(102,156)		2,276
Deferred listing costs		-		(29,345)
Deferred financing costs		(26,755)		-
Accounts payable and accrued liabilities		46,182		17,684
Net cash used in operating activities		(1,972,533)		(45,469)
CASH FLOW FROM INVESTING ACTIVITIES				
Acquisition of exploration and evaluation assets		(482,340)		(24,500)
Net cash used in investing activities		(482,340)		(24,500)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from private placement		6,050,260		-
Proceeds from the exercise of securities		893,400		-
Proceeds received for shares not yet issued		20,600		-
Share issuance costs		(522,668)		(2,264)
Proceeds from special warrants		-		197,750
Special warrant issuance costs		-		(32,644)
Net cash provided by financing activities		6,441,592		162,842
Change in cash		3,986,719		92,873
Cash, beginning of period		127,107		358,025
Cash, end of period	$	4,113,826	$	450,898
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION				
Interest received	$	25,918	$	-
Non-cash transactions:				
Shares issued for Thor Property		67,137		-
Shares issued for TREO Property		2,865,812		-
Broker warrants		457,207		-

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

NEOTECH METALS CORP. (FORMERLY CARAVAN ENERGY CORPORATION)
UNAUDITED CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)

	Share Capital						
	Common Shares	Amount	Warrant Reserve	Share-based Compensation Reserve	Obligation to Issue Shares	Deficit	Total Equity
Balance, June 30, 2022	13,000,000	$ 425,000	$ -	$ -	$ -	$ (68,000)	$ 357,000
Share issuance	30,000	3,000	-	-	-	-	3,000
Share issuance costs	-	(2,264)	-	-	-	-	(2,264)
Proceeds for special warrants	-	-	197,750	-	-	-	197,750
Special warrant issuance costs	-	-	(32,644)	-	-	-	(32,644)
Loss for the period	-	-	-	-	-	(39,084)	(39,084)
Balance December 31, 2022	13,030,000	$ 425,736	$ 165,106	$ -	$ -	$ (107,084)	$ 483,758
Balance, June 30, 2023	15,236,500	$ 613,450	$ -	$ -	$ 780,000	$ (1,151,347)	$ 242,103
Shares issued for Thor property	58,165	67,137	-	-	31,931	-	99,068
Shares issued for TREO property	6,124,955	2,865,812	-	-	-	-	2,865,812
Flow-through shares issued	6,000,000	3,000,000	-	-	-	-	3,000,000
Non-flow-through shares issued	7,262,524	3,050,260	-	-	-	-	3,050,260
Proceeds for shares not yet issued	-	-	-	-	20,600	-	20,600
Exercise of warrants	7,092,000	893,400	-	-	-	-	893,400
Restricted share units conversion	5,112,500	3,388,108	-	(2,608,108)	(780,000)	-	-
Share issuance costs	-	(979,875)	457,207	-	-	-	(522,668)
Flow-through premium liability	-	(480,000)	-	-	-	-	(480,000)
Share-based compensation	-	-	-	2,800,131	-	-	2,800,131
Loss for the period	-	-	-	-	-	(4,417,011)	(4,417,011)
Balance, December 31, 2023	46,886,644	$ 12,418,292	$ 457,207	$ 192,023	$ 52,531	$ (5,568,358)	$ 7,551,695

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Neotech Metals Corp. (formerly Caravan Energy Corporation) ("Neotech" or the "Company") is a company incorporated on October 21, 2020 under the Business Corporations Act (British Columbia) under the name "Neotech Metals Corp., effective as of October 26, 2023. The registered records and head office of the Company is located at 2700-1133 Melville Street, Vancouver BC V6E 4E5. The Company is in the business of acquiring, exploring and evaluating mineral resource properties in Canada. The Company's shares commenced trading on the Canadian Securities Exchange ("CSE") on March 17, 2023, under the trading symbol "NTMC" (formerly "CNRG").

These condensed interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and settle its obligations in the normal course of business. During the period ended December 31, 2023, the Company incurred a net loss of $4,417,011 (2022 - $39,084) and as at December 31, 2023, had an accumulated deficit of $5,568,358 (June 30, 2023 - $1,151,347). The Company has not generated significant cash inflows from operations. These conditions cast significant doubt about the Company's ability to continue as a going concern. The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate financing from lenders, shareholders and other investors and/or generate profitability and positive cash flow. These condensed interim financial statements do not give effect to the adjustments that would be necessary should the Company be unable to continue as a going concern and to realize its assets and liquidate its liabilities and commitments at amounts different from those in the accompanying financial statements. Such adjustments could be material.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. These factors may create further uncertainty and risk with respect to the prospects of the Company's business.

2. BASIS OF PRESENTATION

Statement of Compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, Interim Financial Reporting ("IAS 34"), as issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee ("IFRIC").

These financial statements were authorized and issued by the Board of Directors on February 27, 2024.

Significant Accounting Judgments and Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting year. Actual outcomes could differ from these estimates. These condensed interim financial statements include estimates, which, by their nature, are uncertain. The impact of such estimates appears throughout the financial statements and may require adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other relevant factors that are believed to be reasonable under the circumstances.

(Expressed in Canadian Dollars)

In preparing these condensed interim financial statements, the significant estimates and critical judgments were the same as those applied to the audited annual financial statements for the year ended June 30, 2023, except for the following:

Critical Accounting Estimates

i) Share-based compensation

In estimating the fair value of equity awards using the Black-Scholes option pricing model, management is required to make certain assumptions and estimates such as the expected life of awards, volatility of the Company's future share price, risk-free rate, future dividend yields and estimated forfeitures at the initial grant date. Changes in assumptions used to estimate fair value could result in materially different results.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed by the Company are set out in Note 3 to the audited annual financial statements for the year ended June 30, 2023 and have been consistently followed in the preparation of these condensed interim financial statements with the exceptions of the policies set out below:

Flow-Through Shares

Resource expenditure deductions for income tax purposes related to exploratory activities funded by flow-through share arrangements are renounced to investors in accordance with income tax legislation. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability and share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders and the premium is recognized as other income.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a flow-through tax expense.

4. RECEIVABLES

		December 31, 2023		June 30, 2023
GST receivable	$	106,927	$	13,140
Interest receivable		8,369		-
Mining tax credit receivable		29,181		-
	$	**144,477**	**$**	**13,140**

(Expressed in Canadian Dollars)

5. PREPAID EXPENSES

	December 31, 2023	June 30, 2023
Advertising and promotion	$ 214,790	$ -
Consulting fees	5,000	-
Insurance	440	5,250
Transfer agent and regulatory fees	10,510	24,979
Equipment deposits	41,877	-
	$ 272,617	**$ 30,229**

6. EXPLORATION AND EVALUATION ASSETS

The following table summarizes costs of expenditures on exploration and evaluation assets for the period ended December 31, 2023 and the year ended June 30, 2023.

Acquisition costs	EBB Nickel-Cobalt	TREO	Thor	Total
Balance at June 30, 2022	$ 40,500	$ -	$ -	$ 40,500
Additions	44,500	-	-	44,500
Balance at June 30, 2023	85,000	-	-	85,000
Additions	-	3,079,363	166,390	3,245,753
Balance at December 31, 2023	**$ 85,000**	**$ 3,079,363**	**$ 166,390**	**$ 3,330,753**

Exploration Costs	EBB Nickel – Cobalt	TREO	Thor	Total
Balance at June 30, 2022	$ -	$ -	$ -	$ -
Geological consulting	81,750	-	-	81,750
Sampling	20,380	-	-	20,380
Magnetic surveying	19,800	-	-	19,800
Equipment rental	23,975	-	-	23,975
Balance at June 30, 2023	$ 145,905	-	-	$ 145,905
Geological consulting	3,733	145,675	-	149,408
Sampling	-	6,837	-	6,837
Equipment rental	-	42,170	-	42,170
Tools and supplies	-	3,052	-	3,052
Mining tax credit	(29,181)	-	-	(29,181)
Balance at December 31, 2023	**$ 120,457**	**$ 197,734**	**$ -**	**$ 318,191**

Balance at June 30, 2023	**$ 230,905**	**$ -**	**$ -**	**$ 230,905**
Balance at December 31, 2023	**$ 205,457**	**$ 3,277,097**	**$ 166,390**	**$ 3,648,944**

During the period ended December 31, 2023, the Company recognized $33,364 (2022 - $Nil) in exploration costs relating to geological research services associated with identifying potential mineral properties.

EBB Nickel-Cobalt Property

On June 15, 2022, the Company entered into an option agreement to acquire a 100% undivided interest in the EBB Nickel-Cobalt Property subject to a 2% net smelter return royalty payable to the optionor. This property is located near Port Renfrew, BC. In order to exercise the option agreement, the Company must make the following payments:

- Cash payment of $30,000 upon execution of the option agreement – paid;
- Cash payment of $35,000 within four months of executing the option agreement – paid;
- Share payment of 200,000 shares on the date the Company's shares are listed for trading on a stock exchange in Canada – paid;
- Cash payment of $30,000 and share payment of 250,000 shares on October 26, 2024, the first anniversary of the date the Company's shares were listed for trading on a stock exchange in Canada;
- Cash payment of $40,000 and share payment of 300,000 shares on October 26, 2025, the second anniversary of the date the Company's shares were listed for trading on a stock exchange in Canada.

The Company also intends to incur the following expenditures under the option agreement in order to earn its interest:

- Incur expenditures of $110,000 on or before October 26, 2024, the first anniversary of the date the Company's shares were listed for trading on a stock exchange in Canada – incurred;
- Incur expenditures of $240,000 on or before October 26, 2025, the second anniversary of the date the Company's shares were listed for trading on a stock exchange in Canada.

The Company has the right to purchase 50% of the NSR, being one percent (1%), from the optionor in exchange for cash payment of $1,000,000 payable to the optionor.

TREO Property

On October 6, 2023, the Company closed a series of agreements to acquire the rare earth TREO property located near Prince George, BC. The property is comprised of a total of 37 mineral claims.

On September 8, 2023, the Company entered into an agreement to acquire 24 TREO claims in exchange for $100,000 in cash and 4,363,636 common shares, with a value of $1,800,491 (See Note 7). These claims are subject to a 2% net smelter royalty. The Company may buy back 50% of the royalty on these claims for $1,000,000 in cash.

On September 8, 2023, the Company entered into an agreement acquire an additional four TREO mineral claims in exchange for $100,000 in cash and 1,045,454 common shares, with a value of $452,436 (See Note 7). $50,000 in cash consideration was paid as of December 31, 2023 with the remaining consideration due by January 31, 2024. These claims are subject to a 2% net smelter royalty. The Company may buy back 50% of the net smelter royalty on these claims through paying $500,000 in cash.

The Company agreed to pay a finder's fee of 579,371 common shares in connection with securing the September 8, 2023 agreements. These shares were determined to have a value of $492,465 as at the October 6, 2023 closing date.

On September 22, 2023, the Company entered into an agreement to acquire an additional five TREO mineral claims in exchange for $50,000 in cash and 100,000 common shares. The shares were determined to have a value of $85,000 as at the October 6, 2023 closing date. These claims are subject to a 2% net smelter royalty. The Company may buy back 50% of the royalty on these claims for $1,000,000 in cash. On September 25, 2023, the seller of these claims was appointed as an officer of the Company.

The Company agreed to pay a finder's fee of 16,494 common shares in connection with the September 22, 2023 agreement. These shares were determined to have a value of $14,020 as at the October 6, 2023 agreement closing date.

(Expressed in Canadian Dollars)

On November 29, 2023 the Company acquired an additional two TREO claims in exchange for $5,000 in cash and 20,000 common shares. The shares were determined to have a value of $21,400 as of the issuance date.

Thor REE Project

On December 13, 2023, the Company entered into an option agreement to acquire a 100% undivided interest in 22 mining claims compromising the Thor Rare Earth Elements Project. This mid-stage exploration property is located in the eastern Mojave Desert Regions, approximately 119 kilometres south of Las Vegas. The Company must make the following payments under the option agreement:

- Cash payment of USD$50,000 within seven days of executing the option agreement – paid;
- Share payment valued at USD$75,000 within ten days of executing the option agreement; - partially paid;
- Cash payment of USD$75,000 and share payment valued at USD$125,000 on or before December 1, 2024;
- Cash payment of USD$75,000 and share payment valued at USD$200,000 on or before December 1, 2025;

7. SHARE CAPITAL

a) Authorized share capital:

Unlimited number of common shares without par value.

b) Issued share capital:

As at December 31, 2023, the Company had 46,886,644 common shares issued and outstanding (June 30, 2023 – 15,236,500).

During the period ended December 31, 2023:

On October 6, 2023 the Company completed a flow-through and non-flow through private placement of 6,000,000 flow-through units (“FT unit”) at a price of $0.50 per FT unit for gross proceeds of $3,000,000 and 7,262,524 non-flow-through units (“NFT Unit”) at a price of $0.42 per NFT Unit for gross proceeds of $3,050,260. Each FT and NFT Unit consists of one common flow-through share and common non-flow through share, respectively, and one common share purchase warrant. All proceeds received were allocated to the common shares and no fair value was allocated to the attached warrants. Each warrant will entitle the holder thereof to acquire an additional common share in the capital of the Company at a price of $0.60 per common share for a period of 24 months from the date of issuance. In addition, the Company issued 826,800 finders’ warrants with the same terms as the common share purchase warrants. These warrants were determined to have a value of $457,207 using the Black Scholes option pricing model.

The premium received on the issuance of FT Units was recognized as a liability on the Company’s consolidated statements of financial position, The continuity of the flow-through premium liability is as follows:

Balance as at June 30, 2023 and 2022	$	-
Flow through premium liability recognized		480,000
Recognized in profit or loss upon incurring qualifying expenditures		(30,536)
Balance as at December 31, 2023	**$**	**449,464**

The Company issued 58,165 common shares with a value of $67,137 in connection with the Thor project (See Note 6). As at December 31, 2023, the Company also had an obligation to issue 27,664 common shares valued at $31,931 in connection with the Thor project acquisition.

The Company issued 6,124,955 common shares with a value of $2,865,812 in connections with the TREO property (See Note 6). 5,409,090 of these shares were subject to an escrow arrangement. The shares were valued at $2,337,927 based on the October 6, 2023 issuance date value of $4,682,727 less a discount of $2,344,800 for the escrow arrangement. The escrow discount was determined using the Black Scholes option pricing model with the following inputs: share price of $0.85, exercise price of $0.85, expected life of 2.50 – 3.00 years, 102% volatility and 4.87% risk-free rate. Expected volatility was estimated based on the share price volatility of a group of comparable companies involved in mineral exploration.

(Expressed in Canadian Dollars)

The Company issued 5,112,500 common shares as a result of restricted share units ("RSU") being converted to shares. The Company also received $893,400 in proceeds pursuant to the exercise of warrants into 7,092,000 shares.

The Company incurred cash share issuance costs of $522,668 in connection with the issuance of the above shares.

During the period ended December 31, 2022:

On December 5, 2022 the company issued 30,000 common shares for professional services with a fair value of $3,000.

c) Shares in escrow:

At December 31, 2023, the Company had 5,434,999 (2022 – Nil) subject to escrow release arrangements. The shares are to be released from escrow in accordance with the following schedule:

Release timing	**Shares released**
February 6, 2024	349,091
March 17,2024	75,000
August 6, 2024	828,636
September 17, 2024	75,000
February 6, 2025	937,727
March 17, 2025	75,000
September 17, 2025	75,000
October 6, 2025	1,046,819
March 17, 2026	75,000
April 6, 2026	1,046,818
October 6,2026	850,908
	5,434,999

d) Equity incentive compensation plan:

The Company established an equity incentive compensation plan for its directors, officers, employees, and consultants under which the Company may grant equity compensation awards from time to time to acquire shares. Under the plan, the maximum number of shares issuable pursuant to such awards shall be equal to 20% of the then issued and outstanding shares on a rolling basis. The exercise price of certain awards like stock options shall be determined by the Board of Directors and must be at least equal to the closing price of Company's shares on the CSE on the date such awards are granted. These awards are non-transferable and may be granted for a maximum of ten years from the date of issuance. When and if RSU becomes payable, the Board of Directors can determine and choose the form of payout between (i) cash, (ii) shares, (iii) a combination of both, or (iv) in any other form.

e) Restricted share units:

On October 11, 2023, the Company granted 3,950,000 RSUs to directors, officers and consultants in exchange for services. 850,000 of the RSUs vest in three equal tranches of 283,333 units every six months following the grant date. These RSUs were determined to have a value of $368,621 using the Black Scholes option pricing model with the following inputs: share price of $0.84, exercise price of $0.84, expected life of 1.50 years, volatility of 110% and risk-free rate of 4.78%. Expected volatility was estimated based on the share price volatility of a group of comparable companies involved in mineral exploration. The remaining 3,100,000 RSUs were issued vested on the grant date and were converted to shares. These RSUs were determined to have a value of $2,604,000 based on the share price at the date of grant. The Company recognized $2,703,742 in share-based compensation expenses in connection with these grants.

(Expressed in Canadian Dollars)

On October 17, 2023 the Company granted 50,000 RSUs to a company controlled by a director in exchange for services. The RSUs vest quarterly in four equal tranches commencing on October 17, 2023. 12,500 common shares were issued in connection with the RSUs that vested on the grant date These RSUs were determined to have a value of $16,431 using the Black Scholes option pricing model with the following inputs: share price of $0.85, exercise price of $0.85, expected life of 1.00 year, volatility of 97% and risk-free rate of 4.92%. Expected volatility was estimated based on the share price volatility of a group of comparable companies involved in mineral exploration. The Company recognized $8,717 in share-based compensation expenses in connection with this grant.

On June 2, 2023, the Company granted 2,000,000 RSU to consultants in exchange for services. The RSUs vested immediately on grant and the Company recognized $780,000 in share-based compensation expenses pursuant to the vesting of these RSU during the year ended June 30, 2023. On October 6, 2023, the Company converted these 2,000,000 RSUs to shares.

The changes in RSUs are summarized as follows:

	Number of RSUs
Balance as at June 30, 2022 and 2023	2,000,000
Granted	4,000,000
Exercised	(5,112,500)
Balance as at December 31, 2023	**887,500**

As at December 31, 2023 the following RSUs were outstanding:

Outstanding	Full Vesting Date
850,000	April 11, 2025
37,500	October 17, 2024
887,500	

f) Warrants:

As of December 31, 2023, warrant transactions and the number of warrants outstanding are summarized as follows:

	Number of Warrants		Weighted Average Exercise Price
Balance, June 30, 2022	6,000,000	$	0.10
Granted	2,007,500		0.20
Exercised	(29,000)		0.20
Balance, June 30, 2023	7,978,500		0.12
Granted	7,458,063		0.60
Exercised	(7,092,000)		0.13
Balance, December 31, 2023	**8,344,563**	**$**	**0.55**

During the period ended December 31, 2023, the Company issued 6,631,263 warrants as part of its FT and NFT Unit private placement. In connection with the private placement, the Company also issued 826,800 finders' warrants with a value of $457,207. This value was determined using the Black Scholes option pricing model with the following inputs: share price of $0.85, exercise price of $0.60, expected life of 2.00 years, volatility of 108% and risk-free rate of 4.87%. Expected volatility was estimated based on the share price volatility of a group of comparable companies involved in mineral exploration. Both sets of warrants are exercisable at a price of $0.60 and expire on October 6, 2025.

During the year ended June 30, 2023, the Company received gross proceeds of $197,750 pertaining to the issuance of 1,977,500 special warrants priced at $0.10 per warrant. These special warrants were exercised in exchange for 1,977,500 common shares and 1,977,500 warrants upon completion of the Company's IPO. In connection with the special warrant financing, the Company incurred costs of $35,836 which have been netted against the gross proceeds. The Company also issued 30,000 warrants with a fair value of $Nil in exchange for professional services. Both the 1,977,500 and 30,000 warrants are exercisable at a price of $0.20 until March 17, 2025

(Expressed in Canadian Dollars)

As at December 31, 2023 the following warrants were outstanding, entitling the holders to the right to purchase one common share for each warrant held as follows:

Outstanding	Exercise Price	Expiry Date
750,000	$0.10	March 17, 2025
136,500	$0.20	March 17, 2025
7,458,063	$0.60	October 6, 2025
8,344,563		

g) Options:

As of December 31, 2023, option transactions and the number of options outstanding are summarized as follows:

	Number of Options		Weighted Average Exercise Price
Balance, June 30, 2022 and 2023	-	$	-
Granted	325,000		0.83
Balance, December 31, 2023	**325,000**	**$**	**0.83**

As at December 31, 2023 there were 125,000 options outstanding and exercisable (June 30, 2023 – Nil), with the weighted average life of stock options outstanding being 1.85 years.

On October 11, 2023, the Company granted 150,000 options to an officer. These options are exercisable at a price of $0.79 for a period of two years. The options vest in three equal tranches of 50,000 units every six months following the grant date. The value of the options was estimated to be $72,300 based on the Black-Scholes option pricing model using the following assumptions: share price of $0.84, exercise price of $0.79, expected life of 2.00 years, volatility of 104% and risk-free rate of 4.75%. Expected volatility was estimated based on the share price volatility of a group of comparable companies involved in mineral exploration.

On October 17, 2023, the Company granted 125,000 options to companies controlled by directors. The options are exercisable at a price of $0.85 for a period of two years. The options vested immediately on grant. The fair value of the options was estimated to be $59,691 based on the Black-Scholes option pricing model using the following assumptions: share price of $0.85, exercise price of $0.85, expected life of 2.00 years, volatility of 104% and risk-free rate of 4.89%. Expected volatility was estimated based on the share price volatility of a group of comparable companies involved in mineral exploration.

On November 20, 2023 the Company granted 50,000 options to a consultant in exchange for services. These options are exercisable at a price of $0.90 for a period of two years once vested. The options vest on March 20, 2024. The fair value of the options was estimated to be $25,536 based on the Black-Scholes option pricing model using the following assumptions: exercise price of $0.91, share price of $0.90, expected life of 2.00 years, volatility of 104% and risk-free rate of 4.42%. Expected volatility was estimated based on the share price volatility of a group of comparable companies involved in mineral exploration.

During the period ended December 31, 2023, share-based compensation in the amount of $87,672 (2022 - $Nil), was recognized on the issuance and vesting of stock options.

(Expressed in Canadian Dollars)

As at December 31, 2023 the following options were outstanding, entitling the holders to the right to purchase one common share for each option held as follows:

Outstanding	Exercisable	Exercise Price	Expiry Date
150,000	-	$0.79	October 11, 2025
125,000	125,000	$0.85	October 17, 2025
50,000	-	$0.90	November 20, 2025
325,000	**125,000**		

8. RELATED PARTY BALANCES AND TRANSACTIONS

The Company has determined that key management personnel consists of the Company's Board of Directors and its executive officers. During the periods ended December 31, 2023 and 2022, the Company incurred the following fees charged by directors and officers and companies controlled by directors and officers of the Company:

	Three months ended		Six months ended	
	December 31,2023	December 31,2022	December 31,2023	December 31,2022
Consulting fees	$ 15,000	$ 3,000	$ 33,000	$ 6,000
Salaries and benefits	38,269	-	46,832	-
Share-based compensation	355,713	-	355,713	-
Total	$ 453,213	$ 21,000	$ 501,508	$ 27,000

During the period ended December 31, 2023, the Company also incurred $3,829 (2022 - $Nil) in exploration expenditures on its TREO property with an officer.

Further, during the period ended December 31, 2023, the Company incurred expenses of $65,963 (2022 - $21,000) with a separate management entity for the provision of CFO services, which is included in professional and consulting fees. As of December 31, 2022, the Company owed $13,655 (June 30, 2023 - $3,015) to this management entity for the provision of CFO services. This balance is non-interest bearing, unsecured and due on demand.

At December 31, 2023, the Company owed $3,375 (June 30, 2023 – $10,500) to companies controlled by directors and officers and $2,149 (June 30, 2023 - $Nil) to an officer. These amounts are non-interest bearing, unsecured and due on demand.

9. FINANCIAL INSTRUMENTS AND RISK

Fair Value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities;
Level 2 – Inputs other than quoted prices that are observable for the assets or liabilities either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The Company's primary financial instruments are classified as follows:

Financial instruments	Classifications
Cash	Fair Value through Profit and Loss
Accounts payable and accrued liabilities	Amortized Cost

The fair values of accounts payable and accrued liabilities approximates their carrying amount due to their short-term nature. Cash is measured at fair value using level 1 inputs.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument will cause a financial loss to the Company by failing to meet its obligations. The Company's financial instruments that are exposed to concentrations of credit risk are primarily cash. The Company limits its exposure to credit risk with respect to cash by holding it with major Canadian financial institutions. The carrying amount of financial assets represents the maximum credit risk exposure.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis.

Historically, the Company's primary source of funding has been the issuance of equity securities for cash. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

The following is an analysis of the contractual maturities of the Company's financial liabilities as at December 31, 2023:

	Within one year	Between one and five years	More than five years
Accounts payable and accrued liabilities	$ 205,460	$ -	$ -
	$ 205,460	$ -	$ -

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, commodity and equity prices.

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows from a financial instrument will fluctuate because of changes to market interest rates. The Company does not have any financial instruments that are exposed to interest rate fluctuations. The Company believes it has no significant interest rate risk.

b) Foreign currency risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company does not have significant exposure to currency risk.

c) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company does not hold any financial instruments that would result in material exposure to other price risk.

10. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern. In the management of capital, the Company monitors its capital, which comprises all components of equity (i.e., share capital, reserves and deficit).

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue common shares through private placements. The Company is not exposed to any externally imposed capital requirements.

No changes were made to capital management during the period ended December 31, 2023.

On March 17, 2023, the Company's shares became listed on the CSE and it is now subject to various CSE listing requirements.

11. SEGMENT INFORMATION

The Company has one operating segment, being the acquisition, exploration and evaluation of mineral resource properties. $166,390 (June 30, 2023 - $Nil) of the Company's total assets are located in the United States. All remaining assets are located in Canada.

12. SUBSEQUENT EVENTS

On January 30, 2024, the Company staked its Foothills Rare Earth Elements Prospect. This property is comprised of nine claims across 16,517 hectares. The property is located 95 kilometres northeast of Kelowna in Central British Columbia.

On January 9, 2024, the Company issued 27,664 common shares valued at $31,931 in connection with the acquisition of the Thor project.

Subsequent to December 31, 2023, 288,500 shares were issued pursuant to warrant exercise requests. $109,500 in proceeds were received in connection with these requests. $20,600 of the warrant exercise proceeds were received prior to December 31, 2023.