

EON LITHIUM CORP.

Consolidated Financial Statements
For the Year Ended December 31, 2024
(Expressed in Canadian Dollars)



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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Eon Lithium Corp.

Opinion

We have audited the accompanying consolidated financial statements of Eon Lithium Corp. (the “Company”), which comprise the consolidated statements of financial position as at 31 December 2024 and 2023, and the consolidated statements of operations and comprehensive loss, changes in shareholders’ equity (deficiency) and cash flows for the years then ended and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated statements of financial position of the Company as at 31 December 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards (“IFRS”).

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended 31 December 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no key audit matters to communicate in our auditors’ report.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management’s Discussion and Analysis, but does not include the consolidation financial statements and our auditor’s report.

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the consolidation financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Dong H. Shim.

"SHIM & Associates LLP"

Chartered Professional Accountants

Vancouver, Canada

8 May 2025

Eon Lithium Corp.
Consolidated Statements of Financial Position
As at,
(Expressed in Canadian Dollars)

	December 31, 2024	December 31, 2023
Assets		
Current		
Cash and cash equivalents	\$ 99,035	\$ 245,392
Prepays	11,038	8,355
Receivables	-	1,133
	110,073	254,880
Exploration and Evaluation Assets (note 5)	-	1
	\$ 110,073	\$ 254,881
Liabilities		
Current		
Accounts payable and accrued liabilities (notes 6 and 8)	\$ 32,749	\$ 351,629
	32,749	351,629
Shareholders' Equity (Deficiency)		
Capital Stock (note 7)	33,618,918	33,618,918
Reserves (note 7)	3,851,128	3,851,128
Deficit	(37,392,722)	(37,566,794)
	77,324	(96,748)
	\$ 110,073	\$ 254,881

Nature of operations and going concern (note 1)
Contingent liability (note 9)

Approved on behalf of the Board:

"Christopher Cherry" (signed)
..... Director
Christopher Cherry

"Fernando E. Villarroel" (signed)
..... Director
Fernando E. Villarroel

Eon Lithium Corp
(Formerly Angel Gold Corp)
Consolidated Statements of Operations and Comprehensive Income (Loss)
(Expressed in Canadian Dollars)

	2024	2023
Expenses		
Consulting and management fees (note 8)	\$ 78,071	\$ 66,269
Office and miscellaneous	27,718	24,029
Professional fees (note 8)	23,940	24,071
Promotion, marketing and advertising	-	30,501
Transfer agent and filing fees	17,859	14,693
Loss from Operations	(147,588)	(159,563)
Foreign exchange gain	-	145
Gain on deconsolidation of a subsidiary (note 2)	321,660	-
Write-off of accounts payable	-	219,163
Write-off of exploration and evaluation assets (note 5)	-	(309,768)
	321,660	(90,460)
Income (Loss) and Comprehensive Income (Loss) for the Year	\$ 174,072	\$ (250,023)
Earnings (Loss) Per Share, Basic and Diluted	\$ 0.01	\$ (0.01)
Weighted Average Number of Common Shares Outstanding	17,377,857	17,377,857

Eon Lithium Corp.
Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
(Expressed in Canadian Dollars)

	Capital Stock			Reserves			Total Shareholders' Equity (Deficiency)
	Common Shares	Amount	Deficit	Options	Warrants	Agent's Warrants	
Balance, December 31, 2022	17,377,857	\$ 33,618,918	\$ (37,316,771)	\$ 3,250,846	\$ 27,125	\$ 573,157	\$ 153,275
Loss and comprehensive loss for the year	-	-	(250,023)	-	-	-	(250,023)
Balance, December 31, 2023	17,377,857	\$ 33,618,918	\$ (37,566,794)	\$ 3,250,846	\$ 27,125	\$ 573,157	\$ (96,748)
Income and comprehensive income for the year	-	-	174,072	-	-	-	174,072
Balance, December 31, 2024	17,377,857	\$ 33,618,918	\$ (37,392,722)	\$ 3,250,846	\$ 27,125	\$ 573,157	\$ 77,324

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

Eon Lithium Corp
(Formerly Angel Gold Corp)
Consolidated Statements of Cash Flows
Year Ended December 31,
(Expressed in Canadian Dollars)

	2024	2023
Operating Activities		
Net income (loss) for the year	\$ 174,072	\$ (250,023)
Items not involving cash:		
Gain on deconsolidation of a subsidiary	(321,660)	-
Write-off of accounts payable	-	(219,163)
Write-off of exploration and evaluation assets	-	309,768
Changes in non-cash working capital items:		
Prepays	(2,683)	16,645
Receivables	1,073	25,071
Accounts payable and accrued liabilities	2,841	(6,484)
Cash Used in Operating Activities	(146,357)	(124,186)
Change in Cash	(146,357)	(124,186)
Cash, Beginning of Year	245,392	369,578
Cash, End of Year	\$ 99,035	\$ 245,392
Supplementary Cash Flow Information		
Non-cash items:		
Exploration and evaluation expenditures in accounts payable and accrued liabilities	\$ -	\$ -
Amortization included in exploration and evaluation assets	\$ -	\$ -

During the year ended December 31, 2024 and 2023, the Company did not have any non-cash transactions.

Eon Lithium Corp.
Notes to the Consolidated Financial Statements
Year Ended December 31, 2024
(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

The Company was incorporated under the laws of British Columbia on August 8, 1988. The Company is engaged in the acquisition and exploration of mineral properties in Argentina and Colombia. The Company's head office and principal address as well as its registered record office is located at 400 – 1681 Chestnut Street, Vancouver, British Columbia, Canada V6J 4M6. On December 19, 2022, the Company changed its name from Angel Gold Corp to Eon Lithium Corp.

These consolidated financial statements have been prepared on a going concern basis, which presumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

Several conditions cast significant doubt on the validity of this assumption. The Company has incurred significant losses since incorporation. As at December 31, 2024, the Company had an accumulated deficit of \$37,392,722 (2023 - \$37,566,794) and had a working capital of \$77,324 (2023 – working capital deficiency of \$96,749).

The ability of the Company to continue as a going concern and meet its commitments as they become due, including the acquisition, exploration and development of its exploration and evaluation assets, is dependent on the Company's ability to obtain the necessary financing. Management is planning to raise additional capital to finance operations and to acquire and explore its exploration and evaluation assets.

The business of mineral exploration involves a high degree of risk and there is no assurance that current exploration projects will result in future profitable mining operations. The Company has no source of revenue, and has significant cash requirements to meet its administrative overhead, pay its debts and liabilities, and maintain its exploration and evaluation assets. The recoverability of amounts shown for exploration and evaluation assets is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to continue exploration of these properties, and future profitable production or proceeds from disposition. The carrying value of the Company's exploration and evaluation assets does not reflect current or future values.

These consolidated financial statements do not include any adjustments for the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

Eon Lithium Corp.
Notes to the Consolidated Financial Statements
Year Ended December 31, 2024
(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

These consolidated financial statements were reviewed by the Audit Committee and approved and authorized for issue on May 8, 2025 by the Board of Directors of the Company.

(a) Principles of consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Eon Lithium Argentina incorporated in Argentina. Angel Gold S.A.S incorporated in Colombia was dissolved on April 9, 2024 and, as a result, was deconsolidated as of April 9, 2024, resulting in a gain of \$321,660 during the year ended December 31, 2024. All intercompany accounts and transactions have been eliminated on consolidation.

(b) Statement of Compliance

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

(c) Basis of preparation

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments stated at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These consolidated financial statements are presented in Canadian dollars unless otherwise noted

(d) Significant accounting judgments, estimates and assumptions

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported expenses during the reporting period. The preparation of the consolidated financial statements also requires management to exercise judgment in the process of applying the accounting policies.

Critical accounting estimates

Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. There are no significant estimates.

Critical accounting judgements

In the preparation of these consolidated financial statements management has made judgments, aside from those that involve estimates, in the process of applying the accounting policies. These judgments can have an effect on the amounts recognized in the consolidated financial statements. Areas requiring a significant degree of judgement relate to, but are not limited to:

Eon Lithium Corp.
Notes to the Consolidated Financial Statements
Year Ended December 31, 2024
(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (Continued)

(d) Significant accounting judgments, estimates and assumptions (Continued)

Critical accounting judgements (Continued)

(i) *Impairment of long-lived assets*

The carrying value and the recoverability of long-lived assets, including exploration and evaluation assets, are evaluated at each reporting date. Management assesses the potential impairment, which involves assessing whether facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

(ii) *Functional currency*

The Company applies judgment in assessing currency of the primary economic environment of each entity consolidated in these financial statements.

(iii) *Going concern*

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.

(e) Functional and presentation currency

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined to be the Canadian dollar for the Company and its subsidiary. Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in a currency other than the Canadian dollar are translated at the exchange rate at the reporting date, while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss in the period in which they arise.

(f) Exploration and evaluation expenditures

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss as property investigation costs.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (Continued)

(f) Exploration and evaluation expenditures (Continued)

Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

From time to time, the Company may acquire or dispose of an exploration and evaluation asset pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as property costs or recoveries when the payments are made or received.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

(g) Share-based payments

The Company operates an employee stock option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting period using the graded vesting method. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The fair value of options is determined using the Black-Scholes option pricing model, which incorporates all market vesting conditions.

For both employees and non-employees, the fair value of share-based payments is recognized as either an expense or as exploration and evaluation assets with a corresponding increase in option reserves. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest. When the options are exercised, the applicable amounts of option reserves are transferred to capital stock. When the options expire unexercised, there is no transfer from option reserves.

(h) Earnings (Loss) per share

Basic earnings (loss) per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of shares outstanding in the period. For all periods presented, the earnings (loss) attributable to common shareholders equals the reported earnings (loss) attributable to owners of the Company. In calculating the diluted earnings per share, the weighted average number of common shares outstanding assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the year.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (Continued)

(i) Financial instruments (Continued)

Financial liabilities

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognized when it is extinguished, discharged, cancelled or when it expires. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities subsequently measured at amortized cost. All interest-related charges are reported in profit or loss within interest expense, if applicable.

Fair value hierarchy

The Company categorizes financial instruments measured at fair value at one of three levels according to the reliability of the inputs used to estimate fair values. The fair value of financial assets and financial liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Financial assets and liabilities in Level 2 are valued using inputs other than quoted prices for which all significant inputs are based on observable market data. Level 3 valuations are based on inputs that are not based on observable market data.

(j) Impairment of assets

The carrying amount of the Company's assets (which include exploration and evaluation assets) is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount; however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years. A reversal of an impairment loss is recognized immediately in profit or loss.

Eon Lithium Corp.
Notes to the Consolidated Financial Statements
Year Ended December 31, 2024
(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (Continued)

(k) Income taxes

Current income tax

Current income tax assets and liabilities for each reportable period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss.

Deferred tax

Deferred tax is provided based on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off deferred tax assets against deferred tax liabilities, the income taxes relate to the same taxable entity and the same taxation authority, and the Company intends to settle its deferred tax assets and liabilities on a net basis.

(l) Restoration and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets, when those obligations result from the acquisition, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other mining assets.

Eon Lithium Corp.
Notes to the Consolidated Financial Statements
Year Ended December 31, 2024
(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (Continued)

(l) Restoration and environmental obligations (Continued)

The Company's estimates of restoration costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates. Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period.

The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred.

The costs of restoration projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation assets.

(m) Capital stock

Capital stock issued for non-monetary consideration is valued at the closing market price at the date of issuance. The proceeds from the issuance of units are allocated between common shares and warrants based on the residual value method. Under this method, the proceeds are allocated first to capital stock based on the fair value of the common shares at the time the units are priced and any residual value is allocated to the warrants reserve. Consideration received for the exercise of stock options and warrants is recorded in capital stock and the related residual value, if any, is transferred to capital stock

(n) New and future accounting standards

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates have now been assessed by the Company and are not expected to have any impact on the Company's consolidated financial statements. The Company has not early adopted these standards.

3. FINANCIAL INSTRUMENTS

The Company has designated its cash as FVTPL; and accounts payable and accrued liabilities, as other financial liabilities.

The carrying values of cash and accounts payable and accrued liabilities approximate their fair values due to the short term to maturity of the instruments.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below.

Eon Lithium Corp.
Notes to the Consolidated Financial Statements
Year Ended December 31, 2024
(Expressed in Canadian Dollars)

3. FINANCIAL INSTRUMENTS (Continued)

(a) Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations.

Concentration of credit risk exists with respect to the Company's cash. The Company's cash is substantially held with a single major Canadian financial institution.

(b) Liquidity risk

Liquidity risk is the risk the Company will be unable to meet its financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows required for operations and anticipated investing and financing activities.

The Company's cash at December 31, 2024 totalled \$99,035 (2023 - \$245,392). At December 31, 2024, the Company had accounts payable and accrued liabilities of \$32,749 (2023 - \$351,629). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company will be required to obtain additional funding to meet its contractual liabilities.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk consists of interest rate risk, foreign currency risk and other price risk. The Company is not exposed to other price risk. The Company is exposed to market risks as follows:

(i) Interest rate risk

The Company's cash is held in a major Canadian financial institution. Accordingly, due to the short-term nature, fluctuations in market rates will not have a significant impact on estimated cash flows or fair values as of December 31, 2024.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value of the Company's financial assets and liabilities will fluctuate due to changes in foreign exchange rates.

Eon Lithium Corp.
Notes to the Consolidated Financial Statements
Year Ended December 31, 2024
(Expressed in Canadian Dollars)

3. FINANCIAL INSTRUMENTS (Continued)

(ii) Foreign currency risk (Continued)

The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars.

The Company operates in Canada, Argentina and Colombia and a portion of its expenses are incurred in Colombian pesos and US dollars. A significant change in the exchange rate between the Canadian dollar relative to the Colombian peso and US dollar could have a material effect on the Company's results of operations, financial position and cash flows. The Company does not manage currency risk through hedging or other currency management tools.

As at December 31, 2024 and 2023, the Company is exposed to currency risk through the financial instruments denominated in Colombian pesos. Assuming all other variables remain constant, a 15% (2023 - 15%) weakening or strengthening of the Canadian dollar against the Colombian peso would result in a change of approximately \$Nil (2023 - \$48,000) to net loss and comprehensive loss.

As at December 31, 2024 and 2023, the Company is not exposed to any other currency risk.

4. CAPITAL MANAGEMENT

The Company considers its capital under management to consist of shareholders' equity. The Company manages its capital structure and makes adjustments to it based on the funds available to the Company, in order to support the acquisition and exploration of exploration and evaluation assets. The Board of Directors does not establish a quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The property in which the Company currently has an interest is in the exploration stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Although the Company has been successful at raising funds in the past through obtaining equity financing, it is uncertain whether it can continue this financing.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the year ended December 31, 2024. The Company is not subject to externally imposed capital requirements.

Eon Lithium Corp.
Notes to the Consolidated Financial Statements
Year Ended December 31, 2024
(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS

	Columbia	Argentina	Total
Balance, December 31, 2022	\$ 1	\$ 309,768	\$ 309,769
Impairment	-	(309,768)	(309,768)
Balance, December 31, 2023	\$ 1	\$ -	\$ 1
Deconsolidation of Angel Gold S.A.S	(1)	-	(1)
Balance, December 31, 2024	\$ -	\$ -	\$ -

(a) Argentina

On May 2, 2022, the Company entered into a property option agreement with Eon Minerals Inc. ("Eon"), an arms-length party. Eon currently holds an option to acquire a 100% interest from the current owner, Servicios y Explotaciones Mineras Cruz S.R.L. (the "Underlying Owner") in the Amanecer Lithium Project ("Amanecer Purchase Option"). Under the terms of this agreement, Eon will assign the Amanecer Purchase Option to the Company in exchange for the following consideration:

- US\$25,000 due upon the execution of the agreement and exchange approval (paid);
- 500,000 common shares of the Company due upon completion of a National Instrument 43-101 Technical Report on the Amanecer Lithium Project (issued);
- 1,000,000 common shares of the Company due upon completion of a pilot production of lithium carbonate from brine from the Amanecer Lithium Project;
- 1,000,000 common shares of the Company due upon completion of a Preliminary Economic Assessment of the Amanecer Lithium Project; and
- 1,000,000 common shares of the Company due upon completion of a feasibility study on the Amanecer Lithium Project and confirmation of the financing of the project to production.

Additionally, the Company has agreed to provide funding for an absorbent technology currently under development by Eon (the "Absorbent"), to produce lithium carbonate from the Amanecer Lithium Project. Under the terms of this agreement:

- Eon will provide a technical sheet and components list for the development of a pilot plant using its Absorbent, and develop with the Company, a mutually agreed upon budget for the pilot plant construction and Absorbent test work; said budget to be funded by the Company;
- At the successful conclusion of the testing of the Absorbent, the Company will have the exclusive right to utilize the Absorbent as part of a feasibility study on the Amanecer Lithium Project, and any other project it deems applicable; and
- Eon agrees to license to the Company, the exclusive use of the Absorbent and process for a royalty to Eon equal to 3% in kind of the value of any lithium production from any project the Absorbent is employed at.

Pursuant to the option agreement between Eon and the Underlying Owner, the Company will pay the following remuneration to the Underlying Owner:

- Upon the execution of the agreement, US\$100,000 (paid) and the issuance of 100,000 common shares of the Company (unissued);

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5. EXPLORATION AND EVALUATION ASSETS (Continued)

(a) Argentina (Continued)

- On or before March 30, 2024, US\$150,000 cash (unpaid) and the issuance of 100,000 common shares of the Company (unissued); and
- On or before September 28, 2023, US\$100,000 cash (unpaid).

During the year ended December 31, 2023, the Company has abandoned the project and recorded an impairment loss of \$309,768.

(b) Colombia

El Porvenir

On November 14, 2014, the Company entered into an Option Agreement with Mineros S.A. ("Mineros") for the 100% acquisition of the El Porvenir gold property, located within the Segovia-Remedios gold belt in the Department of Antioquia, Colombia. The payment and obligation terms of the agreement, which were amended in March 2016 and October 2018, are as follows:

- US\$50,000 upon signing (paid);
- US\$50,000 due 90 days after signing (known as the "Due Diligence and Approval Period") (paid);
- US\$100,000 due by the second anniversary of the Due Diligence and Approval Period (paid);
- US\$75,000 due by May 30, 2019 (US\$69,000 paid in FY2018);
- US\$100,000 due by May 30, 2020 (unpaid);
- US\$150,000 due by May 30, 2021 (unpaid);
- US\$250,000 due by May 30, 2022 (unpaid); and
- US\$1,225,000 due by May 20, 2023 (unpaid).

The Company is also obligated to commence various drill programs as follows:

- To commence an initial drill program by May 14, 2019 for no less than 1,500 meters for a cost of not less than US\$500,000;
- To commence second drill program by May 14, 2020 for no less than 3,000 meters for a cost of not less than US\$1,000,000;
- To commence third drill program by May 14, 2021 for no less than 4,500 meters for a cost of not less than US\$1,500,000

The Company is also obligated to file an updated NI 43-101 technical report no later than December 15, 2020, which has not been completed to date.

Upon earning the 100% interest in the property, the Company will grant a 3% net smelter royalty ("NSR") to Mineros.

During the year ended December 31, 2016, the option agreement was amended to allow for an immediate transfer of the concession titles to the Company and to allow for fifty tonnes per day of production without additional payment under the agreement.

5. EXPLORATION AND EVALUATION ASSETS (Continued)

(b) Colombia (Continued)

El Porvenir (Continued)

During fiscal 2020, Mineros issued a letter of termination of the Option Agreement to the Company, citing non-compliance of certain terms within the Agreement. In conjunction with this termination, Mineros is claiming approximately US\$45,000 for alleged unpaid amounts as well as US\$200,000 for alleged damages. Currently, management is in the process of negotiating a settlement agreement with Mineros and no amounts have been accrued with respect to these potential payments due to uncertainty.

El Pino West & Heliconia

During the year ended December 31, 2015, the Company received the concession contracts for the El Pino West & Heliconia properties in Colombia from the Secretary of Mines of Antioquia, Colombia, requesting the Company's formal execution thereof. During the year ended December 31, 2017 the Company received approval by the Antioquia governor and registration of the contracts with the National Mining Registry.

Impairment

Due to insufficient funds available, the Company has not made all required option payments or drilling commitments which is an indicator of impairment for the El Porvenir property and the El Pino West property. As a result, management has performed a recoverable value assessment. However, as there are no defined cash flows for these exploration stage assets, the El Porvenir and El Pino West properties were written down to \$1 and \$Nil, respectively.

(c) Title to exploration and evaluation assets

Although the Company has taken steps to verify the title to its exploration and evaluation asset in which it has an interest, in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

(d) Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest.

The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

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5. EXPLORATION AND EVALUATION ASSETS (Continued)

(d) Environmental (Continued)

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the properties may be diminished or negated.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2024	December 31, 2023
Trade payables	\$ 19,749	\$ 338,629
Accrued liabilities	13,000	13,000
	\$ 32,749	\$ 351,629

7. CAPITAL STOCK

(a) Authorized

Unlimited number of common shares without par value.
 Unlimited number of preferred shares with a par value of \$1 each.

(b) Issued

There were no shares issued during the year ended December 31, 2024 and 2023

(c) Warrants outstanding

At December 31, 2024 and 2023, a total of 8,595,252 warrants were outstanding with an exercise price of \$0.25 expiring on March 8, 2025, which expired unexercised subsequent to December 31, 2024.

(d) Stock options

The Company has a rolling stock option plan, which allows the Board of Directors to grant options to directors, officers, employees and consultants. Under the terms of the option plan, options may be granted to a maximum of 10% of the issued common shares, subject to TSX Venture Exchange approval.

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7. CAPITAL STOCK (Continued)

(d) Stock options (Continued)

All options granted by the Company vest on the following terms:

- Grant date; or
- Vest over 12 months, with one-half vesting six months from the grant date and the remaining half on the first anniversary of the grant date; or
- Options granted to consultants for investor relations vest over 12 months with no more than one-quarter of the options vesting in any three-month period.

There were no options that remain to be vested as at December 31, 2024 and 2023.

8. RELATED PARTY TRANSACTIONS

- (a) Key management personnel comprise the Chief Executive Officer, Chief Financial Officer, and directors of the Company. During the year ended December 31, 2024 included in consulting, management and director's fees were \$98,061 (2023 - \$69,995) was paid or accrued to key management personnel.
- (b) Included within accounts payable and accrued liabilities are fees payable to current and former officers and directors or companies associated with the officers and directors in the amount of \$2,375 (2023 - \$16,000).

The amounts due to the related parties become due on demand one year after the date they were issued to the Company and are unsecured and non-interest-bearing.

9. CONTINGENT LIABILITY

From time to time, the Company may be involved in claims and litigations as part of its normal course of business. Accruals are made in instances where it is probable that liabilities have been incurred and where such liabilities can be reasonably estimated. Although it is possible that liabilities may be incurred in instances for which no accruals have been made, based on the information currently available, the Company does not believe that any additional provisions are required to be recognized.

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10. SEGMENTED INFORMATION

The Company has mineral exploration in Colombia and Argentina. The following geographic data includes assets based on their physical location. Geographic segmentation of the Company's assets are as follows:

December 31, 2024	Colombia	Argentina	Canada	Total
Exploration and evaluation asset	\$ -	\$ -	\$ -	\$ -
December 31, 2023	Colombia	Argentina	Canada	Total
Exploration and evaluation asset	\$ 1	\$ -	\$ -	\$ 1

11. INCOME TAXES

Income tax expense (benefit) differs from the amount that would be computed by applying the Canadian statutory income tax rate of 27% (2023 - 27%) to income before income taxes. The reasons for the differences are as follows:

	2024	2023
Income (Loss) before income taxes	\$ 174,072	\$ (250,023)
Statutory income tax rate	27.00%	27.00%
Expected income tax benefit	47,000	(68,000)
Non-deductible expenditures	(87,000)	-
Deferred tax assets derecognized	861,000	-
Change in prior year estimates	85,000	111,000
Unrecognized tax benefits	(906,000)	(43,000)
Income tax benefit	\$ -	\$ -

The Company recognizes tax benefits on losses or other deductible amounts generated in countries where it is probable that taxable income is available for the recognition of deferred tax assets. The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consist of the following amounts:

	2024	2023
Excess of unused exploration expenditures for tax purposes over carrying value of exploration and evaluation assets	\$ 10,590,000	\$ 10,590,000
Excess of undepreciated capital cost over carrying value of equipment	24,000	44,000
Share issue costs	8,000	12,000
Capital losses carried forward	42,000	42,000
Non-capital losses carried forward	7,677,000	10,297,000
Unrecognized deductible temporary differences	\$ 18,341,000	\$ 20,985,000

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11. INCOME TAXES (continued)

As at December 31, 2024, the Company has non-capital losses of approximately \$7,677,000 that may be carried forward to apply against future income for Canadian income tax purposes expiring as noted below.

2027	\$ 498,000
2028	567,000
2029	637,000
2030	873,000
2031	889,000
2032	725,000
2033	633,000
2034	545,000
2035	536,000
2036	527,000
2038	88,000
2039	87,000
2040	62,000
2041	68,000
2042	791,000
2044	151,000
	\$ 7,677,000

The Company files tax returns in Canada and in foreign jurisdictions. Any open tax years are subject to review by tax authorities and could be subject to adjustments upon final assessment.

12. ACQUISITION AGREEMENT WITH GEOVOLT POWER CORP.

In April 2024, the Company entered into an acquisition agreement with Geovolt Power Corp. ("Geovolt"). Geovolt holds certain Bureau of Land Management mineral claims located in North of Nevada, United States (the "Claims"). To acquire the Claims, the Company will pay Geovolt \$10,000 at the signing of the agreement and complete an exploration program on the Claims totaling not less than US\$50,000 by December 31, 2025, for an initial 51% interest in the Claims. The Company will complete an exploration program of no less than US\$1,000,000 by December 31, 2026, to earn an aggregate total of 60% interest in the Claims. Upon earning 60% interest, Geovolt shall have the option of entering into a joint venture agreement with the Company on a 60/40 basis, whereby the Company shall pay 60% of the future exploration and development expenses and Geovolt shall pay 40% of the exploration and development expenses. Subsequent to December 31, 2024, the Company is currently renegotiating the agreement.