QMC QUANTUM MINERALS CORP.

(An Exploration Stage Company)

CONDENSED FINANCIAL STATEMENTS

For the Three Months ended November 30, 2023 and 2022

(Unaudited – Prepared by Management)

Expressed in Canadian Dollars

QMC QUANTUM MINERALS CORP.

CONTENTS

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited financial statements of QMC Quantum Mineral Corp. for the three months ended November 30, 2023, and 2022 have been prepared by management and have not been the subject of a review by the Company's independent auditor.

QMC QUANTUM MINERALS CORP.
(An Exploration Stage Company)
Statements of Financial Position
(Expressed in Canadian Dollars)

		November 30, 2023		August 31, 2023
ASSETS				
Current assets				
Cash	$	**161,481**	$	261,592
Other receivables – Note 3		**2,609**		15,411
Marketable securities – Note 4		**150**		200
Prepaid expenses and deposits		**94,168**		94,168
		258,408		371,371
Equipment – Note 5		**57,113**		61,710
Exploration and evaluation assets – Note 6		**5,847,088**		5,718,320
TOTAL ASSETS	**$**	**6,162,609**	$	6,151,401
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Accounts payable and accrued liabilities – Note 8	**$**	**2,741,858**	$	2,667,169
Loans and borrowing - Note 8		**178,898**		191,127
Total liabilities		**2,920,756**		2,858,296
SHAREHOLDERS' EQUITY				
Share capital – Note 7		**13,593,906**		13,593,906
Contributed surplus		**3,377,604**		3,377,604
Share capital subscribed		**253,000**		253,000
Deficit		**(13,977,807)**		(13,926,605)
Accumulated comprehensive income (loss)		**(4,850)**		(4,800)
Total shareholder's equity		**3,241,853**		3,293,105
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	**$**	**6,162,609**	$	6,151,401

Nature of Operations and Going Concern – Note 1

APPROVED BY THE BOARD:

"Balraj Mann" Director
Balraj Mann

"*Bruce Goad*" Director
Bruce Goad

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

QMC QUANTUM MINERALS CORP.
(An Exploration Stage Company)
Statements of Net and Comprehensive Loss
For the Three Months ended November 30, 2023 and 2022
(Expressed in Canadian Dollars)

	For the Three Months ended November 30,	
	2023	2022
General and administrative costs		
Accounting and legal fees	**$ 7,500**	$ 7,500
Bank charges and interest	**55**	32
Consulting - Note 8	**15,000**	15,000
Depreciation	**4,597**	2,339
Insurance	**5,609**	5,534
Listing and filing fees	**18**	4,050
Marketing and advertising	**2,496**	367
Office and miscellaneous – Note 8	**3,927**	4,336
Rent – Note 8	**12,000**	31,500
	51,202	70,658
Net Loss for the Period	**(51,202)**	(70,658)
Fair value increase (decrease) on marketable securities	**(50)**	(100)
Net comprehensive income (loss) for the period	**$ (51,252)**	$ (85,306)
Basic and diluted gain (loss) per share	**$ (0.00)**	$ (0.00)
Weighted average number of shares outstanding	**91,710,824**	88,166,252

The accompanying notes are an integral part of these financial statements

QMC QUANTUM MINERALS CORP.
(An Exploration Stage Company)
Statement of Changes in Shareholders' Equity
For the Three Months ended November 30, 2023 and 2022
(Expressed in Canadian Dollars)

	Common Shares	Share Capital	Share Subscriptions Received	Contributed Surplus	Deficit	Accumulated Other Comprehensive Income (loss)	Total Shareholders' Equity
Balance August 31, 2023	91,710,824	$ 13,593,906	253,000	$ 3,377,604	$ (13,926,605)	$ (4,800)	$ 3,293,105
Fair value decrease on available for sale	-	-	-	-	-	(50)	(50)
Net loss for the period	-	-	-	-	(51,202)	-	(51,202)
Balance November 30, 2023	91,710,824	$ 13,593,906	$ 253,000	$ 3,377,604	$ (13,977,807)	$ (4,850)	$ 3,241,853
Balance August 31, 2022	88,160,824	$ 13,235,906	253,000	$ 3,377,604	$ (13,598,522)	$ (4,750)	$ 3,263,238
Warrants exercised (Note 7c)	50,000	8,000	-	-	-	-	8,000
Fair value decrease on available for sale	-	-	-	-	-	(100)	(100)
Net loss for the period	-	-	-	-	(70,658)	-	(70,658)
Balance November 30, 2022	88,210,824	$ 13,243,906	$ 253,000	$ 3,377,604	$ (13,669,180)	$ (4,850)	$ 3,200,480

The accompanying notes are an integral part of these financial statements

QMC QUANTUM MINERALS CORP.
(An Exploration Stage Company)
Statements of Cash Flows
For the Three Months ended November 30, 2023 and 2022
(Expressed in Canadian Dollars)

	For the Three Months ended November 30,	
	2023	2022
Operating Activities		
Net loss for the period	**$ (51,202)**	$ (70,658)
Items not affect cash		
Depreciation	**4,597**	2,339
Changes in non-cash working capital balances:		
Other receivables	**12,802**	61,765
Prepaid expenses	**-**	(30,750)
Accounts payable and accrued liabilities	**74,689**	85,345
Cash provided by (used in) operating activities	**40,886**	48,041
Investing Activities		
Expenditures on exploration and evaluation assets	**(128,768)**	(68,514)
Cash used in investing activities	**(128,768)**	(68,514)
Financing Activities		
Loan repayment	**(12,229)**	-
Warrants exercised	**-**	8,000
Cash provided by investing activities	**(12,229)**	8,000
Increase in cash during the period	**(100,111)**	(12,473)
Cash, beginning of the period	**261,592**	256,117
Cash, end of the period	**$ 161,481**	$ 243,644

The accompanying notes are an integral part of these financial statements

Note 1 Nature of Operations

The Company was incorporated on November 7, 2003 under the laws of the Province of British Columbia. The Company commenced business operations on December 5, 2005 and changed its name on May 31, 2010 to QMC Quantum Minerals Corp. The Company commenced trading on the TSX Venture Exchange on February 28, 2011.

The Company is in the process of exploring, developing and evaluating resource properties. The recoverability of the amounts shown for resource properties is dependent upon the existence of economically recoverable reserves, successful permitting, the ability of the Company to obtain the necessary financing to complete exploration and development, and upon future profitable production or proceeds from disposition of each resource property. The carrying amounts of resource properties are based on costs incurred to date, and do not necessarily represent present or future values. The address of the Company's corporate office and principal place of business is Suite 1540, 1100 Melville Street, British Columbia, Canada V6E 4A6.

Going Concern

The Company has not yet determined whether any of its properties contain mineral deposits that are economically recoverable. The recoverability of any amounts shown as deferred mineral interest costs is dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposition of its properties.

While the Company's financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due, certain conditions and events indicate a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. For the three-month period ended November 30, 2023, the Company reported a net loss of $51,202 (2022 - $70,658) and as at that date had an accumulated deficit since inception of $13,977,807 (August 31, 2023 - $13,926,605). As at November 30, 2023, the Company has a working capital deficit of $2,662,348 (August 31, 2023 – working capital deficit of $2,486,925). The Company does not have sufficient funds available to bring its mineral properties to production, if possible, which would allow it to be self-sustaining. The Company will need additional financing to continue exploring, and if successful develop its properties to bring it to the production stage, While in the past the Company has been successful in obtaining funding from equity financings, option agreements, loans or through other arrangements, there is no assurance that these initiatives will be successful in the future which indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material.

Note 2 Significant Accounting Policies

a) Statement of Compliance

There unaudited condensed interim financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain disclosures included in the annual financial statements prepared in accordance with IFRS as issued by the IASB have been condensed or mitted and these unaudited condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended August 31, 2023.

The condensed unaudited interim financial statements were authorized for issue by the Board of Directors on January 29, 2024.

Note 2 Significant Accounting Policies – continued

b) Basis of Measurement

These financial statements have been prepared on a historical cost basis using the accrual basis of accounting, except for cash flow information and financial instruments which are measured at fair value.

c) Critical Accounting Estimates, Judgements and Uncertainties

The preparation of these financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Share-based payments

The Company uses the Black-Scholes option pricing model to estimate the fair value of stock options granted and warrants issued. Under this model, the Company must estimate the term, volatility and if applicable, the forfeiture rate of options granted and warrants issued.

Exploration and Evaluation Assets

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgement in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of the expenditures are unlikely, the amount capitalized is written off to profit or loss in the same period.

Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Impairment of Non-Financial Assets

The Company reviews and evaluates its property, including exploration and evaluation assets, and equipment for indications of impairment when events or changes in circumstances indicate that the related carrying amount may not be recoverable or at least at the end of each reporting period. The asset's recoverable amount is estimated if an indication of impairment exists.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or groups of assets. Future cash flows are estimated based on expected future production, commodity prices, operating costs and capital costs.

Note 2 Significant Accounting Policies – continued

Impairment losses reducing the carrying value to the recoverable amount are recognized in profit or loss. An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

Valuation of Shares Issued in Non-Cash Transactions

Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up.

Recognition of Deferred Tax Assets

The Company considers whether the realization of deferred tax assets is probable in determining whether or not to recognize these deferred tax assets.

d) Functional and Presentation Currency

The Company's functional currency is the Canadian Dollar ("CAN"). The financial statements are presented in CAN which is the Company's presentation currency, unless otherwise noted.

e) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and short-term, highly liquid investments with original maturities of three months or less that is readily convertible to known amounts of cash and subject to insignificant risk of change in value.

f) Reclamation Deposit

Cash and other short-term deposits which are required as a part of ownership of legal rights to explore a property are classified separately as reclamation deposits.

g) Income Taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit and loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantially enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different

Note 2 Significant Accounting Policies – continued

tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

h) Warrants issued in equity financing transactions

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate exploration and evaluation assets. These equity financing transactions may involve issuance of common shares or units. Each unit comprises a certain number of common shares and a certain number of warrants. Depending on the terms and conditions of each equity financing transaction, the warrants are exercisable into additional common shares at a price prior to expiry as stipulated by the transaction.

The Company uses the residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the share issuance date. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves. From time to time in connection with private placements, the Company issues compensatory warrants to agents ("Agent Warrants") as commission for services. Awards of Agent Warrants are accounted for in accordance with the fair value method of accounting and result in share issue costs and a credit to reserves when Agent Warrants are issued. Any consideration received upon exercise of Agent Warrants is credited to share capital. The application of the fair value-based method requires the use of certain assumptions regarding the risk-free market interest rate, expected volatility in the price of the underlying stock, and expected life of the Agent Warrants.

i) Decommissioning and restoration provisions

The Company records a liability based on the best estimates of costs for site closure and reclamation activities that the Company is legally or constructively required to remediate. Future obligations to retire an asset, including dismantling, remediation and ongoing treatment and monitoring of the site related to normal operations are initially recognized and recorded as a liability based on estimated future cash flows required to discharge the liability discounted at a risk-free rate. The restoration provision is adjusted at each reporting period for changes to factors including the expected amount of cash flows required to discharge the liability, the timing of such cash flows and the risk-free discount rate.

The restoration provision is also accreted to full value over time through periodic charges to profit or loss. The amount of the restoration provision initially recognized is capitalized as part of the related asset's carrying value and amortized to profit or loss. The method of amortization follows that of the underlying asset. The costs related to a restoration provision are only capitalized to the extent that the amount meets the definition of an asset and can bring about future economic benefit. A revision in estimates or a new disturbance will result in an adjustment to the liability with an offsetting adjustment to the related asset.

The Company does not have any decommissioning liabilities at this time.

Note 2 Significant Accounting Policies – continued

j) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event, and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense. The Company does not have any provisions at this time.

k) Earnings (loss) per share

Basic earnings/loss per share is computed by dividing the net earnings (loss) attributable to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. Diluted loss per share is not separately presented, as the effect of securities exercisable into common shares would reduce the amount presented as loss per share.

l) Financial Assets

Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through Other Comprehensive Income (“OCI”), or through profit or loss), and
- Those to be measured after initial recognition at amortized cost.

The classification depends on the Company’s business model for managing the financial assets and contractual terms of the cash flows. For assets measured at fair value, gains or losses are recorded in profit or loss or OCI.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (“FVTPL”), the transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. These are the measurement categories under which the Company classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Note 2 Significant Accounting Policies – continued

- Fair value through OCI ("FVOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented in the Statement of Loss and Comprehensive Loss in the period which it arises.

Impairment of Financial Assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the risk has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve-month expected credit loss. The Company shall recognize in the statements of income (loss), as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Financial Liabilities

The Company classifies its financial liabilities into the following categories: financial liabilities at FVTPL and amortized cost. A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: the amount of change in fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest rate method. The Company classifies its accounts payable and accrued liabilities, loans payable and due to related parties are classified as financial liabilities held at amortized cost.

m) Leases

IFRS 16 introduces a single lessee accounting model and requires lessees to recognize assets and liabilities for all leases, except when the term is 12 months or less or when the underlying asset has a low value. The Company recognizes a right-of-use asset and a lease liability for its leases with lease terms greater than one year. The right-of-use asset is measured at cost and depreciated over its estimated useful life. At the commencement date, the lease liability is measured as the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease or if that rate cannot readily be determined, the Company's incremental borrowing rate. If the lease terms are subsequently changed, the present value of the lease liability is remeasured using the revised lease terms and applying the appropriate discount rate to the remaining lease payments.

Note 2 Significant Accounting Policies – continued

m) Leases - continued

The Company recognizes the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. However, of the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the remeasurement in profit or loss.

n) Share Capital

(i) The proceeds from the exercise of stock options and warrants are recorded as share capital in the amount for which the option or warrant enabled the holder to purchase a share in the Company.

(ii) The proceeds from the issue of units are allocated between common shares and common share purchase warrants on a pro-rata basis on relative fair values as follows: the fair value of common shares is based on the market close on the date the units are issued; and the fair value of the common share purchase warrants is determined using the Black-Scholes pricing model.

(iii) All costs related to issuances of share capital are charged against the proceeds received from related share capital.

o) Flow-Through Shares

The Company may, from time to time, issue flow-through common shares to finance its resource exploration activities. Canadian income tax law permits the Company to renounce to the flow-through shareholders the income tax attributes of resource exploration costs financed by such shares. Flow-through common shares are recognized in equity based on the quoted price of the existing shares on the date of the issue. The difference between the amounts recognized in common shares and the amount the investor pays for the shares is recognized as another liability which is reversed into earnings as eligible expenditures are incurred. The deferred tax impact is recorded prospectively upon renunciation of the related tax benefits, provided it is expected the Company will incur the required eligible expenditures. When flow-through expenditures are renounced, a portion of the future income tax assets that were not previously recognized, are recognized as a recovery of deferred income taxes in net income.

p) Share-based Payments

The share option plan allows Company employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as an employee or consultant expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. The fair value is measured at grant date and each tranche is recognized on a graded basis over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense or capitalized is adjusted to reflect the actual number of share options that are expected to vest.

q) Property, plant and equipment

Property, plant and equipment is recorded at cost. Depreciation is provided on a declining balance basis based on management's estimate of the useful life and residual value:

Field equipment	25%, on a declining balance basis
Other equipment	30%, on a declining balance basis

Expressed in Canadian Dollars

Note 3 Other Receivables

	November 30, 2023	August 31, 2023
HST / GST recoverable	**$ 2,609**	$ 15,411

Note 4 Marketable Securities

Marketable securities consist of 200,000 common shares of Cassius Ventures Ltd. received pursuant to an option agreement and fair value at $0.10 per share based on the market price on the date of receipt. During the year ended August 31, 2011, the Company disposed of 150,000 common shares with a carrying value of $15,000. Shares of Cassius Ventures Ltd. were consolidated on April 22, 2014, on 10 for 1 basis.

The 5,000 shares remaining have a market value of $150 as at November 30, 2023 (August 31, 2023 - $200).

Note 5 Equipment

	Equipment
Cost:	
August 31, 2022	$ 120,801
Additions	-
August 31,2023	120,801
Additions	-
November 30, 2023	120,801
Accumulated Depreciation:	
August 31, 2022	49,736
Additions	9,355
August 31,2023	59,091
Additions	4,597
November 30, 2023	$ 63,688
As at August 31, 2023	**$ 61,710**
As at November 30, 2023	**$ 57,113**

Expressed in Canadian Dollars

Note 6 Exploration and Evaluation Assets

	Rocky Lake	Carrot River	Rocky Namew and Namew Lake Properties	Irgon Lithium Mine Property	Other Properties	Total
Balance, August 31, 2022	**$ 1,309,370**	**$ 1**	**$ 1,408,694**	**$ 2,182,719**	**$ 341,607**	**$ 5,242,391**
Assays and analysis	**-**	**-**	**-**	**10,465**	**-**	**10,465**
Field supplies	**-**	**-**	**-**	**22,847**	**-**	**22,447**
Freight and truck	**-**	**-**	**-**	**1,636**	**-**	**1,636**
Geological & consulting	**10,000**	**-**	**10,000**	**258,437**	**25,000**	**303,437**
Labor	**-**	**-**	**-**	**87,725**	**-**	**87,725**
Travel	**-**	**-**	**-**	**17,875**	**-**	**17,875**
Cash in lieu of work expenditures	**30,761**	**-**	**-**	**-**	**-**	**30,761**
Government permit	**914**	**-**	**13**	**256**	**-**	**1,183**
Balance, August 31, 2023	**$ 1,351,045**	**$ 1**	**$ 1,418,707**	**$ 2,581,960**	**$ 366,607**	**$ 5,718,320**
Field supplies	**-**	**-**	**-**	**9,773**	**-**	**9,773**
Geological & consulting	**5,000**	**-**	**5,000**	**76,549**	**-**	**86,549**
Labor	**-**	**-**	**-**	**27,500**	**-**	**27,500**
Travel	**-**	**-**	**-**	**4,732**	**-**	**4,732**
Government permit	**-**	**-**	**-**	**214**	**-**	**214**
Balance, November 30, 2023	**$ 1,356,045**	**$ 1**	**$ 1,423,707**	**$ 2,700,728**	**$ 366,607**	**$ 5,847,088**

Note 6 Exploration and Evaluation Assets – continued

Irgon Lithium Mine Property

On August 31, 2016, the Company entered into an option agreement with 101162742 Saskatchewan Ltd. whereby the Company has the exclusive right to acquire an undivided 100% right, title and interest in the Irgon lithium property in Manitoba. To exercise the option, the Company agreed to pay an aggregate of $46,500 and issue common shares in aggregate of $46,500. The Company completed its payment obligations in November 2018.

The Irgon Lithium Mine Property consists of 22 mining claims totaling 11,325 acres located with the prolific Cat Lake-Winnipeg River rare-pegmatite field of southeast Manitoba. The property hosts numerous spodumene-bearing pegmatites including the Irgon, Mapetre, Central and Irgon West Dikes. The Irgon Dike hosts a historical mineral estimate of 1.2 million tons grading 1.51% Li_2O over a strike length of 365 metres and to a depth of 213 metres (Northern Miner, Vol. 41, no. 19, Aug. 4, 1955, p.3). The historical resource is documented in a 1956 assessment report by Bruce Ballantyne; the mineral reserve does not conform to current NI43-101 standards and a qualified person has not done sufficient work to classify the historical estimate as a current mineral resources or mineral reserves. The historical estimate was calculated prior to the implementation of National Instrument 43-101 and does not meet current standards as defined under sections 1.2 and 1.3 of NI 43-101, consequently, the Company is not treating the historical estimate as current mineral resources or mineral reserves.

The property is well situated to infrastructure, Provincial Highway 314 transects the claims, while railway and hydro are nearby. China-based Sinomine Resource Group's Tanco Mine hosts a processing plant is located 20km south along Highway 314.

The property is subject to 2% royalty held by a director of the Company.

Rocky Lake Property

On October 16, 2008, the Company entered into an amended and restated property option agreement (the "Rocky Lake Agreement") (replacing an agreement dated for reference April 5, 2006) with 4920776 Manitoba Ltd. ("4920776 Manitoba"), pursuant to which the Company acquired an option to acquire, subject to a net smelter return, a 100% interest in certain mining claims known as the Rocky Lake property located in Manitoba (the "Rocky Lake Property"). The Company has completed payments under the Rocky Lake Agreement, the Company has paid an aggregate of $292,500 and issued an aggregate of 300,000 common shares to 4920776 Manitoba.

The earned 100% interest in the Rocky Lake Property is subject to a 2.0% net smelter returns royalty (the "Rocky Lake NSR"). The Company has the right to purchase 1.0% of the Rocky Lake NSR for $1,000,000, which right may only be exercised during a five-year period commencing on the later of the exercise of the Rocky Lake option and the date a bankable feasibility study is prepared and delivered to the Company. By agreement dated October 16, 2008, the Company assigned an additional 0.5% NS Royalty to a director of the Company.

Rock claims 14 to 21 expired on June 25, 2013 and there is no write down associated with the expiry of these claims. Rock claims 1 to 13 are in good standing until April 2024 and Jaln Claim until November 2024.

Rocky-Namew and Namew Lake Properties

The Company entered into two property option agreements dated October 31, 2008 and amended October 13, 2010, with Balraj Mann, President, Chief Executive Officer, and a director of the Company (the "Mann Option Agreements") pursuant to which the Company was granted an option to acquire, subject to a 2.5% net smelter return (the "Rocky-Namew NSR"), a 100% interest in certain mining claims known as the Rocky- Namew property located in Manitoba (the "Rocky-Namew Property"); and an option to acquire, subject to a 2.5% net smelter return (the "Namew Lake NSR"), a 100% interest in certain mining claims known as the Namew Lake property located in Manitoba (the "Namew Lake Property"). Mr. Mann had acquired the mining claims with respect to the Rocky-Namew Property and the Namew Lake

Expressed in Canadian Dollars

Note 6 Exploration and Evaluation Assets – continued

Property prior to him becoming a director or an officer of the Company. Prior to October 31, 2008, the initial date of the Mann Option Agreements, the Company had no interest in either the Rocky-Namew Property or the Namew Lake Property.

To exercise the options under each of the Mann Option Agreements, the Company agreed to pay an aggregate of $242,500, and issue an aggregate of 450,000 Common Shares over a two-year period in respect of each Mann Option Agreement as set out in the table below.

	NAMEW-LAKE PROPERTY		**ROCKY-NAMEW PROPERTY**	
Date For Completion	**Cash Payment**	**Number of Shares To be Issued(1)**	**Cash Payment**	**Number of Shares To be Issued(1)**
Upon the Listing Date (1)	$47,500 (paid)	--	$47,500 (paid)	--
On the 6 month Anniversary of the Listing Date	$50,000 (paid)	150,000 (issued)	$50,000 (paid)	150,000 (issued)
On the first anniversary of the Listing Date	$65,000 (paid)	150,000 (issued)	$65,000 (paid)	150,000 (issued)
On the second anniversary of the Listing Date	$80,000 (3)	150,000 (2)(3)	$80,000 (3)	150,000 (2)(3)
Total	$242,500	450,000	$242,500	450,000

(1) *The Company commenced trading on the TSX Venture Exchange on February 28, 2011.*
(2) *Alternatively to the issuance of the 150,000 Shares, making an additional payment of $80,000.*
(3) *The Company is in negotiation over an extension of the payments.*

Upon completion of all the payments, share issuances and work program requirements set out above, the Company will have exercised its option to earn a 100% interest in the Rocky-Namew Property, subject to the Rocky-Namew NSR and a 100% interest in the Namew Lake Property, subject to the Namew Lake NSR. The Company has the right to purchase 1.0% of each of the Rocky-Namew NSR and the Namew Lake NSR in consideration of the payment of $1,000,000 each, which right may only be exercised during a five year period commencing on the later of the exercise of the Rocky-Namew Option or the Namew Lake Option, as applicable, and the date a bankable feasibility study is prepared and delivered to the Company.

The Company, by staking, added Mineral Exploration License 981A for 11,123 hectares, increased the Property total to 35,814 hectares. The license was issued on November 8, 2011 and expired on May 31, 2014. On June 25, 2013, license MEL359A expired and the Company re-staked it as license MEL 1020A to continue to be part of the option agreement. The license expired on August 15, 2014. There is no write down associated with the expiry of these licenses. MEL's 358A, 360A and 361A expired, the Company re-staked them as by MEL's 1054A, 1055A and 1056A which continue to be part of the option agreement.

Other Properties

The Company has evaluated various properties relating to rare-earth minerals which are used in existing and emerging energy technologies, and the Company will further access these properties and work towards acquiring one or more.

Expressed in Canadian Dollars

Note 7 Share Capital

a) Authorized: Unlimited common shares without par value.

b) Issued:

During the three-month period ended November 30, 2023, the Company did not issue any shares (2022 – 50,000).

Share Purchase Warrants

During the three-month period ended November 30, 2023, no share purchase warrants were issued, exercised or expired (2022 – 50,000 exercised).

As at November 30, 2023, the Company had 8,225,000 share purchase warrants outstanding. (August 31, 2023 – 8,225,000).

Warrant activity was as follows:

	Number of Warrants		Weighted Average Exercise Price	Years to Expiry
Balance at August 31, 2022	12,275,000	$	0.27	1.3
Issued	3,500,000		0.15	2.0
Exercised	(50,000)		0.16	-
Expired	(7,500,000)		0.37	-
Balance at August 31 and November 30, 2023	**8,225,000**	$	0.16	1.0

As at November 30, 2023, the following warrants were outstanding and exercisable:

Number of Warrants	Exercise Price	Expiring
4,725,000	$ 0.16	October 19, 2024
3,500,000	$ 0.15	December 30, 2024
8,225,000		

c) Long Term Incentive Plan ("LTIP")

The Company has a LTIP that provides for the issuance of restricted share units ("RSUs"), performance share units ("PSUs), deferred share units ("DSUs") and stock options ("Options") (collectively the "Awards") to its directors, officers employees and consultants. The aggregate maximum number of outstanding Awards is 10% of the issued and outstanding common shares at any point in time. The exercise price of each Award equals the market price of the Company's shares on the date of the grant. The maximum term of the stock options is ten years. The fair value of each Award granted is estimated on the date of grant using the Black-Scholes option pricing model.

During the three-month period ended November 30, 2023, the Company did not grant any Awards (2022 – nil).

Expressed in Canadian Dollars

Note 7 Share Capital - continued

c) Long Term Incentive Plan ("LTIP") - continued

Option activity was as follows:

	Number of Options	Weighted Average Exercise Price	Years to Expiry
Balance at August 31, 2022	3,325,000	$ 0.24	1.9
Expired	(1,150,000)	$ 0.35	-
Expired	(725,000)	$ 0.35	-
Cancelled	(150,000)	$ 0.31	-
Balance at August 31, 2023	1,300,000	$ 0.21	2.1
Balance at November 30, 2023	1,300,000	$ 0.21	1.9

As at November 30, 2023, the following stock options were outstanding and exercisable:

Number of Options	Exercise Price	Expiring
800,000	$ 0.12	July 2, 2025
500,000	$ 0.35	March 22, 2026
1,300,000		

As at November 30, 2023, the Company did not have any RSUs, PSUs, or DSUs outstanding (2022 – nil).

Note 8 Related Party Transactions and Balances

The Company incurred the following fees and expenses charged by directors of the Company or by entities controlled by them for the three months ended November 30, 2023 and 2022.

	2023	2022
Consulting fees-CEO[(1)]	**$ 15,000**	$ 15,000
Project consulting-CEO[(1)]	**45,000**	45,000
Rent[(1)]	**12,000**	31,500
Office	**3,000**	3,000
Accounting-CFO[(2)]	**7,500**	7,500

(1) paid to NMS Ventures Inc., a company 100%-owned by Balraj S Mann, president, CEO and director of the Company.
(2) paid to AE Financial Management Ltd, a company owned 100%-owned by Edward Low, CFO of the Company.

Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include executive and non-executive directors. Key management personnel compensation disclosed above comprised the follow for the three months ended November 30, 2023 and 2022:

	2023	2022
Key management personnel:		
CEO	**$ 60,000**	$ 60,000
CFO	**7,500**	7,500
	$ 67,500	$ 67,500

Expressed in Canadian Dollars

Note 8 <u>Related Party Transactions and Balances</u> - continued

These transactions are measured at fair value. As at November 30, 2023, accounts payable and accrued liabilities included $1,819,152 (August 31, 2023 - $1,744,152) owing to a company with a common director and officer of the Company for consulting services, office and rent.

As at November 30, 2023, accounts payable and accrued liabilities included $141,125 (August 31, 2023 - $133,625) owing to a company with a common officer of the Company for accounting services.

As at November 30, 2023, loans payable in the amount of $56,738 (August 31, 2023 - $68,967) were due to a director and to a company with a common director and officer of the Company for monies advanced for working capital. The amounts are unsecured, non-interest bearing and are due on demand.

As at November 30, 2023, loans payable in the amount of $122,160 (August 31, 2023 - $122,160) were due to an officer of the Company for monies advanced for working capital. The amounts are unsecured, non-interest bearing and are due on demand.

The amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

Note 9 <u>Financial Instruments and Risk Management</u>

As at November 30, 2023, the carrying value of the Company's financial instruments approximates their fair value. Cash and short-term investments are recorded at fair value and the Company's other financial instruments are recorded at amortized cost, which approximates fair value due to their short-term nature. The Company's financial instruments are classified into the following categories:

Level 1 – quoted prices in active markets for identical assets or liabilities.

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. As prices) or indirectly (i.e. Derived from prices).

Level 3 – inputs for the asset or liability that are not based on observable market data.

As at November 30, 2023, the Company's financial instruments which are measured at fair value on a recurring basis were cash and available-for-sale investments. These financial instruments were classified as "Level 2" financial instruments.

The Company's financial instruments are exposed to credit risk, liquidity risk and market risks.

a) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to fulfill an obligation and cause the other party to incur a financial loss. The Company's credit risk to its financial assets is summarized below:

	November 30, 2023	August 31, 2023
Cash and cash equivalents	**$ 161,481**	$ 261,592
Marketable securities	**150**	200

The credit risk of cash and marketable securities is assessed as nominal as the counter party is major Canadian financial institutions.

Note 9 Financial Instruments and Risk Management - continued

The carrying amount of these financial assets is their maximum exposure to credit risk.

b) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting its financial obligations associated with its financial liabilities as they fall due. The Company's objective is to ensure that there are sufficient committed financial resources to meet its short-term business requirements for a minimum of twelve months. The Company has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures.

As of November 30, 2023, the Company does not have sufficient cash and highly liquid investment on hand to meet current liabilities and its expected administrative requirements for the coming year. The Company has cash of $161,481 (August 31, 2023 - $261,592), highly liquid marketable securities of $150 (August 31, 2023 - $200), and total liabilities of $2,920,756 (August 31, 2023 - $2,858,296).

The liabilities mature as follow:

- Accounts payable and accrued liabilities of $2,741,858 and loans and borrowings of $178,898 are due within the next twelve months;

To execute its planned exploration program for the next twelve months, the Company will need to raise additional funds through the issuance of equity or debt instruments or the sale of assets. The Company ensures that sufficient funds are raised from private placements to meet its operating requirements, after taking into account existing cash and cash equivalents, short term investments and expected exercise of stock options, but there can be no assurance that such financing will be available.

c) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

d) Currency Risk

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company has operations only in Canada and is not subject to currency risk associated with its operations.

e) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has limited exposure to interest rate risk as its interest-bearing debt instruments are short-term in nature. A 1% change in interest rates would not have a material change on the net and comprehensive loss of the Company.

f) Environmental Risk

The Company is not subject to environmental risks associated with its operations.

g) Commodity Price Risk

The Company is subject to commodity price risk for the sale of lithium, copper, gold and silver. Mineral prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of commodities

Note 9 Financial Instruments and Risk Management – continued

g) Commodity Price Risk - continued

by various central banks, financial institutions, expectations of inflation or deflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, international supply and demand, speculative activities and increased production due to new mine developments, improved mining and production methods and international economic and political trends. The Company's revenues, if any, are expected to be in large part derived from the extraction of mineral products. As such, the effect of these factors on the price in future product sales, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

Note 10 Capital Disclosures

The Company’s objectives when managing capital are:

- To maintain and safeguard its accumulated capital in order to provide an adequate return to shareholders by maintaining a sufficient level of funds, to support continued evaluation and maintenance at the Company’s existing properties, and to acquire, explore, and develop other precious and base metal deposits.

- To invest cash on hand in highly liquid and highly rated financial instruments with high credit quality issuers, thereby minimizing the risk of loss of principal.

- To obtain the necessary financing to complete exploration and development of its properties, if and when it is required.

The Company manages the capital structure and makes adjustments to it, based on the level of funds required to manage its operations in light of changes in economic conditions and the risk characteristics of its underlying assets, especially with respect to exploration results on properties in which the Company has an interest.

In order to facilitate the management of capital and development of its mineral properties, the Company prepares annual expenditure budgets, which are updated as necessary and are reviewed and approved by the Company’s Board of Directors. In addition, the Company may issue new equity, incur additional debt, option its mineral properties for cash and/or expenditure commitments from optionees, enter into joint venture arrangements, or dispose of certain assets. The Company’s investment policy is to hold cash in interest bearing accounts at a major Canadian banking institution to maximize liquidity. In order to maximize ongoing development efforts, the Company does not pay dividends. The Company is not exposed to any externally imposed capital requirements.

Notwithstanding the risks described in Note 1, the Company seeks to continue to raise funds, from time to time, to continue meeting its capital management objectives.

Note 11 Statement of Claim and Counterclaim

The Company is disputing certain legal fees with former legal counsel, who on February 11, 2022 filed a Statement of Claim for $40,233 including interest. The Company has filed a Statement of Defense and Counterclaim on March 30, 2022, in the sum of $628,000 and return of all legal fees paid for negligence. The Company has not recorded a contingency as the outcome of legal proceedings is not presently determinable.

Note 12 <u>Subsequent Event</u>

a) The Company completed a non-brokered private placement of 4.4 million flow-through units at a price of 7.5 cents per unit for gross proceeds of $330,000. Each unit will consist of one flow-through share and one non-flow-through common share purchase warrant. Each warrant will be exercisable into one additional share at a price of 12 cents for two years after the date of issuance. Gross proceeds from the sale of the flow-through shares will be used to incur Canadian exploration expenses (CEE), as defined in the Income Tax Act (Canada) "Act", on the Company's Irgon lithium mine and volcanogenic massive sulphide projects, and will qualify as flow-through CEE, as defined in the Act. All securities issued pursuant to this private placement will be subject to a four-month hold.