

D2 LITHIUM CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED MAY 31, 2025 AND MAY 31, 2024

(Stated in Canadian Dollars)

(Unaudited – Prepared by Management)

UNAUDITED FINANCIAL STATEMENTS: In accordance with National Instrument 51-102 of the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited financial statements for the six months ended May 31, 2025 and May 31, 2024.

D2 LITHIUM CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
MAY 31, 2025 AND NOVEMBER 30, 2024
(Stated in Canadian dollars)
(Unaudited – Prepared by Management)

	Note	May 31, 2025 \$	November 30, 2024 \$
CURRENT ASSETS			
Cash		643,701	1,594,772
Receivables		8,758	17,569
Prepaid expenses		118,630	1,757
Investment loan	5	557,346	-
		1,328,435	1,614,098
Resource property	7	3,666,846	3,666,846
Reclamation bonds	7	405,685	413,116
TOTAL ASSETS		5,400,956	5,694,060
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	9	218,027	287,350
Loans payable	9,10	154,132	151,011
		372,159	438,361
TOTAL LIABILITIES		372,159	438,361
SHAREHOLDERS' EQUITY			
Share capital	8	44,050,687	44,050,687
Contributed surplus	8	9,107,363	9,107,363
Accumulated deficit		(48,129,243)	(47,902,351)
TOTAL SHAREHOLDERS' EQUITY		5,028,807	5,255,699
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		5,400,956	5,694,060

Approved on behalf of the Board of Directors:

"Brian Findlay"
Director

"Bob Verhelst"
Director

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

D2 LITHIUM CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
FOR THE SIX MONTHS ENDED MAY 31, 2025 AND MAY 31, 2024
(Stated in Canadian Dollars)
(Unaudited – Prepared by Management)

		For the Three Months Ended		For the Six Months Ended	
			May 31,		May 31,
	Note	2025	2024	2025	2024
		\$	\$	\$	\$
EXPENSES					
Accounting and audit fees		4,500	3,500	8,500	7,500
Administration fees	9	7,250	7,250	14,500	14,500
Bank charges and interest		1,941	423	3,933	19,926
Consulting fees		-	-	-	-
Foreign exchange loss (recovery)		74,583	(6,987)	27,679	(13,249)
Legal and professional fees		74,790	32,201	105,007	43,422
Listing, filing and transfer agent fees		7,292	8,305	13,793	9,250
Marketing and advertising		2,601	1,347	2,601	3,842
Office administration and general		6,788	7,250	14,311	14,202
Rent	9	5,273	5,035	10,571	10,023
Wages and benefits		18,190	16,297	35,230	33,620
LOSS FROM OPERATIONS		(203,208)	(74,621)	(236,127)	(14,036)
OTHER INCOME (LOSS):					
Gain on forgiveness of CEBA loan payable		-	-	-	10,000
Interest income		8,565	-	9,324	-
Write-down resource property costs		-	-	-	(3,417,128)
Write-off of loans receivable		(90)	-	(90)	-
Write-off (up) of accounts payable		-	(2,500)	-	(10,108)
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD		(194,733)	(77,121)	(226,892)	(3,560,272)
BASIC AND DILUTED LOSS PER SHARE		(0.00)	(0.00)	(0.01)	(0.10)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING		36,231,804	36,231,804	36,231,804	36,231,804

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

D2 LITHIUM CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED MAY 31, 2025 AND MAY 31, 2024
(Stated in Canadian Dollars)
(Unaudited – Prepared by Management)

	<u>Common Stock</u>		Contributed	Accumulated	Total
	Issued	Amount	Surplus	Deficit	
	Shares	\$	\$	\$	\$
Balance, November 30, 2023	36,231,804	44,050,687	9,107,363	(50,693,475)	2,464,575
Net loss for the period	-	-	-	(3,560,272)	(3,560,272)
Balance, May 31, 2024	36,231,804	44,050,687	9,107,363	(54,253,747)	(1,095,697)
Balance, November 30, 2024	36,231,804	44,050,687	9,107,363	(47,902,351)	5,255,699
Net loss for the period	-	-	-	(226,892)	(226,892)
Balance, May 31, 2025	36,231,804	44,050,687	9,107,363	(48,129,243)	(5,028,807)

** Representative of the fair value of share-based payment amounts originally recorded in contributed surplus.*

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

HELIOSX LITHIUM & TECHNOLOGIES CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED MAY 31, 2025 AND MAY 31, 2024
(Stated in Canadian Dollars)
(Unaudited – Prepared by Management)

	For the Six Months Ended May 31, 2025 \$	May 31, 2024 \$
OPERATING ACTIVITIES		
Net and comprehensive loss for the period	(226,892)	(3,560,272)
Add items not affecting cash:		
Accrued interest income	(9,324)	-
Accrued interest expense	1,539	-
Unrealized foreign exchange loss	9,417	(6,535)
Gain on forgiveness of CEBA loan payable	-	(10,000)
Write-down resource property costs	-	3,417,128
Write-off of loans receivable	90	10,108
Net change in non-cash working capital:		
Receivables	8,809	(3,427)
Loan receivable	(90)	(10,108)
Prepaid expenses	(116,872)	(1,710)
Accounts payable and accrued liabilities	(71,310)	(2,845)
Net cash used in operating activities	<u>(404,631)</u>	<u>(148,556)</u>
FINANCING ACTIVITIES		
Repayment of CEBA loan payable	-	(30,000)
Advances from loans payable	1,582	309,679
Net cash provided by (used in) financing activities	<u>1,582</u>	<u>279,679</u>
INVESTING ACTIVITIES		
Resource property additions, net	-	(2,683)
Investment loan	(548,022)	-
Reclamation bonds	-	(114,436)
Contribution to Dajin S.A.	-	(32,903)
Net cash provided by investing activities	<u>(548,022)</u>	<u>(150,022)</u>
CHANGE IN CASH DURING THE PERIOD	(951,071)	(18,899)
CASH, BEGINNING OF PERIOD	1,594,772	20,116
CASH, END OF PERIOD	643,701	1,217

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

D2 LITHIUM CORP.
CONDENSED INTERIM CONSOLIDATED SCHEDULE OF RESOURCE PROPERTY COSTS
FOR THE SIX MONTHS ENDED MAY 31, 2025 AND MAY 31, 2024
(Stated in Canadian Dollars)
(Unaudited – Prepared by Management)

	USA Nevada \$	TOTAL \$
ACQUISITION COSTS		
Balance, November 30, 2023	1,174,944	1,174,944
Staking and filing fees	153,912	153,912
Write-down	(110,445)	(110,445)
Balance, November 30, 2024 and May 31, 2025	1,218,411	1,218,411
DEFERRED EXPLORATION AND DEVELOPMENT COSTS		
Balance, November 30, 2023	2,607,609	2,607,609
Consulting	2,702	2,702
Write-down	(161,876)	(161,876)
Balance, November 30, 2024 and May 31, 2025	2,448,435	2,448,435
TOTAL RESOURCE PROPERTY COSTS		
Balance, November 30, 2024 and May 31, 2025	3,666,846	3,666,846

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

D2 LITHIUM CORP.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED MAY 31, 2025 AND MAY 31, 2024
(Stated in Canadian Dollars)
(Unaudited – Prepared by Management)

NOTE 1 NATURE OF OPERATIONS

D2 Lithium Corp. (the “Company”) is a junior mining company. The principal business of the Company is the identification, evaluation and acquisition of mineral properties, as well as exploration of mineral properties once acquired. The Company is an exploration stage company and is in the process of acquiring and exploring its mineral property interests. The Company’s shares trade on the TSX Venture Exchange under the symbol DTWO, and OTC Market under the symbol DTWOF. The Company is the Reporting Issuer in the provinces of British Columbia and Alberta.

The Company was incorporated under the British Columbia Company Act on August 5, 1987. On January 13, 2022, Dajin and HeliosX Technologies Corp. (“HX Tech”) completed a plan of arrangement under Division 5 of Part 9 of the British Columbia Business Corporations Act (“BCBCA”) involving Dajin, HX Tech, HX Tech subsidiary Fox Creek Lithium Corp., ESG Technologies Inc. (“ESG”) and Helios Infrastructure Corp. (“Helios Infrastructure”) (the “Arrangement”). Dajin also received final approval of the Arrangement from the TSX Venture Exchange (“TSXV”) and approval to list the common shares of the resulting issuer on the TSXV. Pursuant to the Arrangement, Dajin and HX Tech amalgamated to form an amalgamated company called HeliosX Lithium & Technologies Corp. and ESG and Helios Infrastructure were spun out as separate reporting issuers.

As at May 31, 2025, the Company’s principal mineral interests were located in the United States and it has not yet been determined whether these properties contain reserves that are economically recoverable. The recoverability of amounts shown for the Company and resource property costs is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying claims, the ability of the Company to obtain necessary financing to complete the development of the resource properties and upon future profitable production or proceeds from the disposition thereof.

The Company’s registered office, records office and head office is located at Suite 202, 8661 – 201 Street, Langley, BC V2Y 0G9.

NOTE 2 BASIS OF PRESENTATION

a) Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and in accordance with International Accounting Standard (“IAS”) IAS 34 “Interim Financial Reporting”.

These condensed interim consolidated financial statements do not include all of the information and disclosures required to be included in annual consolidated financial statements prepared in accordance with IFRS. These condensed interim consolidated financial statements should be read in conjunction with the Company’s audited annual consolidated financial statements for the year ended November 30, 2024.

D2 LITHIUM CORP.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED MAY 31, 2025 AND MAY 31, 2024
(Stated in Canadian Dollars)
(Unaudited – Prepared by Management)

NOTE 2 BASIS OF PRESENTATION – (cont'd)

a) Statement of Compliance – (cont'd)

The condensed interim consolidated financial statements were authorized for issue by the Board of Directors on July 29, 2025.

b) Going Concern

These condensed interim consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. As at May 31, 2025, the Company had not advanced its resource properties to commercial production or achieved profitable operations, has accumulated losses of \$48,129,243 since inception and expects to incur further losses in the development of its business, all of which casts significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon successful results from its exploration and evaluation activities, its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

c) Basis of Measurement

These condensed interim consolidated financial statements have been prepared on a historical cost basis in Canadian dollars, which is the Company's functional currency.

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. See Note 4 for use of estimates and judgments made by management in the application of IFRS.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements unless otherwise indicated.

These condensed interim consolidated financial statements have been prepared using accounting policies consistent with those used in the preparation of the Company's annual audited consolidated financial statements for the year ended November 30, 2024.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED MAY 31, 2025 AND MAY 31, 2024
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NOTE 3 SIGNIFICANT ACCOUNTING POLICIES – (cont'd)

Accounting standard issued but not yet applied

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its condensed interim financial statements. Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's condensed interim financial statements.

NOTE 4 USE OF ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Information about critical judgments and estimates in applying accounting policies that have the most significant effect on the amounts recognized in these condensed interim consolidated financial statements are as follows:

a) Resource property expenditures

The application of the Company's accounting policy for resource property expenditures requires judgment 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 an expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in the consolidated statement of comprehensive loss in the period the new information becomes available.

b) Impairment

At each reporting period, assets, specifically resource property costs and the investment in Dajin S.A., are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts exceed their recoverable amounts. The assessment of the carrying amount often requires estimates and assumptions such as discount rates, exchange rates, commodity prices, future capital requirements and future operating performance.

c) Going concern

The Company uses judgment in determining its ability to continue as a going concern in order to discharge its current liabilities via raising additional financing.

D2 LITHIUM CORP.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED MAY 31, 2025 AND MAY 31, 2024
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(Unaudited – Prepared by Management)

NOTE 5 INVESTMENT LOAN

At May 31, 2025, the Company has an Investment Demand loan balance of \$557,346 (November 30, 2024: \$Nil).

	February 28, 2025 \$	November 30, 2024 \$
Investment Demand loan (US\$400,000), bearing 6% interest per annum compounding monthly, unsecured	557,346	-
	557,346	-

During the six months ended May 31, 2025, the Company accrued \$9,324 (November 30, 2024 - \$Nil) of interest income on the Investment Demand loan.

NOTE 6 INVESTMENT IN DAJIN RESOURCES S.A.

On September 27, 2024, the Company sold its 49% equity interest in Dajin Resources S.A. for cash consideration of \$3,037,275 (\$2,250,000 USD).

NOTE 7 RESOURCE PROPERTY

Teels Marsh Project – State of Nevada USA

At May 31, 2025 and November 30, 2024, the Company held a 100% interest in 386 placer claims in the Teels Marsh valley of Mineral County Nevada. The Company's 100% interest in these placer claims is held by Dajin US.

As at May 31, 2025, the Company had posted \$405,685 (US\$294,872) in reclamation bonds with the U.S. Bureau of Land Management concerning its interest in the Teels Marsh Project.

As of February 28, 2025, the Company has been granted water rights to May 24, 2027 by the Nevada Division of Water Resources for the Teels Marsh Valley.

D2 LITHIUM CORP.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED MAY 31, 2025 AND MAY 31, 2024
(Stated in Canadian Dollars)
(Unaudited – Prepared by Management)

NOTE 8 SHARE CAPITAL

Authorized:

Unlimited common shares without par value.
Unlimited preferred shares without par value.

Issued:

There were no shares issued during the six months ended May 31, 2025 and during the year ended November 30, 2024.

Nature and Purpose of Equity and Reserves:

‘Contributed Surplus’ is used to recognize the value of stock option grants and share warrants prior to exercise.

Commitments:

Share-Based Compensation Plan

The Company has granted employees and directors common share purchase options. These options are granted with an exercise price equal to the market price of the Company’s stock on the date of the grant.

A summary of the status of the stock option plan as of May 31, 2025 and November 30, 2024 is presented below:

	May 31, 2025		November 30, 2024	
	Shares	Weighted Average Exercise Price \$	Shares	Weighted Average Exercise Price \$
Outstanding, at beginning of period	1,045,000	0.61	1,045,000	0.61
Expired/cancelled	(235,000)	-	-	-
Outstanding, at end of period	810,000	0.65	1,045,000	0.61
Options exercisable at end of the period	810,000	0.65	1,045,000	0.61
Weighted-average remaining life, in years		1.33		2.47

D2 LITHIUM CORP.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED MAY 31, 2025 AND MAY 31, 2024
(Stated in Canadian Dollars)
(Unaudited – Prepared by Management)

NOTE 8 SHARE CAPITAL – (cont'd)

Commitments: – (cont'd)

Share-Based Compensation Plan – (cont'd)

At May 31, 2025, the Company has 810,000 share purchase options outstanding entitling the holders thereof the right to purchase one common share for each option held as follows:

Number	Exercise Price	Expiry Date
110,000	\$0.50	July 6, 2025
100,000	\$0.50	July 31, 2025
600,000	\$0.70	February 28, 2027
810,000		

The Company granted no options during the six months ended May 31, 2025 and for the year ended November 30, 2024.

Share Purchase Warrants

There were no warrants issued during the six months ended May 31, 2025 and during the year ended November 30, 2024

D2 LITHIUM CORP.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED MAY 31, 2025 AND MAY 31, 2024
(Stated in Canadian Dollars)
(Unaudited – Prepared by Management)

NOTE 9 RELATED PARTY TRANSACTIONS

The Company incurred the following charges with directors and officers of the Company and companies controlled by the directors:

	Three Months Ended		Six Months Ended	
	May 31, 2025	May 31, 2024	May 31, 2025	May 31, 2024
	\$	\$	\$	\$
Wages and benefits	18,190	15,106	35,230	29,669
	18,190	15,106	35,230	29,669
Key management compensation				
Administration fees	7,250	7,250	14,500	14,500
Rent reimbursement	5,272	5,035	10,571	10,023
	12,522	12,285	25,071	24,523
	30,712	27,391	60,301	54,192

These charges were measured by the exchange amount that is the amount agreed upon by the transacting parties.

Included in May 31, 2025 accounts payable and accrued liabilities is \$Nil (November 30, 2024: \$Nil) owing to related party individuals consisting of current and former directors and officers of the Company and companies with common officers and directors for unpaid fees and expense reimbursements of which \$550,000 is under dispute as detailed in the Statement of Claim filed in the Alberta Courts on March 30, 2023. During the year ended November 30, 2024, the Company made the determination that this amount would not be paid, as the required acceptance by the TSX Venture Exchange of material contracts was not received and approval by the Board of Directors was not validly granted. Therefore, the Company had recognized a write-off of accounts payable in the amount of \$550,000.

In connection with the Plan of Arrangement, former officers and directors caused the Company to issue 6,930,000 common shares to themselves and companies controlled by them. The Company has filed Statements of Claim in the Court of King's Bench of Alberta on March 30, 2023 and May 3, 2024 disputing the issuance of the 6,930,000 shares with no valuation report for assets being vended in or no payment in cash to justify the issuance of the said shares. The Company is seeking return of these shares to the Company's treasury or alternatively monetary compensation/restitution.

Included in May 31, 2025 loans payable is \$99,500 (November 30, 2024: \$99,500) owing to certain officers and directors of the Company (Note 9).

Amounts due to related parties are non-interest bearing, unsecured and are due on demand.

D2 LITHIUM CORP.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED MAY 31, 2025 AND MAY 31, 2024
(Stated in Canadian Dollars)
(Unaudited – Prepared by Management)

NOTE 10 LOANS PAYABLE

At May 31, 2025, the Company has a loans payable balance of \$154,132 (November 30, 2024: \$151,011).

	May 31, 2025 \$	November 30, 2024 \$
Demand loan, bearing 12% interest per annum compounding monthly, unsecured	54,671	51,511
Demand loan, non-interest bearing, unsecured due to an officer of the Company	99,461	99,500
	154,132	151,011

During the six months ended May 31, 2025, the Company incurred \$3,160 (November 30, 2024 - \$1,511) of interest expense on loans payable.

NOTE 11 CAPITAL MANAGEMENT

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, exploration and development of mineral properties. The board of directors does not establish 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 properties in which the Company currently has an interest are in the exploration stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out the 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.

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 period ended May 31, 2025. Neither the Company nor its subsidiaries are subject to externally imposed capital requirements.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED MAY 31, 2025 AND MAY 31, 2024
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NOTE 12 FINANCIAL INSTRUMENTS

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

a) Credit risk

Credit risk is the risk of an unexpected loss if a party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash and cash equivalents. The Company has no significant concentration of credit risk arising from operations. As at May 31, 2025, the Company is not exposed to any significant credit risk.

b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. At May 31, 2025, the Company had cash of \$643,701 (November 30, 2024: \$1,594,772) and current liabilities of \$372,159 (November 30, 2024: \$438,361). All of the Company's accounts payable (\$218,027) have contractual maturities of less than 30 days and are subject to normal trade terms.

c) 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. When excess cash exists, the Company's current policy is to invest the excess cash in short-term deposits with its banking institutions. The Company monitors the investments it makes and is satisfied with the credit ratings of the financial institutions with which they are held.

d) Price risk

The ability of the Company to finance the exploration and development of its properties and the future profitability of the Company is directly related to the commodity prices of industrial minerals (Lithium, Boron and Potassium), and precious and base metals. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. Sensitivity to price risk relative to earnings is remote since the Company has not established any reserves or production. The Company is also exposed to the risk of equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company monitors commodity prices of industrial minerals, precious and base metals, individual equity movements, and the stock market in general to determine the appropriate course of action to be taken.

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NOTE 12 FINANCIAL INSTRUMENTS – (cont'd)

e) Sensitivity analysis

Based on management's knowledge and experience of the financial markets, the Company believes the following is "reasonably possible" during the upcoming financial year:

Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price of precious metals. Precious metal prices have fluctuated significantly in recent years. There is no assurance that, even as commercial quantities of industrial minerals and precious metals may be produced in the future, a profitable market will exist for them. As of May 31, 2025, the Company was not an industrial mineral or precious metal producer. Commodity price risk largely affects the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

f) Foreign currency risk

The foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company's operations are carried out in Canada, and the United States. As at May 31, 2025, the Company had accounts payable of \$Nil (November 30, 2024: \$68,503) denominated in US dollars. These factors expose the Company to foreign currency exchange rate risk, which could have an adverse effect on the profitability of the Company. The Company currently does not plan to enter into foreign currency future contracts to mitigate this risk.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 13 SEGMENTED INFORMATION

The Company operates in one business segment, mineral exploration. As at May 31, 2025, its mineral properties and head office are located in two geographic locations: Canada and the United States.

The Company's net loss (income) is allocated to the geographic segments as follows:

	For the Three Months Ended		For the Six Months Ended	
	May 31	May 31	May 31	May 31
	2025	2024	2025	2024
	\$	\$	\$	\$
Net loss:				
Canada	174,681	79,216	217,476	149,679
United States	20,052	(2,095)	9,416	3,410,593
	194,733	77,121	226,892	3,560,272

The Company's total assets are allocated to the geographic segments as follows:

	May 31, 2025	November 30, 2024
	\$	\$
Total Assets:		
Canada	1,328,435	1,614,098
United States	4,072,531	4,190,407
	5,400,966	5,804,505