POWER METALS CORP.

FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

NOVEMBER 30, 2023 and 2022

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Independent Auditor's Report

To the Shareholders of Power Metals Corp.

Opinion

We have audited the financial statements of Power Metals Corp. (the "Company"), which comprise the statements of financial position as at November 30, 2023 and November 30, 2022 and the statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at November 30, 2023 and November 30, 2022, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit 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 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 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 to the financial statements which describes the material uncertainty 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Other than the matter described in the Material Uncertainty Related to Going Concern section, we have determined there are no key audit matters to be communicated in our report.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the other information prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

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

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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 Pejman Mahlooji.

Crowe MacKay LLP

Chartered Professional Accountants
Vancouver, Canada
March 25, 2024

POWER METALS CORP.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT NOVEMBER 30,

	2023	2022
ASSETS		
Current assets		
Cash and cash equivalents	**$ 6,851,501**	$ 626,983
Receivables	**119,801**	47,031
Assets held for sale (Note 4)	**-**	1,750,000
Investments (Note 6)	**431,346**	-
Prepaids (Note 10)	**276,715**	74,194
Total current assets	**7,679,363**	2,498,208
Non-current assets		
Advances	**170,000**	185,988
Exploration and evaluation assets (Notes 4 and 10)	**5,314,756**	5,654,769
Total non-current assets	**5,484,756**	5,840,757
Total assets	**$ 13,164,119**	$ 8,338,965
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Notes 5 and 10)	**$ 866,682**	$ 804,010
Flow-through liabilities (Note 8)	**2,553,681**	-
Total liabilities	**3,420,363**	804,010
Equity		
Share capital (Note 8)	**46,025,708**	41,991,542
Share subscription receivable (Note 8)	**(200,000)**	(100,000)
Reserves (Note 8)	**2,265,919**	2,597,561
Deficit	**(38,347,871)**	(36,954,148)
Total equity	**9,743,756**	7,534,955
Total liabilities and equity	**$ 13,164,119**	$ 8,338,965

Nature, continuance of operations, and going concern (Note 1)
Subsequent events (Note 15)

Approved and authorized on March 22, 2024 on behalf of the Board:

"Johnathan More", Director — Johnathan More

"Brent Butler", Director — Brent Butler

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

POWER METALS CORP.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED NOVEMBER 30,

	2023	2022
EXPENSES		
Consulting (Note 10)	**$ 357,786**	$ 105,432
Depreciation	**-**	5,902
Filing fees	**88,546**	85,951
Foreign exchange loss (gain)	**13,429**	(17,387)
Management fees (Note 10)	**449,265**	284,993
Marketing, promotion and communication	**168,159**	313,524
Office and miscellaneous (Note 10)	**160,853**	42,208
Professional fees (Note 10)	**158,321**	127,540
Share-based compensation (Notes 8 and 10)	**986,569**	503,211
Travel	**172,894**	78,688
	(2,555,822)	(1,530,062)
OTHER ITEMS		
Flow-through premium recovery (Note 8)	**447,444**	-
Interest income	**126,624**	-
Loss on settlement of debt (Notes 5 and 10)	**-**	(153,804)
Unrealized loss on marketable securities (Note 6)	**(318,654)**	-
Write-off of accounts payable and accrued liabilities (Note 5 and 10)	**-**	262,829
Write-off of exploration and evaluation assets (Note 4)	**(5,200)**	(1,915,226)
Net loss and comprehensive loss for the year	**$ (2,305,608)**	$ (3,336,263)
Basic and diluted loss per common share	**$ (0.02)**	$ (0.03)
Weighted average number of common shares outstanding – basic and diluted	**141,999,663**	129,406,670

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

POWER METALS CORP.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED NOVEMBER 30,

	2023	2022
CASH FLOW FROM OPERATING ACTIVITIES		
Net loss for the year	**$ (2,305,608)**	$ (3,336,263)
Items not affecting cash:		
Depreciation	**-**	5,902
Flow-through premium recovery	**(447,444)**	-
Foreign exchange	**13,429**	(17,387)
Loss on settlement of debt	**-**	153,804
Unrealized loss on marketable securities	**318,654**	-
Share-based compensation	**986,569**	503,211
Write-off of accounts payable and accrued liabilities	**-**	(262,829)
Write-off of exploration and evaluation assets	**5,200**	1,915,226
Changes in non-cash working capital items:		
Receivables	**(72,770)**	(32,818)
Prepaids	**(202,521)**	(73,156)
Accounts payable and accrued liabilities	**(85,252)**	47,536
Net cash used in operating activities	**(1,789,743)**	(1,096,774)
CASH FLOW FROM INVESTING ACTIVITIES		
Exploration and evaluation advance	**-**	(122,088)
Exploration and evaluation expenditures	**(1,014,704)**	(1,147,571)
Proceeds from sale of properties	**1,000,000**	-
Sale of royalty	**1,500,000**	-
Net cash provided by (used in) investing activities	**1,485,296**	(1,269,659)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from option exercise	**412,000**	-
Shares issued for cash	**6,455,250**	3,000,000
Share issuance costs	**(338,285)**	(19,800)
Net cash provided by financing activities	**6,528,965**	2,980,200
Change in cash for the year	**6,224,518**	613,767
Cash, beginning of year	**626,983**	13,216
Cash and cash equivalents, end of year	**$ 6,851,501**	$ 626,983
Cash and cash equivalents is comprised of:		
Cash	**$ 851,501**	$ 626,983
Guaranteed investment certificates ("GICs")	**6,000,000**	**-**
	$ 6,851,501	$ 626,983

Supplementary cash flow information (Note 13)

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

POWER METALS CORP.
STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED NOVEMBER 30, 2023 and 2022

	Share Capital						
	Common Shares	Amount	Shares to be issued	Share subscription receivable	Reserves	Deficit	Total Equity
Balance, November 30, 2021	116,110,455	$ 38,473,027	$ 30,000	$ (100,000)	$ 3,014,106	$ (34,567,641)	$ 6,849,492
Shares issued for private placement	15,000,000	3,000,000	-	-	-	-	3,000,000
Share issuance cost	-	(19,800)	-	-	-	-	(19,800)
Shares or units for debt	1,922,555	538,315	-	-	-	-	538,315
Expiry of options	-	-	-	-	(919,756)	919,756	-
Share-based compensation	-	-	-	-	503,211	-	503,211
Reversal of shares to be issued	-	-	(30,000)	-	-	30,000	-
Net loss and comprehensive loss for the year	-	-	-	-	-	(3,336,263)	(3,336,263)
Balance, November 30, 2022	133,033,010	41,991,542	-	(100,000)	2,597,561	(36,954,148)	7,534,955
Shares issued for private placement	11,325,000	6,455,250	-	-	-	-	6,455,250
Share issuance cost - cash	-	(338,285)	-	-	-	-	(338,285)
Share issuance cost - warrants	-	(21,915)	-	-	21,915	-	-
Shares issued for option exercise	2,900,000	940,241	-	(100,000)	(428,241)	-	412,000
Expiry of options	-	-	-	-	(911,885)	911,885	-
Flow-through premium	-	(3,001,125)	-	-	-	-	(3,001,125)
Share-based compensation	-	-	-	-	986,569	-	986,569
Net loss and comprehensive loss for the year	-	-	-	-	-	(2,305,608)	(2,305,608)
Balance, November 30, 2023	147,258,010	$ 46,025,708	$ -	$ (200,000)	$ 2,265,919	$ (38,347,871)	$ 9,743,756

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

1. NATURE, CONTINUANCE OF OPERATIONS, AND GOING CONCERN

Power Metals Corp. ("Power Metals" or "the Company") is incorporated under the British Columbia Business Corporations Act and its common shares are listed on the TSX Venture Exchange ("the Exchange") under the symbol "PWM". The principal business of the Company is the acquisition, exploration and evaluation of resource properties.

On July 6, 2022, the Company began trading on the OTCQB Venture Market in the United States under the symbol PWRMF.

The Company's registered office is PO Box 10026 Pacific Centre 25th Floor, 700 West Georgia Street, Vancouver, British Columbia, Canada, V7Y 1J7 and the head office, principal address and records office is PO Box 10026 Pacific Centre 25th Floor, 700 West Georgia Street, Vancouver, British Columbia, Canada, V7Y 1J7.

The Company is considered to be in the exploration stage with respect to its interests in exploration and evaluation assets. The recoverability of the amounts comprising exploration and evaluation assets is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete their exploration and development and upon future profitable production.

These financial statements are prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at November 30, 2023, the Company had an accumulated deficit of $38,347,871 (2022 – $36,954,148) and has incurred losses since inception. These material uncertainties may raise substantial doubt about the Company's ability to continue as a going concern. The continuing operations of the Company are dependent upon obtaining necessary financing to meet the Company's commitments as they come due and to finance future exploration and development of potential business acquisitions, economically recoverable reserves, securing and maintaining title and beneficial interest in the properties and upon future profitable production. Failure to continue as a going concern would require that assets and liabilities be recorded at their liquidation values, which might differ significantly from their carrying values.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events and potential economic global challenges such as the risk of higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

2. BASIS OF PRESENTATION

Statement of compliance

These financial statements have been prepared in accordance with accounting policies consistent with IFRS accounting standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These financial statements have been prepared on the basis of IFRS standards that are effective for the Company's reporting year ended November 30, 2023.

Basis of presentation

The financial statements have been prepared on historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. The functional and presentation currency are both Canadian dollars.

2. BASIS OF PRESENTATION (cont'd…)

Significant accounting judgments and critical accounting estimates

The preparation of these financial statements in conformity with IFRS requires estimates and assumptions that affect the amounts reported in these financial statements.

Significant accounting judgments

Significant accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the going concern assumption, recoverability of the carrying value of the Company's exploration and evaluation assets, and classification of assets held for sale.

Ability to continue as a going-concern

Management assesses the Company's ability to continue as a going concern at each reporting date, using all quantitative and qualitative information available. This assessment, by its nature, relies on estimates of future cash flows and other future events (as discussed in Note 1), whose subsequent changes could materially impact the validity of such an assessment.

Recoverability of the carrying value of exploration and evaluation assets

Assets or cash-generating units ("CGUs") are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's exploration and evaluation assets.

Significant judgment is required when determining whether facts and circumstances suggest that the carrying amount of exploration and evaluation assets may exceed its recoverable amount. The retention of regulatory permits and licenses, the Company's ability to obtain financing for exploration and development activities and its future plans on the exploration and evaluation assets, current and future metal prices, and market sentiment are all factors considered by the Company.

In respect of the carrying value of exploration and evaluation assets recorded on the statements of financial position, management has determined that it continues to be appropriately recorded, as there are no indications that the value of the assets have declined more than its carrying amount.

Assets held for sale

The Company uses its judgment to determine whether an asset or disposal group is available for immediate sale in its present condition and whether its sale is highly probable and therefore should be classified as held for sale at the statements of financial position date.

Critical accounting estimates

Key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year include, but are not limited to, the following:

Valuation of flow-through premium and penalties

The determination of the valuation of flow-through premium and any related penalties is subject to significant judgment and estimates. The penalties are estimated based on tax authorities' prescribed amounts and calculations.

2. BASIS OF PRESENTATION (cont'd…)

Significant accounting judgments and critical accounting estimates (cont'd…)

Fair value of investments

Investment transactions are recorded on a trade date basis. The cost of investments represents the amount paid for each investment and is determined on an average cost basis excluding transaction costs. The Company classifies its investments as fair value through profit or loss, with unrealized gains and losses recognized in profit or loss. The fair value of the Company's investments as at the financial reporting date are determined as follows: common shares in quoted companies – All securities listed on a recognized public stock exchange are generally valued at their quoted closing trade prices at the date of statement of financial position; common share investments in private companies and other investments – When the fair values of financial assets and financial liabilities recorded on the statements of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data is not available, judgment is required to establish fair value.

3. SIGNIFICANT ACCOUNTING POLICIES

Exploration and evaluation assets

The Company may hold interests in mineral property interests in various forms, including prospecting licenses, exploration and exploitation concessions, mineral leases and surface rights, and property options. Option payments are recorded as property costs or recoveries when the payments are made or received. The Company capitalizes all acquisition costs and direct exploration expenditures on mineral properties in which it has a continuing interest. Mineral property interest acquisition costs are recorded at historical cost. Exploration and evaluation expenditures incurred on properties prior to obtaining legal rights to explore the specific area are charged to operations as incurred.

Proceeds received on the sale of interests in exploration and evaluation assets are credited to the carrying value of exploration and evaluation assets, with any excess included in operations. Write-downs due to impairment in value are charged to profit or loss.

Management periodically reviews the carrying values of its investments in exploration and evaluation assets and will recognize impairment in value based upon current exploration results, the prospect of further work being carried out by the Company and the assessment of future probability of revenues from the property or from the sale of the property. A decision to abandon, reduce or expand activity on a specific property is based upon many factors including general and specific assessments of mineral resources, anticipated future mineral prices, anticipated costs of developing and operating a producing mine, the expiration date of mineral property leases and the availability of financing. The Company does not set a pre-determined holding period for properties with unproven resources. However, properties which have not demonstrated suitable prospects at the conclusion of each phase of an exploration program are re-evaluated to determine if future exploration is warranted and that carrying values are appropriate.

If a mineral property is abandoned or it is determined that its carrying value cannot be supported by future production or sale, the related costs are charged against profit or loss in the period of abandonment or determination of impairment of value.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Exploration and evaluation assets (cont'd…)

The amounts recorded as mineral claims represent unamortized costs to date and do not necessarily reflect present or future values. Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mines under construction." Exploration and evaluation assets are tested for impairment before the assets are transferred to development properties. The accumulated costs of mineral properties that are developed to the stage of commercial production will be amortized to operations using the unit of production depletion method.

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties is in good standing unless otherwise noted.

Assets held for sale

Non-current assets and disposal groups are classified as assets held for sale if it is highly probable that the value of these assets will be recovered primarily through sale rather than through continuing use. They are recorded at the lower of carrying amount and fair value less cost to sell. Impairment losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in profit or loss. The assets and liabilities are presented as held for sale in the statements of financial position when the sale is highly probable, the asset or disposal group is available for immediate sale in its present condition and management is committed to the sale, which should be expected to be completed within one year from the date of classification. When a disposal group is classified as held for sale, assets and liabilities are aggregated and presented as separate line items, respectively, on the statements of financial position.

Impairment of long-lived assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs 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 current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than it carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. 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.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Flow-through shares

Under Canadian income tax legislation, a company is permitted to issue flow through shares whereby the Company agrees to incur qualifying expenditures and renounce the related income tax deductions to the investors. The Company allocates the proceeds from the issuance of these shares between the offering of shares and the sale of tax benefits. The allocation is made based on the difference between the quoted price of the shares and the amount the investor pays for the shares. A deferred flow-through premium liability is recognized for the difference. The liability is reversed when the expenditures are made and is recorded in other income. The spending also gives rise to a deferred tax timing difference between the carrying value and tax value of the qualifying expenditure.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to mining assets along with a corresponding increase in the rehabilitation 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 rehabilitation asset is depreciated on the same basis as mining assets.

The Company's estimates of reclamation 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 rehabilitation 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.

As at November 30, 2023 and 2022, the Company has determined that it does not have any decommissioning obligations.

Financial instruments

Financial assets and financial liabilities are recognized on the statements of financial position when the Company becomes a party to the contractual provisions of the financial instrument.

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

Measurement

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise.

Debt investments at FVOCI
These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income ("OCI"). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI
These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Financial instruments (cont'd…)

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 financial asset 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 losses. The Company shall recognize in profit or 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.

Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expired. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

The Company's financial assets and liabilities are recorded and measured as follows:

Financial Asset or liability	Classification and measurement
Cash & cash equivalents	Amortized cost
Investments	FVTPL
Accounts payable and accrued liabilities	Amortized cost

The Company determines the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

Loss per share

The Company recognizes the dilutive effect on loss per share based on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. For the periods presented, this calculation proved to be anti-dilutive. Basic loss per share is calculated using the weighted average number of common shares outstanding during the period.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Share capital

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate resource properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants (Warrants). Depending on the terms and conditions of each equity financing agreement (Agreement), the Warrants are exercisable into additional common shares prior to expiry at a price stipulated by the Agreement. Warrants that are part of units are valued using residual value method which involves comparing the selling price of the units to the Company's share price on the announcement date of the financing. The market value is then applied to the common share, and any residual amount is assigned to the Warrants. Warrants that are issued as payment for agency fee or other transaction costs are accounted for as share-based payments and are recognized in equity. When Warrants are forfeited or are not exercised at the expiry date the amount previously recognized in equity is transferred from reserves to deficit.

In situations where share capital is issued, or received, as non-monetary consideration and the fair value of the asset received, or given up is not readily determinable, the fair market value (as defined) of the shares is used to record the transaction. The fair market value of the shares issued, or received, is based on the trading price of those shares on the appropriate Exchange on the date the shares are issued.

Share issuance costs

Share issue costs are deferred and charged directly to share capital on completion of the related equity financing. If the financing is not completed, share issue costs are charged to profit or loss. Costs directly identifiable with the raising of capital will be charged against the related share capital.

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is expensed over the vesting terms. The expected price volatility is based on the historical volatility. All equity-settled share-based payments are reflected in reserves until exercised. Consideration paid for the shares on the exercise of stock options is credited to capital stock. When vested options are forfeited or are not exercised at the expiry date the amount previously recognized in share-based compensation is transferred from reserves to deficit. Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the Company as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it does not recognize the asset.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Income taxes (cont'd…)

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Investments

Purchases and sales of investments are recognized on the settlement date. Realized gains and losses on disposal of investments and unrealized gains and losses in the fair value of investments are reflected in the statement of loss and comprehensive loss. Upon disposal of an investment, previously recognized unrealized gains or losses are reversed so as to recognize the full realized gain or loss in the period of disposition. All transaction costs associated with the acquisition and disposition of investments are expensed to the statement of loss and comprehensive loss, within profit and loss, as incurred. Interest income and other income are recorded on an accrual basis.

The fair value of investments is determined as follows:

(a) Securities that are traded in an active market and for which no sales restrictions apply, are presented at fair value based on quoted closing trade prices at the date of statement of financial position. If there were no trades on the date of the statement of financial position, these securities are presented at the closing price on the last date the security traded. These investments are included in Level 1 of the fair value hierarchy.

(b) Securities that are traded in an active market, but which are escrowed or otherwise restricted as to their sale or transfer, are included in Level 2 of the fair value hierarchy.

(c) Securities that are not traded in an active market or are valued based on unobservable market inputs are included in the Level 3 of the fair value hierarchy

Foreign currency translation

Transactions in foreign currencies are translated to the presentation currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the presentation currency at the exchange rate at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognized in profit or loss.

New accounting standards issued but not yet effective

Classification of Liabilities as Current or Non-current (Amendments to IAS 1) – The amendments to IAS1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. These amendments are effective for reporting periods beginning on or after January 1, 2024.

Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies – These amendments help companies provide useful accounting policy disclosures. The IASB also amended IFRS Practice Statement 2 to include guidance and examples on applying materiality to accounting policy disclosures. These amendments are effective for reporting period beginning on or after January 1, 2023. The Company expects the adoption of the amendments will reduce the disclosure of its accounting policies.

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS

During the year ended November 30, 2023, the following exploration expenses were incurred on the exploration and evaluation assets:

	Case Lake Property	Paterson Lake and Gullwing Tot Property	Gullwing Extension Property	Total
Acquisition costs				
Balance, November 30, 2022	$ 3,862,191	$ -	$ -	$ 3,862,191
Incurred	26,950	-	-	26,950
Balance November 30, 2023	3,889,141	-	-	3,889,141
Exploration costs				
Balance, November 30, 2022	1,792,578	-	-	1,792,578
Assay	29,453	-	-	29,453
Field work	107,649	-	-	107,649
Geological consulting	811,133	1,200	4,000	816,333
Supplies	27,838	-	-	27,838
Travel	156,964	-	-	156,964
Balance, November 30, 2023	2,925,615	1,200	4,000	2,930,815
Recovery	(1,500,000)	-	-	(1,500,000)
Write-off	-	(1,200)	(4,000)	(5,200)
Total balance, November 30, 2023	$ 5,314,756	$ -	$ -	$ 5,314,756

During the year ended November 30, 2022, the following exploration expenses were incurred on the exploration and evaluation assets:

	Case Lake Property	Paterson Lake and Gullwing Tot Property	Gullwing Extension Property	Total
Acquisition costs				
Balance, November 30, 2021 and 2022	$ 3,862,191	$ 639,000	$ 2,802,500	$ 7,303,691
Exploration costs				
Balance, November 30, 2021	688,609	261,976	-	950,585
Assay	56,531	-	-	56,531
Drilling	443,397	-	-	443,397
Field work	114,092	5,290	-	119,382
Supplies	28,210	-	-	28,210
Geological consulting	330,466	1,634	4,826	336,926
Travel	131,273	-	-	131,273
Recovery	-	(50,000)	-	(50,000)
Balance, November 30, 2022	1,792,578	218,900	4,826	2,016,304
Reclassified as assets held for sale	-	(550,000)	(1,200,000)	(1,750,000)
Write-off	-	(307,900)	(1,607,326)	(1,915,226)
Total balance, November 30, 2022	$ 5,654,769	$ -	$ -	$ 5,654,769

4. EXPLORATION AND EVALUATION ASSETS (cont'd…)

The Company entered into an agreement (the "Sinomine Agreement") with Sinomine (Hong Kong) Rare Metals Resources Co Limited ("Sinomine") on December 15, 2021 (the "Closing Date") which provides for an equity financing and an agreement to negotiate an offtake agreement with Sinomine. As a result of the agreement, the Company issued to Sinomine 7,500,000 units at $0.20 per unit for gross proceeds of $1,500,000. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to purchase one common share for a period of three years at a price of $0.40.

The Company entered into the formal off-take agreement with Sinomine on all lithium, cesium and tantalum produced from the Company's Case Lake Property. Sinomine will pay the Company for all lithium and tantalum at 95% of the market value of such resources and pay for all cesium in accordance with an agreed upon grade scale schedule established between the two parties. The agreement remains in effect for a period of three years from closing date and continues thereafter as long as Sinomine holds not less than 2.5% of the Company's shares on a non-diluted basis. Sinomine is also provided with an option to participate in future financings and share issuances to retain its minimum 2.5% share holdings. In the event of default under the agreement by either party, such party will be liable for a total of $8,000,000.

During the year ended November 30, 2022, the Company had been advised that the Canadian Federal Government, by Order in Council, had ordered that Sinomine divest itself of its past and ongoing investments in the Company.

During the year ended November 30, 2023, Winsome Resource Limited acquired shares in the Company currently owned by Sinomine. Winsome has also agreed to acquire Sinomine's offtake rights for the lithium, cesium and tantalum from the Case Lake Project.

Under the terms of the agreement, for a total cash consideration of CAD$2,000,000 (AUD$2,120,000) (CAD $0.27 per share of the Company) Winsome acquired Sinomine's total interests in the Company and the Case Lake Project, including:

- 7,500,000 common shares; and
- 7,500,000 share purchase warrants, which can be converted into shares on a one-for-one basis at $0.40 per share, expiring on March 16, 2025.

Winsome has also agreed to assume all of Sinomine's rights and obligations under the offtake agreement.

Case Lake Property

During the year ended November 30, 2016, the Company entered into an agreement to acquire 100% interest in the Case Lake Property located in Ontario. To earn the interest, the Company made the following payments:

i) paid $260,000;

ii) paid $100,000 for the underlying option agreement;

iii) incurred an aggregate of $200,000 of property expenditures over 36 months; and

iv) issued 11,000,000 common shares of the Company (valued at $990,000).

The property is subject to a 2% NSR.

The Company also issued 913,235 common shares valued at $82,191 as finders' fees.

During the year ended November 30, 2017, the Company further acquired a 100% interest in additional claim units in consideration of 3,000,000 shares (issued and valued at $2,430,000).

During the year ended November 30, 2023, the Company received $1,500,000 pursuant to the sale of a 2% gross overriding revenue royalty.

4. EXPLORATION AND EVALUATION ASSETS (cont'd…)

Paterson Lake and Gullwing-Tot Property

During the year ended November 30, 2017, the Company entered into an agreement, amended on October 30, 2020, to acquire 100% interest in the Paterson Lake and Gullwing-Tot properties. Pursuant to the agreement, the Company made the following payments:

i) paid $140,000 in cash;
ii) issued 1,230,336 shares with a value of $497,815 (171,875 shares with a value of $55,000 issued in fiscal 2017; 138,461 shares issued with a value of $88,615 issued in fiscal 2018; 920,000 shares with a value of $354,200 issued in 2021);
iii) incurred $250,000 of exploration expenditures ($268,900 incurred).

In addition, upon a feasibility study being completed on the properties, the Company will make a payment for each of the Paterson Lake project and Gullwing-Tot property of $450,000 up to a maximum $900,000 in cash.

The properties will be subjected to a 0.5% NSR royalty on commercial production from the Gullwing-Tot property and a 2% NSR on commercial production from the Paterson Lake property, with the Company retaining the right to purchase 1% on either property for $650,000 cash.

During the year ended November 30, 2022, the Company signed a Term Sheet to sell the Gullwing-Tot and Paterson properties, along with the Gullwing extension property. As the Company made an assessment that it is highly probable that the value of these assets will be recovered primarily through sale rather than through continuing use, and management has committed to a plan to sell the assets as at November 30, 2022, the Company reclassified the carrying values of the Gullwing-Tot Lakes property and Paterson Lake property totaling $1,750,000 as assets held for sale resulting in the write-off of exploration and evaluation assets of $1,915,226. The carrying value reported represents the lower of the net book value and fair value less costs to sell.

During the year ended November 30, 2023, the Company entered into two binding purchase and sale agreements and sold the Company's Gullwing-Tot Lakes property and Paterson Lake property.

Binding Purchase and sale agreement with Critical Resources Ltd (ASX:CRR) to sell the Company's Gullwing-Tot lakes property:

To acquire a 100% interest in the mining claims, the total consideration provided to the Company from Critical Resources Limited was:

- Cash payment of $600,000 made to the Company (received);
- Issue of $600,000 in Critical Resources Limited's securities to the Company (12,494,339 shares received); and
- Grant the Company a 1% Gross Margin Royalty for mineral production within the mining claims acquired by Critical Resources Limited.

Binding Option Agreement with Fleur De Lys Exploration and Infini Resources Pty Ltd. ("Infini") to acquire the Paterson Lake property.

To acquire a 100% interest in the mining claims of Paterson Lake, the total consideration provided to the Company from Infini was:

- Cash payment of $150,000 made to the Company within 30 days of the execution date (received);
- Cash payment of $250,000 to the Company within 20 days following Infini's admission to the Official List of the Australian Securities Exchange ("ASX"), or prior to the expiry date (March 31, 2023), whichever comes first (received);
- Issue of $150,000 in Infini's securities to the Company (834,975 shares received); and
- Grant the Company a 1% Gross Margin Royalty for mineral production within the mining claims acquired by Infini.

The community of Grassy Narrows in North Western Ontario has filed a statement of claim in the Ontario Superior Court of Justice, asserting the province should have first consulted with the Grassy Narrows Community before issuing nine permits to mining companies, which were approved by the Province of Ontario between 2018 and 2021. The Grassy Narrows community is requesting that until such time the conflict between the Province of Ontario and Grassy Narrows is resolved with respect to land use, to the satisfaction of both parties, no further mining or exploration permits will be issued.

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS (cont'd…)

Gullwing Extension Property

During the year ended November 30, 2021, the Company acquired a 100% interest in the Gullwing Extension Property in Dryden, northwestern Ontario. Pursuant to the agreement, the Company issued 9,500,000 (valued at $2,802,500) common shares and granted a 2% NSR.

The Company has the option to buy back 1% NSR in consideration of cash payment of $1,000,000.

During fiscal 2023, the property was sold along with the Paterson Lake and Gullwing-Tot properties.

Decelles and Mazerac Properties

During the year ended November 30, 2023, the Company entered into purchase and sale agreement with Winsome Resource Limited to acquire a 100% interest in Winsome's Decelles and Mazerac projects located in Quebec. To earn the interest, the Company will issue 17,650,000 common shares of the Company. The transaction has not yet closed and is awaiting final approval from the TSX Venture exchange.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities are as follows:

		November 30, 2023		November 30, 2022
Trade payables	$	169,242	$	111,284
Accrued liabilities		633,516		598,508
Due to related parties (Note 10)		63,924		94,218
Total	$	866,682	$	804,010

During the year ended November 30, 2022, the Company issued 1,744,580 common shares of the Company at a price of $0.28 per common shares to two non-arm's length creditors and 177,975 units of the Company at a price of $0.28 per unit to one arm's length creditor to settle an aggregate total of $384,511 in accounts payable and loans payable resulting in a loss of $153,804 on the settlement of debt. In addition, the Company wrote off accounts payable and accrued liabilities of $262,829 as the creditors have agreed to forgive the amounts owing.

As at November 30, 2023, the Company has accrued $581,516 (2022 – $546,508) resulting from the Company's estimated tax related interests and penalties pertaining to its flow-through obligations.

6. INVESTMENTS

During the year ended November 30, 2023, the Company received 12,494,339 shares (valued at $600,000) of Critical Resources Limited pursuant to sale of Gullwing-Tot Lakes property (Note 4). At November 30, 2023, the Company valued the shares at $281,076 (A$312,358) and recorded an unrealized loss of $318,924.

During the year ended November 30, 2023, the Company received 834,975 shares (valued at $150,000) of Infini Resources Pty Ltd. ("Infini"), a private company, pursuant to the sale of Paterson Lake property (Note 4). At November 30, 2023, the Company valued the shares at $150,270 (A$166,995) using Infini's IPO share price of $0.18 (A$0.20) per share and recorded an unrealized gain of $270.

7. LOANS PAYABLE

During the year ended November 30, 2021, the Company received a non-interest bearing loan of $65,000 with no-specific term of repayment from a director of the Company. The loan was settled by share issuance of 325,000 common shares at a price of $0.28 per common share during the year ended November 30, 2022 (see Note 5).

8. SHARE CAPITAL AND RESERVES

a) Authorized share capital as at November 30, 2023:

Unlimited number of voting common shares without par value.
Unlimited number of preferred shares with no par value.

b) Issued share capital

During the year ended November 30, 2023, the Company

- issued 2,900,000 common shares upon exercise of options for gross proceeds of $512,000, of which $100,000 is allocated to subscription receivable (received subsequently) and accordingly, the Company reallocated $428,241 of its share-based payment reserve to share capital.

- closed a brokered private placement of 11,325,000 flow-through shares at $0.57 per flow-through share for gross proceeds of $6,455,250. The flow-through shares were valued at $3,454,125 and $3,001,125 was allocated to flow-through premium. The Company paid $230,285 in finder's fees, incurred $108,000 in legal costs and issued 226,500 broker warrants valued at $21,915. Each broker warrant entitles the holder to purchase one common share at a price of $0.40 until September 27, 2024. During the year ended November 30, 2023, the Company spent $962,426 on eligible exploration and recorded a $447,444 Flow-through recovery. As at November 30, 2023, the Company had $5,492,824 of remaining commitment to incur exploration expenditures and associated flow-through liability of $2,553,681.

During the year ended November 30, 2022, the Company

- closed a non-brokered private placement of 7,500,000 units at $0.20 per unit for gross proceeds of $1,500,000. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to purchase one common share for a period of three years at a price of $0.40. The Company paid $19,800 in finders' fees.

- entered into agreements to settle some of accounts payable and accrued liabilities, and loans payable of the Company for an aggregate total of $384,511 through conversion of such debt into common shares of the Company. Pursuant to the shares for debt transactions, the Company issued 1,744,580 common shares of the Company at a price of $0.28 per common share to two non-arm's length creditors and 177,975 units of the Company at a price of $0.28 per unit to one arm's length creditor resulting in a loss of $153,804 on the settlement of debt. Each unit consists of one common share and one share purchase warrant of the Company. Each warrant will entitle the holder to acquire one additional common share of the Company exercisable at a price of $0.40 per share for a period of three years.

- issued 7,500,000 units at $0.20 per unit to Sinomine for gross proceeds of $1,500,000. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to purchase one common share for a period of three years at a price of $0.40.

- recorded a reversal of shares to be issued for $30,000, which was an inducement to granting loans payable to non-arm's length parties in 2015. The loans payable have since been repaid and the non-arm's length parties have agreed to waive the obligation to issue shares valued at $30,000.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL AND RESERVES (cont'd…)

c) Stock options

The Company has a stock option plan in place under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option equals the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of 10 years and vest as determined by the Board of Directors.

During the year ended November 30, 2023, the Company

i) granted 5,000,000 incentive stock options to officers, directors, employees and consultants of the Company. The options are valued at $986,569, exercisable at a price of $0.255 per share expiring on June 15, 2028. The options were fully vested on the grant date.

During the year ended November 30, 2022, the Company

i) granted stock options of 2,000,000 to officers, directors, employees and consultants of the Company. The options are valued at $405,394 exercisable at a price of $0.29 per share, expiring on March 23, 2027. The options were fully vested on the grant date.

ii) granted stock options of 600,000 to consultants of the Company. The options are valued at $97,817 exercisable at a price of $0.20 per share, expiring on May 30, 2027. The options were fully vested on the grant date.

Stock option transactions and the number of share options outstanding are summarized as follows:

	Number Of Options Outstanding		Weighted Average Exercise Price
Balance, November 30, 2021	11,426,045	$	0.32
Granted	2,600,000		0.27
Expired/Cancelled	(3,750,000)		0.29
Balance, November 30, 2022	10,276,045		0.32
Granted	5,000,000		0.255
Exercised	(2,900,000)		0.18
Expired/Cancelled	(1,300,000)		0.81
Balance, November 30, 2023	11,076,045	$	0.27
Number of options currently exercisable	11,076,045	$	0.27

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

Number of options	Exercise Price	Expiry Date
2,876,045	$0.30	August 23, 2025
900,000	$0.22	August 18, 2026
2,000,000	$0.29	March 23, 2027
300,000	$0.20	May 30, 2027
5,000,000	$0.255	June 15, 2028
11,076,045		

(Expressed in Canadian Dollars)

8. SHARE CAPITAL AND RESERVES (cont'd…)

c) Stock options (cont'd…)

The weighted average remaining contractual life of options was 3.42 years (2022 – 2.44 years). The average share price on the date of options exercised was $0.44 (2022 – N/A).

The following weighted average assumptions were used for the Black-Scholes option pricing model valuation of options granted for the years ended November 30, 2023 and 2022:

	Year ended November 30, 2023	Year ended November 30, 2022
Risk-free interest rate	3.68%	2.37%
Expected life of options	5.00 years	5.00 years
Expected annualized volatility	99.22%	98.57%
Exercise price	$0.255	$0.27
Expected dividend rate	0%	0%

The volatility is based on historical observations of the Company. The risk-free interest rate assumption is based on yield curves on Canadian government zero-coupon bonds with a remaining term equal to the stock options' expected life. The Company uses historical data to estimate option exercise, forfeiture and employee termination within the valuation model. The Company has not paid and does not anticipate paying dividends on its common stock. Companies are required to utilize an estimated forfeiture rate when calculating the expense for the reporting period. Based on the best estimate, management applied the estimated forfeiture rate of nil% in determining the expense recorded.

d) Warrants

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, November 30, 2021 and 2022	15,177,975	$ 0.40
Granted	226,500	0.40
Balance, November 30, 2023	15,404,475	$ 0.40

As at November 30, 2023, the following warrants outstanding.

Number of warrants	Exercise Price	Expiry Date
226,500	$0.40	September 27, 2024
7,500,000	$0.40	January 20, 2025
177,975	$0.40	February 14, 2025
7,500,000	$0.40	March 16, 2025
15,404,475		

(Expressed in Canadian Dollars)

8. SHARE CAPITAL AND RESERVES (cont'd…)

d) Warrants (cont'd…)

The following weighted average assumptions were used for the Black-Scholes option pricing model valuation of warrants granted for the year ended November 30, 2023 and 2022:

	Year ended November 30, 2023	Year ended November 30, 2022
Risk-free interest rate	3.61%	-
Expected life of options	1.50 years	-
Expected annualized volatility	81.65%	-
Exercise price	$0.40	-
Expected dividend rate	0%	-

The volatility is based on historical observations of the Company. The risk-free interest rate assumption is based on yield curves on Canadian government zero-coupon bonds with a remaining term equal to the stock options' expected life. The Company uses historical data to estimate warrant exercise, forfeiture and employee termination within the valuation model. The Company has not paid and does not anticipate paying dividends on its common stock. Companies are required to utilize an estimated forfeiture rate when calculating the expense for the reporting period. Based on the best estimate, management applied the estimated forfeiture rate of nil% in determining the expense recorded.

9. FINANCIAL INSTRUMENTS AND RISK

Fair values

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy based on the degree to which the inputs used to determine the fair value are observable. The three levels of the fair value hierarchy are:

- Level 1 – quoted prices (unadjusted) 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 or indirectly; and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying value of its financial assets and liabilities approximates their fair value as at November 30, 2023 due to their short term maturity except for investments of which the investment in Critical Resources Ltd with a fair value of $281,076 is measured at level 1 and the investment in Infini with a fair value of $150,000 is measured at Level 2.

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

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is in its cash and receivables. Cash is held with major banks in Canada, which are high credit quality financial institutions as determined by rating agencies. As at November 30, 2023, the Company had $119,801 (2022 – $47,031) receivable from government authorities in Canada. The Company believes it has no significant credit risk.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at November 30, 2023, the Company had a cash and cash equivalents balance of $6,851,501 (2022 – $626,983) to settle accounts payable and accrued liabilities of $866,682 (2022 – $804,010). All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

9. FINANCIAL INSTRUMENTS AND RISK (cont'd…)

Market risk

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

a) Interest rate risk

The Company has cash balances and guaranteed investment certificates ("GICs") which bear interest. The Company is satisfied with the credit ratings of its banks. Due to the short-term nature of the Company's financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values as of November 30, 2023.

b) Foreign currency risk

As at November 30, 2023, the Company has a minimal balance of cash in US dollars and does not believe that the foreign currency risk related to the balance is significant with respect to the US dollar. The Company is exposed to the risk that the fair value or future cash flows of investments denominated in other currencies will fluctuate due to changes in exchange rates. When the value of the Canadian dollar falls in relation to foreign currencies, then the value of foreign investments rise. When the value of the Canadian dollar rises, the value of foreign investments fall.

c) Price risk

The Company is exposed to price risk with respect to commodity and 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. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations may be significant. Much of this is out of the control of management and will be dealt with based on circumstances at any given time.

10. RELATED PARTY BALANCES AND TRANSACTIONS

Transactions with related parties and key management personnel are as follows:

	Nature of transactions	November 30, 2023	November 30, 2022
Key management personnel:			
Chairman and Director	Management fees	$ 307,265	$ 196,993
Chairman and Director	Share-based compensation	118,388	101,349
Chairman and Director	Rent (included within office and miscellaneous)	73,908	31,246
A company controlled by former CEO	Consulting fees	120,000	-
CEO	Share-based compensation	147,985	-
A company controlled by CFO and Director	Management fees	142,000	88,000
A company controlled by CFO and Director	Professional fees	69,500	43,550
A company controlled by CFO and Director	Share-based compensation	78,925	50,674
Former VP Exploration and a company controlled by former VP Exploration	Geological and consulting (i)	91,095	413,972
A company controlled by VP Exploration	Consulting fee (i)	112,000	-
A company controlled by VP Exploration	Share-based compensation	147,985	-
Directors	Consulting fee	10,000	-
Directors	Share-based compensation	59,194	50,674
Total		$ 1,478,245	$ 976,458

i) Capitalized in exploration and evaluation assets

(Expressed in Canadian Dollars)

10. RELATED PARTY BALANCES AND TRANSACTIONS (cont'd…)

During the year ended November 30, 2021, the Company received a non-interest bearing loan of $65,000 with no-specific terms of repayment from a director of the Company. The loan was repaid by issuance of 325,000 common shares at a price of $0.28 per common share during the year ended November 30, 2022 (See Note 5).

The amounts due to other related parties and key management personnel included in accounts payable and accrued liabilities are as follows:

		November 30, 2023		November 30, 2022
Due to a company controlled by the CFO and Director	$	18,400	$	78,751
A company controlled by former CEO		15,750		-
A company controlled by VP Exploration		22,892		-
Due to former VP Exploration and a company controlled by former VP Exploration		6,882		15,467
	$	63,924	$	94,218

The amounts due to related parties are unsecured non-interest bearing and are due on demand.

The amounts advanced to related parties and key management personnel included in prepaids and advances for exploration costs and management fees are as follows:

		November 30, 2023		November 30, 2022
Advances to the Chairman and Director	$	69,549	$	49,804
Advances to a company controlled by the CFO and Director		14,860		-
Advances to former VP Exploration and a company controlled by former VP Exploration		-		35,000
	$	84,409	$	84,804

During the year ended November 30, 2022, the Company issued 1,744,580 common shares of the Company at a price of $0.28 per common shares to two non-arm's length creditors to settle an aggregate total of $348,916 in accounts payable and loans payable resulting in a loss of $139,566 on the settlement of debt. In addition, in fiscal 2022 the Company wrote off accounts payable and accrued liabilities of $262,829 as the non-arm's length creditors have agreed to forgive the amounts owing.

11. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern.

In the management of capital, the Company monitors its adjusted capital which comprises all components of equity (i.e. share capital, reserves and deficit).

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

No changes were made to capital management during the year ended November 30, 2023.

(Expressed in Canadian Dollars)

12. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration, and development of mineral properties.

13. SUPPLEMENTARY CASH FLOW INFORMATION

	November 30, 2023	November 30, 2022
Non-cash investing and financing activities		
Fair value reclassified from reserves to share capital for exercise of options	$ 428,241	$ -
Accounts payable and accrued liabilities for exploration and evaluation assets	$ 149,962	$ 15,467
Shares received for sale of exploration and evaluation assets	$ 750,000	$ -
Shares issued for debt settlement	$ -	$ 538,315
Subscription receivable relating to option exercise	$ 100,000	$ -
Fair value reclassified from reserves to deficit for expiry of options	$ 911,885	$ 919,756
Fair value of finder's warrants	$ 21,915	$ -
Reversal of shares to be issued	$ -	$ 30,000
Interest income received	$ 126,624	$ -

During the years ended November 30, 2023 and 2022, the Company did not have any interest or income taxes paid in cash.

14. INCOME TAXES

A reconciliation of income taxes at statutory rates is as follows:

	November 30, 2023	November 30, 2022
Net loss for the year	$ (2,305,608)	$ (3,336,263)
Canadian statutory rates	27.00%	27.00%
Income tax recovery at statutory rates	$ (623,000)	$ (901,000)
Non-deductible items	206,000	143,000
Other	(54,000)	359,000
Tax benefit not recognized	471,000	399,000
Total income taxes	$ -	$ -

The significant components of the Company's deductible temporary differences for which no deferred tax assets have been recognized were as follows:

	November 30, 2023	November 30, 2022
Non-capital losses	$ 16,968,000	$ 15,410,000
Share issuance costs	283,000	16,000
Exploration and evaluation assets	14,052,000	14,030,000
Capital loss	1,286,000	1,286,000
Investments	319,000	-
Equipment	48,000	48,000
	$ 32,956,000	$ 30,790,000

(Expressed in Canadian Dollars)

14. INCOME TAXES (cont'd…)

The Company's temporary differences for share issuance costs expire between 2024-2027. The Company's temporary differences for exploration and evaluation assets, capital loss, investments, and equipment do not expire.

Subject to certain restriction, the Company also has resource expenditure of approximately $19,254,000 available to reduce taxable income in future years

The Company has available for deduction against future year' taxable income non-capital losses of approximately $16,968,000.

Non-capital losses expire as follows:

2027	$	119,000
2028		176,000
2029		246,000
2030		927,000
2031		960,000
2032		929,000
2033		1,172,000
2034		1,101,000
2035		509,000
2036		597,000
2037		1,849,000
2038		3,737,000
2039		1,165,000
2040		394,000
2041		527,000
2042		1,110,000
2043		1,450,000
	$	16,968,000

15. SUBSEQUENT EVENTS

Subsequent to the year ended November 30, 2023, the Company granted 3,000,000 incentive stock options to officers, directors, employees and consultants of the Company. The options are exercisable at a price of $0.27 per share expiring on February 12, 2029. The options were fully vested on the grant date.

Subsequent to year end the Company received the remaining share subscription receivable of $200,000.