**PATRIOT BATTERY METALS INC.**
**Consolidated Financial Statements**
**As at and for the years ended March 31, 2025 and 2024**
(Expressed in Canadian dollars)

## Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements of Patriot Battery Metals Inc. (the "Company" or "Patriot") were prepared by management in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB"). Management is responsible for ensuring that these consolidated financial statements, which include amounts based upon estimates and judgments, are consistent with other information and operating data contained in the annual financial review and reflect the Company's business transactions and financial position.

Management is also responsible for the information disclosed in the Company's management's discussion and analysis including responsibility for the existence of appropriate information systems, procedures, and controls to ensure that the information used internally by management and disclosed externally is complete and reliable in all material respects. In addition, management is responsible for establishing and maintaining an adequate system of internal control over financial reporting. The internal control system includes a code of conduct and ethics, which is communicated to all levels in the organization and requires all employees to maintain high standards in their conduct of the Company's affairs. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable, and accurate and that the Company's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for reviewing and approving the consolidated financial statements and for ensuring that management fulfills its financial reporting responsibilities. The Board of Directors meets with management as well as with the independent auditors to discuss the internal controls over the financial reporting process, the consolidated financial statements and the auditor's report. An Audit and Risks Committee of the Board of Directors (the "Audit Committee") assists the Board of Directors in fulfilling this responsibility. The Audit Committee, composed of Directors who are neither management nor employees of the Company, meets with management to review the internal controls over the financial reporting process, the consolidated financial statements and the auditor's report. The Audit Committee also reviews the Company's management's discussion and analysis to ensure that the financial information reported therein is consistent with the information presented in the consolidated financial statements. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the consolidated financial statements for issuance to the shareholders. Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

The consolidated financial statements have been audited.

| | |
|---|---|
| **"Ken Brinsden"** | **"Natacha Garoute"** |
| President, Chief Executive Officer and Managing Director | Chief Financial Officer |

# Independent auditor's report

To the Shareholders of Patriot Battery Metals Inc.

## Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Patriot Battery Metals Inc. and its subsidiaries (together, the Company) as at March 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

**What we have audited**
The Company's consolidated financial statements comprise:

- the consolidated statements of financial position as at March 31, 2025 and 2024;
- the consolidated statements of (loss) income and comprehensive (loss) income for the years then ended;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

## 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 consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Independence**
We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

## Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key audit matter | How our audit addressed the key audit matter |
| --- | --- |
| **Assessment of impairment indicators of exploration and evaluation assets and property and equipment**<br><br>*Refer to note 3 – Material accounting policies, note 5 – Critical accounting judgments, estimates and assumptions, note 7 – Exploration and evaluation assets and note 8 – Property and equipment to the consolidated financial statements.*<br><br>The net book value of exploration and evaluation assets and property and equipment amounted to $255,593,000 as at March 31, 2025. Non-financial assets are reviewed for an indication of impairment at each consolidated statement of financial position date or when a triggering event is identified.<br><br>Assessment of impairment of non-financial assets requires the use of management judgments when assessing whether there are any indicators that could give rise to the requirement to conduct a formal impairment test. Indicators which could trigger an impairment review include, but are not limited to, an expiry of the right to explore in the specific area during the period or will expire in the near future, and is not expected to be renewed; substantive exploration and evaluation expenditures in a specific area are neither budgeted nor planned and exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and management has decided to discontinue such activities in the specific area.<br><br>No indicators were identified for the year ended March 31, 2025. | Our approach to addressing the matter included the following procedures, among others:<br><br>• Evaluated the reasonableness of management's assessment of impairment indicators related to exploration and evaluation assets and property and equipment, which included the following:<br><br>– Obtained for all claims, by reference to government registries, evidence to support (i) the right to explore the area and (ii) the claims' expiration dates.<br><br>– Read Board minutes and obtained the approved budget to (i) evidence continued and planned substantive exploration and evaluation expenditures, (ii) consider which claims are not expected to be renewed and (iii) assess whether exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and whether management has decided to discontinue such activities in the specific area. |

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| We considered this a key audit matter due to (i) the significance of the exploration and evaluation assets and property and equipment and (ii) the judgment made by management in assessing whether any impairment indicators exist, which resulted in a high degree of auditor subjectivity in performing procedures to evaluate management's assessment. | |

## Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the consolidated 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 consolidated 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 consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

## Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

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

## Auditor’s responsibilities for the audit of the consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Maxime Guilbault.

**/s/PricewaterhouseCoopers LLP**[1]

Montréal, Quebec
June 19, 2025

[1] CPA auditor, public accountancy permit No. A128042

## PATRIOT BATTERY METALS INC.
**Consolidated Statements of Financial Position**
(Expressed in Canadian dollars)

| | Notes | March 31, 2025 | March 31, 2024 |
|---|---|---|---|
| | | $ | $ |
| **ASSETS** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | | **101,173,000** | 73,004,000 |
| Receivables | 6 | **7,349,000** | 9,959,000 |
| Prepaid expenses and deposits | | **1,665,000** | 699,000 |
| | | **110,187,000** | 83,662,000 |
| **Non-current assets** | | | |
| Exploration and evaluation assets | 7 | **186,865,000** | 111,927,000 |
| Property and equipment | 8 | **68,728,000** | 52,327,000 |
| Deposits | | **346,000** | – |
| Listed shares | | **503,000** | – |
| **Total assets** | | **366,629,000** | 247,916,000 |
| **LIABILITIES** | | | |
| **Current liabilities** | | | |
| Accounts payable and accrued liabilities | | **13,369,000** | 30,408,000 |
| Current portion of lease liabilities | | **134,000** | 151,000 |
| Flow-through premium liability | 9 | **10,748,000** | – |
| | | **24,251,000** | 30,559,000 |
| **Non-current liabilities** | | | |
| Asset retirement obligation | 10 | **4,180,000** | 2,218,000 |
| Lease liabilities | | **241,000** | 214,000 |
| Deferred income taxes | 17 | **21,870,000** | 11,710,000 |
| **Total liabilities** | | **50,542,000** | 44,701,000 |
| **EQUITY** | | | |
| Share capital | 11 | **319,981,000** | 207,770,000 |
| Reserves | 11 | **22,675,000** | 15,723,000 |
| Accumulated other comprehensive income | | **7,000** | 1,000 |
| Deficit | | **(26,576,000)** | (20,279,000) |
| **Total equity** | | **316,087,000** | 203,215,000 |
| **Total liabilities and equity** | | **366,629,000** | 247,916,000 |

**Commitments (Note 16) and Events after the Reporting Period (Note 19)**

**APPROVED ON BEHALF OF THE BOARD on June 19, 2025:**

| *"Ken Brinsden"* | *"Brian Jennings"* |
|---|---|
| Director | Director |

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

(Expressed in Canadian dollars)

| | Notes | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|---|---|---|
| | | $ | $ |
| **General and Administrative Expenses** | | | |
| Share-based compensation | 11, 14 | **7,661,000** | 4,234,000 |
| Salaries, benefits and management fees | 14 | **4,581,000** | 7,286,000 |
| Office and miscellaneous | | **2,118,000** | 1,662,000 |
| Professional fees | | **1,885,000** | 3,584,000 |
| Travel | | **1,581,000** | 1,020,000 |
| Investor relations and business development | | **1,032,000** | 1,153,000 |
| Consulting fees | | **550,000** | 1,998,000 |
| Transfer agent and filing fees | | **432,000** | 661,000 |
| **Total general and administrative expenses** | | **(19,840,000)** | (21,598,000) |
| **Other Income** | | | |
| Flow-through premium income | 9 | **22,154,000** | 29,506,000 |
| Interest income | | **3,423,000** | 4,731,000 |
| Gain on disposal of E&E assets | 7 | **152,000** | – |
| Other finance expenses | | **(339,000)** | (25,000) |
| Loss from listed shares | | **(330,000)** | – |
| **Income before income taxes** | | **5,220,000** | 12,614,000 |
| **Income taxes** | | | |
| Deferred income tax expense | 17 | **(11,517,000)** | (10,008,000) |
| **(Loss) Income for the period** | | **(6,297,000)** | 2,606,000 |
| **Other comprehensive income** | | | |
| Foreign currency translation adjustment | | **6,000** | 1,000 |
| **Comprehensive (Loss) Income for the period** | | **(6,291,000)** | 2,607,000 |
| **(Loss) Earning per share** | | | |
| Basic | 12 | **(0.04)** | 0.02 |
| Diluted | 12 | **(0.04)** | 0.02 |

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

(Expressed in Canadian dollars, except for number of shares)

| | Number of shares | Share capital | Reserves | AOCI | Deficit | Total |
|---|---|---|---|---|---|---|
| | | $ | $ | $ | $ | $ |
| **Balances, March 31, 2023** | 99,357,207 | 77,966,000 | 14,922,000 | – | (22,885,000) | 70,003,000 |
| Shares issued for: | | | | | | |
| Cash | 7,128,341 | 108,992,000 | – | – | – | 108,992,000 |
| Mineral properties | 120,000 | 1,244,000 | – | – | – | 1,244,000 |
| Warrants exercised | 25,601,605 | 17,929,000 | (1,288,000) | – | – | 16,641,000 |
| Options exercised | 3,439,474 | 4,415,000 | (2,145,000) | – | – | 2,270,000 |
| Share issuance costs - cash | – | (2,776,000) | – | – | – | (2,776,000) |
| Share-based compensation | – | – | 4,234,000 | – | – | 4,234,000 |
| Net income and comprehensive income for the period | – | – | – | 1,000 | 2,606,000 | 2,607,000 |
| **Balances, March 31, 2024** | **135,646,627** | **207,770,000** | **15,723,000** | **1,000** | **(20,279,000)** | **203,215,000** |
| Shares issued for: | | | | | | |
| Cash | 20,717,459 | 143,904,000 | – | – | – | 143,904,000 |
| Less flow-through liability related to the premium on flow-through shares | – | (34,082,000) | – | – | – | (34,082,000) |
| Mineral properties | 150,000 | 1,304,000 | – | – | – | 1,304,000 |
| Warrants exercised | 5,080,000 | 3,810,000 | – | – | – | 3,810,000 |
| Options exercised | 656,149 | 1,039,000 | (709,000) | – | – | 330,000 |
| Share issuance costs[1] | – | (3,764,000) | – | – | – | (3,764,000) |
| Share-based compensation | – | – | 7,661,000 | – | – | 7,661,000 |
| Net loss and comprehensive loss for the period | – | – | – | 6,000 | (6,297,000) | (6,291,000) |
| **Balances, March 31, 2025** | **162,250,235** | **319,981,000** | **22,675,000** | **7,000** | **(26,576,000)** | **316,087,000** |

[1] Share issuance costs are presented net of a deferred tax recovery in the amount of $1,357,000 (March 31, 2024 - $1,002,000), which relates to deductible temporary differences in relation to share issuance costs incurred during the year (Note 17).

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

## Consolidated Statements of Cash Flows

(Expressed in Canadian dollars)

| | Notes | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|---|---|---|
| | | $ | $ |
| **OPERATING ACTIVITIES** | | | |
| Net (Loss) Income for the period | | **(6,297,000)** | 2,606,000 |
| Adjustments for non-cash items: | | | |
| Flow-through premium income | 9 | **(22,154,000)** | (29,506,000) |
| Share-based compensation | 11, 14 | **7,661,000** | 4,234,000 |
| Deferred income tax expense | 17 | **11,517,000** | 10,008,000 |
| Loss from listed shares | | **330,000** | – |
| Gain on disposal of E&E assets | 7 | **(152,000)** | – |
| Other | | **96,000** | 44,000 |
| Changes in non-cash working capital items: | | | |
| Decrease (increase) in receivables | | **2,610,000** | (6,068,000) |
| Increase in prepaid expenses and deposits | | **(590,000)** | (450,000) |
| Increase in accounts payable and accrued liabilities | | **365,000** | 2,968,000 |
| **Cash used in operating activities** | | **(6,614,000)** | (16,164,000) |
| **INVESTING ACTIVITIES** | | | |
| Exploration and evaluation expenditures | 7 | **(74,772,000)** | (53,291,000) |
| Acquisition of property and equipment | 8 | **(32,260,000)** | (38,384,000) |
| **Cash used in investing activities** | | **(107,032,000)** | (91,675,000) |
| **FINANCING ACTIVITIES** | | | |
| Proceeds from issuance of common shares | 11 | **143,904,000** | 108,992,000 |
| Proceeds from exercise of options | 11.3.1 | **330,000** | 2,270,000 |
| Proceeds from exercise of warrants | 11.2 | **3,810,000** | 16,641,000 |
| Principal payment of lease liabilities | | **(255,000)** | (7,000) |
| Share issuance costs | 11 | **(5,986,000)** | (3,778,000) |
| **Cash provided by financing activities** | | **141,803,000** | 124,118,000 |
| **Increase in cash and cash equivalents** | | **28,157,000** | 16,279,000 |
| **Effect of exchange rate on cash** | | **12,000** | 1,000 |
| **Cash and cash equivalents, beginning of period** | | **73,004,000** | 56,724,000 |
| **Cash and cash equivalents, end of period** | | **101,173,000** | 73,004,000 |

**Supplemental cash flow information (Note 15)**

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

## 1. CORPORATE INFORMATION

Patriot Battery Metals Inc. was incorporated on May 10, 2007, under the *Business Corporations Act* (British Columbia). The Company is domiciled in Canada and is a reporting issuer in all provinces of Canada.

The Company is a hard-rock lithium exploration company focused on advancing its district-scale 100% owned Shaakichiuwaanaan (formerly Corvette) Property in the Eeyou Istchee James Bay region of Québec, Canada, and proximal to regional road and powerline infrastructure.

The address of its head office is 1801, McGill College Avenue, Suite 900, Montréal, Québec H3A 1Z4 and the address of its registered and records office is 510 West Georgia Street, Suite 1800, Vancouver, British Columbia, V6B 0M3. The Company principally operates from its head office. The Company's mineral properties are located in the provinces of Québec, British Columbia and in the State of Idaho (USA).

The shares of the Company are traded under the symbol "PMET" on the Toronto Stock Exchange ("TSX"), under the symbol "PMT" on the Australian Securities Exchange ("ASX"). Each share traded on the ASX settles in the form of CHESS Depositary Interests ("CDIs") at a ratio of 10 CDIs to 1 common share.

## 2. BASIS OF PREPARATION

### 2.1. Statement of compliance

These consolidated financial statements (the "Financial Statements") have been prepared in accordance with and using accounting policies in full compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB") ("IFRS Accounting Standard"). These Financial Statements were approved and authorized for issue in accordance with a resolution of the Board of Directors adopted on June 19, 2025.

### 2.2. Basis of presentation

***Basis of Presentation***

These Financial Statements include the accounts of the Company and the following wholly owned subsidiaries:

| Subsidiary | Country of Incorporation | Date of Incorporation | Functional Currency |
|---|---|---|---|
| Metals Nevada Corp. | United States | March 02, 2021 | U.S Dollars |
| Innova Lithium Inc. | Canada | October 05, 2023 | Canadian Dollars |
| 14352891 Canada Inc | Canada | October 05, 2023 | Canadian Dollars |
| Patriot Battery Metals (Australia) Pty | Australia | July 23, 2024 | Australian Dollars |

***Basis of Measurement***

The Company's Financial Statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as detailed in Note 13 and are presented in Canadian dollars except where otherwise indicated. In addition, these Financial Statements have been prepared using the accrual basis of accounting except for cash flow information.

***Functional and Presentation Currency***

These Financial Statements are presented in Canadian dollars, which is the Company's functional currency. Assets and liabilities of subsidiaries with a functional currency other than Canadian dollars are translated at the rate of exchange prevailing at the reporting date and their income and expense items are translated at average exchange rates for the period. Exchange differences arising on the translation are recognized in other comprehensive income.

## 3. MATERIAL ACCOUNTING POLICIES

### 3.1 Exploration and evaluation assets

Exploration and evaluation ("E&E") assets for each separate area of interest are capitalized and include costs to acquire the mineral property and costs associated with prospecting, sampling, trenching, drilling and other work involved in searching for ore like topographical, geological, geochemical and geophysical studies.

They also reflect costs related to establishing the technical and commercial viability of extracting a mineral resource identified through exploration or acquired through a business combination or asset acquisition.

E&E assets also include the cost of:

- determining the optimal methods of extraction and metallurgical and treatment processes;
- studies related to surveying, transportation and infrastructure requirements;
- permitting activities; and
- early economic evaluations to determine whether development of the mineralized material is commercially justified, including scoping studies. E&E assets include overhead expenses directly attributable to the related activities.

E&E assets are capitalized until technical feasibility and commercial viability has been reached. When a mineral property moves into the development stage, the E&E costs are tested for impairment prior to the reclassification to mineral properties under development.

The recoverability of E&E assets and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future E&E assets contain economically recoverable reserves. Amounts capitalized to E&E assets as exploration and development costs do not necessarily reflect present or future values.

### 3.2 Refundable tax credits for mining exploration and evaluation assets

The Company is entitled to a refundable tax credit on qualified exploration expenditures incurred and refundable credit on duties for losses under the *Mining Tax Act* (Québec). These credits are recognized as a reduction of E&E assets incurred based on estimates made by management. The Company records these credits when there is reasonable assurance with regards to collections and assessments and that the Company will comply with the conditions associated with them.

### 3.3 Property and equipment

Property and equipment is carried at cost less accumulated depreciation. The cost of an item of equipment consists of the purchase price, the finance expense attributable to the acquisition of the asset, and all other costs directly attributable to bringing the asset to the location and condition necessary for its intended use. Where parts of an item of equipment have a different useful life, they are accounted for as separate items of equipment.

Depreciation is recognized on a straight-line basis using the cost of an item of equipment, less its estimated residual value, over its estimated useful life, as follows:

| | |
|---|---|
| Exploration camp | Straight-line over 6 years |
| Asset retirement obligation | Straight-line over 6 years |
| Exploration road | Straight-line over 10 years |
| Machinery and equipment | Straight-line over 5 to 20 years |

Each asset's residual value, useful life and depreciation method are reassessed, and adjusted if appropriate, at the reporting date.

### 3.3 Property and equipment (continued)

The carrying amount of an item within Property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. The gain or loss arising from the derecognition is included in profit or loss when the item is derecognized.

Assets under construction in progress are carried at cost and are not subject to depreciation. The cost consists of their purchase price and any costs directly attributable to bringing them into working condition for their intended use. Assets under construction in progress are classified to the appropriate category of property, plant and equipment and the depreciation of these assets commences when the assets are ready for their intended use.

### 3.4 Asset retirement obligation

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, evaluation, development, or ongoing production at an exploration and evaluation asset. Such costs arising from the decommissioning of a plant and other site preparation work, discounted to their net present value, are provided for, and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. The discount rate used is based on a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability, excluding the risks for which future cash flow estimates have already been adjusted. The related liability is adjusted each period for the unwinding of the discount rate, and if required, for changes to the current market-based discount rate, amount and timing of the underlying cash flows needed to settle the obligation. The Company also records a corresponding asset amount which is amortized over the remaining service life of the asset.

### 3.5 Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred taxes. Income tax is recognized in the Consolidated Statement of Income (Loss) and Comprehensive Income (Loss) except to the extent that it relates to items recognized directly in equity, in which case it is recognized in the Consolidated Statement of Changes 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 year-end, adjusted for amendments to tax payable with regard to previous years.

Deferred tax is provided 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 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 financial position reporting date applicable to the period of expected realization or settlement.

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.

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.

### 3.6 Share-based payments

The Company offers a stock option plan for eligible directors and employees. The fair value of stock options for each vesting period is determined using the Black-Scholes option pricing model and is recorded over the vesting period as an increase to stock-based payments and contributed surplus. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of options that vest.

### 3.6 Share-based payments (continued)

The fair value of stock options payments is recognized as an expense with a corresponding increase in share-based payments reserve. The amount recognized as an expense is adjusted to reflect the number of share options expected to vest. Consideration received on the exercise of stock options is recorded in share capital and the related share-based payment in share-based payments reserve is transferred to share capital. Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

As part of the remuneration plan, the Company also offers performance share unit ("PSU") awards, restricted share unit ("RSU") awards and deferred share unit ("DSU") awards. PSUs, RSUs and DSUs are measured at fair value. The expense for PSUs, DSUs, and RSUs, to be redeemed in shares, is recognized over the vesting period, or using management's best estimate when contractual provisions restrict vesting until completion of certain performance conditions, with a corresponding charge as an expense.

### 3.7 Share issuance costs

Professional, consulting, regulatory fees and other costs that are directly attributable to the issuance of shares are charged to share capital when the related shares are issued, net of any tax effects.

### 3.8 Flow-through shares

The Company finances some exploration and evaluation expenses through the issuance of flow-through shares. The resource expenditure deductions for income tax purposes are renounced to investors in accordance with the appropriate income tax legislation.

The difference ("premium") between the amounts recognized in common shares and the amount the investors pay for the shares is recognized as a flow-through premium liability which is reversed into the Consolidated Statement of Income (Loss) and Comprehensive Income (Loss) as other income when the eligible expenditures are incurred. The amount recognized as a flow-through share liability represents the difference between the quoted price of the common shares and the amount the investor pays for the flow-through shares, net of allocated issue costs.

### 3.9 Financial assets

At initial recognition, financial assets are classified as subsequently measured at amortized cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL"). Financial assets are recognized initially at fair value.

The subsequent measurement of financial assets depends on their classification based on both the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets as follows:

*Amortized Cost*

The financial asset is subsequently measured at amortized cost if both the financial asset is held within a business model whose objective is to hold the financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Such assets are carried at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the financial assets are derecognized or impaired, as well as through the amortization process. Transaction costs are included in the initial carrying amount of the asset. Cash and cash equivalents are included in this category of financial assets.

*Fair Value Through Profit of Loss*

Financial assets measured at FVTPL are assets that do not meet the criteria for classification at amortized cost or at FVTOCI. Marketable securities are classified as FVTPL. These financial assets are measured at fair value with any changes in fair value recognized in profit or loss. Listed shares are included in this category of financial assets.

### 3.9 Financial assets (continued)

The Company does not have any assets measured at FVTOCI.

### 3.10 Financial liabilities

At initial recognition, financial liabilities are classified as financial liabilities measured at amortized cost unless they are financial liabilities at FVTPL (including derivatives that are liabilities). Financial liabilities are recognized initially at fair value. Transaction costs directly attributable to the issue of a financial liability are included in the initial carrying value of financial liabilities if they are not measured at FVTPL. The subsequent measurement of financial liabilities depends on their classification, as follows:

*Amortized Cost*

All other financial liabilities are initially recognized at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Accounts payables are included in this category of financial liabilities.

The Company does not have any liabilities measured at FVTPL.

### 3.11 Impairment of non-financial assets

At the end of each reporting period, the Company assesses each cash-generating unit to determine whether there is any indication that those assets are impaired. If any 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 discounted 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 its 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. When impairment subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate and 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.

## 4. NEW ACCOUNTING STANDARDS AND AMENDMENTS

### 4.1 Accounting standards issued but not yet effective

Certain new accounting standards, amendments to accounting standards and interpretations have been published but are not mandatory for the current reporting period and have not been early adopted by the Company. These standards, amendments or interpretations, except noted below, are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

### 4.1 Accounting standards issued but not yet effective (continued)

*IFRS 18 – Presentation and Disclosure in Financial Statements*

On April 9, 2024, the IASB issued IFRS 18 to improve reporting of financial performance. The new standard replaces IAS 1 Presentation of Financial Statements. It carries forward many requirements from IAS 1 unchanged. IFRS 18 applies for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The new Accounting Standard introduces significant changes to the structure of income statements and introduces new principles for aggregation and disaggregation of information. The impact of adoption of the amendments has not yet been determined by the Company.

*Amendments – IFRS 9 Financial Instruments and IFRS 7 Financial Instrument Disclosures*

In May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. Among other amendments, the IASB clarified the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system.

The amendments to IFRS 9 and IFRS 7 are effective for annual reporting beginning on or after January 1, 2026, with earlier application permitted. The impact of adoption of the amendments has not yet been determined by the Company.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New standards, amendments and interpretations not adopted in the current period have not been disclosed as they are not expected to have a material impact on the Company's Financial Statements

## 5. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these Financial Statements requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, 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 judgments about the 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 by management on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year if the revision affects both current and future year.

The areas that require management to make critical judgments in applying the Company's accounting policies in determining carrying values include:

### 5.1 Impairment of non-financial assets

Non-financial assets are reviewed for an indication of impairment at each consolidated statement of financial position date or when a triggering event is identified. Indicators which could trigger an impairment review include, but are not limited to, an expiry of the right to explore in the specific area during the period or will expire in the near future, and is not expected to be renewed; substantive exploration and evaluation expenditures in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and management has decided to discontinue such activities in the specific area; sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the assets is unlikely to be recovered in full from successful development or by sale; significant negative industry or economic trends; interruptions in exploration and evaluation activities; and a significant drop in current or forecast commodity prices.

(Expressed in Canadian dollars)

### 5.1 Impairment of non-financial assets (continued)

Assessment of impairment of non-financial assets requires the use of judgments when assessing whether there are any indicators that could give rise to the requirement to conduct a formal impairment test on the Company's non-financial assets and in determining the recoverable amounts of certain properties for which management identified indicators of impairment.

No indicators were identified for the years ended March 31, 2025 and March 31, 2024.

### 5.2 Income taxes and refundable tax credits

The Company is subject to income and mining taxes. Significant judgment is required in determining the total provision for income taxes. Refundable tax credits for mining exploration expenses for the current and prior periods are measured at the amount expected to be recovered, based on management's best estimate and judgment, from the tax authorities as at the statement of financial position date. Uncertainties exist with respect to the interpretation of tax regulations, including credit on mining duties refundable for losses and refundable tax credits for eligible exploration expenses, and the amount and timing of collection. The determination of whether expenditures qualify for exploration tax credits requires significant judgment involving complex technical matters which makes the ultimate tax collection uncertain. As a result, there can be a material difference between the actual tax credits received following final resolution of these uncertain interpretation matters with the relevant tax authority and the recorded amount of tax credits. This difference would necessitate an adjustment to tax credits for mining exploration expenses in future periods. The resolution of issues with the relevant tax authority can be lengthy. As a result, there can be a significant delay in collecting tax credits for mining exploration expenses. Tax credits for mining exploration expenses that are expected to be recovered beyond one year are classified as non-current assets. The amounts recognized in the Financial Statements are derived from management's best estimation and judgment as described above. However, the inherent uncertainty regarding the ultimate approval by the relevant tax authority means that the ultimate amount collected in tax credits and timing thereof could differ materially from the accounting estimates and therefore impact the Company's Consolidated Statements of Financial Position and Cash Flows.

### 5.3 Asset retirement obligation

The asset retirement obligation is based on management's best estimate of the expenditures required to settle the present obligation at the end of the reporting period, including but not limited to dismantling and removing infrastructure and operating facilities. The estimate of the expenditure required to settle the present obligation is the amount that the Company would rationally pay to settle the obligation at the end of the reporting period or to transfer it to a third party. Assumptions based on the current economic environment have been made, which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed at each reporting period to take into account any material changes to the assumptions, including regulatory changes and cost increases.

## 6. RECEIVABLES

The Company's receivables arise from Goods and Services Tax ("GST") and Quebec Sales Tax ("QST") due from the government taxation authorities and exploration tax credits receivable.

| | **March 31, 2025** | March 31, 2024 |
|---|---|---|
| | **$** | $ |
| GST receivable | **758,000** | 3,027,000 |
| QST receivable | **1,122,000** | 5,112,000 |
| Exploration tax credits | **5,469,000** | 1,820,000 |
| **Total** | **7,349,000** | 9,959,000 |

(Expressed in Canadian dollars)

## 7. EXPLORATION AND EVALUATION ASSETS

The Company's exploration and evaluation assets expenditures for the year ended March 31, 2025 are as follows:

| | **Shaakichiu-waanaan Property** *Quebec, Canada* | **US Property** *Idaho, USA* | **Northwest Territories Property** *NW Territories, Canada* | **Other Quebec Properties** *Quebec, Canada* | **Total** |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ |
| **Acquisition Costs** | | | | | |
| Balance, March 31, 2024 | 5,871,000 | 880,000 | 177,000 | 3,768,000 | 10,696,000 |
| Additions | 1,879,000 | 18,000 | – | 12,000 | 1,909,000 |
| Disposals | – | – | (177,000) | – | (177,000) |
| **Balance, March 31, 2025** | **7,750,000** | **898,000** | **–** | **3,780,000** | **12,428,000** |
| **Exploration and Evaluation Costs** | | | | | |
| Balance, March 31, 2024 | 99,255,000 | 998,000 | 503,000 | 475,000 | 101,231,000 |
| Additions | | | | | |
| Drilling expenditures | 22,183,000 | – | – | – | 22,183,000 |
| Transportation & accommodation | 22,013,000 | – | – | – | 22,013,000 |
| Studies | 16,867,000 | – | – | – | 16,867,000 |
| Geology salaries and expenditures | 8,295,000 | 5,000 | – | 213,000 | 8,513,000 |
| Depreciation | 6,038,000 | – | – | – | 6,038,000 |
| Assays and testing | 1,834,000 | – | – | 26,000 | 1,860,000 |
| Administrative and other | 1,687,000 | 4,000 | – | 44,000 | 1,735,000 |
| Deposits | (1,711,000) | – | – | – | (1,711,000) |
| Total additions | 77,206,000 | 9,000 | – | 283,000 | 77,498,000 |
| Disposals | – | – | (503,000) | – | (503,000) |
| Exploration tax credits | (3,789,000) | – | – | – | (3,789,000) |
| **Balance, March 31, 2025** | **172,672,000** | **1,007,000** | **–** | **758,000** | **174,437,000** |
| **Total, March 31, 2025** | **180,422,000** | **1,905,000** | **–** | **4,538,000** | **186,865,000** |

On July 31, 2024, the Company announced the renaming of the Corvette property to the Shaakichiuwaanaan Property.

(Expressed in Canadian dollars)

## 7. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

The Company's exploration and evaluation assets expenditures for the year ended March 31, 2024 are as follows:

| | **Shaakichiu-waanaan Property** *Quebec, Canada* | **US Property** *Idaho, USA* | **Northwest Territories Property** *NW Territories, Canada* | **Other Quebec Properties** *Quebec, Canada* | **Total** |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ |
| **Acquisition Costs** | | | | | |
| Balance, March 31, 2023 | 5,746,000 | 880,000 | 177,000 | 2,008,000 | 8,811,000 |
| Additions | 125,000 | – | – | 1,760,000 | 1,885,000 |
| **Balance, March 31, 2024** | **5,871,000** | **880,000** | **177,000** | **3,768,000** | **10,696,000** |
| **Exploration and Evaluation Costs** | | | | | |
| Balance, March 31, 2023 | 35,600,000 | 890,000 | 503,000 | 464,000 | 37,457,000 |
| Additions | | | | | |
| Drilling expenditures | 26,761,000 | – | – | – | 26,761,000 |
| Transportation & accommodation | 20,388,000 | – | – | – | 20,388,000 |
| Studies | 5,694,000 | – | – | – | 5,694,000 |
| Geology salaries and expenditures | 9,587,000 | 82,000 | – | 7,000 | 9,676,000 |
| Depreciation | 860,000 | – | – | – | 860,000 |
| Assays and testing | 1,441,000 | – | – | 4,000 | 1,445,000 |
| Administrative and other | 927,000 | 47,000 | – | – | 974,000 |
| Deposits | (313,000) | (21,000) | – | – | (334,000) |
| Total additions | 65,345,000 | 108,000 | – | 11,000 | 65,464,000 |
| Exploration tax credits | (1,690,000) | – | – | – | (1,690,000) |
| **Balance, March 31, 2024** | **99,255,000** | **998,000** | **503,000** | **475,000** | **101,231,000** |
| **Total, March 31, 2024** | **105,126,000** | **1,878,000** | **680,000** | **4,243,000** | **111,927,000** |

### 7.1 Shaakichiuwaanaan Property - Quebec, Canada - Lithium

The Shaakichiuwaanaan Property consists of 463 map designated mineral claims ("CDC") that cover an area of approximately 23,710 hectares. The Company holds 100% interest in the Shaakichiuwaanaan Property. Innova Lithium Inc., a wholly owned subsidiary of the Company, is the recorded registered title holder of the 463 claims.

Of the 463 claims that comprise the Shaakichiuwaanaan Property, 276 are subject to various Net Smelter Return ("NSR") royalties, which vary from 0.5% to 3.5%.

On May 2, 2024, the Company increased its land position at its Shaakichiuwaanaan property through the acquisition of a 100% interest in a proximal block of 39 claims, which are subject to a 2% NSR. Further information on this acquisition is presented in Note 11.1.

### 7.2 US Property - Idaho, USA - Gold

The Company's US subsidiary, Metals Nevada, holds title to the property consisting of 106 claims.

### 7.2 US Property - Idaho, USA - Gold (continued)

In the event that a gold equivalent resource of more than 1 million ounces is outlined within a NI 43-101 Resource Estimate on the property, the Company shall pay $1,000,000, in shares or cash or a combination of both, at the Company's discretion. In the case of a share issuance, the shares shall be issued at a price using the average market price of the previous 30 trading days preceding the share issuance.

The vendors shall retain a 2.5% NSR royalty on the property, of which Metals Nevada shall have the right at any time to purchase half (1.25%) for $1,500,000.

### 7.3 Northwest Territories Property - Northwest Territories, Canada - Lithium

On December 12, 2024, the Company sold its remaining 40% interest in 5 claims located in the Northwest Territories (the "Interest") to Loyal Lithium Limited (the "Purchaser"). In consideration for the Interest, the Purchaser issued 8,000,000 fully paid ordinary shares to the Company for an amount of $833,000. Pursuant to this transaction, the Company derecognized its exploration and evaluation assets related to its Northwest Territories Property and recorded a gain on disposal exploration and evaluation assets of $152,000 in the Consolidated Statement of Income (Loss) and Comprehensive Income (Loss). As at March 31, 2025, the fair value of listed shares received from the Purchaser was $503,000.

### 7.4 Other Québec Properties - Québec, Canada

Other Québec Properties consist of the following properties: Pontois, Pontax, Lac Du Beryl, and Eastmain, which are all located in the James Bay Region, Québec, Canada. 14352891 Canada inc., a wholly owned subsidiary of the Company, is the recorded registered title holder of all claims that comprise these properties.

#### 7.4.1 Pontois Property - Lithium and Gold

The Pontois property consists of 31 claims and is subject to a 2% NSR royalty which has a 50% buyback option by the Company for $1,000,000.

#### 7.4.2 Pontax Property - Lithium and Gold

The Company owns 100% interest in the Pontax lithium-gold property, which is located near Eastmain (Cree Nation), Québec. The property consists of 80 claims and is subject to a 3% NSR.

#### 7.4.3 Lac du Beryl Property - Lithium and Gold

The Company owns a 100% interest in the Lac du Beryl property, which consists of of 18 claims and is subject to a 2% NSR.

#### 7.4.4 Eastmain Property - Lithium

The Eastmain property consists of 86 claims. On October 31, 2023, the Company increased its land position at Eastmain through the acquisition of a 100% interest in 73 claims. There are no royalty rights associated with the acquisition. Further information on this acquisition is presented in Note 11.1.

(Expressed in Canadian dollars)

## 8. PROPERTY AND EQUIPMENT

As at March 31, 2025, the Company had property and equipment as follows:

| | Construction in progress | Exploration Camp | Exploration Road | Machinery and equipment | Other | Total |
|---|---|---|---|---|---|---|
| **Cost** | $ | $ | $ | $ | $ | $ |
| Balance, March 31, 2024 | 32,199,000 | 18,216,000 | – | 2,439,000 | 370,000 | 53,224,000 |
| Additions | 21,660,000 | – | 235,000 | 232,000 | 331,000 | 22,458,000 |
| Transfers | (53,859,000) | 20,625,000 | 33,234,000 | – | – | – |
| **Balance, March 31, 2025** | – | 38,841,000 | 33,469,000 | 2,671,000 | 701,000 | 75,682,000 |
| | | | | | | |
| **Accumulated Depreciation** | | | | | | |
| Balance, March 31, 2024 | – | 667,000 | – | 213,000 | 17,000 | 897,000 |
| Depreciation | – | 3,128,000 | 2,499,000 | 411,000 | 19,000 | 6,057,000 |
| **Balance, March 31, 2025** | – | 3,795,000 | 2,499,000 | 624,000 | 36,000 | 6,954,000 |
| | | | | | | |
| **Net book value** | | | | | | |
| At March 31, 2024 | 32,199,000 | 17,549,000 | – | 2,226,000 | 353,000 | 52,327,000 |
| **At March 31, 2025** | **–** | **35,046,000** | **30,970,000** | **2,047,000** | **665,000** | **68,728,000** |

As at March 31, 2024, the Company had property and equipment as follows:

| | Construction in progress | Exploration Camp | Machinery and equipment | Other | Total |
|---|---|---|---|---|---|
| **Cost** | $ | $ | $ | $ | $ |
| Balance, March 31, 2023 | – | – | 609,000 | – | 609,000 |
| Additions | 50,415,000 | – | 1,830,000 | 370,000 | 52,615,000 |
| Transfers | (18,216,000) | 18,216,000 | – | – | – |
| **Balance, March 31, 2024** | **32,199,000** | **18,216,000** | **2,439,000** | **370,000** | **53,224,000** |
| | | | | | |
| **Accumulated Depreciation** | | | | | |
| Balance, March 31, 2023 | – | – | 21,000 | – | 21,000 |
| Depreciation | – | 667,000 | 192,000 | 17,000 | 876,000 |
| **Balance, March 31, 2024** | **–** | **667,000** | **213,000** | **17,000** | **897,000** |
| | | | | | |
| **Net book value** | | | | | |
| At March 31, 2023 | – | – | 588,000 | – | 588,000 |
| **At March 31, 2024** | **32,199,000** | **17,549,000** | **2,226,000** | **353,000** | **52,327,000** |

As at March 31, 2025, Property and equipment includes an amount of $4,111,000 of asset retirement obligation ($2,200,000 as at March 31, 2024) (Note 10).

(Expressed in Canadian dollars)

## 9. FLOW-THROUGH PREMIUM LIABILITY

On May 30, 2024, the Company closed a private placement for 5,159,959 flow-through common shares at C$14.54 per common share for aggregate gross proceeds of $75,000,000 ("FT#24 Offering"). The trading share price at the date of issuance of the common shares was $7.93 per common share, resulting in the recognition of a flow-through premium liability of $6.61 per common share for a total balance of $34,082,000. This balance was reduced by issuance costs related to the private placement allocated to the flow-through premium liability ($1,180,000), resulting in the recognition of a net balance of $32,902,000.

As at March 31, 2025, the Company incurred $50,500,000 in flow-through eligible expenditures, reducing the flow-through premium liability to 10,748,000.

The flow-through premium liability from the FT#24 Offering is amortized over the periods in which the funds are spent on qualifying expenditures.

| | **March 31, 2025**<br>**$** | March 31, 2024<br>$ |
|---|---|---|
| Opening Balance | **–** | 29,506,000 |
| Flow-through share premium issuance: | | |
| FT#24 Offering | **32,902,000** | – |
| Flow-through premium income | **(22,154,000)** | (29,506,000) |
| **Ending Balance** | **10,748,000** | – |

## 10. ASSET RETIREMENT OBLIGATION

The asset retirement obligations arise from the Company's obligation to undertake camp reclamation and remediation in connection with its property and equipment. The obligation is estimated based on the Company's restoration plan and the estimated timing of the reclamation. The following table summarizes the Company's asset retirement obligation:

| | **March 31, 2025**<br>**$** | March 31, 2024<br>$ |
|---|---|---|
| Opening Balance | **2,218,000** | – |
| Addition | **1,861,000** | 2,200,000 |
| Accretion | **51,000** | 18,000 |
| Change in estimate | **50,000** | – |
| **Ending Balance** | **4,180,000** | 2,218,000 |

(Expressed in Canadian dollars)

## 10. ASSET RETIREMENT OBLIGATION (CONTINUED)

The assumptions used for the calculation were:

| | **March 31, 2025** | March 31, 2024 |
|---|---|---|
| Total undiscounted value of payments ($) | **4,809,000** | 2,268,000 |
| Discount rate (%) | **2.61%** | 3.22% |
| Expected timing of disbursements (years) | **4.76** | 6 |
| Inflation rate (%) | **3.02%** | 2.71% |

## 11. SHARE CAPITAL

The Company has authorized an unlimited number of common shares with no par value.

### 11.1. Common Shares

*During the year ended March 31, 2025:*

On May 2, 2024, the Company increased its land position at its Shaakichiuwaanaan property through the acquisition of a 100% interest in a proximal claim block. The Company paid an aggregate $500,000 in cash and issued 150,000 common shares in the capital of the Company at a price of $8.69 per common share.

On May 30, 2024, the Company closed a private placement for 5,159,959 flow-through common shares at C$14.54 per common share for aggregate gross proceeds of $75,000,000 ("FT#24 Offering"). Total share issuance costs related to the FT#24 offering amounted to $2,596,000 for the year ended March 31, 2025, of which $1,416,00 was allocated to share capital and $1,180,000 to flow-through premium liability.

On January 21, 2025, the Company completed a strategic private placement ("Strategic Investment") with Volkswagen Group ("Volkswagen"), of 15,557,500 common shares representing 9.9% of the Company's issue and outstanding common share for aggregate gross proceeds of approximately $69 million. As part of the strategic private placement, the Company entered into a binding offtake term sheet with Volkswagen's wholly-owned and vertically integrated battery manufacturer, PowerCo, for the Company to supply 100,000 tons of spodumene concentrate (SC 5.5 target) per year over a 10-year term. Total share issuance costs related to the Strategic Investment amounted to $3,710,000 for the year ended March 31, 2025 and were allocated to share capital.

*During the year ended March 31, 2024:*

On August 3, 2023, the Company completed a private placement with Albemarle Inc. of 7,128,341 common shares at a price of $15.29 per common share for aggregate gross proceeds of $109 million. Total share issuance costs related to this private placement amounted to $3,778,000.

On October 31, 2023, the Company increased its land position at its Eastmain Project, located in the James Bay region, Québec, through the acquisition of a 100% interest in two proximal claim blocks. The Company paid an aggregate $500,000 cash and issued 120,000 common shares in the capital of the Company at a price of $10.37 per common share.

(Expressed in Canadian dollars)

### 11.2. Share purchase warrants

A summary of changes in the Company's stock options outstanding as at March 31, 2025 and 2024 is as follows:

| | **March 31, 2025** | | March 31, 2024 | |
|---|---|---|---|---|
| | **Number of warrants** | **Weighted average exercise price ($)** | Number of warrants | Weighted average exercise price ($) |
| Outstanding, beginning of period | **5,151,530** | **0.83** | 27,877,148 | 0.67 |
| Issued | **–** | **–** | 2,876,863 | 0.75 |
| Exercised | **(5,080,000)** | **0.75** | (25,601,605) | 0.65 |
| Expired | **(71,530)** | **6.35** | (876) | 0.25 |
| **Outstanding, end of period** | **–** | **–** | 5,151,530 | 0.83 |

During the year ended March 31, 2025, the Company issued a total of 5,080,000 shares for warrants exercised, for total proceeds of $3,810,000, at a weighted average exercise price of $0.75 per warrant exercised. The weighted average share price at the exercise dates was $3.10. During the same period, a total of 71,530 warrants expired.

During the year ended March 31, 2024, the Company issued a total of 22,724,742 shares for warrants exercised and 2,876,863 shares for broker warrants exercised for total proceeds of $16,641,000. Provided that each broker warrant consists of one common share and one common share purchase warrant, the exercise of broker warrants also resulted in the issuance of 2,876,863 common share purchase warrants. The weighted average share price at the exercise dates was $10.55. During the same period, a total of 876 warrants expired.

### 11.3. Share-base payments

On January 20, 2023, the Company adopted the Omnibus Incentive Plan (the "Omnibus Plan") which was later approved by the Shareholders on March 3, 2023. The Omnibus Plan replaced the Company's Stock Option Plan (the "Plan") and the stock options which had been granted thereunder are now governed by the Omnibus Plan. On September 19, 2023, the Shareholders approved an amended Omnibus Equity Incentive Plan (the "Amended Omnibus Plan"). The objective of the Amended Omnibus incentive plan is to enhance the Company's ability to attract and retain talented employees and to provide alignment of interests between such employees and shareholders of the Company.

Under the Amended Omnibus Plan, the Company grants stock options, RSUs, PSUs and DSUs.

The following table summarizes the share-based compensation expense for the year ended March 31, 2025 and 2024:

| | **March 31, 2025** | March 31, 2024 |
|---|---|---|
| | **$** | $ |
| Stock options | **6,007,000** | 3,763,000 |
| RSUs | **615,000** | 206,000 |
| PSUs | **615,000** | 206,000 |
| DSUs | **424,000** | 59,000 |
| **Total share-based compensation expense** | **7,661,000** | 4,234,000 |

(Expressed in Canadian dollars)

#### 11.3.1. Stock Options

A summary of changes in the Company's stock options outstanding as at March 31, 2025 and 2024 is as follows:

| | **March 31, 2025** | | March 31, 2024 | |
|---|---|---|---|---|
| | **Number of stock options** | **Weighted average exercise price ($)** | Number of stock options | Weighted average exercise price ($) |
| Outstanding, beginning of period | **5,973,016** | **7.13** | 8,141,671 | 4.09 |
| Granted | **400,000** | **4.60** | 1,348,016 | 9.12 |
| Exercised | **(905,000)** | **1.17** | (3,516,666) | 0.85 |
| Expired | **(200,000)** | **0.53** | (5) | – |
| **Outstanding, end of period** | **5,268,016** | **8.21** | 5,973,016 | 7.13 |

All stock options presented above vest immediately upon grant, other than the following:

- 750,000 stock options granted on January 25, 2023: 250,000 vested upon grant, with 250,000 vesting 12 months from date of grant and the remaining 250,000 vesting 24 months from date of grant;
- 1,348,016 stock options granted on January 24, 2024: 449,338 vesting 12 months from date of grant, 449,338 vesting 24 months from date of grant and the remaining 449,340 vesting 36 months from date of grant.
- 400,000 stock options granted on August 29, 2024: 200,000 vesting 12 months from date of grant and the remaining 200,000 vesting 24 months from date of grant.

During the year ended March 31, 2025, 905,000 stock options were exercised for net proceeds of $330,000, at a weighted average exercise price of $1.17 per option exercised. A portion of the stock options were exercised utilizing the cashless exercise process available under the Amended Omnibus Plan. As a result, the Company issued a total of 656,149 shares during the period. The weighted average share price at the exercise dates was $3.62.

During the year ended March 31, 2024, 3,516,666 stock options were exercised for total proceeds of $2,270,000, at a weighted average exercise price of $0.85 per stock option exercised. A portion of the stock options were exercised utilizing the cashless exercise process available under the Amended Omnibus Plan and the Company issued a total of 3,439,474 shares during the period. The weighted average share price at the exercise dates was $8.54.

During the year ended March 31, 2024, the Company also granted through different grants a total of 1,348,016 stock options to certain officers and directors of the Company.

The grant date fair value of the options granted during the year ended March 31, 2025 was estimated at $3.16 (March 31, 2024 - $6.19) per option using the Black-Scholes Option Pricing Model. Expected volatility is based on the historical share price volatility.

The weighted average assumptions used for the calculation were:

| | **March 31, 2025** | March 31, 2024 |
|---|---|---|
| Share price at grant date | **4.24** | 6.86 |
| Risk free interest rate | **3.12%** | 3.55% |
| Expected life (years) | **4** | 5 |
| Expected volatility | **113%** | 150% |
| Fair market value of the option on grant date | **3.16** | 6.19 |

(Expressed in Canadian dollars)

### 11.3.1. Stock Options (continued)

The following table summarizes information regarding the Company's outstanding and exercisable stock options as at March 31, 2025:

| | Options outstanding | | | Options exercisable | | |
|---|---|---|---|---|---|---|
| **Range of exercise price per share ($)** | **Weighted-average remaining years of contractual life** | **Number of stocks options outstanding** | **Weighted average exercice price ($)** | **Weighted-average remaining years of contractual life** | **Number of stocks options exercisable** | **Weighted average exercice price ($)** |
| 1.74 to 4.60 | 1.21 | 920,000 | 3.44 | 0.72 | 653,333 | 2.97 |
| 7.00 to 9.78 | 2.31 | 3,598,016 | 8.54 | 1.8 | 2,699,338 | 8.35 |
| 12.5 | 0.82 | 750,000 | 12.50 | 0.82 | 750,000 | 12.50 |
| **1.74 to 12.50** | **1.9** | **5,268,016** | **8.21** | **1.45** | **4,102,671** | **8.25** |

### 11.3.2. RSUs and PSUs

A summary of changes in the Company's RSUs outstanding as at March 31, 2025 and 2024 is as follows:

| | **March 31, 2025** | | March 31, 2024 | |
|---|---|---|---|---|
| | **Number of RSUs** | **Weighted average exercise price ($)** | Number of RSUs | Weighted average exercise price ($) |
| Outstanding, beginning of period | **54,641** | **16.10** | – | – |
| Granted | **485,534** | **3.48** | 56,971 | 16.10 |
| Forfeited | **(4,892)** | **16.10** | (2,330) | 16.10 |
| **Outstanding, end of period** | **535,283** | **4.65** | 54,641 | 16.10 |

A summary of changes in the Company's PSUs outstanding as at March 31, 2025 and 2024 is as follows:

| | **March 31, 2025** | | March 31, 2024 | |
|---|---|---|---|---|
| | **Number of PSUs** | **Weighted average exercise price ($)** | Number of PSUs | Weighted average exercise price ($) |
| Outstanding, beginning of period | **54,641** | **16.10** | – | – |
| Granted | **485,534** | **3.48** | 56,971 | 16.10 |
| Forfeited | **(4,892)** | **16.10** | (2,330) | 16.10 |
| **Outstanding, end of period** | **535,283** | **4.65** | 54,641 | 16.10 |

On September 17, 2024, the Company granted an aggregate of 485,534 RSUs and 485,534 PSUs to certain employees and officers of the Company. These RSUs and PSUs will vest on March 31, 2027. All RSUs and PSUs were granted in accordance with the Company's Omnibus Equity Incentive Plan.

(Expressed in Canadian dollars)

### 11.3.3. DSUs

A summary of changes in the Company's DSUs outstanding as at March 31, 2025 and 2024 is as follows:

| | **March 31, 2025** | | March 31, 2024 | |
|---|---|---|---|---|
| | **Number of DSUs** | **Weighted average exercise price ($)** | Number of DSUs | Weighted average exercise price ($) |
| Outstanding, beginning of period | **20,085** | **16.10** | – | – |
| Granted | **86,289** | **3.48** | 20,085 | 16.10 |
| **Outstanding, end of period** | **106,374** | **5.86** | 20,085 | 16.10 |

On September 17, 2024, the Company granted an aggregate of 86,289 DSUs to certain directors of the Company. These DSUs will vest on September 17, 2025. All DSUs were granted in accordance with the Company's Omnibus Equity Incentive Plan.

## 12. (LOSS) EARNINGS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

| | **Year ended** | |
|---|---|---|
| | **March 31, 2025** | March 31, 2024 |
| | **$** | $ |
| Net (loss) income for the period | **(6,291,000)** | 2,607,000 |
| (Loss) Earnings per share | | |
| Basic | **(0.04)** | 0.02 |
| Diluted | **(0.04)** | 0.02 |
| Weighted average number of shares | | |
| Basic | **143,681,566** | 115,391,723 |
| Dilutive effect of stock options, PSUs and RSUs | **–** | 6,143,995 |
| Diluted | **143,681,566** | 121,535,718 |

The basic (loss) earnings per share is computed by dividing the net (loss) income by the weighted average number of common shares outstanding during the period. The diluted (loss) earning per share reflects the potential dilution of common share equivalents, such as outstanding stock options, and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive.

All of the stock options and PSUs and RSUs were anti-dilutive for the year ended March 31, 2025 as the company incurred a loss during this period.

For the year ended March 31, 2024, 3.3 million stock options and all PSUs and RSUs outstanding were excluded from the computation of diluted earnings per share as their effect was anti-dilutive.

(Expressed in Canadian dollars)

## 13. FINANCIAL INSTRUMENTS

### 13.1. Categories of financial intruments

| | **March 31, 2025** | March 31, 2024 |
|---|---|---|
| | **$** | $ |
| **Financial assets** | | |
| **At amortized cost** | | |
| Cash and cash equivalents | **101,173,000** | 73,004,000 |
| **At fair market value through profit or loss** | | |
| Listed shares (Level 1) | **503,000** | – |
| **Total financial assets** | **101,676,000** | 73,004,000 |
| **Financial liabilities** | | |
| **At amortized cost** | | |
| Accounts payable and accrued liabilities | **13,189,000** | 30,382,000 |
| **Total financial liabilities** | **13,189,000** | 30,382,000 |

### 13.2. Fair value

The Company considers that the carrying amount of all its financial assets and financial liabilities measured at amortized cost in the Financial Statements approximates their fair value due to the demand nature or short-term maturity of these instruments.

The Company classifies its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value in the fair value hierarchy.

- Level 1: Unajusted quoted prices in active markets for identical assets or liabilities;
- Level 2: Valuation techniques using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3: Unobservable inputs that are not based on observable market data.

As at March 31, 2025, all financial assets measured at FVTPL are categorized as Level 1 within the fair value hierarchy.

### 13.3. Management of capital and financial risks

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of mineral properties. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets.

The realization of the Company's long-range strategic objectives is dependent on its ability to raise financing from shareholders or lenders. Management continues to regularly review and consider financing alternatives to fund the Company's future operations and development activities.

The Company considers the components of shareholders' equity to be its capital. The Company is not subject to any externally imposed capital requirements.

### 13.3. Management of capital and financial risks (continued)

The Company's existing business involve the identification, evaluation and acquisition of exploration and evaluation assets, as well as exploration of those properties once acquired, which exposes the Company to a variety of financial instrument related risks. These risks include credit risk, liquidity risk, foreign currency risk, interest risk and other risks. The Company's board of directors provides oversight for the Company's risk management processes.

*Credit risk*

The Company's credit risk is primarily attributable to cash and cash equivalents and receivables. The Company has no significant concentration of credit risk arising from its operations. Cash and cash equivalent consists of chequing accounts at reputable financial institutions, from which management believes the risk of loss to be remote. As at March 31, 2025, management considers the Company's exposure to credit risk is minimal.

*Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined above.

The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuance when required. As at March 31, 2025, all of the Company's accounts payable of $6,443,000 (March 31, 2024 – $25,514,000) have contractual maturities of 30 to 90 days and are subject to normal trade terms. The Company believes it has sufficient funds to meet its obligations and existing commitments for at least the next 12 months.

*Foreign currency and interest risks*

The Company is exposed to currency risk due to business transactions in foreign countries. The Company mainly transacts in Canadian dollars, U.S. dollars and Australian dollars. Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company is subject to normal risks including fluctuations in foreign exchange rates and interest rates. While the Company manages its operations in order to minimize exposure to these risks, it has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure. As at March 31, 2025 and March 31, 2024, the Company was not exposed to significant foreign currency and interest rate risk.

## 14. RELATED PARTY TRANSACTIONS

The Company's related parties include its subsidiaries and key management personnel. Key management personnel are considered to be the persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly. Key management includes executives and directors of the Company as at March 31, 2025 and 2024.

Related party transactions to key management personnel are as follows:

| | **March 31, 2025** | March 31, 2024 |
|---|---|---|
| | **$** | $ |
| Salaries, benefits and management fees | **2,856,000** | 4,880,000 |
| Salaries, benefits, management and consulting fees included in E&E assets | **726,000** | 876,000 |
| Share-based compensation | **6,878,000** | 3,060,000 |
| **Total key management compensation** | **10,460,000** | 8,816,000 |

(Expressed in Canadian dollars)

## 15. SUPPLEMENTAL CASH FLOW INFORMATION

The Company incurred the following non-cash financing and investing transactions during the years ended March 31, 2025 and 2024.

| | Year ended | |
|---|---|---|
| | **March 31, 2025** | March 31, 2024 |
| | **$** | $ |
| **Non-cash investing activities:** | | |
| Shares issued for E&E assets | **1,304,000** | 1,244,000 |
| Depreciation of Property and Equipment capitalized in E&E assets | **6,038,000** | 860,000 |
| Disposal of E&E assets in exchange of Listed shares | **680,000** | - |
| Asset retirement obligation within Property and equipment | **1,911,000** | 2,200,000 |
| Right-of-use assets within Property and equipment | **232,000** | 362,000 |
| Flow-through interest | **(180,000)** | (26,000) |
| **Non-cash financing activities:** | | |
| Value of warrants exercised from reserves | **-** | 1,288,000 |
| Value of options exercised from reserves | **709,000** | 2,145,000 |
| **Included in Accounts payable and accrued liabilities:** | | |
| Share issuance costs | **315,000** | - |
| Additions to E&E assets | **8,123,000** | 14,363,000 |
| Additions to Property and equipment | **191,000** | 11,669,000 |

## 16. COMMITMENTS

The Company has certain agreements with suppliers related to its exploration activities. As at March 31, 2025, there are no commitments (March 31, 2024 - $2,700,000).

(Expressed in Canadian dollars)

## 17. INCOME TAXES

### 17.1. Provision for income taxes

The reconciliation of the effective tax expense to the expected tax recovery using the statutory tax rate is as follows:

| | Year ended | |
|---|---|---|
| | **March 31, 2025** | March 31, 2024 |
| | **$** | $ |
| Income (Loss) before tax | **5,220,000** | 12,614,000 |
| Statutory tax rate | **26.5%** | 26.5% |
| Expected tax income | **1,383,000** | 3,343,000 |
| Change in statutory, foreign tax, foreign exchange rates and other | **(1,000)** | (50,000) |
| Permanent differences and other | **(3,871,000)** | (7,357,000) |
| Impact of flow-through shares | **13,383,000** | 14,095,000 |
| Adjustment to prior years provision versus statutory tax returns and expiry of non-capital losses | **576,000** | (24,000) |
| Change in unrecognized deductible temporary differences | **47,000** | 1,000 |
| **Total income tax expense** | **11,517,000** | 10,008,000 |

### 17.2. Deferred tax balances

The tax effects of temporary differences between amounts recorded in the Company's accounts and the corresponding amounts as computed for income tax purposes gives rise to the following deferred tax assets and liabilities:

| | Year ended | |
|---|---|---|
| | **March 31, 2025** | March 31, 2024 |
| | **$** | $ |
| Deferred tax assets (liabilities) | | |
| Tax loss carry forwards | **7,999,000** | 10,879,000 |
| Share issue costs | **1,869,000** | 1,189,000 |
| Net capital loss carry-forwards | **43,000** | 44,000 |
| Asset retirement obligation | **1,108,000** | 588,000 |
| Listed shares | **44,000** | – |
| Property and equipment | **(2,402,000)** | (402,000) |
| Lease liabilities | **99,000** | 97,000 |
| Right-of use assets | **(116,000)** | (90,000) |
| E&E assets | **(30,422,000)** | (23,971,000) |
| Deferred tax assets not recognized | **(92,000)** | (44,000) |
| **Net deferred tax liabilities** | **(21,870,000)** | (11,710,000) |

(Expressed in Canadian dollars)

### 17.2. Deferred tax balances (continued)

The movement in temporary differences for the year ended March 31, 2025 is as follows:

| | March 31, 2024 | Recognized in Income Tax Expense | Recognized in Shareholders Equity | **March 31, 2025** |
|---|---|---|---|---|
| | $ | $ | $ | **$** |
| **Deferred tax assets:** | | | | |
| Tax loss carry forwards | 10,879,000 | (2,885,000) | – | **7,994,000** |
| Share issue costs | 1,189,000 | (677,000) | 1,357,000 | **1,869,000** |
| Asset retirement obligation | 588,000 | 520,000 | – | **1,108,000** |
| Lease liabilities | 97,000 | 2,000 | – | **99,000** |
| **Deferred tax liabilities:** | | | | |
| E&E assets | (23,971,000) | (6,451,000) | – | **(30,422,000)** |
| Property and equipment | (402,000) | (2,000,000) | – | **(2,402,000)** |
| Right-of-use assets | (90,000) | (26,000) | – | **(116,000)** |
| | (11,710,000) | (11,517,000) | 1,357,000 | **(21,870,000)** |

## 18. SEGMENTED INFORMATION

The Company operates in one business segment, being the exploration and development of mineral properties. The Company's exploration and evaluation assets are broken down per geographical location as follows:

| | **Canada** | **US** | **Total** |
|---|---|---|---|
| **Balance, as at March 31, 2025** | | | |
| E&E assets | $184,960,000 | $1,905,000 | $186,865,000 |
| **Balance, as at March 31, 2024** | | | |
| E&E assets | $110,049,000 | $1,878,000 | $111,927,000 |

All of the Company's Property and equipment is located in Canada.

## 19. EVENTS AFTER THE REPORTING PERIOD

- The Company issued 500,000 stock options to one of its executives.