



Li-FT POWER LTD.

Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2026 and February 28, 2025

(Expressed in thousands of Canadian dollars unless otherwise noted)

LI-FT POWER LTD.

Condensed Interim Consolidated Statements of Financial Position

As at March 31, 2026 and December 31, 2025

(Unaudited - Expressed in thousands of Canadian dollars unless otherwise noted)

		March 31, 2026	December 31, 2025
	Note		
Assets		\$	\$
Current			
Cash		4,136	1,816
Restricted cash – subscription receipts	5	35,308	-
Amounts receivable		344	590
Prepaid expenditures and other assets	4	4,296	861
Short-term investments	6	3,150	3,750
Total current assets		47,234	7,017
Non-current			
Exploration and evaluation properties	7	306,480	279,769
Equipment		213	238
Right-of-use leased assets		28	44
Total Assets		353,955	287,068
Liabilities and Shareholders' Equity			
Current			
Subscription receipts	5	36,167	-
Accounts payable and accrued liabilities	8	3,089	3,226
Lease liabilities		34	54
Total current liabilities		39,290	3,280
Non-current			
Deferred consideration payable	7	1,500	-
Deferred income tax liability		20,423	19,414
Total Liabilities		61,213	22,694
Share capital	9	290,529	261,597
Share-based payment reserve	9	13,435	6,776
Accumulated deficit		(11,223)	(3,999)
Total Equity		292,742	264,374
Total Liabilities and Shareholders' Equity		353,955	287,068

Going concern (Note 2)

Subsequent events (Note 14)

Approved and authorized for issuance by the Board of directors on May 19, 2026 by:

/s/ Paul Gruner

Paul Gruner, Director

/s/ Andree St-Germain

Andree St-Germain, Director

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

Li-FT POWER LTD.

Condensed Interim Consolidated Statements of Net Loss and Comprehensive Loss
For the three months ended March 31, 2026 and February 28, 2025
(Unaudited - Expressed in thousands of Canadian dollars unless otherwise noted)

		Three months ended	
	Note	March 31, 2026	February 28, 2025
		\$	\$
Operating expenses			
Amortization		41	41
Director fees	10	53	36
Filing fees		55	40
Investor relations		252	136
Management, consulting fees and salaries		402	173
Office expenses		141	73
Professional fees		126	96
Share-based payments	9	4,349	438
Travel expense		170	83
Loss from operations		(5,589)	(1,116)
Fair value change on FVTPL investments	6	(600)	-
Finance expenses and other		(32)	(4)
Foreign exchange loss		(22)	(7)
Interest income		29	178
Loss before income taxes		(6,214)	(949)
Deferred income tax recovery (expense)		(1,009)	533
Net loss and comprehensive loss for the period		(7,223)	(416)
Net loss per share, basic		(0.14)	(0.01)
Net loss per share, diluted	9	(0.14)	(0.01)
Weighted average shares outstanding, basic		50,206,301	47,185,337
Weighted average shares outstanding, diluted		50,206,301	47,185,337

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

LI-FT POWER LTD.

Condensed Interim Consolidated Statement of Changes in Shareholders' Equity

For the three months ended March 31, 2026 and February 28, 2025

(Unaudited - Expressed in thousands of Canadian dollars, except share and per share amounts)

	Number of common shares	Share capital	Share-based payment reserve	Accumulated deficit	Total
		\$	\$	\$	\$
Balance, November 30, 2024	47,085,337	260,993	4,938	(6,323)	259,608
Shares issued for exploration and evaluation properties (Note 7 & 9)	250,000	705	-	-	705
Share-based payments (Note 9)	-	-	743	-	743
Net loss and comprehensive loss for the period	-	-	-	(416)	(416)
Balance, February 28, 2025	47,335,337	261,698	5,681	(6,739)	260,640
Balance, December 31, 2025	47,353,125	261,597	6,776	(3,999)	264,374
Shares issued for exploration and evaluation properties (Note 9)	3,000,000	17,390	-	-	17,390
Proceeds from equity placements, net of issuance costs (Note 9)	2,403,000	11,293	-	-	11,293
Stock options exercised (Note 9c)	18,478	240	(185)	-	55
Deferred share units settled (Note 9e)	1,530	9	(9)	-	-
Share based payments (Note 9)	-	-	6,853	-	6,853
Net loss and comprehensive loss for the period	-	-	-	(7,223)	(7,223)
Balance, March 31, 2026	52,776,133	290,529	13,435	(11,223)	292,742

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

LI-FT POWER LTD.

Condensed Interim Consolidated Statements of Cash Flows

For the three months ended March 31, 2026 and February 28, 2025

(Unaudited - Expressed in thousands of Canadian dollars unless otherwise noted)

	March 31, 2026	February 28, 2025
	\$	\$
Cash flows from operating activities		
Net loss for the period	(7,223)	(416)
Adjustments for:		
Amortization	41	41
Share-based payments (Note 9)	4,349	438
Fair value change on FVTPL investments (Note 6)	600	-
Deferred income tax expense (recovery)	1,009	(533)
Changes in non-cash working capital items:		
Decrease (increase) in amounts receivable	246	(21)
Increase in prepaid expenditures	(1,137)	(22)
Decrease in accounts payable and accrued liabilities	(826)	(565)
Total cash used in operating activities	(2,941)	(1,078)
Cash flows from investing activities		
Exploration and evaluation acquisition costs	(267)	(30)
Exploration and evaluation expenditures	(5,799)	(1,107)
Total cash used in investing activities	(6,066)	(1,137)
Cash flows from financing activities		
Proceeds from issuance of shares (Note 9)	12,000	-
Share issuance cost	(707)	-
Proceeds from stock options exercised (Note 9)	55	-
Repayment of lease liabilities	(20)	(17)
Interest paid on lease liability	(1)	(3)
Total cash provided by financing activities	11,327	(20)
Change in cash and cash equivalents	2,320	(2,235)
Cash and cash equivalents, beginning	1,816	21,011
Cash and cash equivalents, end	4,136	18,776
Supplemental information / non-cash flow items		
Share-based compensation relating to exploration and evaluation properties	2,505	259
Change in prepaid expenses relating to exploration and evaluation properties	(813)	(127)
Change in prepaid expenses relating to accounts payable and accrued liabilities	(625)	-
Change in prepaid expenses relating to restricted cash	(860)	-
Change in accounts payable and accrued liabilities relating to exploration and evaluation properties	(64)	20

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

Li-FT Power Ltd.

Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2026 and February 28, 2025
(Expressed in thousands of Canadian dollars unless otherwise noted)

1. NATURE OF OPERATIONS

Li-FT Power Ltd. (the “Company”) was incorporated under the Business Corporations Act (British Columbia) on May 28, 2021. The Company is an exploration stage company engaged in the acquisition, exploration, and development of mineral properties with a focus on lithium. The Company is listed on the Toronto Stock Exchange - Venture (“TSX-V”) with the symbol “LIFT”, on the OTCQX with the symbol “LIFF” and on the Frankfurt Stock Exchange with the symbol “WS0”.

The head office of the Company and principal address is Suite 1218–1030 West Georgia Street, Vancouver, British Columbia V6E 2Y3. The registered address and records office of the Company is located at Suite 830-999 West Broadway, Vancouver, British Columbia V5Z 1K5.

In December 2025, the Company announced the change in its fiscal year end from November 30 to December 31, effective as of December 31, 2025. Accordingly, for the 2026 reporting period, the Company will report its unaudited financial statements for the three months ended March 31, 2026, along with its comparative figures for the three months ended February 28, 2025.

2. BASIS OF PRESENTATION AND GOING CONCERN

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”). These condensed interim consolidated financial statements follow the same accounting policies and methods of application as the most recent audited annual financial statements of the Company. These condensed interim consolidated financial statements do not contain all of the information required for full annual financial statements. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the Company’s audited annual consolidated financial statements for the thirteen months ended December 31, 2025, which were prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for the next twelve months. Realization values may be substantially different from carrying values as shown in these condensed interim consolidated financial statements and do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities, and these adjustments may be material, should the Company be unable to continue as a going concern. The Company has incurred losses from inception and does not currently have the financial resources to sustain its operations and exploration programs. These factors may cast significant doubt upon the Company’s ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company.

The unaudited condensed interim consolidated financial statements are presented in Canadian dollars, which is also the Company’s and its subsidiaries’ functional currency, except where otherwise indicated. All values are rounded to the nearest thousand dollars, except per share values.

The condensed interim consolidated financial statements of the Company for the interim period ended March 31, 2026, were approved, and authorized for issue by the Board of Directors on May 19, 2026.

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Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2026 and February 28, 2025
(Expressed in thousands of Canadian dollars unless otherwise noted)

2. BASIS OF PRESENTATION AND GOING CONCERN (continued)

Basis of Consolidation

For the current financial period beginning on January 1, 2026, these condensed interim consolidated financial statements include the accounts of the Company, and its Canadian subsidiaries as follows:

Subsidiary	Ownership interest	Jurisdiction	Nature of Operations
Yellowknife Lithium Ltd.	100%	BC, Canada	Mineral exploration
EREX International Ltd.	100%	BC, Canada	Mineral exploration

Intercompany balances and transactions, including unrealized income and expenses arising from intercompany transactions, are eliminated in preparing the condensed interim consolidated financial statements

3. MATERIAL ACCOUNTING POLICIES

(a) New accounting standards issued but not effective

IFRS 18 is a new standard that will provide new presentation and disclosure requirements and replace IAS 1. IFRS 18 introduces changes to the structure of the income statement; provides required disclosures in financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements; and provides enhanced principles on aggregation and disaggregation in financial statements. Many other existing principles in IAS 1 have been maintained. IFRS 18 is effective for years beginning on or after January 1, 2027, with earlier application permitted.

The Company has not yet commenced the evaluation of the impact of IFRS 18.

(b) Subscription receipts

Subscription receipts represent an obligation to issue shares upon the satisfaction of certain conditions. Upon receipt of proceeds from the issuance of subscription receipts, the corresponding liability is recognized on the statement of financial position until such conditions are fulfilled. The liability for subscription receipts is initially recognized at fair value. Subsequently, as the conditions for the conversion of subscription receipts into shares are met and the corresponding number of shares issued, the liability is reclassified to equity.

4. PREPAID EXPENDITURES AND OTHER ASSETS

The Company's prepaid expenditures as at March 31, 2026 and December 31, 2025 consist of the following amounts:

	March 31, 2026	December 31, 2025
	\$	\$
Cash advance to Operator of Yellowknife exploration ⁽¹⁾	1,087	262
Other prepaid expenditures and other assets ⁽²⁾	3,209	599
Total Prepaid Expenditures and other assets	4,296	861

(1) Balances presented are net of amounts incurred on exploration and evaluation expenditures during the period.

(2) Balance includes the expenses for Winsome Resources Ltd transactions costs and subscription receipt financing totalling to \$2,963.

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Notes to the Condensed Interim Consolidated Financial Statements
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5. RESTRICTED CASH – SUBSCRIPTION RECEIPTS

On January 29, 2026, the Company completed a \$36,167 financing of subscription receipts. 3,876,000 “flow-through” subscription receipts of the Company at a price of \$6.88 for gross proceeds of \$26,667 (the “FT Subscription Receipts”) and 2,209,300 subscription receipts (“the Non-FT Subscription Receipts”) of the Company and together with the FT Subscription Receipts, the subscription receipts, and the offering of Subscription Receipts, the “Subscription Receipt Offering”) at a price of C\$4.30 (the “Non-FT Issue Price”) for gross proceeds of \$9,500. The gross proceeds from the sale of the subscription receipts, less the underwriting fee and underwriter legal expenses related to the Subscription Receipt Offering were deposited and are held in escrow by Odyssey Trust Company, as subscription receipt agent, conditional on closing the Winsome acquisition which is expected to occur in May 2026.

Reconciliation of restricted cash and subscription receipts liability:

As part of the \$36,167 financing the Company incurred 50% of underwriter fees of \$625, underwriter legal fees and expenses of \$234 totalling costs of \$859, which were paid from the gross subscription proceeds. The Company also incurred transaction legal fees and TSX-V fees for the financing totalling \$410. Additionally, there are an outstanding transaction costs of \$625, which is the remaining 50% of the underwriting fee.

	March 31, 2026
	\$
Restricted cash - subscription receipts held by escrow agent	
Gross proceeds	36,167
Underwriter’s fee and expenses	(859)
Funds held in escrow as at period end	35,308
50% Underwriter’s fee payable	(625)
Net proceeds	34,682
Other assets	
Total fees paid as of period end	
Legal fees and TSX-V fees	410
Underwriter’s fee and expenses	859
Total fees paid as of period end	1,270
50% Underwriter’s fee payable	625
Legal fees and TSX-V fees	(410)
Total subscription receipts	36,167
Short-term liabilities – subscription receipts	36,167

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6. SHORT-TERM INVESTMENTS

	March 31, 2026	December 31, 2025
	\$	\$
Fair value, at the beginning of the period	3,750	-
Initial recognition upon sale of exploration and evaluation properties	-	6,960
Disposal for the period	-	(2,907)
Realized loss from sale of short-term investments	-	(573)
Fair value change in the period	(600)	270
Fair value, at the end of the period	3,150	3,750

The fair value of the Company's short-term investments in Power Metallic Mines Inc. (TSXV ticker symbol "PNPN") as at March 31, 2026, was \$3,150 (December 31, 2025, was \$3,750). As of December 31, 2025, 3,000,000 PNPN shares were sold of an opening balance of 6,000,000 shares.

During the three months ended March 31, 2026, the Company recognized a change in fair value in short-term investments of \$600 in net loss (December 31, 2025: \$270), in the statement of net loss.

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(Expressed in thousands of Canadian dollars unless otherwise noted)

7. EXPLORATION AND EVALUATION PROPERTIES

Exploration and evaluation properties include the following amounts as at March 31, 2026 and December 31, 2025.

	Yellowknife Lithium Project	Cali Project	North Arrow Projects	Galinée Property	Other Quebec Projects	Total
	NWT	NWT	NWT	Quebec	Quebec	
	\$	\$	\$	\$	\$	\$
Balance, November 30, 2024	222,904	18,980	-	-	19,792	261,676
Acquisition costs	353	-	352	-	105	810
Exploration and evaluation expenditures						
Claims, taxes and holding costs	303	422	83	-	433	1,241
Salaries and share based payments	1,156	117	-	-	497	1,770
Drilling, exploration, and technical consultation	5,471	130	178	-	1,078	6,857
Assaying, field supplies and environmental consultation	8,215	271	265	-	320	9,071
Travel and other project expenses	1,612	9	-	-	93	1,714
Sale of mineral claims	-	-	-	-	(2,664)	(2,664)
Revenue Quebec Exploration Tax Credit	-	-	-	-	(706)	(706)
Total exploration and evaluation expenditures	17,110	949	878	-	(844)	18,093
Balance, December 31, 2025	240,014	19,929	878	-	18,948	279,769
Acquisition costs	-	-	-	19,107	50	19,157
Exploration and evaluation expenditures						
Claims, taxes and holding costs	2	2	-	2	8	14
Salaries and share based payments	1,460	159	-	269	201	2,089
Drilling, exploration, and technical consultation	3,629	4	28	46	24	3,731
Assaying, field supplies and environmental consultation	1,301	4	-	45	128	1,478
Travel and other project expenses	242	-	-	-	-	242
Total exploration and evaluation expenditures	6,634	169	28	19,469	411	26,711
Balance, March 31, 2026	246,648	20,098	906	19,469	19,359	306,480

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Notes to the Condensed Interim Consolidated Financial Statements
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(Expressed in thousands of Canadian dollars unless otherwise noted)

7. EXPLORATION AND EVALUATION PROPERTIES (continued)

The Company holds interests in three mineral projects in the Northwest Territories, the Yellowknife Lithium Project ("YLP"), the LDG-Mackay Project ("LDG-Mackay"), as acquired in a transaction with North Arrow Minerals Inc., and the Cali Project, as well as five mineral projects in Quebec referred to as the Galinée Project, the Rupert Project, the Pontax Project, the Nottaway Project and the Moyenne Project. At present, the Company's mineral properties are not at a commercial development or production stage.

(i) NORTHWEST TERRITORIES

YELLOWKNIFE LITHIUM PROJECT

On December 30, 2022, the Company completed the acquisition of 1361516 B.C. Ltd. and the core of the Yellowknife Lithium Project. The Yellowknife Lithium Project is comprised of 13 mineral leases that cover most of the lithium pegmatites that make up the Yellowknife Pegmatite Province ("YPP"). The Property is subject to a 2% gross overriding royalty and in the case of 11 of the mineral leases, a 2% net profits royalty.

On February 18, 2023, the Company entered into an option agreement (the "YLP Option Agreement") with a private company holding a 100% interest in the Thompson-Lundmark Project (the "TL Property"), which comprises additional contiguous mineral leases, whereby the Company had been granted the sole and exclusive right to acquire a 100% interest in the TL Property (the "YLP Option"). To exercise the YLP option, the Company was to make aggregate cash payments of \$3,000 and incur exploration expenditures on the Property over a two-year period. However, on February 18, 2025, the Company terminated the YLP Option Agreement prior to the second anniversary cash payment of \$1,750.

CALI PROJECT

The Cali Project, acquired as part of the Yellowknife Lithium Project acquisition on December 30, 2022, is comprised of a certain mineral lease and several mineral claims within the Little Nahanni Pegmatite Group, located in Northwest Territories near the Yukon border. The Property is subject to a 2% gross overriding royalty.

NORTH ARROW PROJECTS

On January 23, 2025, the Company announced that it has closed the mineral property purchase agreement with North Arrow Minerals (the "Target") (TSX.V:NAR) to acquire the DeStaffany, LDG and Mackay Lithium Projects by issuing 250,000 common shares of the Company valued at \$713 (\$2.85 per share).

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Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2026 and February 28, 2025
(Expressed in thousands of Canadian dollars unless otherwise noted)

7. EXPLORATION AND EVALUATION PROPERTIES (continued)

(ii) QUEBEC

GALINÉE PROPERTY

On December 15, 2025, the Company entered into a non-binding letter of intent with SOQUEM Inc. to acquire 25% interest in the Galinée property. Consideration for SOQUEM's 25% interest consists of the issuance of 1,000,000 common shares. The transaction is subject to customary closing conditions.

On December 24, 2025, the Company entered into a definitive agreement with Azimut Exploration Inc. on the Galinée property, which forms part of the broader Adina project area.

On February 18, 2026, the Company announced that it has closed its acquisition of a 50% interest in the Galinée property from Azimut Exploration Inc. in Québec. Under the terms of the agreement with Azimut Exploration Inc. LIFT has acquired all of Azimut's rights, title and interest in the Galinée Property, in consideration for the issuance of 2,000,000 common shares of the capital of the Company and the grant of a 1.4% net smelter return royalty on the Galinée Property. In addition, the Azimut Agreement provides a deferred consideration of \$1,500 payable in cash or, subject to the conditions set out in the definitive agreement, in common shares of the Company, at the earlier of:

- (i) completion of an economic study in respect of the Galinée Property; or
- (ii) 18 months following closing. All common shares issued pursuant to the Azimut Agreement will be subject to a statutory hold period of four months and one day in accordance with applicable Canadian securities laws

On March 9, 2026, the Company announced that is has closed its acquisition of an additional 25% interest in the exclusive exploration rights commonly known as the Galinée property from SOQUEM Inc. Following closing, LIFT now holds a 75% interest in the Galinée Property, with the remaining 25% interest continuing to be held by SOQUEM. LIFT is the operator of the Galinée Property under joint venture with SOQUEM. Under the terms of the purchase agreement with SOQUEM, consideration for SOQUEM's 25% interest in the Galinée Property consisted of 1,000,000 common shares in the capital of the Company.

RUPERT PROJECT

The Rupert Project has been accumulated by entering into the following agreements:

(a) Rupert Option Agreement

On June 11, 2021, the Company entered into a definitive option agreement with Kenorland Minerals Ltd. ("Kenorland") pursuant to which the Company was granted the option to acquire up to a 100% interest in and to certain mineral claims at the Rupert, Pontax and Moyenne Projects (collectively known as the "Rupert Option Agreement").

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Notes to the Condensed Interim Consolidated Financial Statements
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(Expressed in thousands of Canadian dollars unless otherwise noted)

7. EXPLORATION AND EVALUATION PROPERTIES (continued)

In order to exercise the Rupert Option Agreement, the Company paid \$200 in cash and issued to Kenorland 9.9% of the Company's issued and outstanding shares upon closing. On February 2, 2022, the Company issued 1,751,913 common shares valued at \$3,504 to Kenorland pursuant to the Rupert Option Agreement related to the Rupert Property.

Following the exercise of the Rupert Option Agreement, the Company granted to Kenorland a 2% net smelter royalty in respect of the Rupert Property.

Disposal of mineral claims to Power Metallic Mines Inc.

On July 14, 2025, the Company closed a definitive agreement with Power Metallic Mines Inc. for the sale of 313 mineral claims at its Rupert Project in Quebec, which left 2,203 total mineral claims owned by the Company. As consideration, the Company received \$700 in cash and 6,000,000 common shares of Power Metallic Mines Inc. (valued at \$1.16 per share on July 14, 2025), all of which are subject to a statutory hold period expiring on November 12, 2025, and 3,000,000, or one half, being subject to an additional contractual resale restriction ending on July 11, 2026. In addition, the Company was granted a 0.5% net smelter returns (NSR) royalty on the 313 mineral claims, with no buyback provision.

Nottaway Lithium Project

On January 31, 2025, the Company was granted the sole and exclusive option to acquire up to a 100% interest in the mineral claims comprising the Nottaway property, located in Quebec, pursuant to an option agreement with a private individual for the following terms:

Cash payments:

- (i) \$30 on signing (paid)
- (ii) \$50 on or before the first anniversary (paid) and;
- (iii) \$500 on or before the second anniversary date.

Exploration expenditures:

- (i) \$50 in exploration expenditures by the first anniversary (satisfied); and
- (ii) \$200 in exploration expenditures on or before the second anniversary.

Royalty interest:

- (i) 1% NSR with 0.5% buyable for \$500

PONTAX PROJECT

In addition to the Pontax Project claims acquired through the Rupert Option Agreement with Kenorland, and associated 2% NSR, on July 20, 2022, the Company entered into an option agreement (the "Harfang Agreement") with Harfang Exploration Inc. ("Harfang") to acquire a 70% interest in the Pontax mineral claims located in the James Bay region in Quebec (the "Pontax Property").

In accordance with the Harfang Agreement, the Company may exercise the first option to earn 51% interest by making payments in an aggregate amount of \$100, as follows:

- (i) \$25 in cash (paid) upon the execution and delivery of the Harfang Agreement by both parties;
- (ii) an additional \$25 on or before the first anniversary date (paid);
- (iii) an additional \$25 on or before the second anniversary date; (paid)
- (iv) an additional \$25 on or before the third anniversary date (paid); and

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7. EXPLORATION AND EVALUATION PROPERTIES (continued)

- (v) incurring \$1,650 in expenditures on the Pontax Property during the first option period which ends on the third anniversary date (satisfied).

Upon the exercise of the first option, Harfang is contractually required to grant the second option. Within 60 days of the grant of the second option, the Company shall provide Harfang written notice that it either (a) accepts the grant of the second option, which shall be accompanied by a payment of \$50 in cash or through the issuance of common shares, at the Company's discretion or (b) elects not to accept the grant of the second option, in which case a joint venture is to be formed with the initial participating interest of 51% and 49% for the Company and Harfang, respectively.

To exercise the second option and acquire a further 19% interest (for an aggregate 70% interest), the Company is required to incur an additional \$3,350 in expenditures on the Pontax Property by the sixth anniversary of the agreement.

Upon the exercise of the second option, Harfang will have the option of converting its remaining participating interest of 30% into a 2.5% NSR or to form a joint venture to further explore the Pontax property.

MOYENNE PROJECT

The Moyenne Project comprises additional claims acquired through the Rupert Option Agreement with Kenorland, and the associated 2% NSR.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2026	December 31, 2025
	\$	\$
Accounts payable	898	1,334
Accrued liabilities	2,191	1,892
Total accounts payable and accrued liabilities	3,089	3,226

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9. SHARE CAPITAL

Authorized Share Capital

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

Share Issuances

a) Brokered and Private Placement Financings

During the three months ended March 31, 2026:

On January 29, 2026, the Company announced the completion of private placement, wherein the Company entered into an underwriting agreement with Canaccord Genuity Corp. for a financing of aggregate gross proceeds of up to \$48,167. The offering includes (i) 3,876,000 flow-through subscription receipts priced at \$6.88 for gross proceeds of \$26,667 and 2,209,300 non-flow-through subscription receipts priced at \$4.30 for gross proceeds of \$9,500, the flow-through and non-flow-through subscription receipts are conditional on closing the Winsome acquisition, which is expected to occur in May 2026. Accordingly, \$36,167 of proceeds relating to the subscription receipts are held in restricted cash and will not be available to the Company until such conditions are met. The offering also included 775,200 flow-through common shares priced at \$6.45 per share for gross proceeds of \$5,000 and 1,627,800 non-flow through common shares priced at \$4.30 per share for gross proceeds of \$7,000. The Company has paid \$707 in commissions and other capital raise related expenditures related to this brokered financing.

The underwriters exercised the option to sell up to an additional \$6,500 of securities at the applicable offering prices.

b) Shares issued for Exploration and Evaluation Properties

During the three months ended March 31, 2026

On February 18, 2026, the Company announced that it has closed its acquisition of a 50% interest in the Galinée property from Azimut Exploration Inc. in Québec. Under the terms of the agreement with Azimut Exploration Inc. LIFT has acquired all of Azimut's rights, title and interest in the Galinée Property, in consideration for the issuance of 2,000,000 common shares of the capital of the Company with a fair value of \$5.95 per share, based on the Company's closing price on February 17, 2026.

On March 9, 2026, the Company announced that is has closed its acquisition of an additional 25% interest in the exclusive exploration rights commonly known as the Galinée property from SOQUEM Inc. Under the terms of the purchase agreement with SOQUEM, consideration for SOQUEM's 25% interest in the Galinée Property consisted of 1,000,000 common shares of the capital of the Company with a fair value of \$5.49 per share, based on the Company's closing price on March 6, 2026.

During the thirteen months ended December 31, 2025:

On January 23, 2025, the Company announced that it has closed the mineral property purchase agreement with North Arrow Minerals (TSX.V:NAR) to acquire the DeStaffany, LDG and Mackay Lithium Projects by issuing 250,000 common shares of the Company valued at \$713 (\$2.85 per share).

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9. SHARE CAPITAL (continued)

On December 15, 2025, the Company announced a binding scheme of arrangement to acquire 100% of the issued securities of Winsome Resources Limited (“Winsome”), which holds a 100% interest in the Adina lithium project. Under the terms of the transaction, Winsome shareholders will receive 0.107 of the Company’s common share or equivalent CDI (representing one share of the Company) for each Winsome share held. The transaction remains subject to customary closing conditions.

c) Stock options

The Company has adopted an omnibus share incentive plan that allows for the granting of stock options to Directors, Officers, employees and certain consultants of the Company for up to 10% of the Company’s issued and outstanding common shares. Stock options granted under the plan may be subject to vesting provisions as determined by the Board of Directors.

For the three months ended March 31, 2026, there was an aggregate of 18,478 stock options exercised at an exercise price of \$3.65, including 3,478 options exercised on a cashless basis.

On February 25, 2026, the Company granted 175,000 stock options for a period of five years at an exercise price of \$7.20 and expire five years from the date of grant. The options vest 25% on each of the 6, 12, 18 and 24-month anniversary dates.

On January 15, 2026, the Company granted 2,065,000 stock options for a period of five years at an exercise price of \$7.50 and expires in five years from the date of grant. The options vest 25% on grant date and an additional 25% on each 6/12/18-month anniversary.

On July 30, 2025, the Company granted 400,000 stock options for a period of five years at an exercise price of \$2.54 per share to an employee of the Company. A third of the options vest on each of the 12, 24, and 36-month anniversary dates.

On May 1, 2025, the Company granted 30,000 stock options for a period of five years at an exercise price of \$3.65 per share to an employee of the Company. The options vest 25% on each of the 6, 12, and 18-month anniversary dates.

A summary of the changes in the Company’s stock option balances during the three months ended March 31, 2026 and thirteen months ended December 31, 2025, are as follows:

	March 31, 2026		December 31, 2025	
	Number of options outstanding	Weighted average exercise price	Number of options outstanding	Weighted average exercise price
Outstanding, beginning	1,894,500	\$6.14	995,000	\$8.84
Granted	2,240,000	\$7.48	929,500	\$3.17
Exercised	(18,478)	\$3.65	-	-
Forfeiture	(3,647)	\$3.65	(30,000)	\$3.65
Outstanding, ending	4,112,375	\$6.90	1,894,500	\$6.14

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9. SHARE CAPITAL (continued)

As at March 31, 2026, the following stock options were outstanding:

Number of options	Weighted average remaining life (Years)	Exercise price	Expiry date	Number of options vested
385,000	2.04	\$10.00	April 15, 2028	385,000
80,000	2.10	\$10.00	May 3, 2028	80,000
80,000	2.17	\$10.00	June 1, 2028	80,000
20,000	2.47	\$10.00	September 18, 2028	20,000
15,000	2.68	\$10.00	December 5, 2028	15,000
385,000	2.77	\$7.00	January 8, 2029	385,000
30,000	3.14	\$7.00	May 21, 2029	22,500
447,375	3.72	\$3.65	December 19, 2029	337,500
30,000	4.09	\$3.65	May 31, 2030	10,000
400,000	4.33	\$2.54	July 30, 2030	-
2,065,000	4.84	\$7.50	January 29, 2031	516,250
175,000	4.91	\$7.20	February 25, 2031	-
4,112,375	4.07			1,851,250

Certain stock options granted were directly attributable to expenditures on the exploration and evaluation properties and were therefore capitalized. For the three months ended March 31, 2026, share based payments expense is classified within the condensed interim consolidated financial statements as follows: operating expenses - \$4,349 (February 28, 2025 - \$438) and exploration and evaluation properties \$1,708 (February 28, 2025 - \$259) for total share based payments expense - \$6,057 (February 28, 2025 - \$1,369).

The total fair value of the stock options granted in the three months ended, March 31, 2026 was estimated to be \$12,790 (weighted average fair value of \$5.71 per option), calculated using the Black-Scholes Option Pricing Model, which used the following weighted average assumptions:

	Three months ended March 31, 2026
Exercise price	\$7.48
Expected volatility	95%
Expected life of option	5 years
Risk-free annual interest	2.88%
Expected annual dividend	0%
Forfeiture rate	0%

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d) Restricted share units

The movements in restricted share units (“RSUs”) for the three months ended March 31, 2026 and thirteen months ended December 31, 2025 are summarized as follows:

	Three months ended March 31, 2026 Number of units	Thirteen months ended December 31, 2025 Number of units
Outstanding, beginning	-	-
Granted	102,300	-
Outstanding, ending	102,300	-

9. SHARE CAPITAL (continued)

The RSUs were granted under the Company’s share-based compensation plan to a number of directors in lieu of annual cash bonuses and each RSU entitles the holder to receive one common share of the one common share of the Company upon settlement which will occur 12 months from the date of grant, in accordance with terms of the plan. The RSUs vest over a 12-month period and will be settled in equity. For the three months ended March 31, 2026, the Company recognized operating expenses of \$108 (December 31, 2025 - \$nil) related to the RSUs and share-based payments of \$762 (December 31, 2025 - \$nil).

e) Deferred share units

The movements in deferred share units (“DSUs”) for the three months ended March 31, 2026 and thirteen months ended December 31, 2025 are summarized as follows:

	Three months ended March 31, 2026 Number of units	Thirteen months ended December 31, 2025 Number of units
Outstanding, beginning	50,604	7,544
Granted	7,889	46,804
Settled	(1,530)	(3,744)
Outstanding, ending	56,963	50,604

The DSUs were granted under the Company’s share-based compensation plan to a number of directors in lieu of interim board fees. The DSUs vest over a 12-month period and will be settled in cash and equity. The associated compensation cost is based on the underlying share price on the date of grant. During the three months ended March 31, 2026, there were 1,530 settled DSUs with a fair value of \$9 (December 31, 2025 - \$13), and the Company recognized \$34 (December 31, 2025 - \$95) in share-based payments

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10. TRANSACTIONS WITH RELATED PARTIES AND KEY MANAGEMENT COMPENSATION

The Company's related parties consist of the Company's Directors and Officers and enterprises which are controlled by these individuals as well as persons performing similar functions. The compensation paid or payable to key management for services during the three months ended March 31, 2026 and three months ended February 28, 2025 are as follows:

Service or Item	March 31, 2026	February 28, 2025
	\$	\$
Directors' fees	53	36
Management, consulting fees and salaries	465	257
Share based compensation (expensed and capitalized)	3,671	577
Total	4,189	870

Included in accounts payable and accrued liabilities as at March 31, 2026 was \$145 due to related parties (February 28, 2025 - \$89).

11. FINANCIAL INSTRUMENTS

Financial assets are reviewed at the end of each reporting period for objective evidence indicating that changes in the market, economic, or legal environment has had a negative effect on the estimated future cash flows of the asset or group of assets. The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition, based on all information available, and reasonable and supportive forward-looking information.

Fair values have been determined for measurement and/or disclosure requirements based on the methods below. The Company characterizes fair value measurements using a hierarchy that prioritizes inputs depending on the degree to which they are observable. The three levels of the fair value hierarchy are as follows:

- Level 1 fair value measurements are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include significant inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying values of cash, restricted cash (subscription receipts), accounts payable, accrued liabilities, subscription receipt liabilities and lease liabilities approximated their fair values because of the short-term nature of these financial instruments. These financial instruments are financial assets and liabilities at amortized cost. The fair value of short-term investments, which are classified as level 1 within the fair value hierarchy, is determined by obtaining the quoted market price of the short-term investment and multiplying it by foreign exchange rate, if applicable, and the quantity of shares held by the Company.

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12. SEGMENT INFORMATION

The Company operates in a single reportable operating segment, being the acquisition, exploration and development of its Canadian exploration and evaluation properties.

13. RISK MANAGEMENT AND CAPITAL DISCLOSURES

The Company is exposed to various financial risks as detailed below:

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's primary credit risk is associated with its Canadian cash balances, which are held through major Canadian financial institutions with high investment grade ratings. The carrying value of the Company's cash totalling \$4,136 represents the Company's maximum exposure to credit risk as at March 31, 2026 (December 31, 2025 - \$1,816).

Liquidity Risk

Without operating revenues, the Company is subject to liquidity risk such that it may not be able to meet its obligations under its financial instruments as they fall due (Note 2). The Company manages this risk by maintaining cash balances and short-term investments to ensure that it is able to meet its short-term and long-term obligations as and when they fall due. Cash projections are regularly updated to reflect the dynamic nature of the business. To date, the Company's capital requirements have been met by equity subscriptions. Although the Company has been successful in the past in obtaining financing, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favourable.

The maturities of the Company's financial liabilities as of March 31, 2026 are as follows:

	Total	Less than 1 year	1-5 years	More than 5 years
	\$	\$	\$	
Accounts payable and accrued liabilities	3,089	3,089	-	-
Subscription receipts ⁽¹⁾ (Note 5)	36,167	36,167	-	-
Deferred consideration payable (Note 7)	1,500	-	1,500	-
Balance as at March 31, 2026	40,756	39,256	1,500	-

(1) No cash outflow will result from the settlement of the subscription receipt liability.

Interest Rate Risk

Interest rate risk relates to the effect on the Company's financial instruments due to changes in market rates of interest. The Company holds cash and cash equivalents, which earn market rates of interest. The Company considers its interest rate risk in respect of these instruments to be immaterial.

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13. RISK MANAGEMENT AND CAPITAL DISCLOSURES (continued)

Price Risk

Price risk is the risk that the fair value of financial instruments will fluctuate due to changes in market prices (other than those arising from interest rate or currency risk), whether caused by factors specific to the individual instrument or its issuer, or factors affecting all similar instruments traded in the market. The Company's exposure to price risk relates mainly to its investments in publicly traded equity securities. Based on the Company's short-term investments held as at March 31, 2026 a 10% change in the equity prices of these investments would have an impact of approximately \$315 on net income for the period.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value of the Company's financial instruments will fluctuate due to changes in exchange rates. As at March 31, 2026 the Company carried immaterial accounts payable balances denominated in foreign currencies, which are subject to currency risk due to fluctuations in the exchange rates with the Canadian dollar. Due to the volatility of the exchange rates between the Canadian dollar, and the U.S. dollar, such exchange rate changes could result in future gains or losses to the Company.

Capital

The Company is in the business of mineral exploration and has no source of operating revenue. The Company has no long-term debt and typically finances its operations through the issuance of capital stock. Capital raised is held in cash in an interest-bearing bank account or guaranteed investment certificate until such time as it is required to pay operating expenses or exploration and evaluation costs. The Company is not subject to any externally imposed capital restrictions. Its objectives in managing its capital are to safeguard its cash and its ability to continue as a going concern, and to utilize as much of its available capital as possible for exploration activities. The Company's objectives have not changed during the three months ended March 31, 2026.

14. SUBSEQUENT EVENTS

On May 5, 2026, the shareholders and option holders of Li-FT Power Ltd. and Winsome Resources Limited separately voted in favour of the proposed schemes of arrangement in connection with the previously announced business combination transaction between the parties. Under the arrangement, the Company will acquire all outstanding Winsome shares and options in exchange for the issuance of new common shares and CHESS Depositary Interests ("CDIs") of the Company, which are expected to be quoted on the Australian Securities Exchange. The approval by shareholders and option holders satisfies two of the remaining key conditions precedent of the transaction. Completion of the transaction remains subject to approval by the Supreme Court of Western Australia and satisfaction of other customary conditions precedent.