Li-FT POWER LTD.

Condensed Interim Consolidated Financial Statements

For the three and nine months ended August 31, 2024 and 2023

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

Li-FT POWER LTD.
Condensed Interim Consolidated Statements of Financial Position
As at August 31, 2024 and November 30, 2023
(Unaudited - Expressed in thousands of Canadian dollars unless otherwise noted)

	Note	August 31, 2024	November 30, 2023
Assets		**$**	**$**
Current			
Cash and cash equivalents	3	2,295	17,737
Amounts receivable	4	66	2,581
Prepaid expenditures	5	1,265	4,631
Total current assets		**3,626**	**24,949**
Non-current			
Right-of-use leased assets		133	449
Exploration and evaluation properties	7	261,588	236,304
Equipment		367	11
Total Assets		**265,714**	**261,713**
Liabilities and Shareholders' Equity			
Current			
Accounts payable and accrued liabilities	8	1,663	2,238
Lease liabilities		68	183
Flow-through share premium liability	11	1,501	5,885
Total current liabilities		**3,232**	**8,306**
Non-current			
Lease liabilities		79	131
Deferred income tax liability		12,930	8,084
Total Liabilities		**16,241**	**16,521**
Share capital	9	246,523	239,912
Share-based payment reserve	9	4,408	2,547
Retained earnings (deficit)		(1,458)	2,733
Total Equity		**249,473**	**245,192**
Total Liabilities and Shareholders' Equity		**265,714**	**261,713**

Going concern (Note 2)
Subsequent event (Note 15)

Approved and authorized for issuance by the Board of directors on October 28, 2024 by:

/s/ Kenneth Scott	*/s/ Iain Scarr*
Kenneth Scott, Director	Iain Scarr, 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 and nine months ended August 31, 2024 and 2023
(Unaudited - Expressed in thousands of Canadian dollars unless otherwise noted)

		Three months ended		Nine months ended	
	Note	August 31, 2024	August 31, 2023	August 31, 2024	August 31, 2023
Operating Expenses					
Amortization		41	-	133	-
Director fees	10	25	30	73	90
Exploration expenses		-	-	24	19
Filing fees		12	44	139	102
Investor relations		1,217	143	4,107	307
Management, consulting fees and salaries		163	181	540	494
Office expenses		69	60	239	132
Professional fees		132	54	315	342
Share-based compensation	9	356	379	1,353	494
Travel expense		55	55	224	210
Loss from operations		**(2,070)**	**(946)**	**(7,147)**	**(2,190)**
Finance expenses and other		(5)	(2)	(16)	(5)
Foreign exchange		(11)	(2)	63	(11)
Interest income		53	540	298	854
Loss before income taxes		**(2,033)**	**(410)**	**(6,802)**	**(1,352)**
Deferred income tax recovery		604	5,859	2,611	7,238
Net and comprehensive income (loss) for the period		**(1,429)**	**5,449**	**(4,191)**	**5,886**
Net income (loss) per share, basic and diluted		(0.03)	0.14	(0.10)	0.16
Weighted average shares outstanding, basic and diluted		42,733,337	39,240,732	41,931,297	36,144,847

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 nine months ended August 31, 2024 and 2023
(Unaudited - Expressed in thousands of Canadian dollars, except share and per share amounts)

	Number of common shares	Share capital	Share-based payment reserve	(Deficit)/ retained earnings	Total
		$	$	$	$
Balance, November 30, 2022	**18,465,063**	**12,225**	**5**	**(816)**	**11,414**
Shares issued for exploration and evaluation properties (Note 9)	18,173,169	199,500	-	-	199,500
Proceeds from brokered placement (net of issuance costs) (Note 9)	2,602,500	32,708	-	-	32,708
Flow-through share premium liability (Note 11)	-	(13,013)	-	-	(13,013)
Share-based payments (Note 9)	-	-	1,917	-	1,917
Net income and comprehensive income for the period	-	-	-	5,886	5,886
Balance, August 31, 2023	**39,240,732**	**231,420**	**1,922**	**5,070**	**238,412**
Balance, November 30, 2023	**40,864,177**	**239,912**	**2,547**	**2,733**	**245,192**
Proceeds from placements (net of issuance costs) (Note 9)	1,869,160	10,240	-	-	10,240
Flow-through share premium liability (Note 11)	-	(3,629)	-	-	(3,629)
Share-based payments (Note 9)	-	-	1,861	-	1,861
Net loss and comprehensive loss for the period	-	-	-	(4,191)	(4,191)
Balance, August 31, 2024	**42,733,337**	**246,523**	**4,408**	**(1,458)**	**249,473**

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

Li-FT POWER LTD.
Condensed Interim Consolidated Statements of Cash Flows
For the nine months ended August 31, 2024 and 2023
(Unaudited - Expressed in thousands of Canadian dollars unless otherwise noted)

	August 31, 2024	August 31, 2023
Cash flows from operating activities		
Net income (loss) for the period	(4,191)	5,886
Adjustments for:		
Amortization	133	-
Share-based payments (Note 9)	1,353	494
Deferred income tax recovery	(3,167)	(7,238)
Changes in non-cash working capital items:		
Decrease (increase) in amounts receivable	2,662	(708)
Decrease (increase) in prepaid expenditures	(154)	(98)
Increase (decrease) in accounts payable and accrued liabilities	(385)	236
Total cash used in operating activities	**(3,749)**	**(1,428)**
Cash flows from investing activities		
Exploration and evaluation expenditures	(20,580)	(29,037)
Exploration and evaluation acquisition costs	(838)	(600)
Equipment purchases	(440)	(11)
Acquisition of subsidiary, net of cash received	-	10,375
Total cash used in investing activities	**(21,858)**	**(19,273)**
Cash flows from financing activities		
Proceeds from issuance of shares	10,691	35,004
Share issuance costs	(451)	(2,296)
Repayment of lease liabilities	(60)	-
Interest paid on lease liability	(15)	-
Proceeds from loan received	-	205
Total cash generated from financing activities	**10,165**	**32,913**
Change in cash and cash equivalents	**(15,442)**	**12,212**
Cash and cash equivalents, beginning	**17,737**	**5,442**
Cash and cash equivalents, end	**2,295**	**17,654**
Supplemental information / non-cash flow items		
Share-based compensation relating to exploration and evaluation properties	1,160	777
Decrease (increase) in prepaid expenses relating to exploration and evaluation properties	3,520	(10,925)
Decrease (increase) in accounts payable and accrued liabilities relating to exploration and evaluation properties	161	(1,043)
Interest received in cash	298	854
Shares issued for exploration and evaluation acquisitions	-	198,000

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

(Unaudited - 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 OTC QX with the symbol "LIFFF" and on the Frankfurt Stock Exchange with the symbol "WS0".

The head office of the Company and principal address is 1218 – 1030 West Georgia Street, Vancouver, BC V6E 2Y3. The registered address and records office of the Company is located at 2080-777 Hornby Street, Vancouver, BC V6Z 1S4.

2. BASIS OF PRESENTATION AND GOING CONCERN

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 – Interim Financial Reporting. These condensed interim consolidated financial statements do not contain all of the information required for full annual financial statements. 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 year ended November 30, 2023, 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 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 August 31, 2024, were approved, and authorized for issue by the Board of Directors on October 28, 2024.

Basis of Consolidation

For the current financial year beginning on December 1, 2023, 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.

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

2. BASIS OF PRESENTATION AND GOING CONCERN (continued)

Future accounting standards and interpretations

The IASB issued IFRS 18, Presentation and Disclosure in Financial Statements to improve reporting of financial performance. IFRS 18 replaces IAS 1, Presentation of Financial Statements. IFRS 18 applies for annual reporting periods beginning on or after January 1, 2027. Earlier application is permitted. The extent of the impact of adoption of this standard is currently under evaluation.

For all other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have significant impact on the Company's financial statements.

3. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents as at August 31, 2024 and November 30, 2023 consist of the following amounts:

	August 31, 2024	**November 30, 2023**
	$	**$**
Cash	2,285	13,712
Cash equivalents	10	4,025
Total Cash and Cash Equivalents	**2,295**	**17,737**

4. AMOUNTS RECEIVABLE

The Company's amounts receivable as at August 31, 2024 and November 30, 2023 consist of the following amounts:

	August 31, 2024	**November 30, 2023**
	$	**$**
Goods and services tax receivable	66	1,407
Revenue Quebec exploration tax credit	-	1,144
Interest receivable	-	30
Total Amounts Receivable	**66**	**2,581**

5. PREPAID EXPENDITURES

The Company's prepaid expenditures as at August 31, 2024 and November 30, 2023 consist of the following amounts:

	August, 2024	**November 30, 2023**
	$	**$**
Cash advance to Operator of Yellowknife exploration (1)	81	2,494
Cash advance to Operator of Quebec exploration (1)	325	1,432
Other prepaid expenditures	859	705
Total Prepaid Expenditures	**1,265**	**4,631**

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

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

6. ACQUISITION OF YELLOWKNIFE LITHIUM PROJECT

On December 30, 2022, the Company, through a wholly-owned subsidiary, completed its amalgamation with 1361516 B.C. Ltd. (the "Target") and received all the outstanding common shares of this privately held mineral exploration company, which owns the Yellowknife Lithium Project ("YLP") located in the Northwest Territories, in exchange for 18,000,000 common shares of Li-FT Power Ltd. (the "Yellowknife Lithium Transaction"). The Yellowknife Lithium Transaction was conducted by way of an amalgamation arrangement, which ultimately resulted in the Target becoming a wholly-owned subsidiary of Li-FT Power Ltd.

For accounting purposes, the amalgamation with the Target has been recorded as an asset acquisition as the Target is not considered to be a business when applying the guidance within IFRS 3 *Business Combinations.*

The consideration paid and the fair value of identifiable assets acquired and liabilities assumed from the Target were as follows:

Total Share Consideration paid (Note 9)	**$198,000**
Assets acquired and liabilities assumed	
Cash received	10,375
Loan receivable from Li-FT Power Ltd	755
Accounts payable	(46)
Exploration and evaluation properties (Note 7) – YLP	168,916
Exploration and evaluation properties (Note 7) – Cali	18,000
Net Assets Acquired	**$198,000**

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

7. EXPLORATION AND EVALUATION PROPERTIES

Exploration and evaluation properties include the following amounts as at August 31, 2024 and November 30, 2023.

	Yellowknife Lithium Project	Cali Project	Rupert Project	Pontax Project	Moyenne Project	Total
	$	$	$	$	$	$
Balance, November 30, 2022	**-**	**-**	**9,979**	**25**	**-**	**10,004**
Acquisition costs	169,466	18,000	3,025	25	-	190,516
Exploration and evaluation expenditures						
Claims, taxes and holding costs	648	-	42	20	1	711
Salaries and share based payments	2,693	118	1,421	471	15	4,718
Drilling, exploration, and technical consultation	18,574	561	2,396	427	22	21,980
Assaying, field supplies and environmental consultation	7,099	89	1,371	235	-	8,794
Travel and other project expenses	518	26	144	37	-	725
Revenue Quebec Exploration Tax Credit	-	-	(1,144)	-	-	(1,144)
Total exploration and evaluation expenditures	29,532	794	4,230	1,190	38	35,784
Balance, November 30, 2023	**198,998**	**18,794**	**17,234**	**1,240**	**38**	**236,304**
Acquisition costs	733	-	30	75	-	838
Exploration and evaluation expenditures						
Claims, taxes and holding costs	156	7	9	3	1	176
Salaries and share based payments	2,334	59	86	40	8	2,527
Drilling, exploration, and technical consultation	11,657	48	474	135	-	12,314
Assaying, field supplies and environmental consultation	8,434	29	336	76	-	8,875
Travel and other project expenses	934	-	1	-	-	935
Revenue Quebec Exploration Tax Credit	-	-	(381)	-	-	(381)
Total exploration and evaluation expenditures	24,248	143	555	329	9	25,284
Balance, August 31, 2024	**223,246**	**18,937**	**17,789**	**1,569**	**47**	**261,588**

7. EXPLORATION AND EVALUATION PROPERTIES (continued)

The Company holds interests in two mineral properties in the Northwest Territories, being the Yellowknife property and the Cali property and three mineral properties in Quebec, being the Rupert property, the Pontax property and the Moyenne property. Key agreements for each are more particularly described below.

(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 (see Note 6). 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 “Property“), which comprises additional contiguous mineral leases, whereby the Company has been granted the sole and exclusive right to acquire a 100% interest in the Property (the “YLP Option“). The Property is subject to a 1.5% net smelter royalty upon exercise of the YLP Option, and of which 0.5% may be purchased by the Company at any time for $500 in cash. The Company will retain a right of first refusal on the royalty.

In order to exercise the YLP Option, the Company must make aggregate cash payments of $3,000 and incur exploration expenditures on the Property over a two-year period as follows:

a) $550 cash payment due on execution of the YLP Option Agreement (paid on signing and included in the YLP acquisition costs of the exploration and evaluation properties table above);
b) $700 cash payment to be paid and $50 in exploration expenditures to be incurred by the first anniversary of the YLP Option Agreement (paid and incurred); and;
c) $1,750 cash payment to be paid and an additional $1,250 in exploration expenditures to be incurred by the second anniversary of the YLP Option Agreement.

CALI PROJECT

The Cali Project, acquired as part of the Yellowknife Lithium 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.

(ii) QUEBEC

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”).

7. EXPLORATION AND EVALUATION PROPERTIES (continued)

QUEBEC - RUPERT PROJECT - Rupert Option Agreement (continued)

In order to exercise the Rupert Option Agreement, the Company agreed to pay $200 in cash (paid) and to issue to Kenorland 9.9% of the Company's issued and outstanding shares upon closing (issued) and such number of additional common shares to maintain Kenorland's pro rata interest in the Company at 9.9% prior to the listing of the Company's common shares on a recognized stock exchange. This pro-rata commitment ended once the Company listed on the CSE in July 2022.

Upon the exercise of the Rupert Option Agreement, the Company is required to grant to Kenorland a 2% net smelter royalty in respect of the Rupert Property.

The Company is responsible for all operations conducted at the Rupert Property and has the exclusive right to manage and operate all programs. On closing, the Company entered into an operator agreement with Kenorland pursuant to which the Company engaged Kenorland as operator of the Rupert Property. The Company has agreed to pay an operator's fee to Kenorland equal to 10% of all exploration costs.

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.

(b) James Bay Option Agreement

On August 11, 2021, the Company entered into a property option agreement (the "James Bay Option") to acquire a 100% undivided interest in and to certain mineral claims (the "James Bay Property"), subject to 2% net smelter returns royalty (the "NSR").

The James Bay Option may be exercised by the Company by making cash payments to the optionors in an aggregate amount of $100 as follows:

(i) $20, upon the execution and delivery of the James Bay Option by all parties (paid);
(ii) An additional $25, on or before the first anniversary of the James Bay Option (paid);
(iii) An additional $25, on or before the second anniversary of the James Bay Option (paid);
(iv) An additional $30, on or before the third anniversary of the James Bay Option(paid)

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 a mineral property purchase agreement (the "Harfang Agreement") with Harfang Exploration Inc. ("Harfang") to acquire a 70% interest of 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; and
(v) incurring $1,650 in expenditures on the Pontax Property during the first option period which ends on the third anniversary date.

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

7. EXPLORATION AND EVALUATION PROPERTIES (continued)

PONTAX PROJECT (continued)

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

The Company's accounts payable and accrued liabilities as at August 31, 2024 and November 30, 2023 consist of the following amounts:

	August 31, 2024	November 30, 2023
	$	$
Accounts payable	623	1,331
Accrued liabilities	1,040	907
Total Accounts Payable and Accrued Liabilities	**1,663**	**2,238**

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 period ended August 31, 2024

On March 27, 2024, the Company closed the completion of a brokered financing of 1,179,500 flow-through common shares of the Company at a price of $6.05 per flow-through common share for aggregate gross proceeds of $7,136. The Company has paid commissions and other capital raise related expenditures related to this brokered financing. Concurrently, the Company also completed

9. SHARE CAPITAL (continued)

a non-brokered private placement financing of 689,660 flow-through common shares of the Company at a price of $4.35 per flow-through common share for aggregate gross proceeds of $3,000. No commissions or fees were payable in connection with the non-brokered placement.

During the year ended November 30, 2023

On November 17, 2023, the Company closed the brokered private placement of 1,437,500 flow-through common shares of the Company at a price of $8.65 per flow-through common share for aggregate gross proceeds of $12,434. The Company paid commissions and other capital raise related expenditures in the amount of $811 in relation to this private placement and recorded a flow-through premium liability of $3,568 (Note 11). In addition, the Company classified $151 of legal, professional, and filing fees related to this private placement as share issuance costs.

On March 22, 2023, the Company closed the brokered private placement of 2,602,500 flow-through common shares of the Company at a price of $13.45 per flow-through common share for aggregate gross proceeds of $35,004. The Company paid commissions and other capital raise related expenditures in the amount of $2,249 in relation to this private placement and recorded a flow-through premium liability of $3,629 (Note 11). In addition, the Company classified $47 of legal, professional, and filing fees related to this private placement as share issuance costs.

b) **Shares issued for Exploration and Evaluation Properties**

During the year ended November 30, 2023:

On September 22, 2023, the Company issued 185,945 common shares valued at $1,500 in order to satisfy the third payment of its Lac des Montagnes option agreement.

On March 22, 2023, the Company issued 173,169 common shares valued at $1,500 in order to satisfy the second payment of its Lac des Montagnes option agreement.

On December 30, 2022, the Company issued 18,000,000 common shares valued at $198,000 ($11.03 per share) to the shareholders of 1361516 B.C. Ltd. to complete the acquisition of the Yellowknife Lithium project (Note 6).

c) **Stock options**

The Company has adopted a stock option 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.

On December 5, 2023, the Company granted 15,000 stock options for a period of five years at an exercise price of $10.00 per share to an employee of the Company. The options vest 25% on each of the 6,12,18 and 24-month anniversary dates.

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

9. SHARE CAPITAL (continued)

On January 4, 2024, the Company granted 410,000 stock options for a period of five years at an exercise price of $7.00 per share to its directors, officers, employees, and consultants of the Company. The vesting terms are structured as follows: 165,000 options vest 25% on the grant date and an additional 25% on each of the 6, 12 and 18-month anniversary dates; and 245,000 options vest 50% on the 12-month anniversary and the remaining 50% vest on the 24-month anniversary dates.

On May 21, 2024, the Company granted 30,000 stock options for a period of five years at an exercise price of $7.00 per share to an employee of the Company. The options vest 25% on each of the 6,12,18 and 24-month anniversary dates.

A summary of the changes in the Company's stock option activities during the nine months ended August 31, 2024, and year ended November 30, 2023, is as follows:

	August 31, 2024		November 30, 2023	
	Number of options outstanding	**Weighted average exercise price**	**Number of options outstanding**	**Weighted average exercise price**
Outstanding, beginning	675,000	$10.00	-	-
Granted	455,000	$7.1	675,000	$10.00
Forfeiture	(135,000)	$9.44	-	-
Outstanding, ending	**995,000**	**$8.84**	**675,000**	**$10.00**

As at August 31, 2024, the following stock options were outstanding:

Number of options	Exercise price	Expiry date	Number of options vested
385,000	$10.00	April 15, 2028	237,500
80,000	$10.00	May 3, 2028	40,000
80,000	$10.00	June 1, 2028	40,000
20,000	$10.00	September 18, 2028	5,000
15,000	$10.00	December 5, 2028	3,750
385,000	$7.00	January 8, 2029	35,000
30,000	$7.00	May 21, 2029	-
995,000			**361,250**

Certain stock options granted were directly attributable to expenditures on the exploration and evaluation properties and were therefore capitalized. For the nine months ended August 31, 2024, share based payments expense is classified within the interim financial statements as follows: operating expenses - $1,353 (2023 - $494) and exploration and evaluation properties $1,160 (2023 - $777) for total share based payments expense - $2,513 (2023 - $1,271). The total fair value of the stock options granted in the period, August 31, 2024 was estimated to be $1,830 (weighted average fair value of $4.30 per option), calculated using the Black-Scholes Option Pricing Model, which used the following weighted average assumptions:

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

9. SHARE CAPITAL (continued)

	Nine months ended August 31, 2024	Year ended November 30, 2023
Exercise price	$7.10	$10.00
Expected volatility	95%	76%
Expected life of option	5 years	5 years
Risk-free annual interest	3.67%	3.19%
Expected annual dividend	0%	0%
Forfeiture rate	0%	0%

d) **Deferred share units**

The movements in deferred share units ("DSUs") for the nine months ended August 31, 2024 and year ended November 30, 2023 are summarized as follows:

	Nine months ended August 31, 2024 Number of units	Year ended November 30, 2023 Number of units
Outstanding, beginning	-	-
Granted	7,544	-
Outstanding, ending	**7,544**	**-**

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.

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 nine months ended August 31, 2024 and 2023 is as follows:

Service or Item	August 31, 2024	August 31, 2023
	$	**$**
Directors' fees	73	90
Management, consulting fees and salaries (expensed and capitalized)	713	565
Share based compensation (expensed and capitalized)	1,672	590
Total Transactions	**2,458**	**1,245**

Included in accounts payable and accrued liabilities as at August 31, 2024 was $97 due to related parties (2023 - $46).

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

11. FLOW-THROUGH SHARE PREMIUM LIABILITY

The Company's flow-through share premium liability as at August 31, 2024 and November 30, 2023 consist of the following amounts:

	November 3, 2022	March 22,2023	November 17, 2023	March 27,2024	Total
	$	$	$	$	$
Balance as at November 30, 2023	**151**	**2,166**	**3,568**	**-**	**5,885**
Liability incurred on new flow-through shares issued	-	-	-	3,629	3,629
Settlement of flow-through share premium liability upon incurring eligible expenditures	(151)	(2,166)	(3,568)	(2,128)	(8,013)
Balance as at August 31, 2024	**-**	**-**	**-**	**1,501**	**1,501**

As at August 31, 2024, the Company had $4,794 (November 30, 2023 – $18,201) of flow-through expenditure commitments to fulfill the flow-through requirements. The Company reversed the associated flow-through share premium liability and recognised a deferred income tax recovery of $8,014 (2023 - $7,238) in the Company's condensed interim consolidated financial statements for the period ended August 31, 2024.

12. 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 and cash equivalents, accounts payable, accrued 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.

13. SEGMENT INFORMATION

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

14. 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 and cash equivalents totalling $2,295 represents the Company's maximum exposure to credit risk as at August 31, 2024 (2023 - $17,654).

Liquidity Risk

Without operating revenues, the Company is subject to liquidity risk such that it may not be able to meets its obligations under its financial instruments as they fall due (Note 2). The Company manages this risk by maintaining cash balances 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.

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.

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 August 31, 2024, 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 currency risk could result in future gains or losses to the Company.

15. SUBSEQUENT EVENT

On September 23, 2024 the Company issued 12,000 common shares of the Company valued at $33 ($2.78 per share) to Ravenclan Ltd. pursuant to the mineral property purchase agreement to acquire the Shorty West mineral claim, which is adjacent to the flagship Yellowknife Lithium Project.

On October 23, 2024, the Company announced a $21,250 strategic investment by way of a non-brokered private placement financing for 2,694,895 flow-through common shares at a price of $5.6575 per flow-through common share for gross proceeds of $15,246 and 1,645,000 hard dollar common shares at a price of $3.65 per common share for gross proceeds of $6,004. The closing is expected to occur on or before November 12, 2024.