LITHIUMBANK RESOURCES CORP.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

(Expressed in Canadian dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
LithiumBank Resources Corp.

Opinion

We have audited the accompanying consolidated financial statements of LithiumBank Resources Corp. (the "Company"), which comprise the consolidated statements of financial position as at September 30, 2025 and 2024 and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company had an accumulated deficit of $29,603,328 and working capital of $2,990,654 as at September 30, 2025 and will require further financing to meet its financial obligations and sustain its operations in the normal course of business. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. 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.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matter described below to be the key audit matter to be communicated in our auditor's report.

Assessment of Impairment Indicators of Exploration and Evaluation Assets ("E&E Assets")

As described in Note 7 to the consolidated financial statements, the carrying amount of the Company's E&E Assets was $4,360,372 as of September 30, 2025. As more fully described in Notes 2 and 3 to the consolidated financial statements, management assesses E&E Assets for indicators of impairment at each reporting period.

The principal considerations for our determination that the assessment of impairment indicators of the E&E Assets is a key audit matter are that there was judgment made by management when assessing whether there were indicators of impairment for the E&E Assets, specifically relating to the assets' carrying amount which is impacted by the Company's intent and ability to continue to explore and evaluate these assets. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of indicators of impairment that could give rise to the requirement to prepare an estimate of the recoverable amount of the E&E Asset.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. Our audit procedures included, among others:

- Evaluating management's assessment of impairment indicators.
- Evaluating the intent for the E&E Assets through discussion and communication with management.
- Reviewing the Company's recent expenditure activity.
- Obtaining, on a test basis through government websites, confirmation of title to ensure mineral rights underlying the E&E Assets are in good standing.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes 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 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.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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 year 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 Zachary Faure.

Davidson & Company LLP

Vancouver, Canada | Chartered Professional Accountants

January 16, 2026

LITHIUMBANK RESOURCES CORP.
Consolidated Statements of Financial Position
As at September 30, 2025 and 2024
(Expressed in Canadian dollars)

	Notes	September 30, 2025 $	September 30, 2024 $
Assets			
Current assets			
Cash and cash equivalents	5	3,510,977	4,889,037
Goods and Services Tax receivable		25,689	579,116
Prepaid expenses, deposits and other receivables	6	143,133	232,955
Amounts receivable		-	374,305
Lease receivables	12	96,807	-
		3,776,606	6,075,413
Non-current assets			
Advance on intangible assets	8	-	4,027,847
Exploration and evaluation assets	7	4,360,372	2,775,982
Lease receivables	12	52,141	-
Total Assets		8,189,119	12,879,242
Liabilities and Shareholders' Equity			
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	13	426,702	1,804,218
Decommissioning liability	7	180,000	180,000
Lease liability	11	-	246,683
Flow-through premium liability	14	179,250	-
Total Liabilities		785,952	2,230,901
Shareholders' Equity			
Share capital	14	30,238,916	26,945,334
Reserves	14	6,767,579	5,200,156
Deficit		(29,603,328)	(21,497,149)
Total Shareholders' Equity		7,403,167	10,648,341
Total Liabilities and Shareholders' Equity		8,189,119	12,879,242

Nature of operations and going concern (Note 1)
Subsequent events (Note 20)

These consolidated financial statements were approved for issue by the Board of Directors on January 16, 2026 and signed on its behalf by:

"Robert Shewchuk"
Director

"Paul Matysek"
Director

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

LITHIUMBANK RESOURCES CORP.
Consolidated Statements of Loss and Comprehensive Loss
For the years ended September 30, 2025 and 2024
(Expressed in Canadian dollars)

	Notes	Year Ended September 30, 2025 $	Year Ended September 30, 2024 $
Operating expenses			
Amortization of right-of-use assets		-	78,424
Consulting fees	13	456,127	488,929
Depreciation	9	-	44,372
Directors' fees	13	108,000	215,000
Exploration and evaluation	7, 13	1,918,385	7,938,116
Finance fees		14,337	29,886
General and administration	13	149,219	269,126
Lease interest	11	3,082	17,718
Management fees	13	780,000	1,957,300
Marketing and communications		252,093	637,808
Professional fees		157,725	195,809
Regulatory and transfer agent		76,691	121,258
Share-based payments	13, 14	467,595	1,701,742
Travel		62,834	182,174
		(4,446,088)	(13,877,662)
Other income (expense)			
Gain on sale of exploration and evaluation assets	4	-	10,111,999
Cancellation fees paid on sale agreement	4	-	(3,000,000)
Impairment of property, plant and equipment	9	-	(496,846)
Impairment of exploration and evaluation assets	7	-	(4,533)
Impairment of right-of-use lease asset	10	-	(392,116)
Impairment of advance on intangible assets	8	(4,027,847)	-
Reversal of impairment of right-of-use assets		174,697	-
Finance income	12	5,301	-
Interest income		105,754	330,812
Foreign exchange		6,834	(16,707)
Part XII.6 tax		4,420	(123,000)
Recovery of flow-through premium liability	14	70,750	2,715,889
		(3,660,091)	9,125,498
Loss and comprehensive loss		(8,106,179)	(4,752,164)
Basic and diluted loss per common share		(0.14)	(0.10)
Weighted average number of common shares outstanding – basic and diluted		56,359,375	47,245,722

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

LITHIUMBANK RESOURCES CORP.

Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian dollars)

	Share Capital				
	Number of Shares #	Amount $	Reserves $	Deficit $	Shareholders' Equity $
Balance, September 30, 2023	42,376,439	19,827,867	3,235,931	(16,744,985)	6,318,813
Share issuance costs – private placement	3,506,500	3,261,045	245,455	-	3,506,500
Share issuance costs – compensation warrants	-	(86,550)	-	-	(86,550)
Issuance of flow-through common shares	-	(17,028)	17,028	-	-
Share options exercised	4,000,000	3,960,000	-	-	3,960,000
Share-based payments	-	-	1,701,742	-	1,701,742
Loss for the year	-	-	-	(4,752,164)	(4,752,164)
Balance, September 30, 2024	49,882,939	26,945,334	5,200,156	(21,497,149)	10,648,341
Issuance of common shares – private placement	8,250,199	1,847,270	1,040,299	-	2,887,569
Share issuance costs	-	(244,159)	-	-	(244,159)
Share issuance costs – compensation warrants	-	(59,529)	59,529	-	-
Issuance of flow-through shares	5,000,000	2,000,000	-	-	2,000,000
Flow-through share premium	-	(250,000)	-	-	(250,000)
Share-based payments	-	-	467,595	-	467,595
Loss for the year	-	-	-	(8,106,179)	(8,106,179)
Balance, September 30, 2025	63,133,138	30,238,916	6,767,579	(29,603,328)	7,403,167

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

LITHIUMBANK RESOURCES CORP.

Consolidated Statements of Cash Flows

For the years ended September 30, 2025 and 2024

(Expressed in Canadian dollars)

	Year Ended September 30, 2025 $	Year Ended September 30, 2024 $
OPERATING ACTIVITIES		
Loss for the year	(8,106,179)	(4,752,164)
Add items not affecting cash:		
Amortization of right-of-use assets	-	78,424
Depreciation	-	44,372
Gain on sales of exploration and evaluation assets	-	(10,111,999)
Impairment of exploration and evaluation assets	-	4,533
Impairment of property, plant and equipment	-	496,845
Impairment of advance on intangible assets	4,027,847	-
Impairment of right-of-use assets	-	392,116
Reversal of impairment of right-of-use assets	(174,697)	-
Lease finance income	(5,301)	-
Lease finance costs	3,081	17,718
Recovery of flow-through premium liability	(70,750)	(2,715,889)
Shared-based payments	467,595	1,701,742
Changes in non-cash working capital items:		
Deposits	-	132,087
Deposits received	-	(250,000)
Goods and Services Tax receivable	553,427	(472,320)
Prepaid expenses, deposits and other receivables	464,127	(140,957)
Accounts payable and accrued liabilities	(1,377,516)	658,514
Net cash used in operating activities	(4,218,366)	(14,916,978)
INVESTING ACTIVITIES		
Acquisition of exploration and evaluation assets	(1,584,390)	(3,280,508)
Acquisition of property, plant and equipment	-	(541,217)
Proceeds of sales of option and exploration and evaluation assets, net of transaction costs	-	14,620,284
Receipts on lease receivables	31,050	-
Advance on intangible assets	-	(67,847)
Net cash provided by (used in) investing activities	(1,553,3400)	10,730,712
FINANCING ACTIVITIES		
Repayment of advance from line of credit	-	(600,000)
Proceeds from issuance of flow-through shares	2,000,000	-
Proceeds from private placement, net	2,643,410	3,419,950
Repayment on lease liability	(249,764)	(241,575)
Net cash provided by financing activities	4,393,646	2,578,375
Change in cash and cash equivalents during the year	(1,378,060)	(1,607,891)
Cash and cash equivalents, beginning of the year	4,889,037	6,496,928
Cash and cash equivalents, end of the year	3,510,977	4,889,037

Supplemental disclosures with respect to cash flows (Note 19)

1. NATURE OF OPERATIONS AND GOING CONCERN

LithiumBank Resources Corp. (the "Company") was incorporated under the *Business Corporations Act* (British Columbia) on May 31, 2019 and is a public company listed on the TSX Venture Exchange (the "TSXV") under the symbol "LBNK". In addition, the Company trades on the OTC Market trading platform in the United States under the trading symbol "LBNKF". The Company's registered and records office is located at 10^{th} floor, 595 Howe Street, Vancouver, British Columbia, Canada, V6C 2T5.

The Company is a resource company with mineral properties in Alberta and Saskatchewan. The Company is in the process of exploring and developing its mineral properties. The recoverability of the amounts shown for mineral properties is dependent upon the existence of economically recoverable reserves, successful permitting, the ability of the Company to obtain necessary financing to complete exploration and development, and upon future profitable production or proceeds from disposition of each mineral property. Furthermore, the acquisition of title to mineral properties is a complicated and uncertain process, and while the Company has taken steps in accordance with normal industry standards to verify its title to the mineral properties in which it has an interest, there can be no assurance that such title will ultimately be secured. The carrying amounts of exploration and evaluation assets are based on costs incurred to date, and do not necessarily represent present or future values.

These consolidated financial statements have been prepared under the assumption that the Company will continue as a going concern. The going concern basis of presentation assumes that the Company will be able to meet its obligations and continue its operations for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. Realization values may be substantially different from the carrying values as shown. These consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classifications of assets and liabilities should the Company be unable to continue as a going concern. Those adjustments could be material.

The Company has incurred losses since its inception and the ability of the Company to continue as a going concern depends upon its ability to raise adequate financing and to develop profitable operations. As of September 30, 2025, the Company has accumulated a deficit of $29,603,328 and has working capital of $2,990,654. However, based on the Company's 2025 budget, the Company will require further financing to meet its financial obligations and sustain its operations in the normal course of business. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The Company's ability to meet its long-term business strategy depends on its ability to obtain additional equity debt or equity financing and to generate operational cash flow from product sales and commercial services revenue. The Company may not be able to raise additional financing on terms agreeable to the Company, or at all.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, trade and tariff policies, pandemics, relations between NATO and the Russian Federation regarding the situation in Ukraine, and potential economic global challenges, such as the risk of higher inflation and the energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business. To date, the impact on the Company's operations has been minimal; however, management continues to monitor the situation.

2. BASIS OF PREPARATION

[a] Statement of compliance

These consolidated financial statements, including comparatives, have been prepared using accounting policies consistent with IFRS Accounting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

The consolidated financial statements of the Company as at September 30, 2025 and 2024 and for the years then ended were approved and authorized for issue by the Board of Directors on January 16, 2026.

[b] Basis of measurement

These consolidated financial statements have been prepared on a historical cost basis, except for the revaluation of certain financial assets and financial liabilities to fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements.

[c] Basis of consolidation

The Company's consolidated financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are entities controlled by the Company, where control is achieved by the Company being exposed, or having rights, to variable returns from its involvement with the entity and having the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Company and are deconsolidated from the date that control ceases. As at September 30, 2024 and 2025, the Company's wholly owned subsidiary is 2277445 Alberta Ltd.

All intercompany transactions, balances, income and expenses are eliminated on consolidation.

[d] Critical accounting judgments, estimates and assumptions

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2. BASIS OF PREPARATION (CONTINUED)

[d] Critical accounting judgments, estimates and assumptions (continued)

Critical Judgments

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements:

i. The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty (Note 1).

ii. Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfer and title may be affected by undetected defects.

iii. Management is required to assess exploration and evaluation assets for impairment. As part of this assessment, management must make an assessment as to whether there are indicators of impairment. The Company considers both internal and external sources of information when assessing whether there are indications of impairment for the Company's exploration and evaluation assets. If there are indicators, management performs an impairment test on the major assets within this balance.

iv. Judgment is required in determining whether deferred tax assets are recognized in the consolidated statements of financial position. Deferred tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets.

Estimation Uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the current and next fiscal financial years:

i. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the date of the consolidated statements of financial position could be impacted.

ii. The inputs used in valuing share-based payments are subject to estimation uncertainty. The Company uses the fair value method to account for all share-based awards granted, modified or settled, and the Black-Scholes option pricing model to determine the fair value of stock options granted. As such, a share-based payment is recorded based on the estimated fair value of options with a corresponding credit to reserves. Significant estimates in the Black-Scholes option pricing model include the risk-free interest rate, estimated annualized volatility and the expected life.

iii. Depreciation of equipment is charged to write-down the value of those assets to their residual value over their respective estimated useful lives. Management is required to assess the useful economic lives and residual values of the assets such that depreciation is charged on a systematic basis to the current carrying amount. The useful lives are estimated having regard to such factors as asset maintenance, rate of technical and commercial obsolescence, and asset usage. The useful lives of key assets are reviewed annually.

2. BASIS OF PREPARATION (CONTINUED)

[d] Critical accounting judgments, estimates and assumptions (continued)

Estimation Uncertainty (continued)

iv. Recorded costs of exploration and evaluation assets are not intended to reflect present or future values of these properties. The recorded costs are subject to measurement uncertainty, and it is reasonably possible, based on existing knowledge, that a change in future conditions could require a material change in the recognized amount.

v. The Company estimates the recoverable amount of property, plant and equipment, which is the higher of fair value less costs of disposal and value in use. Determining whether impairment indicators exist and estimating the recoverable amount involves significant judgment, with key assumptions subject to uncertainty due to external market conditions and operational factors.

vi. Upon retirement of the Company's exploration and evaluation assets, decommissioning costs will be incurred. Estimating these costs involves significant uncertainty related to the methods, timing, and scope of future decommissioning activities. The decommissioning liability, associated asset, and related expenses are subject to estimation uncertainties concerning the expected costs and timing of decommissioning. Additionally, the Company must estimate the inflation and discount rates applied in valuing the decommissioning liability.

3. MATERIAL ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below and have been applied to all the years presented, unless otherwise stated.

[a] Foreign currency translation

The functional currency of the Company and of its subsidiary is the currency of the primary economic environment in which they operate. The consolidated financial statements are presented in Canadian dollars, which is also the Company's and its subsidiary's functional currency. Transactions in other than an entity's functional currency are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the consolidated statements of financial position date while non-monetary assets and liabilities are translated at historical rates. Expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

[b] Loss per share

Basic loss per share is computed by dividing the net loss available to common shareholders by the weighted average number of shares outstanding during the period. The dilutive effect on earnings (loss) per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. Diluted loss per share excludes all dilutive potential common shares if their effect is anti-dilutive.

[c] Cash and cash equivalents

Cash and cash equivalents includes cash on hand at Canadian financial banking institutions and variable rate guaranteed investment certificates that are redeemed on demand or have original maturities of three months or less. When cash or cash equivalents are not available for use directly by the Company to finance general operations as a result of contractual or other specific obligations, it is classified as restricted cash.

[d] Exploration and evaluation assets

Exploration and evaluation assets include costs to acquire rights to explore.

Expenditures relating to exploration activities are expensed as incurred and expenditures relating to pre-extraction activities are expensed as incurred until such time proven or probable reserves are established for that project, after which subsequent expenditures relating to development activities for that particular project are capitalized as incurred. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

Proceeds from the sale of exploration and evaluation assets received from option payments are recorded as a reduction of the related mineral property interest.

The carrying values of exploration and evaluation properties are assessed for impairment by management whenever indicators of impairment exist. An impairment loss is recognized if it is determined that the carrying value exceeds the recoverable amount.

[e] Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work are capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as the related asset.

The Company’s estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the rehabilitation provision. The Company’s estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period.

[f] Impairment of long-lived assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than 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 ("CGU") to which the asset belongs.

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

[g] Property, plant and equipment

The Company records equipment using the cost method, whereby equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is recorded over the useful lives of the assets on a declining balance basis at the following annual rates.

Leasehold improvement	over expected term of lease
Processing equipment	30%
Furniture	15%

An item of equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss.

Where an item of equipment is composed of major components with different useful lives, the components are accounted for as separate items of equipment. Expenditures incurred to replace a component of an item of equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

[h] Income taxes

Income tax is recognized in profit or loss, except to the extent that it relates to items recognized directly in equity.

Deferred income tax is recognized using the liability method on temporary differences arising between the tax and accounting bases of assets and liabilities, as well as for the benefit of losses available to be carried forward to future years. Deferred income tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction does not affect either accounting or taxable profit or loss. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable loss; or differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the consolidated statements of financial position date. Deferred income tax assets are recognized only to the extent that it is probable that future profit will be available against which assets can be utilized.

[i] Leases

As a lessee

At lease commencement date, the Company recognizes a right-of-use (“ROU”) asset and a lease liability on the statement of financial position. The Company depreciates the ROU asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The Company also assesses the ROU asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available. If the interest rate implicit in the lease is not readily available, the Company discounts using the Company’s incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in-substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the ROU asset, or profit and loss if the ROU asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a ROU asset and lease liability, the payments in relation to short-term rental of equipment are recognized as an expense in profit or loss on a straight-line basis over the lease term. On the consolidated statements of financial position, the ROU asset has been included under non-current assets and lease liability has been included under current liabilities.

As a lessor

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand- alone prices.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

[i] Leases (Continued)

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term as part of 'finance income'.

[j] Share-based payments

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and expensed over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if the fair value of the goods or services cannot be reliably measured and is recorded at the date the goods or services are received. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. Proceeds from the exercise of stock options and warrants are recorded as share capital in the amount for which the option or warrant enabled the holder to purchase a share in the Company. Any previously recorded share-based payment included in the reserves account is transferred to share capital on exercise of options. Share capital issued for non-monetary consideration is valued at the closing market price at the date of issuance.

[k] Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, and the net amount is reported in the consolidated statements of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

[k] Financial instruments (continued)

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit or loss (“FVTPL”), at fair value through other comprehensive income (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held-for-trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. At September 30, 2025 and 2024, the Company had no financial instruments classified as FVTOCI.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held-for-trading or derivatives) or if the Company has opted to measure them at FVTPL.

The Company’s financial instruments include cash and cash equivalents, amounts receivable, lease receivable, accounts payable, accrued liabilities, and lease liability all of which are measured at amortized cost.

Measurement

Financial assets and liabilities at amortized cost

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

Financial assets and liabilities at FVTPL

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

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If, at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve-month expected credit losses. The Company shall recognize in the consolidated statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

[k] Financial instruments (continued)

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of loss and comprehensive loss.

Financial liabilities

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

[l] Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares are recognized as a deduction from equity, net of any tax effects.

Flow-through common shares are a type of common share and are securities permitted by Canadian Income Tax Legislation whereby the investor can claim the tax deductions arising from the renunciation of the related resource expenditures. The Company accounts for flow-through shares whereby any premium paid for the flow-through shares in excess of the market value of the common shares without flow-through features at the time of issue is credited to flow-through premium liability. The flow-through premium liability is included in profit or loss as the qualifying expenditures are incurred on a pro-rata basis.

The Company may issue units consisting of common shares and common share purchase warrants. The Company estimates the fair value of the common shares based on their market price on the share issuance date. The residual difference, if any, between the unit price and the fair value of each common share represents the fair value attributable to each warrant.

[m] Application of new and revised accounting standards

New standards, interpretations and amendments

Classification of liabilities as current or non-current (amendments to International Accounting Standard ("IAS") 1 Presentation of Financial Statements*)*

The amendments to IAS 1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. These amendments are effective for reporting periods beginning on or after January 1, 2024.

(Expressed in Canadian dollars)

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

[m] Application of new and revised accounting standards (Continued)

Implementation of this new standard did not significantly impact the consolidated financial statements.

Future standard not yet adopted

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1. This standard aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 *Statement of Cash Flows*. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

The Company is currently assessing the impact the new standard will have on its consolidated financial statements.

4. ASSET DISPOSTIONS

On July 28, 2023, the Company entered into a definitive assets purchase agreement with Pristine Lithium Corp. (“Pristine”), whereby the Company would sell to Pristine the Company’s three lithium brine projects located in Saskatchewan. The definitive asset purchase agreement with Pristine was terminated and the Company paid to Pristine a break-fee of $3,000,000 and returned to Pristine its deposit of $250,000 on December 20, 2023.

On December 20, 2023, the Company entered into an option agreement with an arm’s length party, whereby the Company granted the optionee the option to purchase one or more of the Company’s three lithium brine projects in Saskatchewan. Concurrently with entering into the option agreement, the optionee paid the Company a non-refundable deposit of $8,000,000. The optionee had the right to exercise one or more of the options by paying the applicable purchase price, as set out in the option agreement, less the deposit, to the Company at any time until March 31, 2024, upon which time the options automatically terminated.

On March 28, 2024, the optionee elected to exercise its option to purchase one of the three properties included in the option agreement. The Company’s Estevan lithium brine project was sold and the Company received $7,000,000 in addition to the $8,000,000 non-refundable deposit paid to the Company by the optionee in December 2023.

	September 30, 2024 $
Proceeds from option agreement for Saskatchewan properties	8,000,000
Proceeds from exercise of option to purchase Estevan property	7,000,000
Less: Assets held for sales balances	(4,508,285)
Asset sale related costs	(379,716)
Gain on sale of exploration and evaluation assets	10,111,999

(Expressed in Canadian dollars)

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash held in banks and a term deposit as follows:

	September 30, 2025 $	September 30, 2024 $
Cash	382,227	1,360,287
Term deposit	3,128,750	3,528,750
	3,510,977	4,889,037

As at September 30, 2025, the Company has one term deposit in the amount of $28,750 (2024 - $28,750) maturing on January 2, 2026 with interest at prime less 2.70%. As at September 30, 2025, the Company held $3,100,000 (2024 - $3,500,000) in a redeemable guaranteed investment certificate ("GIC") with a one-year term and an interest rate of 2.60% (2024: 4.65%).

6. PREPAID EXPENSES, DEPOSITS AND OTHER RECEIVABLES

Prepaid expenses, deposits and other receivables consist of:

	September 30, 2025 $	September 30, 2024 $
Administration and insurance	24,525	72,930
Geological and drilling related advances	5,122	36,837
Deposits	17,913	17,913
Other receivables	81,054	-
GIC interest receivables	14,519	105,275
	143,133	232,955

7. EXPLORATION AND EVALUATION ASSETS

Boardwalk, Park Place and Peace Properties are located in northern Alberta and were acquired directly through the Alberta government by claim staking. The Saskatchewan properties were acquired by auction directly from the Saskatchewan government. The Kindersley properties are located in west-central Saskatchewan near the Alberta border and the South properties are located along the southern border of Saskatchewan with the United States. The Company is required to make annual payments to Alberta and Saskatchewan to maintain the rights to the wholly owned properties.

The Company recorded a decommissioning liability of $180,000 related to the acquisition of an existing oil and gas well on the Boardwalk property. The total undiscounted cash flow estimated to settle the obligations as at September 30, 2025 is $182,000 (2024 - $186,000), which was adjusted for inflation at a rate of 1.90% (2024 – 1.9%) and then discounted at a rate of 2.47% (2024 - $2.84%). The related costs are expected to be incurred beginning in three years.

(Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

The following table summarizes the Company's exploration and evaluation assets transactions for the years ended September 30, 2025 and 2024:

	Balance, September 30, 2023 $	Acquisition, net of recoveries $	Impairment $	Balance, September 30, 2024 $	Acquisition $	Impairment $	Balance, September 30, 2025 $
Boardwalk – AB	15,500	909,646	-	925,146	560,017	-	1,485,163
Park Place – AB	46,625	1,645,326	-	1,691,951	793,392	-	2,485,343
Peace – AB	2,500	103,250	-	105,750	48,720	-	154,470
Simonette – AB	2,594	1,939	(4,533)	-	-	-	-
Kindersley – SK	-	34,993	-	34,993	92,017	-	127,010
South – SK	-	18,142	-	18,142	90,244	-	108,386
	67,219	2,713,296	(4,533)	2,775,982	1,584,390	-	4,360,372

On July 31, 2020, and amended on November 26, 2021 and March 28, 2024, in connection with certain consulting services, the Company granted, to a related party (Note 13[c]), an overriding revenue royalty ("ORR") equal to 2% of the gross proceeds realized from the sale of all products produced on select claims. The agreement contains a buy-back right whereby the Company has the option to purchase from the royalty holder, and to require the royalty holder to sell to the Company, half of the royalty holder's royalty (1%) to the Company for aggregate consideration of $2,000,000.

<u>Exploration Expenditures</u>

The following table summarizes the Company's exploration expenditures:

	Year Ended September 30, 2025 $	Year Ended September 30, 2024 $
Geological consulting and related	836,170	1,526,983
Sampling and related	206,261	1,266,329
Warehouse, pilot plant and related	707,442	1,197,770
Well, drilling and related	168,512	3,947,034
Total	1,918,385	7,938,116

8. ADVANCE ON INTANGIBLE ASSETS

On September 8, 2023, G2L Greenview Resources Inc. ("G2L"), a subsidiary of Go2Lithium Inc., entered into an agreement with the Company to grant a license to use G2L technology in Alberta and Saskatchewan for a full suite of continuous ion exchange technologies. The Direct Lithium Extraction ("DLE") technology can be used to extract lithium salts from enriched brines present at the Company's lithium development projects. In consideration for the License, the Company agreed to issue up to 14,000,000 common shares in the capital of the Company to G2L upon achievement a number of defined milestones.

(Expressed in Canadian dollars)

8. ADVANCE ON INTANGIBLE ASSETS (continued)

Upon issuance of the consideration shares pursuant to the License agreement, G2L would grant the Company a royalty-free, perpetual and non-transferrable license (the "License") to use and exploit the Licensed intellectual property in Alberta and Saskatchewan, in any manner whatsoever, including the right to grant sublicenses in accordance with the agreement. The Company had issued all consideration shares and therefore had not acquired all of the rights to the License. As such, all payments were recorded as an advance payment on the acquisition, including the initial issuance of 4,000,000 common shares with a fair value of $3,960,000 and legal and filing fees amounting to $67,847 incurred in connection with the License agreement.

In March 2025, the G2L equipment was removed from the Company's warehouse and the Company recognized a $4,027,847 impairment of its Advance on intangible assets. The Company and G2L entered into a termination and release agreement to terminate the license agreements, the intellectual property agreement, technology services agreement and all statement of services pursuant to a technology services agreement.

9. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvement $	Processing equipment $	Furniture $	Total $
Cost:				
At September 30, 2023	-	-	-	-
Additions	521,620	11,588	8,010	541,218
At September 30, 2024 and 2025	521,620	11,588	8,010	541,218
Accumulated depreciation and impairment				
At September 30, 2023	-	-	-	-
Depreciation	(43,203)	(869)	(300)	(44,372)
Impairment	(478,417)	(10,719)	(7,710)	(496,846)
At September 30, 2024 and 2025	(521,620)	(11,588)	(8,010)	(541,218)
Net Book Value:				
At September 30, 2024	-	-	-	-
At September 30, 2025	-	-	-	-

10. RIGHT-OF-USE LEASE ASSET

The Company entered into a three-year warehouse lease agreement commencing on April 1, 2024 for which the warehouse was used for pilot plant operation. During the year ended September 30, 2024, the Company identified indicators of impairment and performed an impairment assessment to estimate the recoverable amount of the related assets. The Company applied the fair value less costs of disposal method and concluded that no economic benefits could be realized from the pilot plant. Consequently, the recoverable amount was determined to be $nil, leading to the full impairment of the related property, plant and equipment balances and right-of-use lease asset during the year ended September 30, 2024. Pilot plant testing continued through to December then the plant closed by March 31, 2025. Effective June 1, 2025, the Company entered into an agreement to sublease the warehouse to March 31, 2027 at a rate of $8,871 per month.

(Expressed in Canadian dollars)

11. LEASE LIABILITY

	$
Balance, September 30, 2023	-
Addition	470,540
Interest expense	17,718
Lease payments	(241,575)
Balance, September 30, 2024	246,683
Interest expense	3,082
Lease payments	(249,765)
Balance, September 30, 2025	-

The Company's lease agreement for its Calgary warehouse (Note 10) commenced on April 1, 2024. Pursuant to this agreement, the Company was obligated to pay basic rent in total of $491,340 for three years. The Company is also required to pay operating costs, property tax and management fees. On April 12, 2024, the Company prepaid 18 months' rent totalling $241,575, and the remaining base rent of $249,765 was paid in November 2024.

12. LEASE RECEIVABLES

During the year ended September 30, 2025, the Company sub-leased the warehouse that has been presented as a lease receivable.

During the year ended September 30, 2025, the Company recognized finance income on lease receivables amounting to $5,301 (2024 - $nil).

The following table sets out a maturity analysis of lease receivables showing the undiscounted lease payments to be received after September 30, 2025.

	$
Less than one year	106,457
One to two years	53,229
Total undiscounted lease receivables	159,686
Unearned finance income	(10,738)
Net investment in lease	148,948
Current portion	96,807
Non-current portion	52,141
Total lease receivables	148,948

(Expressed in Canadian dollars)

13. RELATED PARTY TRANSACTIONS AND BALANCES

[a] Key management compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. Compensation to key management during the years ended September 30, 2025 and 2024 were as follows:

	Year Ended September 30, 2025 $	Year Ended September 30, 2024 $
Consulting fees	-	68,500
Directors' fees	108,000	215,000
Exploration and evaluation	288,000	190,000
Management fees	780,000	1,975,300
Share-based payments	282,636	1,327,042
Total	1,458,636	3,775,842

[b] Amounts due to related parties

As at September 30, 2025, included in accounts payable and accrued liabilities is $288,951 (2024 - $111,882) owed to related parties. These amounts are unsecured, non-interest-bearing and due on demand.

[c] Other related party transactions

During the year ended September 30, 2025, $15,696 (2024 - $43,040) of general and administration expense was paid to Fehr & Associates, a corporation controlled by the CFO, that were attributable to costs directly associated with office space, accounting services and administration staff used by the Company.

The Company granted a 2% ORR to 2271603 Alberta Ltd., a company owned by the chief executive officer. The fair value of the ORR was determined to be $nil (Note 7).

During the year ended September 30, 2025, the Company paid $15,256 (2024 - $43,040) to a corporation owned by an officer for administration and accounting work, which was expensed as office and administration.

14. SHARE CAPITAL

[a] Authorized

The authorized share capital of the Company as at September 30, 2025 and 2024 consists of an unlimited number of common shares without par value.

14. SHARE CAPITAL (CONTINUED)

[b] Issued

On October 19, 2023, the Company completed a non-brokered private placement at price of $1.00 per unit for 3,506,500 units, for aggregate gross proceeds of $3,506,500. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant (“Warrant”). Each Warrant entitles the holder to purchase an additional share at a price of $1.50 for a period of 24 months from the date of issuance. The Company paid the following finders’ fees to certain eligible finders in connection with the offering: (i) a cash commission in the aggregate amount of $41,640; and (ii) 40,290 non-transferable common share purchase warrants of the Company (“Finder Warrants”), Each Finder Warrant is exercisable to acquire one unit of the Company (a “Finder Unit”) at a price of $1.00. Each Finder Unit is comprised of one share and one-half of one Warrant, with each Warrant entitling the holder thereof to purchase an additional share at a price of $1.50 for a period of 24 months from the date of issuance with a fair value of $17,028. Share issuance costs of $86,550 were incurred in this private placement.

On November 21, 2023, the Company issued 4,000,000 common shares to G2L with a fair value of $3,960,000 (Note 8).

On April 4, 2025, the Company completed a non-brokered private placement and issued 5,000,000 flow-through units at a price of $0.40 per unit for gross proceeds of up to $2,000,000. Each unit consists of one flow-through common share of the Company issued as a "flow-through share" and one-half of one common share purchase warrant (each whole common share purchase warrant, a "FT Warrant"). Each FT Warrant entitles the holder to purchase one common share of the Company at a price of $0.60 within 36 months of the date of issue. In connection with the offering, the Company issued 350,000 finders' warrants, where the warrant is exercisable into one common share of the Company at a price of $0.35 on or before 36 months from the date of issue. The allocation of the proceeds of $2,000,000 was as follows: $1,350,000 was assigned to share capital, $400,000 was allocated to warrants using the residual value method and $250,000 was assigned to flow-through liability.

On April 4, 2025 and April 8, 2025, the Company completed a further non-brokered private placement of 8,250,199 Listed Issuer Financing Exemption units of the Company (“LIFE Units") for gross proceeds of $2,887,569. Each LIFE Unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant of the Company (each whole warrant, a "Warrant") The Company allocated the value of the share purchase warrant using the residual value method according to Company’s accounting policy for a total of $660,016. Each Warrant entitles the holder to purchase one share for a period of 36 months from the date of issue at an exercise price of $0.50. In connection with the offering, the Company issued an additional 97,314 finders’ warrants, where the warrant is exercisable into one common share of the Company at a price of $0.35 on or before 36 months from the date of issue.

Other share issue costs amounting to $77,695 were paid for the above placements and together with cash finders’ fees $166,464 made total share issue cost $244,159 incurred for the placements.

(Expressed in Canadian dollars)

14. SHARE CAPITAL (CONTINUED)

[c] Common share purchase warrants

Common share purchase warrant transactions and the number of common share purchase warrants outstanding are summarized below:

	Number	Weighted Average Exercise Price $
Balance, September 30, 2023	5,006,769	2.00
Issued	1,753,250	1.50
Balance, September 30, 2024	6,760,019	1.87
Issued	6,625,099	0.54
Expired	(2,282,994)	2.00
Balance, September 30, 2025	11,102,124	1.05

Common share purchase warrants issued and exercisable as at September 30, 2025 are as follows:

Date of Expiry	Number of Warrants Outstanding and Exercisable	Exercise Price $
October 19, 2025*	1,753,250	1.50
May 15, 2026	2,723,775	2.00
April 4, 2028	2,500,000	0.60
April 4, 2028	3,149,285	0.50
April 8, 2028	975,814	0.50
	11,102,124	

** Expired unexercised subsequent to September 30, 2025*

The weighted average remaining life of the common share purchase warrants at September 30, 2025 is 1.66 years.

[d] Compensation warrants

Compensation warrant transactions and the number of compensation warrants outstanding are summarized below:

	Number	Weighted Average Exercise Price $
Balance, September 30, 2023	557,650	1.42
Issued	40,290	1.00
Expired	(241,138)	1.50
Balance, September 30, 2024	356,802	1.32
Issued	447,314	0.35
Expired	(124,140)	1.50
Balance, September 30, 2025	679,976	0.65

(Expressed in Canadian dollars)

14. SHARE CAPITAL (CONTINUED)

[d] Compensation warrants (Continued)

Compensation warrants issued and exercisable as at September 30, 2025 are as follows:

Date of Expiry	Number of Warrants Outstanding and Exercisable	Exercise Price $
October 19, 2025*	40,290	1.00
May 15, 2026	192,372	1.28
April 8, 2028	447,314	0.35
	679,976	

** Expired unexercised subsequent to September 30, 2025*

The weighted average remaining life of the compensation warrants as at September 30, 2025 is 1.84 years.

During the year ended September 30, 2024, the Company paid (i) a cash commission in the aggregate amount of $41,640, being up to 6% of the gross proceeds raised under the private placement from investors introduced to the Company by such finders; and (ii) 40,290 non-transferable Finder Warrants of the Company, being equal to 6% of the units sold under the private placement from investors introduced to the Company by such finders. Each Finder Warrant is exercisable to acquire one Finder Unit of the Company at a price of $1.00.

Each Finder Unit is comprised of one share and one-half of one Warrant, with each Warrant entitling the holder thereof to purchase an additional share at a price of $1.50 for a period of 24 months from the date of issuance. The Finder Warrants were recorded at a fair value of $17,028.

The fair value of the Finder Warrants was determined using the Black-Scholes option pricing model under the following assumptions: a risk-free interest rate of 4.88%, annualized volatility of 84.08%, an expected life of 2 years, nil dividend yield, $1.00 exercise price and a $0.93 share price.

The fair value of the 447,314 finder Warrants issued during the year ended September 30, 2025 was determined using the Black-Scholes option pricing model under the following assumptions: a risk-free interest rate of 2.47%, annualized volatility of 80.06%, an expected life of 3 years, nil dividend yield, $0.35 exercise price and a $0.28 share price. Total finders' warrants were valued at $59,529 during the year.

[e] Stock options

The Company adopted a fixed stock option plan, which was approved by shareholders on March 28, 2023. An aggregate of 7,700,000 common shares of the Company are reserved, set aside and allotted for issuance under the fixed option plan, representing 20% of the total number of issued and outstanding shares as of the date of implementation of the fixed option plan.

Each option agreement with the grantee sets forth, among other things, the number of options granted, the exercise price and the vesting conditions of the options. The options can be granted for a maximum term of 10 years and vest at the discretion of the Board of Directors. The options are required to have an exercise price of no less than the closing market price of the Company's shares on the day on which the Company announces the grant of options, less the applicable discount, if any, and approved by the Board of Directors.

(Expressed in Canadian dollars)

14. SHARE CAPITAL (CONTINUED)

[e] Stock options (Continued)

A continuity of stock options is as follows:

	Number	Exercise Price $
Balance, September 30, 2023	5,639,625	0.92
Granted	1,650,000	0.90
Expired	(200,000)	1.50
Balance, September 30, 2024	7,089,625	0.90
Forfeited	(30,000)	0.80
Balance, September 30, 2025	7,059,625	0.37

Stock options issued and exercisable as at September 30, 2025 are as follows:

Expiry Date	Exercise Price $	Number of Options Granted	Number of Options Exercisable
October 28, 2025*	0.20	1,000,000	1,000,000
December 1, 2025*	0.40	100,000	100,000
September 6, 2026	0.40	659,625	659,625
January 27, 2028	0.40	3,250,000	3,250,000
April 2, 2028	0.40	200,000	200,000
April 27, 2028	0.40	100,000	100,000
April 28, 2028	0.40	100,000	100,000
April 7, 2029	0.40	400,000	400,000
April 8, 2029	0.40	1,250,000	1,250,000
		7,059,625	7,059,625

**1,000,000 options were exercised subsequent to September 30, 2025 and 100,000 options expired unexercised.*

As at September 30, 2025, the weighted average remaining life for outstanding stock options was 2.14 years.

There were no options granted during the years ended September 30, 2025 and 2024. During the year ended September 30, 2025, the Company recognized share-based payments of $467,595 (2024 - $1,701,742) related to the vesting of stock options and the stock option re-pricing.

On April 30, 2025, the Company's shareholders approved an amendment to the exercise price of 6,059,625 stock options to $0.40. The Company recognized share based payment expense of $311,000 as at September 30, 2025 related to the re-pricing.

The weighted average assumption used in option re-pricing on April 30, 2025 was determined using the Black-Scholes option pricing model under the following assumptions: a risk-free interest rate of 2.48%, annualized volatility of 79.20%, an expected life of 2.87 years, nil dividend yield, $0.40 exercise price and a $0.26 share price.

[f] Shares in escrow

As at September 30, 2025, there were no common shares held in escrow (2024 – 2,751,000).

(Expressed in Canadian dollars)

14. SHARE CAPITAL (CONTINUED)

[g] Flow-through premium liability

As at September 30, 2025, the Company has a commitment to spend $1,433,996 before December 31, 2026 (2024: $nil). The following is a continuity of the liability portion of the flow-through share issuances:

	$
Balance, September 30, 2023	2,715,889
Flow-through premium liability additions	
Settlement of flow-through share premium liability pursuant to qualifying expenditures	(2,715,889)
Balance, September 30, 2024	-
Flow-through premium liability additions	250,000
Settlement of flow-through share premium liability pursuant to qualifying expenditures	(70,750)
Balance, September 30, 2025	179,250

15. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to ensure its ability to continue as a going concern in order to pursue the acquisition and development of mineral property interests. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company is largely dependent upon external financings to fund activities. To carry out planned acquisition and development and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes to the Company's approach to capital management during the year ended September 30, 2025. The Company is not subject to externally imposed capital restrictions but does expect to spend proceeds from the flow-through financing during the balance of the year (Note 14[f]).

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

[a] Fair value

IFRS 13 *Fair Value Measurement* establishes a fair value hierarchy for financial instruments measured at fair value that reflects the significance of inputs used in making fair value measurements as follows:

- Level 1 – quoted prices in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liabilities, either directly (i.e., as prices) or indirectly (i.e., from derived prices); and
- Level 3 – inputs for the asset or liability that are not based upon observable market data.

The Company's financial instruments include cash and cash equivalents, amounts receivable, lease receivable, deposits, lease liabilities, accounts payable and accrued liabilities, all of which are measured at amortized cost.

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

The Company's financial instruments are exposed to certain financial risks, which include foreign currency risk, interest rate risk, credit risk, liquidity risk and other price risk. The Company's risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company's exposure to these risks and its methods of managing the risks remain consistent.

[b] Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises for the Company from its cash and cash equivalents. Concentration of credit risk exists with respect to the Company's cash and cash equivalents, as all amounts are held at a major Canadian financial institution. Management believes credit risk is nominal, as cash is held in Canadian financial institutions and Goods and Services Tax is due from the Government of Canada.

The credit risk associated with cash and cash equivalents is minimized by ensuring that substantially all dollar amounts are held with a major financial institution with strong investment-grade ratings by a primary rating agency. The maximum credit risk is the cash and cash equivalents and receivables value of $3,510,977 (September 30, 2024 - $4,889,037).

[c] Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities. The Company is reliant upon equity issuances as its sole source of cash. The Company manages liquidity risk by maintaining an adequate level of cash and cash equivalents to meet its ongoing obligations. The Company continuously reviews its actual expenditures and forecasted cash flows and matches the maturity dates of its cash equivalents to capital and operating needs. The Company normally maintains sufficient cash to meet the Company's business requirements. As at September 30, 2025, the Company has a cash and cash equivalents balance of $3,510,977 (2024 - $4,889,037). Management estimates these funds are not sufficient to meet its current obligations. As of September 30, 2025, the Company has a working capital of $2,990,654 (2024 - $3,844,512), excluding flow-through premium liability.

[d] Market risk

<u>Interest rate risk</u>

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in the market interest rates. The Company's term deposit earns interest at prime less 2.4% and also earns interest from its GIC at prime less 4.65%. Fluctuations in the prime lending rate would have an insignificant impact on profit or loss in the period.

<u>Currency risk</u>

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company does not hold financial instruments in a foreign currency. As such, currency risk is insignificant.

(Expressed in Canadian dollars)

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or currency risk. The Company's ability to raise capital to fund exploration activities is subject to risks associated with fluctuations in the market price of lithium. The Company closely monitors commodity prices to determine appropriate courses of action to be taken.

17. SEGMENTED INFORMATION

The Company operates in one reportable segment, being the exploration and evaluation of mineral properties. All the Company's exploration and evaluation assets are located in Canada.

18. INCOME TAX

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

	Year Ended September 30, 2025 $	Year Ended September 30, 2024 $
Loss for the year	(8,106,179)	(4,752,164)
Expected income tax recovery	(2,189,000)	(1,283,000)
Impact of flow-through shares	269,000	1,706,000
Permanent differences	110,000	(1,641,000)
Adjustment to prior years' provision versus statutory tax returns	150,000	1,079,000
Share issuance costs	(66,000)	(23,000)
Change in unrecognized deductible temporary differences	1,726,000	162,000
Total income tax expense (recovery)	-	-

The significant components of the Company's deferred tax assets that have not been included on the consolidated statements of financial position are as follows:

	As at September 30, 2025 $	As at September 30, 2024 $
Deferred tax assets (liabilities)		
Exploration and evaluation assets	1,135,000	885,000
Property and equipment	1,232,000	213,000
Share issuance costs	158,000	192,000
Non-capital losses available for future periods	2,660,000	2,169,000
	5,185,000	3,459,000
Unrecognized deferred tax assets	(5,185,000)	(3,459,000)
Net deferred tax assets	-	-

(Expressed in Canadian dollars)

18. INCOME TAX (CONTINUED)

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statements of financial position are as follows:

Temporary Differences	As at September 30, 2025 $	Expiry Date Range	As at September 30, 2024 $	Expiry Date Range
Exploration and evaluation assets	4,205,000	No expiry date	3,279,000	No expiry date
Property and equipment	4,564,000	No expiry date	788,000	No expiry date
Share issuance costs	586,000	2046 to 2049	710,000	2045 to 2048
Non-capital losses available for future periods	9,851,000	2040 to 2045	8,034,000	2039 to 2044

19. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

	Year Ended September 30, 2025 $	Year Ended September 30, 2024 $
Non-cash investing and financing activities:		
Share issuance to settle advance on intangible assets	-	3,960,000
Right-of-use assets and lease liability	-	470,540
Exploration and evaluation asset recoveries in amounts receivable	-	374,305
Decommissioning liability	-	180,000
Lease receivables and reversal of impairment of right-of-use assets	174,697	-
Flow-through liability	250,000	-
Residual value of common share warrants	400,000	-
Fair value of compensation warrants	59,529	17,028

During the year ended September 30, 2025, the Company paid $nil (2024 - $29,886) in interest and taxes.

20. SUBSEQUENT EVENTS

Subsequent to September 30, 2025, the Company received approval under the Emissions Reduction Alberta ("ERA") Program administered by the Province of Alberta pursuant to the Emission Reduction Act. Under the terms of the program, the Company may be eligible to receive reimbursement of up to 50% of eligible expenditures upon the achievement of specified milestones, to a maximum aggregate amount of $3.9 million.

Subsequent to September 30, 2025, the Company granted 300,000 stock options with an exercise price of $0.58 per share.

Subsequent to September 30, 2025 the Company issued 1,000,000 common shares pursuant to the exercise of stock options for proceeds of $200,000.

Subsequent to September 30, 2025 the Company issued 109,025 common shares pursuant to the exercise of share purchase warrants for proceeds of $53,909.