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Victoria BC
1 877 526-1526

Annual Report

BC COMPANY

FORM 6
BUSINESS CORPORATIONS ACT
Section 51

Filed Date and Time: **January 28, 2026 03:43 PM Pacific Time**

ANNUAL REPORT DETAILS

NAME OF COMPANY

WHITEROCK LITHIUM CORP.
320 GRANVILLE STREET, SUITE 880
VANCOUVER BC V6C 1S9
CANADA

INCORPORATION NUMBER
C1445868

DATE OF RECOGNITION
October 23, 2023

DATE OF ANNUAL REPORT
(ANNIVERSARY DATE OF RECOGNITION IN BC)
October 23, 2025

NO OFFICER INFORMATION FILED .

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BC Registry Services

BC Company

ANNUAL REPORT

BUSINESS CORPORATIONS ACT, section 51

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Victoria BC V8W 9V3

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Freedom of Information and Protection of Privacy Act (FOIPPA): Personal information provided on this form is collected, used and disclosed under the authority of the FOIPPA and the *Business Corporations Act* for the purposes of assessment. Questions regarding the collection, use and disclosure of personal information can be directed to the Manager of Registries Operations at 1 877 526-1526, PO Box 9431 Stn Prov Govt, Victoria BC V8W 9V3

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A INCORPORATION NUMBER OF COMPANY

C1445868

B NAME OF COMPANY

Whiterock Lithium Corp.

C DATE OF RECOGNITION
YYYY/MM/DD
2023/10/23

D DATE OF ANNUAL REPORT
YYYY/MM/DD
2025/10/23

E PERSONS WHO HAVE BEEN APPOINTED AS OFFICERS

OFFICER NAME(S) AND ADDRESS(ES) – Enter the full name, delivery address, mailing address (if different) and office held of each of the company's officers, if any. The officer may select to provide either (a) the delivery address and, if different, the mailing address for the office at which the individual can usually be served with records between 9 a.m. and 4 p.m. on business days or (b) the delivery address and, if different, the mailing address of the individual's residence. The delivery address must not be a post office box. Attach an additional sheet if more space is required.

***Note:** Listing officer appointments on the annual report is **optional**. If you choose to include officer information, you cannot file any change to this information until you file the annual report for next year.*

FIRST NAME: No Officers Information Filed | MIDDLE NAME | LAST NAME

DELIVERY ADDRESS | CITY | PROV/STATE | COUNTRY | POSTAL CODE/ZIP CODE

MAILING ADDRESS | CITY | PROV/STATE | COUNTRY | POSTAL CODE/ZIP CODE

OFFICE(s) HELD (e.g. president, secretary, vice president)

FIRST NAME | MIDDLE NAME | LAST NAME

DELIVERY ADDRESS | CITY | PROV/STATE | COUNTRY | POSTAL CODE/ZIP CODE

MAILING ADDRESS | CITY | PROV/STATE | COUNTRY | POSTAL CODE/ZIP CODE

OFFICE(s) HELD (e.g. president, secretary, vice president)

F COMPANY CHANGES

A company must file with the registrar a notice of any change to the information shown in the Corporate Register. Please visit our website at www.bcreg.ca or phone 1 877 526-1526 for information on how to file these notices.

G CERTIFIED CORRECT - *I have read this form and found it to be correct.*

Note: It is an offence to make a false or misleading statement in respect of a material fact in a record submitted to the Corporate Registry for filing. See section 427 of the *Business Corporations Act*.

NAME OF APPLICANT: Dustin Nanos

SIGNATURE OF APPLICANT: X Signed by: Dustin Nanos 335F7BCF3F8F49B...

DATE SIGNED
YYYY / MM / DD
1/28/2026 | 11:40 AM PST

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WHITEROCK LITHIUM CORPORATION

(an exploration stage company)

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND DECEMBER 31, 2024

(Expressed in Canadian Dollars, Unless Otherwise Stated)

KINGSTON ROSS PASNAK LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Suite 1500, 9888 Jasper Avenue NW
Edmonton, Alberta T5J 5C6
T. 780.424.3000 | F. 780.429.4817 | W. krpgroup.com

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March 10, 2026
Edmonton, Alberta

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of WhiteRock Lithium Corp.

Opinion

We have audited the financial statements of WhiteRock Lithium Corp. (the Company), which comprise the statements of financial position as at December 31, 2024 and December 31, 2025, and the statements of income (loss) and comprehensive income (loss) , changes in shareholder's equity and cash flow for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and December 31, 2025, and the financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

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

Emphasis of Matter - Going Concern Uncertainty

We draw your attention to Note 1 in the financial statements, which indicates that the Company has incurred ongoing losses during the year ended December 31, 2025 and had a cumulative deficit as at December 31, 2025. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, 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.

Emphasis of Matter - Restated Comparative Information

We draw your attention to Note 2 in the financial statements, which explains that certain comparative information presented for the year ended December 31, 2024 has been restated to recognize a tax refund receivable from Revenu Quebec that had not been recorded in previously issued financial statements. Our opinion is not modified in respect of this matter.

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

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

(continues)

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Kingston Ross Pasnak LLP

Kingston Ross Pasnak LLP
Chartered Professional Accountants

WHITEROCK LITHIUM CORPORATION
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025 AND DECEMBER 31, 2024
(Expressed in Canadian dollars)

	December 31, 2025	December 31, 2024 As Restated (note 2)
ASSETS		
Current assets		
Cash	$ 243,441	$ 1,678,903
Investments (note 4)	63,466	5,000
Receivables (note 2 and 3)	136,861	1,207,846
Due from related party (note 8)	2,870	2,803
Prepaid expenses	58,522	43,233
Total current assets	505,160	2,937,785
Non-current assets		
Exploration and evaluation assets (note 5)	310,172	397,494
Total assets	$ 815,332	$ 3,335,279
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	$ 124,202	$ 133,027
Due to related parties (note 8)	-	24,857
Total current liabilities	124,202	157,884
Total liabilities	124,202	157,884
Shareholders' equity		
Share capital (note 7)	8,439,810	6,882,824
Reserves (note 7)	3,337,414	1,420,350
Accumulated deficit (note 2)	(11,086,094)	(5,125,779)
Total shareholders' equity	691,130	3,177,395
Total liabilities and shareholders' equity	$ 815,332	$ 3,335,279

Nature and continuance of operations (Note 1)
Subsequent events (Note 12)

These financial statements were approved for issue by the Board of Directors on March 10, 2026 and are signed on its behalf by:

Approved by "*Dustin Nanos*" , Director **"*Drew Nanos*" , Director** **"*Simon Hay*" , Director**

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

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WHITEROCK LITHIUM CORPORATION
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
YEARS ENDED DECEMBER 31, 2025 AND DECEMBER 31, 2024
(Expressed in Canadian dollars)

	DECEMBER 31, 2025	DECEMBER 31, 2024 Restated (Note 2)
EXPENSES		
Exploration expenses	$ 1,266,657	$ 8,856,819
Stock-based compensation (note 7, note 8)	1,988,779	284,000
Professional fees (note 8)	778,186	192,950
Management and consulting fees (note 8)	430,000	616,806
Impairment expense (note 5)	124,447	-
Office and administration	159,288	116,451
Travel	43,578	76,900
Interest expense	22,022	5,996
Operating Loss	$ 4,812,957	$ 10,149,922
(Gain) Loss on sale of investment (note 4)	(10,737)	528,134
Gain on debt settlement (note 4)	-	(41,414)
Unrealized loss on investment	26,287	112,000
Settlement of flow-through liability (note 7)	-	(4,919,695)
Modification on warrant equity (note 7)	1,172,000	-
Interest income	(40,192)	(146,165)
Net Loss (note 2)	$ 5,960,315	$ 5,682,782
Tax (recovery) expense (note 2 and 11)	-	(31,394)
Net Loss and Comprehensive Loss (note 2)	$ 5,960,315	$ 5,651,388
Basic and diluted loss per common share	$ 0.09	$ 0.12
Weighted average number of common shares outstanding - Basic and diluted	64,216,742	49,241,839

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

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WHITEROCK LITHIUM CORPORATION
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND DECEMBER 31, 2024
(Expressed in Canadian dollars)

	DECEMBER 31, 2025	DECEMBER 31, 2024 Restated (Note 2)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	$ (5,960,315)	$ (5,651,388)
Items not involving cash:		
Unrealized loss on investment	26,287	112,000
(Gain) Loss on sale of investments	(10,737)	528,134
Share premium	-	(4,919,695)
Impairment	124,447	-
Modification on warrant equity	1,172,000	-
Stock-based compensation	1,988,779	284,000
Changes in non-cash working capital items:		
Receivables	1,070,985	(699,769)
Due from related party	(67)	(2,803)
Due to related party	(24,857)	285,269
Prepaid expenses	(15,289)	(35,682)
Accounts payable and accrued liabilities	169,349	(306,491)
Taxes paid	-	(60,228)
Net cash used in operating activities	(1,459,418)	(10,466,653)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from asset disposition	-	282,134
Exploration and evaluation costs	(37,125)	(27,040)
Purchase of investments	(170,000)	-
Sale of investments	95,737	-
Investment income	247	-
Net cash (used in) provided by investing activities	(111,141)	255,094
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	-	11,619,600
Share issuance costs	-	(40,755)
Exercise of options	-	210,000
Exercise of warrants	135,097	-
Net cash provided by financing activities	135,097	11,788,845
Change in cash and cash equivalents during the period	(1,435,462)	1,577,286
Cash and cash equivalents, beginning of the period	1,678,903	101,617
Cash, end of the period	**$ 243,441**	**$ 1,678,903**
SUPPLEMENTARY INFORMATION WITH RESPECT TO CASH FLOWS:		
Income taxes paid (received)	$ (31,394)	$ 60,228
Interest paid	$ 5,502	$ 5,996

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

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WHITEROCK LITHIUM CORPORATION
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian dollars)

	Number of Shares	Share capital	Reserves	Deficit	Total
Balance at January 1, 2024	33,850,000	$ 428,250	$ 230,000	$ 525,609	$ 1,183,859
Private placement	20,555,751	5,793,555	906,350	-	6,699,905
Share issuance costs	-	(40,755)	-	-	(40,755)
Issuance of common shares - debenture conversion	2,000,000	400,000	-	-	400,000
Share capital declared but not yet issued	-	91,775	-	-	91,775
Shares issued for exploration and evaluation assets	850,000	-	-	-	-
Option exercise	4,200,000	210,000	-		210,000
Stock-based compensation	-	-	284,000	-	284,000
Net loss for the period	-	-	-	(5,651,388)	(5,651,388)
Balance at December 31, 2024 (Restated, note 2)	61,455,751	$ 6,882,824	$ 1,420,350	$ (5,125,779)	$ 3,177,395
Balance at January 1, 2025	61,455,751	$ 6,882,824	$ 1,420,350	$ (5,125,779)	$ 3,177,395
Issuance of common shares - debenture conversion	594,991	178,175	-	-	178,175
Warrant exercise	122,815	147,033	(11,936)	-	135,097
Modification on warrant equity	-	-	1,172,000	-	1,172,000
Stock-based compensation	-	-	757,000	-	757,000
Restricted share units	5,312,248	1,231,778	-	-	1,231,778
Net loss for the period	-	-	-	(5,960,315)	(5,960,315)
Balance at December 31, 2025	67,485,805	$ 8,439,810	$ 3,337,414	$ (11,086,094)	$ 691,130

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

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1. NATURE AND CONTINUANCE OF OPERATIONS

Whiterock Lithium Corporation (the "Company") was incorporated on August 19, 2022 under the Business Corporations Act of the Province of Alberta. On October 23, 2023, the Company completed a resolution to continue the Corporation from Alberta to British Columbia under the Business Corporations Act. The Company's principal business is the acquisition and exploration of mineral properties with a focus on advancing projects containing lithium mineralization. The Company is actively advancing its mineral project located in James Bay Region, Quebec. The Company's registered and records office is at Suite 2700, 1133 Melville Street, Vancouver, BC V6E4E5. The Company is private. The Company's financial statements are presented in Canadian dollars.

Going Concern of Operations

These financial statements have been prepared assuming the Company will continue on a going-concern basis which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. There is material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company has incurred losses and the ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. The Company estimates it has sufficient working capital to continue operations for the upcoming year.

The Company has financed its operations primarily through the issuance of common shares since inception. Management is actively targeting sources of additional financing through other business and financial transactions which would assure continuation of the Company's operations and exploration programs. The Company's continuation as a going concern is dependent upon the successful results from its exploration activities and its ability to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. While the Company has been successful in securing financing in the past, there is no assurance that it will be able to do so in the future or on terms that are favorable to the Company. Accordingly, these financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used, then the adjustments required to report the Company's assets and liabilities on a liquidation basis could be material to these financial statements.

2. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Statement of Compliance

These financial statements have been prepared in accordance with International Financial reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

(b) Basis of presentation

The financial statements have been prepared on a historical cost basis, except for financial instruments measured at fair value through profit or loss ("FVTPL"). In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The preparation of these financial statements requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

the financial statements and reported amounts of expenses during the year. Actual results could differ from these estimates.

(c) Basis of measurement

The financial statements are presented in Canadian dollars, which is the Company's functional and presentation currency.

(d) Financial instruments

Below is a summary showing the classification and measurement basis of the Company's financial instruments.

Classification	IFRS 9
Cash	FVTPL
Investments	FVTPL
Due from related party	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Due to related parties	Amortized cost

Financial assets

Financial assets are classified as either financial assets at FVTPL, amortized cost, or fair value through other comprehensive income. The Company determines the classification of its financial assets at initial recognition.

i. *Financial assets recorded at FVTPL*
Financial assets are classified as FVTPL if they do not meet the criteria of amortized cost or fair value through other comprehensive income. Gains or losses on these items are recognized in profit or loss.

ii. *Investments recorded at fair value through other comprehensive income ("FVOCI")*
On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to measure the investment at FVOCI whereby changes in the investment's fair value (realized and unrealized) will be recognized permanently in OCI with no reclassification to profit or loss. The election is made on an investment-by-investment basis.

iii. *Amortized cost*
Financial assets are classified as measured at amortized cost if both of the following criteria are met and the financial assets are not designated as at fair value through profit and loss: 1) the objective of the Company's business model for these financial assets is to collect their contractual cash flows; and 2) the asset's contractual cash flows represent "solely payments of principal and interest".

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or at amortized cost. The Company determines the classification of its financial liabilities at initial recognition.

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2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

i. Amortized cost
Financial liabilities are classified as measured at amortized cost unless they fall into one of the following categories: financial liabilities at FVTPL, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition, financial guarantee contracts, commitments to provide a loan at a below-market interest rate, or contingent consideration recognized by an acquirer in a business combination.

ii. Financial liabilities recorded at fair value through profit or loss ("FVTPL")

Financial liabilities are classified as FVTPL if they fall into one of the exemptions detailed above.

Fair Value Hierarchy

IFRS establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy are described as follows:

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

Level 2 – Valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors which can be substantially observed or corroborated in the marketplace.

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

Investments are level 1 financial instruments and are measured at fair value using publicly available year end investment market prices on the balance sheets.

Subsequent measurement

Instruments classified as FVTPL are measured at fair value, with unrealized gains or losses recognized in profit or loss. Instruments classified as amortized cost are measured at amortized cost using the effective interest rate method. Instruments classified as FVOCI are measured at fair value, with unrealized gains or losses recognized in other comprehensive income.

Derecognition

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Expected Credit Loss Impairment Model

IFRS 9 introduced a single expected credit loss impairment model, which is based on changes in credit quality since initial application.

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2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

The carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

(e) Cash

Cash consists of cash on hand and deposits held with banks.

(f) Exploration and evaluation assets

Pre-exploration costs

Pre-exploration costs are expensed in the year in which they are incurred.

Exploration and evaluation expenditures

All direct costs related to the acquisition of exploration and evaluation assets are capitalized upon acquiring the legal right to explore a property. Exploration and evaluation expenditures incurred prior to the determination of the feasibility of mining operations and a decision to proceed with development, are charged to profit or loss as incurred.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to profit or loss.

The Company assesses exploration and evaluation assets for impairment in accordance with IFRS 6 – *Exploration for and Evaluation of Mineral Resources* when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. Where an impairment indicator exists, the Company performs an impairment test in accordance with IAS 36 – *Impairment of Assets*. Impairment losses are recognized in profit or loss to the extent that the carrying amount of the asset exceeds its recoverable amount, being the higher of fair value less costs to sell and value in use. Impairment losses recognized in respect of exploration and evaluation assets may be reversed in a subsequent period if the circumstances that gave rise to the impairment no longer exist.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as “mines under construction.” Exploration and evaluation assets are also tested for impairment before the assets are transferred to development properties.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are recorded as other income.

(g) Rehabilitation provision

The Company is subject to various government laws and regulations relating to environmental practices in connection with its exploration and evaluation activities. While such regulations may require future restoration or reclamation of exploration sites, the Company currently has no legal or constructive obligations that would require the recognition of a rehabilitation provision. As such, no asset retirement obligation has been recorded in the financial statements.

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2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(a) Contingent consideration

Contingent consideration from an asset acquisition is recognized when: (i) the conditions associated with the contingency are met; (ii) the Company has a present legal or constructive obligation that can be estimated reliably; (iii) and it is probable that an outflow of economic benefits will be required to settle the obligation. The Company has assessed the terms of its asset acquisitions and determined that no contingent consideration exists as at December 31, 2024 or December 31, 2025.

(b) Share capital

Share capital equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, stock options, restricted share units, and warrants are classified as equity instruments. The Company records proceeds from share issuances net of issue costs and any tax effects in equity. Common shares issued for consideration other than cash are valued based on their fair value on the date of issuance.

The Company has a Restricted Share Unit ("RSU") Plan under which RSUs may be granted to directors, officers, and consultants. RSUs are measured at the fair market value of the Company's common shares on the grant date and are recognized as share-based compensation expense over the vesting period, with a corresponding credit to equity. The vesting period is determined by the Board at the time of grant, with unvested RSUs generally subject to a redemption date not later than the third anniversary of the grant date. Upon vesting, each RSU entitles the holder to receive one common share of the Company. If an eligible participant voluntarily or involuntarily terminates prior to the redemption date, unvested RSUs are forfeited and cancelled with no consideration paid. RSU awards may include dividend equivalents, which are credited as additional RSUs based on the fair market value of common shares on the date dividends are paid, and vest on the same terms as the underlying RSUs. The total number of common shares reserved for issuance under the RSU Plan shall not exceed 10% of the total issued and outstanding common shares on a non-diluted basis at any time.

(c) Flow-through shares

The Canadian tax legislation permits an entity to issue securities to investors whereby the deductions for tax purposes relating to resource expenditures may be claimed by the investors and not by the entity. These securities are referred to as flow-through shares. The Company may finance a portion of its exploration programs with flow-through shares. At the time of a share issuance, the Company allocates the proceeds between share capital and an obligation to deliver the tax deductions, which are recorded as a liability for flow-through shares. The Company estimates the fair value of the obligation using the residual method, i.e. by comparing the price of the flow-through share to the fair value price of a common share at the date of financing closing.

The Company may renounce the deductions for tax purposes under either what is referred to as the “general” method or the “look-back” method.

When tax deductions are being renounced under the general method, and the Company has the expectation of renouncing and has expensed the expenditures during the current year, then the Company records a deferred tax liability with the corresponding charge to income tax expense. The obligation is reduced to zero with a corresponding income recorded.

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2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

When tax deductions are being renounced under the look-back method, the Company records a deferred tax liability with a corresponding charge to expense when expenditures are made. At that time, the obligation would be reduced to zero, with a corresponding income recorded.

(d) Share-based payments

The Company accounts for share-based payments in accordance with IFRS 2 – *Share-based payment*. Equity-settled share-based payments to contractors and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value is determined using an appropriate valuation model (e.g., Black-Scholes). The cost is recognized over the vesting period, with a corresponding increase in equity.

(e) Equity instruments

Equity instruments issued by the Company are recorded at the fair value of the proceeds received, net of direct issue costs. When equity instruments are issued to settle liabilities, including consulting fees or convertible debt, the equity is measured at the fair value of the equity instruments issued, or the fair value of the liability settled, whichever is more reliably measurable. Equity instruments issued as part of share-based payment arrangements are accounted for in accordance with IFRS 2 – *Share-based Payment*. No gain or loss is recognized in profit or loss on the issuance of equity instruments.

(f) Warrants in equity financing transactions

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate mineral properties. These equity financing transactions may involve the issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants ("Warrants"). Depending on the terms and conditions of each equity financing agreement ("Agreement"), the Warrants are exercisable into additional common shares prior to expiry at a price stipulated by the Agreement. Warrants that are part of units are valued based on the residual value method. Warrants that are issued as payment for agency fees or other transactions costs are accounted for as share-based payments.

Where the Company modifies the terms of outstanding Warrants, including extensions of the expiry date or reductions in the exercise price, the modification is assessed under IAS 32. Where the existing Warrants are not cancelled and replaced but instead their terms are amended, and the modification results in an increase in the fair value of the equity instrument, the Company applies IAS 32.AG35 by analogy. The incremental fair value, being the difference between the fair value of the Warrant immediately before and immediately after the modification, is recognised as a loss in profit or loss at the date of modification, with a corresponding credit to warrant reserve within equity.

(g) Convertible debentures

The Company may enter into agreements whereby liabilities, including consulting fees, are settled through the issuance of equity instruments. When such arrangements involve convertible debentures, the Company assesses whether the instrument contains both a liability and an equity component. Where applicable, the liability is initially recognized at fair value, and the equity component is recognized as the residual. Upon settlement, the liability and any accrued interest are derecognized, and equity is increased by the fair value of the shares issued. No gain or loss is recognized on settlement. These transactions are accounted for in accordance with IFRS 2 – *Share-based Payment* and IAS 32 – *Financial Instruments: Presentation*.

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2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(h) Convertible debt

The Company's convertible debt instruments are classified as compound financial instruments, containing both a liability and an equity component. The liability component is initially recognized at fair value, determined using a market interest rate for similar non-convertible debt. The equity component is recognized as the residual amount. The liability is subsequently measured at amortized cost using the effective interest method. Upon conversion, the liability and any accrued interest are derecognized, and equity is increased by the corresponding amount. If the fair value of the equity instruments issued differs from the carrying amount of the liability extinguished, the difference is recognized as a gain or loss in profit or loss.

(i) Mining tax credits

The Company is also entitled to a refundable credit on mining duties under the Québec Mining Tax Act. The accounting treatment for the refundable credit on mining duties depends on management's intention to either go into production in the future or sell its mining properties to another mining producer once the technical feasibility and the economic viability of the properties is demonstrated. This assessment is made at the level of each mining property. In the first case, the credit on mining duties is recorded as an income tax recovery under IAS 12, Income Taxes. At the same time, a deferred tax liability and deferred tax expense are recognized to reflect the reduction in the tax basis of the related expenditures following the election to claim the refundable credit. In the second case, it is expected that no mining duties will be paid in the future and, accordingly, the credit on mining duties is recorded as a government grant under IAS 20, Accounting for Government Grants and Disclosure of Government Assistance, which is recognized in profit or loss as other income, since the Company expenses such costs as incurred.

(j) Net Smelter Return (NSR) Royalties

NSR royalties are recognized as a financial liability or intangible asset depending on the nature of the agreement. Where the Company is the payor, NSR royalties are recognized as a liability when the obligation arises and are measured at amortized cost. Where the Company is the recipient, NSR royalty interests are recognized as intangible assets and measured at cost less accumulated amortization and impairment losses. Revenue from NSR royalties is recognized when the underlying production occurs and the amount can be reliably measured. As of the reporting date, the Company does not have any NSR royalty obligations or entitlements.

(k) Interest income

Interest income is recognized in profit on a time-proportion basis using the effective interest method. It primarily relates to interest earned on cash balances held with financial institutions. Interest income is recorded when it is probable that the economic benefits will flow to the Company and the amount can be measured reliably.

(l) Income taxes

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

Deferred tax is recorded by providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities which affect neither accounting nor taxable loss as well as differences relating to investments in subsidiaries to the extent that they

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2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(m)Loss per share

Loss per share is computed by dividing net loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options, warrants and conversion of convertible notes, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

(n) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may

be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between parties.

(o) Use of judgments and estimates

Management is required to make estimates, judgments and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Management reviews these judgments, estimates and assumptions on an ongoing basis, including those related to fair values of financial instruments, recoverability of assets and income taxes. Actual results may differ from these estimates.

Significant estimates include the following:

Valuation of stock-based compensation
The Company uses the Black-Scholes Option Pricing Model for valuation of stock-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

Equity settled transactions
The Company estimates the fair value of equity instruments issued in exchange for services or in the settlement of liabilities. When equity instruments are issued to settle obligations, management assesses whether the fair value of

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2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

the equity instruments issued or the liability settled is more reliably measurable. In determining fair value, the Company applies a comparable approach where appropriate, referencing similar companies. The Company applies a Discount for Marketability or Liquidity to reflect the reduced liquidity or transferability of the equity instruments as they are issued in private placements. These estimates can significantly affect the amounts recognized in equity and the related expense or settlement recorded in the financial statements. Management reviews these estimates regularly to ensure they reflect current market conditions and the best available information.

Investments
The Company estimates fair value of investments using valuation techniques such as discounted cash flow or comparable companies. These techniques require management to make assumptions about future cash flows and market conditions which can significantly affect the valuation.

Income taxes
Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters which it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognises deferred tax assets relating to tax losses carried forward to the extent that it is probable that taxable profit will be available against which a deductible temporary difference can be utilized. This is deemed to be the case when there are sufficient taxable differences relating to the same taxation authority and the same taxable entity, which are expected to reverse in the same year as the expected reversal of the deductible temporary difference, or in years into which a tax loss arising from the deferred tax asset can be carried back or forward. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

Significant judgements include the following:

Going Concern
The Company must assess its ability to continue as a going concern. Factors that affect this determination include current cash and investments, budgeted expenditures for future periods and the conditions of the market for exploration companies.

(p) New accounting policies and amendments

The amendments to IAS 21 specify how an entity should assess whether a currency is exchangeable and how it should determine the spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments did not have an impact on the Company's financial statements.

Amendments not yet adopted:
IFRS 18: Presentation and Disclosure in Financial Statements

IFRS 18 will apply for reporting periods beginning on or after January 1, 2027, and also applies to comparative information. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes.

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2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it may change what an entity reports as its 'operating profit or loss'. Key new concepts introduced in IFRS 18 relate to: (i) the structure of the statement of profit or loss; (ii) required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and (iii) enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. The Company is currently assessing the effects of IFRS 18 on the financial statements.

(q) Correction of an error

In August 2025, the Company was issued a Notice of Assessment ("NOA") from Revenu Québec confirming a provincial tax refund of $31,394 in respect of the year ended December 31, 2024. The NOA was released on July 15, 2025, prior to the finalization of the Company's December 31, 2024 annual financial statements. As the NOA represented the best estimate of the Quebec tax refund at the time the financial statements were finalized, the refund should have been accrued as at December 31, 2024 in accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. However, the receivable was not recorded in the 2024 financial statements. The error was identified during the audit of the Company's December 31, 2025 annual financial statements.

The error has been corrected by restating each of the affected financial statement line items for the prior period, as follows:

	December 31, 2024 Prior	Adjustment	December 31, 2024 As Restated
ASSETS			
Current assets			
Receivables (note 3)	1,176,452	31,394	1,207,846
Total current assets	2,906,391	31,394	2,937,785
Total assets	$ 3,303,885	$ 31,394	$ 3,335,279
LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity			
Accumulated deficit	(5,157,173)	(31,394)	(5,125,779)
Total shareholders' equity	(5,157,173)	(31,394)	(5,125,779)
Total liabilities and shareholders' equity	$ (5,157,173)	$ (31,394)	$ (5,125,779)
Net Loss	$ 5,682,782	$ -	$ 5,682,782
Tax recovery (note 11)	-	(31,394)	(31,394)
Net Loss and Comprehensive Loss	$ 5,682,782	$ (31,394)	$ 5,651,388

The change did not have an impact on the operating, investing and financing cash flows.

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3. RECEIVABLES

The Company's receivables primarily arise from goods and services tax, tax credits, and income tax from government taxation authorities.

4. INVESTMENTS

On January 26, 2023, the Company entered into an agreement to dispose of 189 claims. As part of the consideration for the disposal, the Company agreed to receive 3,500,000 common shares ("Consideration Shares") in Max Power and 1,000,000 warrants of Max Power at an exercisable price of $0.85 for a period of 36 months from the date of issuance. The shares were valued at $0.77 on the closing of the transaction, resulting in a total initial recognition of $2,695,000. The consideration shares were delivered on the following schedule:

- 1,500,000 consideration shares delivered at closing date with a statutory 4 month hold period (received May 2023)
- 1,000,000 consideration shares delivered 6 months from the closing date available for free trading (received July 2023)
- 1,000,000 consideration shares delivered 12 months from the closing date available for free trading (received January 2024)
- 1,000,000 warrants delivered 4 months from the closing date. These warrants were valued using the Black-Sholes option pricing model at each reporting period. The fair value of the warrants was recognized separately from the consideration shares, with the remaining value allocated to investments. During the year ended December 31, 2025, the Company exercised 200,000 warrants at an exercise price of $0.85 per warrant for total consideration paid of $170,000. The Company sold 100,000 of the units during the year, resulting in a realized gain recognized of $10,737 at December 31, 2025 (December 31, 2024 - $nil). The remaining 100,000 units were revalued at year end December 31, 2025, resulting in an unrealized loss of $22,000. At December 31, 2025, 800,000 warrants remaining outstanding. The revaluation of these remaining warrants resulted in an unrealized loss recognized at December 31, 2025 of $5,680 (December 31, 2024 – unrealized loss of $112,000).

The shares were classified as FVTPL under IFRS 9 Financial Instrument and were initially recognized at the value of $0.77 per share, which reflected the fair value at the time the consideration was contractually agreed. Upon receipt of the shares, the Company began liquidating its position in the open market. Due to market conditions, the shares were sold at prices below the initial recognition value, resulting in a loss in the year ended December 31, 2024, of $528,134 was recognized as a loss on sale of investment in the statement of loss and comprehensive loss. In 2025, a gain on the sale of investments of $10,737 was recognized in the statement of loss and comprehensive loss.

5. EXPLORATION AND EVALUATION ASSETS

		Quebec Properties
Balance, December 31, 2023	**$**	**370,454**
Acquisition of claims		27,040
Balance, December 31, 2024		**397,494**
Acquisitions		37,125
Impairment		(124,447)
Balance, December 31, 2025	**$**	**310,172**

During the year ended December 31, 2023, the Company staked various claims in Quebec, Canada for cash consideration of $218,777 for land for future exploration. The Company owns 100% working interest in these claims.

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5. EXPLORATION AND EVALUATION ASSETS (continued)

On September 22, 2023, the Company entered into a property purchase agreement to acquire seven mineral exploration claims covering approximately 345.8 hectares located in the James Bay region of Quebec. Consideration for the purchase was cash of $40,100, the issuance of 850,000 common shares (note 7), and the granting of an aggregate 2% net smelter return royalty.

On January 26, 2023, the Company disposed of certain mineral claims in Quebec, Canada. The claims were considered non-core to the Company's exploration strategy and were either sold to third parties or allowed to lapse. The carrying amount of the disposed claims was $39,209, which had previously been capitalized as exploration and evaluation assets. The Company received consideration of 3,500,000 common shares of Max Power and the issuance of 1,000,000 warrants at an exercisable price of $0.85 for a period of 36 months from the date of issuance. The share consideration was delivered in the following schedule:

- 1,500,000 shares delivered from Max Power at closing with a statutory required 4 months hold period; received by the Company on May 31, 2023
- 1,000,000 shares 12 months from closing date available for free trading; received by the Company on January 31, 2024

On the closing date, the share price of Max Power was $0.77 resulting in a gain on disposal of $3,021,791 which was recognized in the statement of loss and comprehensive loss for the year ended December 31, 2023. During the year ended December 31, 2023, the Company sold the Max Power shares at various prices and recognized a loss on investments of $601,663. During the year ended December 31, 2024, the Company sold the remaining Max Power shares at various prices and recognized a loss on investments of $528,134.

The disposal did not affect the Company's continuing interest in its core lithium projects, including the Banana.

During the year ended December 31, 2024, the Company staked various claims in Quebec, Canada for cash consideration of $27,040 for land for future exploration. The Company owns 100% working interest in these claims. During the year ended December 31, 2025, the Company renewed various claims in Quebec, Canada for cash consideration of $37,125 for land for future exploration. The Company owns 100% working interest in these claims.

As at December 31, 2025, management identified indicators of impairment following its decision to discontinue exploration activities on certain mineral claims. As a result, an impairment expense of $124,447 was recognized in the year ended December 31, 2025 (December 31, 2024 - $nil) and has been included in impairment expense on the statement of operations. The Company continues to maintain its remaining mineral claims – Chavamond, Yoshi and Banana with the intention of advancing exploration activities. Subsequent to the year ended December 31, 2025, the Company disposed of its Chavamond mineral claims (note 12).

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities for the Company are comprised of trade payables. All payables and accrued liabilities for the Company fall due within the next 12 months.

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7. SHARE CAPITAL

Authorized

The Company has an unlimited number of common shares without par value.

Common shares issued during the year ended December 31, 2025 were as follows:

- The Company issued 332,969 common shares to settle outstanding amounts payable to related parties. The liability was extinguished and declared to equity in the year ended December 31, 2024 and the common shares were issued in the year ended December 31, 2025.

  The Company entered into an agreement with a related party to settle outstanding liabilities through the issuance of common shares. The Company converted a total of $178,175 in outstanding liability into 262,022 common shares at a price of $0.68 per share, as approved by the Board of Directors. For accounting purposes, the fair value of the shares issued was estimated at $0.68 per share based on comparable public company data, adjusted using a discount to reflect differences in company size, liquidity and stage of development. The transaction was accounted for as a settlement of a financial liability through the issuance of equity instruments.

Common shares issued during the year ended December 31, 2024 were as follows:

- The Company closed a non-brokered private placement by the issuance of 7,220,000 units at a price of $0.43 per unit for gross proceeds of $1,619,600. Each unit consists of one common share and one non-transferable common share purchase warrant. Each whole warrant will allow the holder to purchase one common share of the Company at a price of $1.10 per share for a period of 18 months from the date of issuance. The proceeds from the unit issuance were allocated between common shares and the warrants based on their relative fair value at the time of issuance. As a result, $264,350 was allocated to the warrants reserve within equity, with the remaining $1,355,250 allocated to share capital.

- On May 9, 2024, the Company completed two tranches of a private placement of flow-through units as follows:

  - Tranche 1: On May 9, 2024, the Company issued of 2,734,108 flow-through common units at a price of $0.7315 per unit for gross proceeds of $2,000,000.

  - Tranche 2: On May 9, 2024, the Company issued of 10,601,643 flow-through common units at a price of $0.7546 per unit for gross proceeds of $8,000,000.

  Each unit consists of one common share and one common share purchase warrant. Each whole warrant will allow the holder to purchase one common share of the Company at a price $1.35 per share for a period of 42 months. The proceeds from the unit issuance were allocated between common shares and the warrants based on their relative fair value at the time of issuance. As a result, $642,000 was allocated to the warrants reserve within equity, with $4,438,305 allocated to share capital. During the year ended December 31, 2025, the Company modified the terms of the warrants extending the expiry date from November 9, 2025 to November 9, 2027.

  A flow-through share premium liability of $4,919,695 was recognized, representing the estimated value of the tax benefit transferred to investors. At December 31, 2024, this liability was fully amortized into income as the qualifying expenditures were renounced. As of December 31, 2024, the Company had incurred $8,784,260 in eligible Canadian Exploration Expenses (“CEE”). The Company renounced the full amount of $10,000,000 to investors effective December 31, 2024 in accordance with the look-back rule under the Income Tax Act (Canada). The funds raised through the issuance of flow-through shares were used to finance exploration activities on the Company’s Sacred Banana property located in James Bay Region, Quebec.

7. SHARE CAPITAL (continued)

- The Company entered into an agreement with a related party to settle outstanding debt through the issuance of common shares. The Company converted a total of $400,000 in outstanding debt into 2,000,000 common shares at a deemed price of $0.20. The conversion price was based on the deemed price of the Company's shares at the time of the agreement and was approved by the Board of Directors. As the shares were issued at fair value and no gain or loss was recognized on settlement, the transaction was accounted for as an equity transaction.

- A total of 4,200,000 stock options were exercised by directors and consultants, resulting in the issuance of 4,200,000 common shares for total proceeds of $210,000. The weighted average exercise price was $0.05. The fair value of the options previously recognized in reserves was $159,600.

- The Company entered into an agreement with a related party to settle outstanding liabilities through the issuance of common shares. The Company converted a total of $133,188 in outstanding liability into 332,969 common shares at a price of $0.40 per share, as approved by the Board of Directors. For accounting purposes, the fair value of the shares issued was estimated at $0.28 per share based on comparable public company data, adjusted using a discount to reflect differences in company size, liquidity and stage of development. As a result, the total fair value of the equity instruments issued was $91,774. The Company recognized a gain of $41,412 representing the difference between the carrying amounts of the liability extinguished and the fair value of the equity instruments issued. The transaction was accounted for as a settlement of a financial liability through the issuance of equity instruments.

- The Company issued 850,000 shares in conjunction with Lafontaine Project acquisition (Note 5). The fair value of the shares was determined based on the most recent share issued price and declared to equity in the year ended December 31, 2023.

Stock options

During the year ended December 31, 2025, the Company stock options to consultants and directors of the Company. In February 2025, the Company granted 405,000 stock options at an exercise price of $0.35 for a period of 5 years, expiring February 28, 2030. The fair value of the options granted was determined to be $94,000 using the Black-Scholes option pricing model under the following assumptions: stock price - $0.31; risk-free rate – 4.09%; expected life – 5 years; expected volatility – 100%, vesting term – immediately and expected dividends – nil. In March 2025, the Company granted 3,264,031 stock options to directors and consultants of the Company at an exercise price of $0.35 for a period of 3 years, expiring March 31, 2027. The fair value of the options granted was determined to be $663,000 using the Black-Sholes option pricing model under the following assumptions: stock price - $0.33; risk-free rate – 2.47%; expected life – 3 years; expected volatility – 100%, vesting term – immediately and expected dividends – nil.

During the year ended December 31, 2024, the Company granted 1,550,000 stock options to directors and consultants of the Company at an exercise price of $0.35 for a period of 3 years, expiring August 31, 2027. The fair value of the options granted was determined to be $284,000 using the Black-Scholes option pricing model under the following assumptions: stock price - $0.30; risk-free rate – 3.76%; expected life – 3 years; expected volatility – 100%, vesting term – immediately and expected dividends – nil.

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7. SHARE CAPITAL (continued)

A continuity of options for the year ended December 31, 2025 is as follows:

Expiry date	Exercise Price	December 31, 2024	Granted	Exercised	December 31, 2025
August 31, 2033	$0.05	3,200,000	-	-	3,200,000
August 22, 2027	$0.35	1,550,000	-	-	1,550,000
February 28, 2030	$0.35	-	405,000	-	405,000
March 31, 2028	$0.35	-	3,264,031	-	3,264,031
Options outstanding and exercisable		4,750,000	3,669,031	-	**8,419,031**
Weighted average exercise price		$0.15	$0.35	-	**$0.24**
Weighted average life (years)		6.71	-	-	**4.29**

A continuity of options for the year ended December 31, 2024 is as follows:

Expiry date	Exercise Price	December 31, 2023	Granted	Exercised	December 31, 2024
August 31, 2033	$0.05	7,400,000	-	(4,200,000)	3,200,000
August 31, 2027	$ 0.35	-	1,550,000	-	1,550,000
Options outstanding and exercisable		7,400,000	1,550,000	(4,200,000)	4,750,000
Weighted average exercise price		$0.05	$0.35	$0.05	$ 0.15
Weighted average life (years)		9.67	-	-	6.71

Warrants

The continuity of warrants for the year ended December 31, 2025 are as follows:

Expiry date	Exercise Price	December 31, 2024	Granted	Exercised	Expired	December 31, 2025
November 8, 2025	$1.10	2,720,000	-	(122,815)	(2,597,185)	-
November 9, 2027[(1)]	$1.35	13,335,751	-	-	-	13,335,751
Warrants outstanding and exercisable		16,055,751	-	(122,815)	(2,597,185)	**13,335,751**
Weighted average exercise price		$ 1.31	-	$1.10	$1.10	**$ 1.35**
Weighted average life (years)		0.86	-	-	-	**1.86**

[(1)]During the year ended December 31, 2025, the Company modified the terms of the warrants extending the expiry date from November 9, 2025 to November 9, 2027. The exercise price of warrants remained unchanged. In accordance with the Company's accounting policy, the modification resulted in an incremental increase in fair value of the warrant instruments of $1,172,000 and was recognized as a loss in the profit or loss, with a corresponding credit to warrant reserve.

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7. SHARE CAPITAL (continued)

The continuity of warrants for the year ended December 31, 2024 are as follows:

Expiry date	Exercise Price	December 31, 2023	Granted	Exercised	Expired	December 31, 2024
November 8, 2025	$1.10	-	2,720,000	-	-	2,720,000
November 9, 2025[(1)]	$1.35	-	13,335,751	-	-	13,335,751
Warrants outstanding and exercisable		-	16,055,751	-	-	16,055,751
Weighted average exercise price		-	$1.31	-	-	$ 1.31
Weighted average life (years)		-	-	-	-	0.86

[(1)] During the year ended December 31, 2025, the Company modified the terms of the warrants extending the expiry date from November 9, 2025 to November 9, 2027. The exercise price of warrants remained unchanged. In accordance with the Company's accounting policy, the modification resulted in an incremental increase in fair value of the warrant instruments of $1,172,000 and was recognized as a loss in the profit or loss, with a corresponding credit to warrant reserve.

Restricted Share Units

During the year ended December 31, 2025, the Company granted Restricted Share Units ("RSUs") under its Restricted Share Unit Plan (the "Plan") to eligible Directors, Officers and Consultants. The Plan was approved by the Board of Directors on June 30, 2025. Each RSU entitles the holder to receive one common share of the Company. The RSUs grants are subject to the terms and conditions of the Plan. The RSUs are classified as equity-settled stock-based payment awards under IFRS 2 *Share-Based Payment*.

In June 2025, the Company granted 4,792,249 RSUs with a fair value and weighted average issue price of $0.22 per unit, based on the fair value of the Company's common shares at the grant date. The full expense of $1,055,790 was recognized in the year ended December 31, 2025.

In September 2025, the Company granted an additional 520,000 RSUs with a fair value of $0.34 per unit, based on the fair value of the Company's common shares at the grant date. These RSUs vested on December 31, 2025, with the full expense of $175,988 recognized in the year ended December 31, 2025.

The total restricted share unit expense recognized for the year ended December 31, 2025 was $1,231,778 (December 31, 2024 – $nil).

8. RELATED PARTY TRANSACTIONS

Key management personnel are those individuals who have the authority and responsibility for planning, directing, and controlling activities of the Company as a whole. The Company has determined key management personnel and related parties include the Board of Directors, officers, close family members and entities that are controlled by these individuals.

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8. RELATED PARTY TRANSACTIONS (continued)

Transactions with key management:

	December 31, 2025	December 31, 2024
Management and Consulting fees	$430,000	$546,416
Professional fees	202,000	60,000
Stock-based compensation	714,000	202,000
RSU compensation	1,225,011	-
Total	$2,571,011	$808,416

The following balances with related parties are outstanding:

	December 31, 2025	December 31, 2024
Related party balances payable		
Due to related parties	$ -	$24,857
Related party balances receivable		
Due from related party	2,870	2,803

9. CAPITAL RISK MANAGEMENT

The Company's capital currently consists of common shares. Its principal source of cash is from the issuance of common shares. The Company's capital management objectives are to safeguard its ability to continue as a going concern and to have sufficient capital to be able to acquire and conduct exploration and evaluation activities on mineral properties. The Company does not have any externally imposed capital requirements to which it is subject. The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, such that it can provide returns for shareholders and benefits for other stakeholders.

10. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk and price risk). All amortized cost financial instruments approximate their fair value due to the short term to maturity.

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 cash and cash equivalents is held in interest bearing accounts at large financial institutions in Canada. The Company has no investment in asset backed commercial paper.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2025, the Company had cash of $243,441 (December 31, 2024 - $1,678,903) to settle current liabilities of $124,202 (December 31, 2024 - $157,884). The Company is considered to be in the exploration

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10. FINANCIAL RISK MANAGEMENT (continued)

and evaluation stage. Thus, it is dependent on obtaining regular financings in order to continue its exploration and evaluation programs. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings. The Company's cash is invested in business accounts with quality financial institutions, is available on demand for the Company's programs, and is not invested in any asset backed commercial paper.

Market risk

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

(a) Price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors the commodity prices of lithium, and the stock market to determine the appropriate course of action to be taken by the Company.

Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depend upon the world market price of lithium. There is no assurance that, even if commercial quantities of lithium deposits are produced in the future, a profitable market will exist for them. As of December 31, 2024, the Company was not a lithium producer. Even so, commodity prices may affect the completion of future equity transactions such as equity offerings. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

11. INCOME TAXES

A reconciliation of income taxes at statutory rates of 26.5% with the reported taxes is as follows:

	2025	2024 (Restated Note 2)
Loss for the year	$ (5,960,315)	$ (5,682,782)
Expected income tax recovery	$ (1,579,483)	$ (1,505,937)
Permanent differences	877,792	(1,010,486)
Adjustment to prior years provision versus statutory tax returns	108,563	(190,488)
Change in unrecognized deductible temporary differences	593,129	2,675,517
Total income tax expense (recovery)	**$ -**	**$ (31,394)**

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

	2025	Expiry Date Range	2024 (Restated Note 2)	Expiry Date Range
Temporary Differences				
Allowable Capital losses	$ 1,128,394	No expiry date	$ 669,797	No expiry date
Exploration and evaluation assets	1,285,601	2028 to 2045	448,791	2027 to 2044
Non-Capital losses	1,400,125	2028 to 2045	808,984	2027 to 2044

Tax attributes are subject to review, and potential adjustment, by tax authorities.

As described in Note 2, a provincial income tax refund of $31,394 from Revenu Québec relating to the year ended December 31, 2024 was not accrued in the prior period financial statements. The error has been corrected retrospectively, resulting in a tax recovery of $31,394 recognized in the restated comparative period. Refer to Note 2 for the full restatement disclosure.

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12. SUBSEQUENT EVENTS

Subsequent to December 31, 2025, the following events occurred:

Chavamond Property Disposition

On January 2, 2026, the Company sold the Chavamond Property located in Quebec, Canada to 2755856 Alberta Ltd. (the "Purchaser") pursuant to an asset purchase agreement. Consideration received consisted of: (i) 10,000,000 fully paid Class A common shares of the Purchaser; (ii) an unsecured promissory note in the principal amount of CAD$66,000, bearing no interest and payable on or before January 22, 2031; and (iii) a 2.0% net smelter return ("NSR") royalty on all products mined or otherwise recovered from the Chavamond Property. The disposition does not constitute a sale of all or substantially all of the assets of the Company. These transactions were approved and ratified by the Board of Directors on February 8, 2026.

Net Smelter Return Royalty Disposition

On January 2, 2026, the Company sold its 2.0% NSR royalty on the Chavamond Property to a related royalty holding company for proceeds of $100, which the parties agreed represents fair value. Concurrently, the Company granted a 2.0% NSR royalty on all products mined or otherwise recovered from its Banana Property to the same royalty holding company for proceeds of $100, which the parties agreed represents fair value. The Company intends to make elections under section 85(1) of the *Income Tax Act* (Canada) in respect of both transactions so that no income tax liability arises as a result of the dispositions. These transactions were approved and ratified by the Board of Directors on February 8, 2026.

Stock Options Exercised

Subsequent to December 31, 2025, the Company issued 3,250,000 common shares up the exercise of stock options at various exercise prices, for aggregate proceeds of $417,500. The following options were exercised:

Expiry date	Exercise Price	Number of Options Exercised	Proceeds
August 31, 2033	$0.05	2,400,000	$120,000
August 22, 2027	$0.35	250,000	87,500
February 28, 2030	$0.35	200,000	70,000
March 31, 2027	$0.35	400,000	140,000
Total		3,250,000	$417,500

Investments

Subsequent to December 31, 2025, the Company disposed of its remaining 100,000 units of Max Power Mining held as investments at year end, receiving proceeds of $94,220. Additionally, the Company exercised and sold 600,000 of its remaining warrants in Max Power Mining for proceeds of $556,692.