STRIA LITHIUM INC.

Condensed Consolidated Interim Financial Statements

For the three and nine month periods ended June 30, 2024

(Expressed in Canadian Dollars)

Condensed Consolidated Interim Financial Statements

The accompanying unaudited condensed consolidated interim financial statements have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these unaudited condensed consolidated interim financial statements

Stria Lithium Inc.

Condensed Consolidated Interim Statements of Financial Position (Unaudited)

(Expressed in Canadian dollars)

As at	**June 30, 2024**	September 30, 2023
	$	$
ASSETS		
Current assets		
Cash	**826,968**	1,689,771
Sales tax receivable	**37,717**	38,109
Marketable securities (Note 5)	**350,131**	1,274,231
Tax credits	**119,575**	79,063
Prepaid expenses	**64,072**	102,465
	1,398,463	3,183,639
Mineral exploration properties (Note 7)	**281,441**	513,441
Exploration and evaluation assets (Note 7)	**141,585**	199,041
Total assets	**1,821,489**	3,896,121
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	**64,378**	176,387
Deferred government grant (Note 8)	**-**	41,250
Total liabilities	**64,378**	217,637
EQUITY		
Share capital (Note 9)	**7,803,849**	7,803,849
Warrants (Note 10)	**2,064**	2,064
Contributed surplus (Note 11)	**2,106,492**	2,106,492
Deficit	**(8,155,294)**	(6,233,921)
Total equity	**1,757,111**	3,678,484
Total liabilities and equity	**1,821,489**	3,896,121

Going concern (Note 2)

On behalf of the Board

(signed) "Dean Hanisch"	(signed) "Jeffrey York"
Dean Hanisch, Director	Jeffrey York, Director

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

Stria Lithium Inc.

Condensed Consolidated Interim Statements of Comprehensive Loss (Unaudited)

(Expressed in Canadian dollars)

	Three months ended June 30,		Nine months ended June 30,	
	2024	2023	**2024**	2023
	$	$	**$**	$
Operating expenses				
Management and consulting fees	**130,264**	601,245	**340,428**	838,520
Travel and promotion	**15,546**	-	**138,787**	120,006
Professional fees	**6,737**	70,763	**59,337**	168,314
Insurance	**9,071**	5,873	**20,817**	17,431
Agent fees	**3,177**	7,724	**17,253**	22,861
Stock-based compensation	**-**	-	**-**	180,730
Other	**15,998**	19,906	**62,400**	67,806
Loss before other income (expenses)	**(180,793)**	(705,511)	**(639,022)**	(1,415,668)
Other income (expenses)				
Interest and other income	**9,456**	19,367	**41,833**	33,491
Write-down of mineral exploration properties and exploration and evaluation assets (Note 7)	**(400,084)**	-	**(400,084)**	-
Change in fair value of financial assets at FVTPL (Note 5)	**(60,221)**	-	**(924,100)**	-
Net loss and total comprehensive loss	**(631,642)**	(686,144)	**(1,921,373)**	(1,382,177)
Basic and diluted net loss per common share	**(0.02)**	(0.03)	**(0.07)**	(0.06)
Basic and diluted weighted average number of common shares outstanding	**25,921,036**	25,645,212	**25,921,036**	24,983,142

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

Stria Lithium Inc.
Condensed Consolidated Interim Statements of Changes in Equity (Unaudited)
(Expressed in Canadian dollars)

	Share capital		Warrants	Contributed surplus	Deficit	Total
	# of shares	$	$	$	$	$
Balance, September 30, 2022	**21,236,036**	**6,747,779**	**10,092**	**1,917,734**	**(4,994,492)**	**3,681,113**
Shares issued for cash	4,085,000	954,125	-	-	-	954,125
Expiry of warrants	-	-	(8,028)	8,028	-	-
Share issuance costs	-	(15,055)	-	-	-	(15,055)
Shares issued to acquire mineral property (Note 7)	500,000	95,000	-	-	-	95,000
Stock-based compensation	-	-	-	180,730	-	180,730
Net loss	-	-	-	-	(1,382,177)	(1,382,177)
Balance, June 30, 2023	**25,821,036**	**7,781,849**	**2,064**	**2,106,492**	**(6,376,669)**	**3,513,736**
Shares issued to acquire mineral property (Note 7)	100,000	22,000	-	-	-	22,000
Net loss	-	-	-	-	142,748	142,748
Balance, September 30, 2023	**25,921,036**	**7,803,849**	**2,064**	**2,106,492**	**(6,233,921)**	**3,678,484**
Net loss	-	-	-	-	(1,921,373)	(1,921,373)
Balance, June 30, 2024	**25,921,036**	**7,803,849**	**2,064**	**2,106,492**	**(8,155,294)**	**1,757,111**

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

Stria Lithium Inc.
Condensed Consolidated Interim Statements of Cash Flows (Unaudited)
(*Expressed in Canadian dollars)*

	Nine months ended June 30,	
	2024	2023
	$	$
OPERATING ACTIVITIES		
Net loss	**(1,921,373)**	(1,382,177)
Adjustments for:		
Stock-based compensation	**-**	180,730
Write-down of mineral exploration properties and exploration and evaluation assets	**400,084**	-
Change in fair value of financial assets at FVTPL	**924,100**	-
Changes in non-cash working capital items (Note 12)	**(73,224)**	(13,096)
Net cash flows from operating activities	**(670,413)**	(1,214,543)
INVESTING ACTIVITIES		
Acquisition of mineral exploration property (Note 7)	**(35,000)**	(133,941)
Exploration and evaluation costs	**(116,140)**	(67,343)
Tax credits and mining duties received	**-**	39,685
Net cash flows from investing activities	**(151,140)**	(161,599)
FINANCING ACTIVITIES		
Proceeds from issuance of shares/units	**-**	604,125
Repayment of government loan	**(41,250)**	-
Share issuance costs	**-**	(15,055)
Net cash flows from financing activities	**(41,250)**	589,070
Decrease in cash	**(862,803)**	(787,072)
Cash, beginning of the period	**1,689,771**	2,734,971
Cash, end of the period	**826,968**	1,947,899

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

1. NATURE OF OPERATIONS

Stria Lithium Inc. (the "Company" or "Stria") was incorporated on May 24, 2011 under the Canada Business Corporations Act. The Company's shares are listed on the TSX Venture Exchange under the symbol SRA. The head office of the Company is located at 945 Princess Street, Box # 118, Kingston, Ontario.

The Company is engaged in the acquisition, exploration, and development of mineral properties in Quebec, Canada.

2. GOING CONCERN ASSUMPTION

The condensed consolidated interim financial statements have been prepared on a going concern basis, which assumes that the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The Company is in the exploration stage and has not earned revenue from operations. During the nine month period ended June 30, 2024, the Company had a net loss of $1,921,373 and had negative cash flows from operations of $670,413. In addition, the Company has a deficit of $8,155,294.

The above factors indicate that a material uncertainty exists that may cast significant doubt about the Company's ability to continue as a going concern. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions.

The Company's ability to continue as a going concern, realize its assets and discharge its liabilities in the normal course of business, meet its corporate administrative obligations and continue its exploration activities over the next twelve months is dependent upon management's ability to obtain additional financing, through various means including but not limited to equity financing. No assurance can be given that any such additional financing will be available, or that it can be obtained on terms favorable to the Company.

The condensed consolidated interim financial statements do not reflect adjustments that would be necessary if the going concern assumption was not appropriate. If the going concern basis was not appropriate for the condensed consolidated interim financial statements, then adjustments would be necessary to the carrying amounts of assets and liabilities, the reported expenses and the classifications used in the condensed consolidated interim statements of financial position.

3. BASIS OF PRESENTATION AND COMPLIANCE WITH IFRS

The condensed consolidated interim financial statements for the three and nine month periods ended June 30, 2024 are expressed in Canadian dollars, which is the functional currency of the Company. They have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). They do not include all of the information and disclosures required in annual financial statements in accordance with International Financial Reporting Standards ("IFRS") and should be read in conjunction with the Company's consolidated financial statements for the years ended September 30, 2023 and 2022.

The condensed consolidated interim financial statements have been prepared in accordance with the accounting policies used in the Company's financial statements for the years ended September 30, 2023 and 2022.

When preparing the condensed consolidated interim financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management. The judgments, estimates and assumptions applied in the condensed consolidated interim financial statements, including the key sources of estimation uncertainty, were consistent with those applied in the Company's consolidated financial statements for the years ended September 30, 2023 and 2022.

The condensed consolidated interim financial statements were approved for issue by the Board of Directors on August 21, 2024.

4. RISK MANAGEMENT AND CAPITAL MANAGEMENT

Risk management

The Company thoroughly examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include credit risk, liquidity risk and market risk. Where material, these risks are reviewed and monitored by the Board of Directors.

(i) Credit risk

Credit risk is the risk of an unexpected loss if a party to its financial instruments fails to meet its contractual obligations. The Company's financial assets exposed to credit risk include cash and maximum exposure is equal to the carrying value totalling $826,968 at June 30, 2024. The Company's cash is held at a Canadian chartered bank with high external credit ratings. It is management's opinion that the Company is not exposed to significant credit risk.

Management considers that all the above financial assets that are not impaired or past due for each of the reporting dates are of good credit quality. There are no financial assets that are past due but not impaired for the periods presented.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business as well as anticipated transactions. As at June 30, 2024, the Company had working capital of $1,334,085, including $826,968 in cash and current liabilities of $64,378 due within the next 12 months. There has been no change to management's assessment of liquidity risk compared with the prior year.

(iii) Market risk

The Company holds shares in a publicly listed company in the mineral exploration industry. The Company is exposed to market risk regarding these shares as unfavorable market conditions could result in the disposal at less than their value at June 30, 2024. As at June 30, 2024, the value of these listed shares was $350,131. At June 30, 2024, had the price for these publicly listed shares been 10% lower, the comprehensive loss for the nine month period ended June 30, 2024 would have been $35,013 greater. Conversely, had the price been 10% higher, the comprehensive loss would have been $35,013 less.

Capital management

The Company manages its capital to ensure its ability to continue as a going concern and to provide an adequate return to its shareholders as well as ensuring that all flow-through monies obtained are utilized in exploration activities and spent by the required deadline. In the management of capital, the Company includes the components of shareholders' equity and loans from related parties. As long as the Company is in the exploration stage with its mining properties, it is not the intention of the Company to contract additional debt obligations to finance its work programs. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares. When financing conditions are not optimal, the Company may enter into option agreements or find other solutions to continue its activities or may slow its activities until conditions improve. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than those of the TSX Venture Exchange ("TSXV") which require adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of June 30, 2024, the Company believes it is compliant with the policies of the TSXV. In order to facilitate the management of its capital requirements, the Company prepares annual budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

(Expressed in Canadian dollars)

The Company's capital management objectives, policies and processes have remained unchanged during the nine month period ended June 30, 2024.

5. MARKETABLE SECURITIES

Marketable securities are classified as fair value through profit or loss and are comprised of:

	June 30, 2024	September 30, 2023
	$	$
Cygnus Metals Limited (1)	**350,131**	1,274,231

(1) In July 2023, the Company received 9,129,825 shares in Cygnus Metals Limited in connection with the optioning of the Company's Pontax Central property (Note 7). On initial recognition, the shares were recorded at a value of $2,000,000, based on the 10 day VWAP of Cygnus' shares at the time.

During the nine month period ended June 30, 2024, the Company recorded a decrease in fair value of financial assets at fair value through profit or loss of $924,100.

(Expressed in Canadian dollars)

6. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, marketable securities and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying value due to their short-term nature. The fair value of the Company's marketable securities is based on quoted prices in an active market (Level 1).

The classification of financial instruments is as follows:

As at	**June 30, 2024**	September 30, 2023
	$	$
Financial assets		
Amortized cost		
Cash	**826,968**	1,689,771
Fair value through profit or loss		
Marketable securities	**350,131**	1,274,231
Total financial assets	**1,177,099**	2,964,002
Financial liabilities		
Amortized cost		
Accounts payable and accrued liabilities	**(64,378)**	(176,387)
Total financial liabilities	**(64,378)**	(176,387)

7. MINERAL EXPLORATION PROPERTIES AND EXPLORATION AND EVALUATION ASSETS

	June 30, 2024		September 30, 2023	
	Mineral exploration properties	**Exploration and evaluation assets**	Mineral exploration properties	Exploration and evaluation assets
	$	**$**	$	$
a) Pontax Central (formerly Pontax-Lithium)	**-**	**-**	-	-
b) Romer	**237,500**	**93,039**	237,500	92,037
c) Pontax II	**8,941**	**-**	275,941	107,004
d) Project Jeremiah	**35,000**	**48,546**	-	-
	281,441	**141,585**	513,441	199,041

a) Pontax Central (formerly Pontax-Lithium)

On December 6, 2013, the Company acquired a 100% interest in the Pontax Central property from Khalkos Exploration Inc. ("Khalkos") in consideration for a cash payment of $100,000 and the issuance of 833,333 common shares. The property was recorded at a value of $350,000 upon initial recognition, based on the fair value of the property received and consideration paid. The Pontax Central property is comprised of a group of 68 contiguous mining claims located in the James Bay Territory of Northern Quebec.

On October 17, 2022, the Company announced the execution of a definitive agreement (the “Definitive Agreement”) with Cygnus Metals Limited (formerly Cygnus Gold Limited) (ASX: CY5) (“Cygnus”) following the execution of a binding term sheet between the parties dated July 26, 2022. Pursuant to the Definitive Agreement, Cygnus has been granted the sole and exclusive option (the “Option”) to acquire up to a 70% undivided interest in Stria’s Pontax Central property (the “Property”) under a two-stage option for total cash payments of $6,000,000 and exploration expenditure commitments totaling $10,000,000 (the “Transaction”). Following the exercise of the Option, the parties will form a joint venture (the “Joint Venture”) with each of Cygnus and Stria holding an undivided interest of 70% and 30% respectively, with Cygnus acting as operator of the Joint Venture. Stria’s interest in the Joint Venture will be free carried until Cygnus delivers a feasibility study on the property.

In consideration for the Option, Cygnus paid cash consideration of $1,000,000 and subscribed for 1,400,000 common shares of the Company at a price of $0.25 per common share for aggregate gross proceeds of $350,000 (Note 9). During the 2022 fiscal year, Stria received a total of $1,350,000 from Cygnus in respect of these conditions, which was included in deposits in the consolidated statement of financial position at September 30, 2022, pending the execution of the Definitive Agreement and closing of the subscription for shares, both of which occurred in October 2022.

The terms of the two-stage option are as follows:

(1) Option to acquire a 51% undivided interest ("First Option")

Under the First Option, Cygnus is required to incur exploration expenditures on the Property in the amount of $4,000,000 over a period of 18 months. Following completion of such expenditures, in order to complete the First Option, Cygnus shall pay Stria a cash amount of $2,000,000.

(2) Option to acquire an additional 19% interest ("Second Option")

Under the Second Option, conditional upon the exercise of the First Option, Cygnus shall incur additional exploration expenditures in the amount of $6,000,000 over a period of 30 months from the date of exercise of the First Option. Following completion of such expenditures, in order to complete the Second Option, Cygnus shall pay Stria an additional cash amount of $3,000,000. Upon the exercise of the Second Option, Cygnus shall have acquired a 70% undivided interest in the Property. In the event Cygnus elects not to proceed with, or otherwise fails to exercise the Second Option, the parties will form the Joint Venture with Cygnus automatically transferring a 2% undivided interest back to Stria for a nominal consideration. Each of Cygnus and Stria shall thereafter hold an undivided Joint Venture interest of 49% and 51% respectively, with Stria becoming operator of the Joint Venture

In addition, during the year ended September 30, 2022, Stria incurred exploration expenditures on the Pontax Central property in the amount of $133,593, which were reimbursed by Cygnus in December 2022.

On July 5, 2023, the Company received the final milestone payment of $2,000,000 from Cygnus in the form of 9,129,825 shares. The shares were recorded at a value of $2,000,000, based on the 10 day VWAP of Cygnus shares ($0.2191 per share). In connection with the milestone payment, the Company recognized a gain on optioning of mineral exploration property in the amount of $1,049,149, representing the amount by which the $2,000,000 option payment exceeded the carrying value of the property. Following satisfaction of the $2,000,000 payment, Cygnus earned a 51% interest in the Pontax Central property, in accordance with the Definitive Agreement.

b) Romer

On August 11, 2022, the Company completed the acquisition of the Romer property from Braille Energy Systems Inc. (“BESI”), a related party which shares common management, for total consideration of $237,500, comprised of $125,000 in cash and 750,000 common shares of Stria with a fair value of $112,500. The Romer property is an early-stage exploration project located in the Labrador Trough sector of Nunavik, the northern division of the Nord-du-Québec administrative region.

BESI retained a net smelter royalty ("NSR") of 1.0%, half of which Stria has the option to purchase such that the NSR is reduced from 1.0% to 0.5% (the "Partial NSR Buyout Option"). The Partial NSR Buyout Option may be exercised at any time by Stria for consideration of $500,000 payable in cash or stock or a combination thereof at Stria's discretion.

c) Pontax II

(i) In April 2023, the Company entered into two Mineral Property Acquisition Agreements (the "Mirabelli Agreements") to acquire a 100% interest in two mineral properties close to its Pontax Central property in the James Bay Territory of Northern Quebec, for the following consideration:

-$125,000 in cash at closing (paid in May 2023)
-500,000 common shares of the Company at closing (issued in May 2023 at a value of $95,000)
-a minimum of $92,000 of exploration work on the properties, to be conducted within 14 months of closing
-$312,500 in cash, to be paid within 14 months of closing
-1,875,000 common shares of the Company, to be issued within 14 months of closing

The completion of each agreement is conditional on the completion of the other agreement. The transfer of the properties will not occur until the full consideration has been paid by the Company. In the event that a payment is not made as per the timeline above, the vendors can cancel the transaction and retain all prior payments received.

(ii) In June 2023, the Company entered into an additional Mineral Property Acquisition Agreement (the "VCT Agreement") to acquire a 100% interest in 24 claims adjacent to the mineral properties to be acquired pursuant to the Agreements, for the following consideration:

-$25,000 in cash at closing (paid in July 2023)
-100,000 common shares of the Company at closing (issued in July 2023 at a value of $22,000)
-$40,000 in cash, to be paid within 18 months of closing
-250,000 common shares of the Company, to be issued within 18 months of closing

In the event that a payment is not made as per the timeline above, the vendor can cancel the transaction and retain all prior payments received.

(iii) In June 2023, the Company staked additional claims in the area for $8,941.

In June 2024, further to the termination of the Mirabelli Agreements and the VCT Agreement, the Company wrote down the carrying value of the Pontax II property by $400,084 ($267,000 in acquisition costs and $133,084 in exploration and evaluation assets).

d) Project Jeremiah

In December 2023, the Company entered into a Mineral Property Acquisition Agreement (the "Project Jeremiah Agreement") to acquire a 100% interest in 12 claims in the Abitibi region of Quebec, for the following consideration:

-$35,000 in cash at closing (paid in December 2023)
-a minimum of $250,000 of exploration work on the property, to be conducted within 14 months of closing
-the issuance of common shares of the Company with a value of $110,000

(Expressed in Canadian dollars)

The vendor will retain a net smelter royalty ("NSR") of 2.0%, half of which Stria has the option to purchase such that the NSR is reduced from 2.0% to 1.0% (the "NSR Buy Back Option"). The NSR Buy Back Option may be exercised at any time by Stria for consideration of $1,000,000 payable in cash or a combination of cash and stock at Stria's discretion.

In the event that a payment is not made as per the timeline above, the vendor can cancel the transaction and retain all prior payments received.

The following table reflects changes to mineral exploration properties during the nine month period ended June 30, 2024 and the year ended September 30, 2023:

	Nine months ended June 30, 2024	Year ended September 30, 2023
	$	$
Balance, beginning of the period	**513,441**	589,975
Acquisition of mineral exploration property	**35,000**	275,941
Write-down of mineral exploration property	**(267,000)**	-
Option payment received	**-**	(352,475)
Balance, end of the period	**281,441**	513,441

The following table reflects changes to exploration and evaluation assets during the nine month period ended June 30, 2024 and the year ended September 30, 2023:

	Nine months ended June 30, 2024	Year ended September 30, 2023
	$	$
Balance, beginning of the period	**199,041**	1,650,609
Additions		
Drilling	**980**	-
Independent technical studies	**-**	2,250
Geochemical survey	**103,333**	203,715
Property maintenance	**11,827**	19,906
	116,140	225,871
Option payments received	**-**	(1,598,376)
Write-down of exploration and evaluation assets	**(133,084)**	-
Tax credits and credit on duties	**(40,512)**	(79,063)
Balance, end of the period	**141,585**	199,041

(Expressed in Canadian dollars)

8. DEFERRED GOVERNMENT GRANT

In July 2022, the Company was awarded a $275,000 grant by the government of Quebec's Ministry of Energy and Natural Resources (the "MERN"), to help finance a geometallurgical study of lithium-bearing spodumene pegmatites on the Company's Pontax Central property.

In February 2024, with the approval of the MERN, the grant was assigned to Cygnus Metals Limited "Cygnus"), the Company's partner on the Pontax Central property (Note 7) and the Company transferred $41,250 to Cygnus, representing 15% of the total grant, which had previously been advanced to Stria.

As at June 30, 2024, $Nil was included in deferred government grant in the consolidated statements of financial position ($41,250 as at September 30, 2023).

9. SHARE CAPITAL

Authorized

Unlimited number of common shares, voting, participating and without par value.

Issued and fully paid

Common shares

	Number of shares	$
Balance, September 30, 2022	**21,236,036**	**6,747,779**
Shares issued for cash (1)(2)	4,085,000	954,125
Shares issued to acquire mineral exploration property (Note 7)	600,000	117,000
Share issuance costs	-	(15,055)
Balance, September 30, 2023 and June 30, 2024	**25,921,036**	**7,803,849**

(1) On October 17, 2022, the Company completed a private placement for gross proceeds of $350,000. The private placement was comprised of 1,400,000 shares at a price of $0.25 per share.

(2) On November 7, 2022, the Company completed a private placement for gross proceeds of $604,125. The private placement was comprised of 2,685,000 units at a price of $0.225 per unit. Each unit is comprised of one common share and one half of a common share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company at a price of $0.50 until November 7, 2024. The proceeds from the financing ($604,125) were allocated entirely to share capital ($604,125), after which there was no residual amount to allocate to the warrants. Share issuance costs in the amount of $15,055 were incurred and presented as a reduction of share capital.

(Expressed in Canadian dollars)

10. WARRANTS

The following table reflects the continuity of warrants outstanding:

	Number of warrants	Weighted average exercise price
		$
Balance, September 30, 2022	**7,433,500**	**0.50**
Issued	1,342,500	0.50
Expired	(48,000)	0.50
Balance, September 30, 2023 and June 30, 2024	**8,728,000**	**0.50**

As at September 30, 2023 and June 30, 2024, the following warrants were issued and outstanding:

Number of warrants	Allocated value	Exercise price	Expiry date
	$	$	
5,200,000	-	0.50	June 24, 2025
2,137,500	-	0.50	August 19, 2024
48,000	2,064	0.50	August 19, 2024
1,342,500	-	0.50	November 7, 2024
8,728,000	**2,064**		

In June 2023, the Company extended the expiry date of 5,200,000 warrants, exercisable at $0.50, by 24 months. The warrants now have an expiry date of June 24, 2025.

11. STOCK OPTIONS

The following table reflects the continuity of stock options outstanding:

	Number of stock options	Weighted average exercise price
		$
Balance, September 30, 2022	**4,480,750**	**0.25**
Granted (1)	530,000	0.35
Balance, September 30, 2023	**5,010,750**	**0.26**
Expired	(135,750)	0.50
Balance, June 30, 2024	**4,875,000**	**0.25**

(1) On November 11, 2022, 530,000 stock options were granted to Directors, Officers, employees and consultants at an exercise price of $0.35 per share, which all vested immediately and expire on November 11, 2027.

(Expressed in Canadian dollars)

As at June 30, 2024, the following stock options were outstanding and exercisable:

	Outstanding			**Exercisable**	
Exercise price	**Number outstanding**	**Weighted average remaining contractual life**	**Weighted average outstanding exercise price**	**Number exercisable**	**Weighted average exercisable exercise price**
		(in years)	$		$
$0.17	2,195,000	3.15	0.17	2,195,000	0.17
$0.175	1,240,000	3.16	0.175	1,240,000	0.175
$0.350	530,000	3.37	0.35	530,000	0.35
$0.50	910,000	2.69	0.50	910,000	0.50
	4,875,000	**3.09**	**$0.25**	**4,875,000**	**$0.25**

As at September 30, 2023, the following stock options were outstanding and exercisable:

	Outstanding			**Exercisable**	
Exercise price	**Number outstanding**	**Weighted average remaining contractual life**	**Weighted average outstanding exercise price**	**Number exercisable**	**Weighted average exercisable exercise price**
		(in years)	$		$
$0.17	2,195,000	3.90	0.17	2,195,000	0.17
$0.175	1,240,000	3.92	0.175	1,240,000	0.175
$0.350	530,000	4.12	0.35	530,000	0.35
$0.50	1,045,750	3.06	0.50	1,045,750	0.50
	5,010,750	**3.75**	**$0.26**	**5,010,750**	**$0.26**

The following table reflects the weighted-average fair value of stock options granted during the nine month period ended June 30, 2024 and the year ended September 30, 2023 and the related Black-Scholes option pricing model inputs that were used in the calculations:

	Nine months ended June 30, 2024	Year ended Sepember 30, 2023
Stock options granted	-	530,000
Weighted average fair value	-	0.34
Weighted-average exercise price	-	0.35
Weighted-average market price at date of grant	-	0.345
Expected life of stock options (years)	-	5
Expected stock price volatility	-	224%
Risk-free interest rate	-	3.31%
Expected dividend yield	-	0%

The underlying expected stock price volatility is based on historical data of the Company's shares over a period commensurate with the expected life of the options.

The risk-free interest rate is based on the yield of a Government of Canada benchmark bond in effect at the time of grant with an expiry commensurate with the expected life of the options.

(Expressed in Canadian dollars)

Stock-based compensation of $Nil (all of which relates to equity-settled stock-based payment transactions) was included in the condensed consolidated interim statements of comprehensive loss for the nine month period ended June 30, 2024 (2023 - $180,730) and credited to contributed surplus.

12. SUPPLEMENTAL CASH FLOW INFORMATION

	Nine months ended June 30,	
	2024	2023
	$	$
Changes in non-cash working capital are as follows:		
Sales taxes receivable	**392**	(60,538)
Other receivables	**-**	133,593
Prepaid expenses	**38,393**	(7,647)
Accounts payable and accrued liabilities	**(112,009)**	(78,504)
	(73,224)	(13,096)

13. RELATED PARTY TRANSACTIONS

Transactions with related parties not disclosed elsewhere in these financial statements are as follows:

Unless otherwise stated, none of these transactions incorporated special terms and conditions and no guarantees were given or received.

<u>Key management compensation</u>

The following table reflects compensation of key management personnel (Directors and Officers of the Company):

	Three months ended June 30,		Nine months ended June 30,	
	2024	2023	**2024**	2023
	$	$	**$**	$
Consulting fees	**45,939**	**520,937**	**137,812**	**612,812**
Stock-based compensation	**-**	**-**	**-**	**180,730**
	45,939	**520,937**	**137,812**	**793,542**

14. CONTINGENCIES

The Company may, from time to time, be involved in various claims, legal proceedings or complaints arising in the ordinary course of business. The Company cannot reasonably predict the likelihood or outcome of any such actions. The Company does not believe that adverse decisions in any other pending or threatened proceedings related to any matter, or any amount which may be required to be paid by reason thereof, will have a material effect on the financial condition or future results of operations.

As at June 30, 2024, a legal claim brought against the Company in fiscal 2021 by a former officer of the Company remains ongoing. Pleadings are closed but the exchange of productions are ongoing and examinations for discovery have not been completed. As such, it is too early to evaluate this claim.